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# FLOOR REPORT

## OF THE

# 2021-22

# BUDGET

**JUNE 28, 2021**

**PHIL TING**

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**CHAIR, ASSEMBLY BUDGET COMMITTEE**

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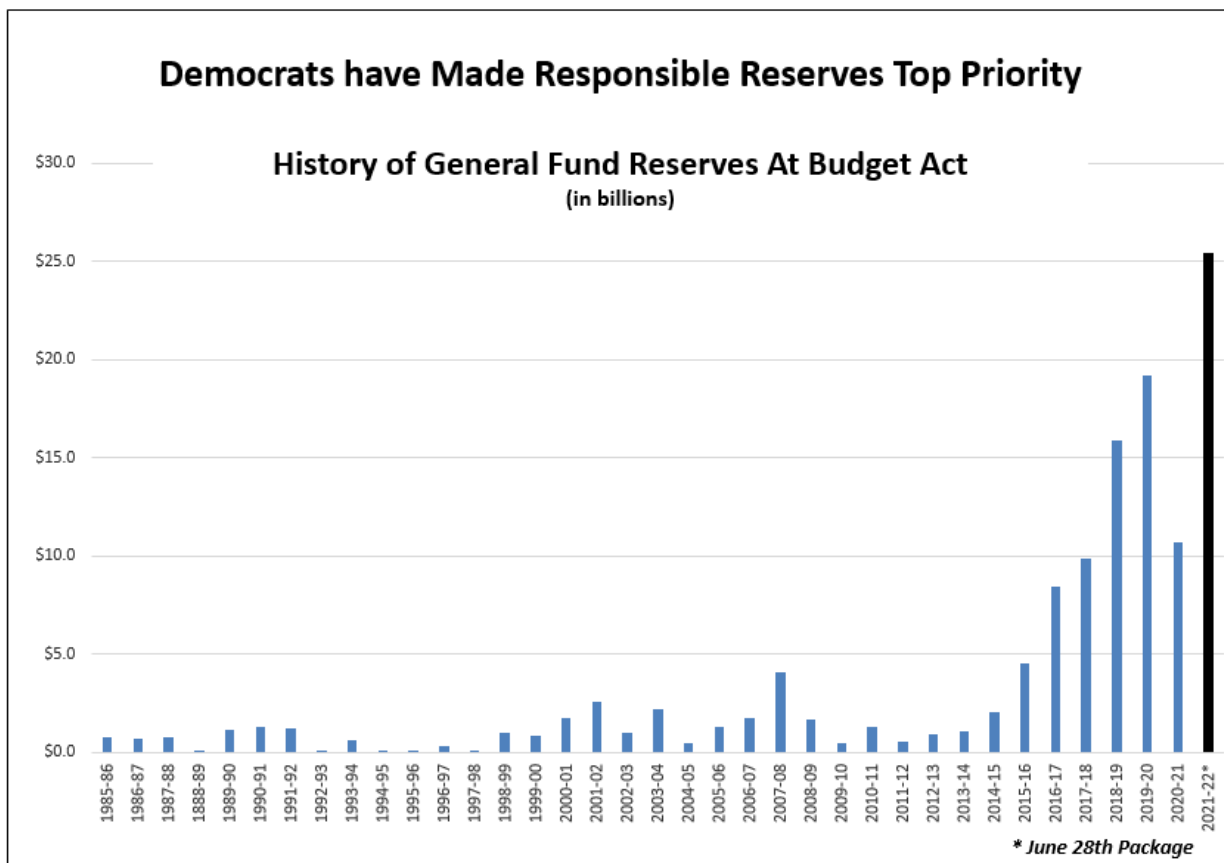
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**OVERVIEW**

As of the time this summary was completed (11 a.m. on June 27, 2021), no budget deal between the Legislature and the Governor has been announced. Negotiations between the Governor, the Senate President pro Tempore, and the Speaker of the Assembly, however, have reached a general understanding concerning spending in the 2021-22 budget, and as is typical at this stage in the process, details concerning several trailer bills remain to be worked out. The Legislature, however, continues to consider the administration’s proposals in the priority area of child care rates following the recent conclusion of bargaining between the state and Child Care Providers United. A comprehensive budget deal hopefully will be announced soon.

The spending framework generally agreed to between the Legislature and the Governor is described below as the “**June 28 Budget Package.**” AB/SB 129—amending the June 14 budget bill sent to the Governor (AB 128)—is expected to be considered in the Legislature on June 28, 2021.

**Responsible Budgeting**



**Proposition 2 Works As Intended.** Proposition 2 emerged from the California State Assembly as ACAX2 1 (Pérez) in 2014. It was passed with the support of 69% of voters. Proposition 2 includes requirements for automatic deposits to the Budget Stabilization Account (California’s main “rainy day fund”), which is programmed to grow over time to about 10% of General Fund revenues.

When an emergency hits, as occurred during the pandemic in 2020, Proposition 2 allows for withdrawals from the rainy-day fund to help sustain vital programs. The measure worked exactly as intended one year ago. State workers sacrificed significantly with temporary pay reductions, university funding was reduced, and school payments were deferred, among other actions. Core programs protecting Californians in need, however, generally were sustained at or near prior-year funding levels.

In non-emergency years, Proposition 2 spells out in detail how much money is deposited to the rainy day fund. Larger deposits may be required in years when capital gains (generated mostly by high-income households’ stock sales) are a larger part of revenues. Historically, capital gains tax revenues have proven to be volatile.

**Large Reserve Deposits in This Year’s Budget Plan.** California is still managing the COVID-19 emergency, which was formally declared by the Governor in March 2020. As such, the Governor and the Legislature probably could have chosen to suspend some deposits to the rainy day fund this year pursuant to Proposition 2. But, instead, the June 28 Budget Package makes the deposits to reserves set forth in Proposition 2, as well as other discretionary deposits. The Governor and the Legislature have agreed throughout this budget process that the state should maintain significant reserves in 2021-22 to protect the investments now being made in vital programs.

**Deposits to Proposition 2 Reserves.** According to preliminary estimates by the Department of Finance, the June 28 Budget Package results in about \$12 billion of newly required deposits to Proposition 2 reserve accounts.

- **2019-20 “True Up” Deposit.** Based on updated figures concerning 2019-20 revenues, the package deposits \$1.2 billion to the rainy day fund.
- **2020-21 “True Up” Deposit.** Based on updated figures concerning 2020-21 revenues, the package deposits \$2.8 billion to the rainy day fund.
- **2021-22 Rainy Day Fund Deposit.** Based on the Department of Finance’s 2021-22 revenue estimates, the package deposits \$3.4 billion to the rainy day fund. This takes the Budget Stabilization Account’s balance to \$15.8 billion, or about 9% of General Fund tax revenues. (To put this in perspective, note that last year’s pandemic budget left this account with only \$8.3 billion on hand.)
- **Proposition 98 Reserve.** Proposition 2 also established the Public School System Stabilization Account. This separate Proposition 98 reserve is now starting to be filled, with \$4.5 billion of deposits reflected in the June 28 Budget Package.

Under the Department of Finance's initial multiyear estimates, the total balance of the Budget Stabilization Account is poised to reach the Proposition 2 target level of 10% General Fund tax revenues in 2022-23 under the June 28 Budget Package. After that time, some new rainy day fund deposits must be diverted to infrastructure and deferred maintenance costs until the next time a downturn or emergency requires withdrawals from the fund.

**Deposits to Other Budget Reserves.** The Governor and the Legislature agree that additional reserves need to be maintained, in addition to the Proposition 2 rainy day fund. The June 28 Budget Package estimates that the following other reserves will be maintained.

- **Safety Net Reserve Fund.** To protect health and human services programs during budget downturns, the Legislature created the Safety Net Reserve Fund in 2018. The June 28 Budget Package makes a discretionary deposit of \$450 million to this reserve in 2021-22, taking its total balance up to \$900 million. As there are no limits on the balances of the Safety Net Reserve Fund and the Budget Deficit Savings Account (also created in 2018), the Legislature and the Governor will have the opportunity to grow these reserves further in later budgets.
- **Special Fund for Economic Uncertainties (SFEU).** The state's traditional reserve, the SFEU essentially must be maintained at one dollar or higher with the passage of each budget act. The SFEU's balances, however, are limited in certain conditions to about 3% or 4% of General Fund revenues (Sections 6051.4, 6051.45, 6201.4, and 6201.45 of the Revenue and Taxation Code). The June 28 Budget Package maintains the SFEU at an estimated \$4 billion in 2021-22 (over 2% of General Fund revenues).

**Other Budgeting Safeguards.** In negotiations leading to the June 28 Budget Package, the Governor and the legislative leadership agreed that even further safeguards were needed to secure the state's fiscal condition as California emerges from the COVID-19 pandemic.

For example, over \$10 billion of federal funds provided under the American Rescue Plan Act are deployed strategically in the June 28 Budget Package, resembling their treatment in the June 14 legislative budget plan, to cover some one-time General Fund costs in 2021-22 and 2022-23. (Federal guidance on these topics was not available to the administration at the time of the May Revision.)

Other budgeting safeguards emerged from budget negotiations. The June 28 Budget Package makes transformational investments in vital programs, as described below. These improvements in programs will be phased in over several years, but everyone realizes that we cannot predict what the future will hold for the state budget and economy. Accordingly, several key program investments will be phased in with the explicit acknowledgement that some future incremental increases—generally those in 2023-24 and beyond—are “subject to appropriation” in the event that state revenues lag or other state expenditures increase. This simply clarifies that future incremental increases in some programs are subject to being paused temporarily in future years should the state's fiscal conditions warrant, generally beginning in 2023-24. The programs affected by these budgeting safeguards include:

- *Certain increases in child care slots.* The June 28 Budget Package boosts child care access with 120,000 added subsidized child care slots in 2021-22. Future budgets will add an additional 20,000 slots per year for four more years beginning in 2022-23, but these later incremental additions are subject to appropriation beginning in 2023-24.
- *Increases in services to CalWORKs families.* The June 28 Budget Package ramps up funding for more case management to continue the transformation of CalWORKs into a supportive program that helps lift families out of poverty. Starting at \$37.5 million of new funding for this purpose in 2021-22, these investments will grow, but additions are subject to appropriation beginning in 2023-24.
- *Certain increases in SSI/SSP grants.* The June 28 Budget Package provides a State Supplementary Program (SSP) grant increase in January 1, 2022, with the aim of making an additional grant increase two years later to bring individual grants closer to the federal poverty level. The later grant increase is subject to appropriation.
- *Future expansion of California Food Assistance Program (CFAP).* The June 28 Budget Package funds programming and other costs to prepare to expand CFAP. This possible expansion would help meet the nutrition needs of those who, due to their immigration status, do not qualify for other California food programs. The decision to expand the program in 2023-24 and beyond will be subject to appropriation.
- *Certain higher education investments.* Funding of higher education in the budget historically has been subject to appropriation, including future increases to the universities' base budgets. In addition, funding of this year's expanded Middle Class Scholarship program to move closer to debt-free college for many Californians will be subject to appropriation in future years.

**Total Reserves Well Above Pre-Pandemic Estimates.** The June 28 Budget Package, in total, maintains \$25.2 billion of General Fund reserves in 2021-22, according to initial Department of Finance estimates. This \$25.2 billion equals 12.8% of estimated 2021-22 General Fund expenditures. (Because the 2021-22 budget will include significant one-time spending, funded in part with federal moneys, it is relevant to note that this \$25.2 billion equals about 13.5% of estimated General Fund expenditures in both 2022-23 and 2023-24.)

It is important to put in perspective just how significant it is to have \$25.2 billion of estimated reserves in 2021-22. The June 2019 Budget Act included estimated total reserves of just \$19.2 billion for 2019-20, the fiscal year in which the pandemic began. Furthermore, the Department of Finance's multiyear estimates in June 2019 anticipated that total reserves would equal only \$21.2 billion for 2021-22, or about \$4 billion less than the amount estimated in the June 28 Budget Package. The Legislature and the Governor agree that, in light of the significant recent growth in state revenues, more robust reserves are appropriate compared to these prior estimates.

**Even Bigger Reserves Likely: Conservative Revenue Estimates.** The June 28 Budget Package, as requested by the Governor, relies on the Department of Finance's revenue estimates (as opposed to the higher revenue estimates of the Legislative Analyst's Office). The

budget package, however, does recognize \$1.6 billion of higher-than-expected revenues received in April and May 2021.

After completion of most budget negotiations, however, revenues have continued to outperform expectations. In June 2021, for example, revenues have continued to pour in above the Department of Finance's estimates, but these June 2021 revenue gains are not recognized in the June 28 Budget Package. These higher revenues may boost Proposition 98 funding requirements above the record levels in the budget package. If so, these potentially significant increases in funding for schools and/or the Proposition 98 reserve will be recognized in later budget measures over the course of the next year.

In addition, the higher June 2021 revenues are poised to increase total General Fund reserves above the \$25.2 billion indicated in the Department of Finance's initial estimates of the June 28 Budget Package. As of today, June 27, it appears that 2020-21 agency cash revenues may end up around \$2 billion above the amount assumed in the June 28 Budget Package. If so, Proposition 98 school funding and/or Proposition 98 reserve amounts would increase, and assuming the budget's expenditure estimates are correct, total reserves could grow from \$25.2 billion to \$26.4 billion or more.

If more robust revenue collections continue into 2021-22, the total reserves could prove to be even higher than \$26.4 billion. The Legislative Analyst's Office (LAO) estimated on May 17 that General Fund revenues would be about \$7 billion higher in 2021-22 than the Department of Finance's estimates as reflected in the June 28 Budget Package. If the LAO's revenue estimates prove correct in 2021-22, Proposition 98 school funding and/or Proposition 98 reserve amounts would increase, and assuming the budget's expenditure estimates are correct, total reserves could grow to about \$30 billion in 2021-22.

Under the June 28 Budget Package, the state is estimated to remain well within its constitutional appropriations limit (the "Gann Limit") in 2021-22 and over the 2020-21/2021-22 biennium. The higher revenues estimated by LAO, if they materialize, would bring the state closer to this limit, potentially resulting in more funds being returned to taxpayers (in addition to this budget's stimulus and small business payments), one-time payments to schools, and/or additional state appropriations for debt service or infrastructure. The latter additional state appropriations, if they materialize, would further boost the state's fiscal condition by reducing future public debts.

## Transformative Actions

### **Economic Stimulus, Relief for Families & Small Business/Non-Profits**

While California's state finances have survived and bounced back after the COVID-19 downturn, many California families and small businesses continue to struggle.

The June 28 Budget Package builds on the historic investment in families and small businesses already provided by the federal and California governments with:



- **\$8.1 Billion for Golden State Stimulus 2.** Provides \$8.1 billion in direct relief to Californians with income of up to \$75,000. This provide Californians with payments of \$500, \$600, 1,000 or \$1,100, depending on their filing status. Combined with early budget actions in prior months, this totals approximately \$14.7 billion in relief for families and small businesses – a historic set of actions by any measure.
- **\$1.5 Billion Small Business / Non-Profits Grants.** Approves the Governor’s proposed additional \$1.5 billion in small businesses and non-profit grants, bringing the total investment in the Small Business COVID-19 Relief Grant Program to \$4 billion.
- **Additional Business Support.** Provides \$50 million for grants for micro-businesses, includes \$150 million to create the California Venues Grant Program, provides tax credits that support small business hiring and the hiring of homeless individuals, augments the Cal Competes Tax Credit by \$110 million on a one-time basis, and includes \$120 million to establish the Cal Competes Grant Program.

## **Education**

**Early Care and Education.** The June 28 Budget Package makes historic and transformative improvements for Early Care and Education. Strong Early Care and Education investments are critical to healthy families, and it is critical that child care providers are compensated fairly. Key Early Care and Education improvements include:

- **Child Care Slots.** Increases child care access by 200,000 slots – beginning is 120,000 in 2021-22 and phasing in an additional 80,000 over the next four years – in Alternative Payment, General Child Care, Migrant Child Care, bridge program for foster children, and prioritizes ongoing vouchers for essential workers currently receiving short-term child care.
- **Child Care Rate Reform.** With details yet to be finalized the Legislature aims to pass strong rate reform and rate increases for child care and state preschool providers. These will help ensure providers can be fairly compensated and run successful businesses that provide vital services for families.
- **Key One-time Investments.** Provides a variety of one-time investments to stabilize providers growing out of the pandemic, including stipends, hold harmless policies. Provides \$250 million in one-time investments in child care facilities (\$100 million in federal funds, and \$150 million in General Fund).

**TK-12 Public Education.** A key part to California’s pandemic recovery is the transformation of our public education system, and significant investments in California’s children and our shared futures. The June 28 Budget Package includes record spending for schools, over \$21,000 in per-student spending, total Proposition 98 funding of \$93.7 billion, and various initiatives to change the culture of public education including:



- **Universal Transitional Kindergarten.** Adopts universal Transitional Kindergarten (TK) as part of a mixed delivery system, phasing in expanded age eligibility to full implementation in 2025-26 and rebenching the Proposition 98 Guarantee to provide ongoing funding for the TK expansion of approximately \$2.7 billion at full implementation. By the 2025-26 school year, all California four-year olds will have an option to attend preschool in the year before kindergarten, including a Universal Transitional Kindergarten option in all local school districts.
- **Community Schools.** Provides \$3 billion one-time Proposition 98 to launch a statewide initiative to build accessible community wellness and student health hubs on over 1,000 school campuses. The Community School model addresses students' and their families' most critical health and service needs, to support students in academic success. The budget package adds universal meals to the education model, allowing all students who need a healthy breakfast or lunch at school, to receive one, year round at their local school.
- **Expanded Learning.** The standard schedule for public schools often does not meet the needs of working families. The June 28 Budget Package creates an Expanded Learning program to provide funding for afterschool and summer school enrichment programming targeted at low-income students. In 2021-22, the budget provides \$1 billion ongoing Proposition 98, and \$753.1 million one-time Proposition 98 funds, growing to \$5 billion ongoing Proposition 98 funding at full implementation for all classroom-based local educational agencies.
- **Special Education.** Provides \$396 million in ongoing Proposition 98 General Fund to increase the statewide base rate for the special education formula and \$260 million ongoing Proposition 98 to fund specified services for children ages 3-5 years old. In addition, one-time funds of \$550 million Proposition 98 are provided to invest in increased support for special education alternative dispute resolution and learning recovery supports for special education students associated with impacts due to the COVID-19 pandemic.
- **Career and College Readiness.** Doubles high school student access to career and college-prep coursework and training.
- **School Nutrition.** Launches the Universal School Meals Program, with an increase in state meal reimbursements by \$54 million in the 2021-22 fiscal year and \$650 million ongoing Proposition 98 funding beginning in 2022-23, to cover the costs of offering breakfast and lunch for all students.

## **Access to College and Financial Aid**

Access to affordable higher education is a cornerstone of a strong middle class. While California has done a good job to keeping tuition low and has been able to eliminate tuition entirely for the 55 percent of CSU and UC students that qualify for Cal Grants, non-tuition costs and antiquated rules that shut out qualified students from Cal Grants have resulted in students relying on student debt.

The June 28 Budget Package makes the biggest expansion to Cal Grants since its inception and reboots the Middle Class Scholarship to supplement Cal Grants for the first time to cover non-tuition costs for students receiving Cal Grants.

- ***Cal Grant Enrollment Expansion.*** Provides \$155 million ongoing to end the age and time out of high school requirements for Community College students that for too long have locked deserving students out of the Cal Grant program. This will begin in the upcoming school year with \$154 million for 133,000 community college students.
- ***Middle Class Scholarship Reboot (MCS 2.0).*** Provides an additional \$515 million on top of existing \$117 million beginning in 2022-23 to reboot the Middle Class Scholarship to expand to supplement non-tuition costs for Cal Grant students and to ultimately eliminate the de facto requirement for lower and middle income students to rely on student loans to attend CSU and UC.

The MCS 2.0 will close the gap between the full cost of attendance – including non-tuition costs – and resources provided by other financial aid, earnings from a part-time job and of the full cost of attendance and traditional between traditional financial and modest family contribution from families with over \$100,000 annual income.

The \$632 million is estimated to close the gap by 33 percent, with the intent to expand in future years to ultimately fill the gap by 100%, and finally provide debt free college.

The June 28 Budget Package also provides \$180 million to increase resident enrollment at UC and CSU by more than 15,000 students, and launches a new program to replace nonresident students at UC Berkeley, UCLA and UC San Diego with California students. Moreover, the package provides new funding to all three public higher education segments to support food pantries, Cal Fresh sign up, and housing insecurity, and adds ongoing funding and \$150 million of one-time funding to increase student mental health services. Over the next three years, \$2 billion is provided to expand student housing and other facilities for higher education students.

## **Major Investments in Youth Behavioral Health, Behavioral Health Infrastructure, and Public Health**

- **Youth Behavioral Health.** Invests \$4.4 billion dollars over five years to create a new, modern, and innovative behavioral health system for youth ages 0 to 25, including \$205 million for the Mental Health Student Services Act to fund school and county mental health partnerships to support the mental health and emotional needs of children and youth as they return to schools and everyday life.
- **Behavioral Health Continuum Infrastructure.** Invests \$2.2 billion for competitive grants to construct, acquire, and rehabilitate real estate assets to expand the community continuum of behavioral health treatment resources. These funds include an allocation of \$150 million, combined with \$55 million of federal funding, to support mobile crisis support teams to assist youth and adults experiencing a behavioral health crisis.
- **Public Health and Health Equity Infrastructure.** Builds the foundation for a 21<sup>st</sup> century public health system to address preventable death and disease, reduce health disparities, and support an agile public health workforce, with \$300 million annually beginning in 2022-23. These investments will be governed by statutory changes developed in collaboration with the Administration in the coming months.

## **Aging and Disability**

The June 28 Budget Package takes major action to improve services for the aged and those with disabilities. Legislative Democrats have long championed these efforts but with the strong fiscal condition of the state this budget package makes progress far beyond any prior efforts. The improvements include:

- **Medi-Cal at 50+, Regardless of Immigration Status.** Provides ongoing funding growing to \$1.3 billion to expand Medi-Cal eligibility to all income eligible Californians 50-plus years of age, regardless of immigration status.
- **Medi-Cal Asset Test Removal.** Eliminates the Medi-Cal asset test for seniors to remove the “senior savings” penalty, to expand access to more income eligible seniors.
- **SSI/SSP Legacy Cut Restoration.** Provides \$225 million in 2021-22 and \$450 million in 2022-23 to restore 50 percent of the remaining 2009 SSI/SSP grant cut, and anticipates the remaining 50 percent of the cut will be restored in the 2023-24 budget year. This restoration (combined with the Governor’s May Revision proposal) will increase the SSP grant by approximately \$36 per month for individuals and \$92 per month for couples.
- **Developmental Services Provider Rates.** Phases in an ongoing \$1.2 billion to fully phase in the rate study provider increases over a five-year period. This will help ensure providers receive fairer compensation and that families will continue to have access to the vital services provided.

- **Permanent Restoration of IHSS 7% Hours Cut.** Finally ends the legacy of the “7% cut” in in-home care services to elderly and disabled Californians. While the cut was restored in prior years, the threat of the cut remained by it being added to the list of program “suspensions” that would have automatically taken effect in future years. The June 28 Budget Package of the budget approves the Governor’s proposal to end these (and all other) program suspensions.

### **Fighting Poverty and Hunger**

The June 28<sup>th</sup> Package makes strides to ending poverty and fighting hunger across California by implementing sensible reforms to improve outcomes for participants in the CalWORKs program and making investments in our state’s food safety net. This includes:

- **Increasing CalWORKs Income Standards.** Provides \$135 million in ongoing support to raise the applicant earned income disregard from \$90 to \$450.
- **CalWORKs Pregnancy Aid.** Provides \$17 million ongoing to allow a pregnant person to receive aid to meet special needs resulting from pregnancy upon verification of pregnancy and increases the CalWORKs pregnancy supplement from \$47 to \$100.
- **Food for All.** Begins implementing expansion of state-funded nutrition benefits to those ineligible for CalFresh or the California Food Assistance Program solely due to immigration status. Automation changes to the program will begin immediately, and targeted enrollments may begin in 2023-24 once automation updates are completed.
- **Aid for Food Banks.** Provides close to \$300 million one-time to help food banks address the overwhelming need brought on by the COVID-19 pandemic and operate in the 2021-22 fiscal year.

### **Homelessness Package**

The homelessness crisis affects every community in California. The June 28 Budget Package builds on recent one-time spending efforts to make the largest ever commitment to address homelessness over a two year period, with a legislative goal of providing additional, future funding for local governments. The package includes:

- **Record Investments to Address Homelessness.** Provides roughly \$12 billion in new funding for homelessness programs over the next two years.
- **Local Multi-Year Support for Local Governments.** Includes \$1 billion in support for local governments to address homelessness in both 2021-22 and 2022-23, with a legislative goal to provide additional funding based upon performance and needs in the field in the future. This is perhaps the first “outyear” commitment made by the state and will come with strong oversight and accountability to ensure the funds are put to work to

successfully alleviate homelessness. Trailer bill language for these items should emerge soon.

- ***Sending More Resources to Front-Line Anti-Poverty Programs.*** Includes more than \$4 billion over two year for various programs operated out of the Department of Social Services. These housing and homelessness programs touch the most vulnerable in our state – seniors in poverty at risk of abuse and neglect, families with children, and children and guardians in our child welfare system.

### **Criminal Justice Reform and Access to Justice**

- ***Reduces Fines and Fees.*** Reduces the debt of low-income Californians by eliminating various criminal administrative fees, including civil assessments, subject to legislation later this year. The budget package includes \$151 million General Fund in 2021-22, \$151 million in 2022-23, \$130 million in 2023-24, and \$120 million in 2024-25 and ongoing to backfill the revenue associated with the eliminated fees. As well, includes \$12.3 million General Fund in 2021-22, \$25.1 million in 2022-23, \$47.0 million in 2023-24, and \$58.4 million annually thereafter for the Judicial Branch to support statewide court operations, including processing ability to pay determinations.
- ***Legal Aid for Homeowners and Renters.*** Delivers \$80 million of federal funds over three years to fund legal aid services for renters and homeowners to avoid eviction and foreclosure.
- ***Support for Court Operations.*** Restores \$200 million ongoing General Fund to the Judicial Branch to re-open temporarily closed courtrooms and process case backlogs which have accumulated during the pandemic. Provides an additional \$72 million to ongoing General Fund to support trial court operations and a separate, additional, \$60 million for allocation by the Judicial Council to trial courts to address backlogs and workload delays resulting from the COVID-19 Pandemic.
- ***Pre-Trial Services.*** Provides \$140 million in 2021-22 and \$70 million ongoing from the General Fund to support programs and practices statewide that reduce pre-trial detention.
- ***Investments in Rehabilitation, Re-entry, and Recidivism Reduction.*** Includes a “Rehabilitation, Re-entry and Recidivism Reduction” package of \$200+ million for career development, rehabilitative programming, family connection, local support for individuals to remain out of the criminal justice system, and removal of barriers to successful re-entry.
- ***Violence Reduction, Intervention, and Prevention.*** Provides \$211 million General Fund for violence reduction, intervention, and prevention efforts across the state.
- ***Office of Youth and Community Restoration (OYCR).*** Provides \$27.6 million General Fund in 2021-22 and \$7 million ongoing for the new OYCR under the Health and Human

Services Agency to support the youth justice continuum in the state to improve youth outcomes, reduce and eliminate racial disparities, and enhance public safety. Of the amount provided in the budget year, \$20 million shall be available to the OYCR to provide technical assistance, disseminate best practices and issue grants to counties and probation departments for the purpose of transforming the juvenile justice system to improve outcomes for justice involved youth.

### **Historic Resources Investments**

California continues to be affected by climate change, and the June 28 Budget Package works to address this with historic investments, some of which will continue to be worked out in negotiations between the administration and the Legislature over the coming weeks. These are in addition to this spring's early budget actions to promote wildfire prevention. The budget package's investment include:

- ***Drought Package.*** Provides funding over multiple years to address and get ahead of the emerging drought. Details of the package will continue to be worked out through the three-party negotiations.
- ***Climate Resiliency Package.*** Provides approximately \$3.7 billion over three years to make needed climate resiliency investments, or about \$2.4 billion more than what was proposed in the Governor's May Revision. Details of the package will continue to be worked out through the three-party negotiations.
- ***Local Parks Package.*** Provide \$200 million for parks across the state.

### **Infrastructure**

The June 28 Budget Package invests in infrastructure throughout the state, including deferred maintenance of public assets. These are wise investments to make with one-time state and federal funds, and they will help reduce the need to issue debt for these items in later years. Key highlights of infrastructure investments in the June 28 Budget Package include:

- ***Broadband.*** Appropriates \$6 billion over a multi-year period for broadband infrastructure and improved access to broadband services throughout the state, including \$3.75 billion for middle-mile infrastructure in unserved communities. Details will continue to be worked out through continuing negotiations.
- ***Early Care and Education and K-12 Facilities.*** Provides almost \$1 billion for Early Care and Education and K-12 infrastructure, including: \$250 million for child care infrastructure, \$490 million for preschool/transitional kindergarten/kindergarten facilities, and \$250 million for school facilities.

- **Higher Ed Facilities, Acquisition and Student Housing.** Creates a new \$2 billion fund for CSU and UC facilities and for student housing at Community Colleges, CSU, and UC. Specific details of the program will be established through legislation enacted later.
- **Transportation.** Provides billions of dollars in new spending for transportation infrastructure, including \$3 billion in funding for transportation infrastructure across the state, including for active transportation projects and projects identified for completion prior to 2028, \$2 billion for streets, roads, and highway projects, and \$400 million for a State and Local Transportation Adaptation program. Much of the transportation investments will require legislation to allocate the funds later this year.
- **Affordable Housing.** Provides \$1.75 billion to alleviate the backlog in affordable housing construction, \$300 million for the preservation of existing affordable housing, \$130 million for the development, maintenance, and preservation of farmworker housing, and \$600 million for planning and implementation grants to help local governments plan for and meet their goals under their Sustainable Community Strategies.
- **Workforce Development.** The budget package allocates over \$1 billion for workforce development. Funds will provide training, education, and “upskilling” opportunities supporting growth in critical industries like allied health, housing construction, and other “high road” industries.
- **Arts, Civic, and Cultural Institutions.** Includes investments in civic institutions that support our communities and celebrate California’s diversity and cultural heritage. This includes \$390 million for support for libraries. The budget package also provides \$40 million specifically for youth arts programs and \$60 million for local artists and arts organizations in every county, as well as \$50 million to support cultural institutions in rebounding from the pandemic.

### **Investing in Communities**

- Invests over \$1 billion one-time funds in targeted legislative priority investments in local communities. From parks, to cultural institutions, to infrastructure, to needed local programs, these one-time investments will directly improve lives of Californians at the local level.



## SUMMARY CHART

## 2021-22 General Fund Budget Summary

(Dollars in Millions)

	2020-21	2021-22
<b>Prior Year Balance</b>	<b>\$5,557</b>	<b>\$28,274</b>
<b>Revenues and Transfers</b>	\$183,764	\$178,787
Transfer to/from BSA	\$7,806	0
<b>Total Resources Available</b>	<b>\$194,322.0</b>	<b>\$203,619</b>
Non-Proposition 98 Expenditures	\$98,373	\$130,041
Proposition 98 Expenditures	\$67,685	\$66,674
<b>Total Expenditures</b>	<b>\$166,058</b>	<b>\$196,415</b>
<b>Fund Balance</b>	<b>\$28,212.9</b>	<b>\$6,375.9</b>
<b>Budget Reserves:</b>		
Reserve for Liquidation of Encumbrances	\$3,175	\$3,175
<b>Special Fund for Economic Uncertainties</b>	<b>\$25,099</b>	<b>\$4,029</b>
<b>Safety Net Reserve</b>	<b>\$450.0</b>	<b>\$900</b>
<b>Budget Stabilization Account</b>	<b>\$12,339</b>	<b>\$15,781</b>
<b>Public School System Stabilization Account</b>	<b>\$1,889</b>	<b>\$4,506</b>
<b>Total Reserves</b>		<b>\$25,217</b>

**HEALTH****California Health and Human Services Agency**

- Approves the Children and Youth Behavioral Health Initiative affecting multiple departments, with modifications, as follows:
  1. Approves \$205 million (including \$10 million for evaluation and administration) to support and expand the Mental Health Student Services Act Partnership Grant Program, operated by the Mental Health Services Oversight and Accountability Commission.
  2. Approves of \$749.7 million, including \$10 million in 2021-22, for the Behavioral Health Services and Supports Platform and Pediatric Primary Care and Other Healthcare Provider eConsult, and delays \$73 million in proposed 2021-22 funding until the project has met the appropriate milestones of the California Department of Technology's Project Approval Lifecycle.
  3. Approves \$50 million for training for pediatric, primary care and other healthcare providers.
  4. Approves \$400 million to support the Medi-Cal managed care plan incentive program, and requires plans to enter into a three-party partnership between the plan, the county mental health plan, and local school districts or county offices of education as a condition of receiving incentive funding.
  5. Approves of \$550 million (\$100 million in 2021-22 and \$450 million in 2022-23) for school-linked behavioral health partnerships and capacity, including: a) \$400 million for pre-school through 12<sup>th</sup> grade; and b) \$150 million for higher education.
  6. Approves of \$429 million in 2022-23, at the Department of Health Care Services (DHCS), for a grant program to support evidence-based programs serving disproportionately impacted communities or communities of color, such as on early psychosis, youth drop-in wellness centers, intensive outpatient programs for youth, and prevention and early intervention services for youth. Requires DHCS to establish a Memorandum of Understanding, including \$42.9 million, with the Mental Health Services Oversight and Accountability Commission to partner on this grant program.
  7. Approves of \$800 million to support the addition of dyadic services as a Medi-Cal benefit.
  8. Approves \$310 million for children and youth-focused behavioral health infrastructure, including \$205 million to be available immediately for mobile crisis support teams.
  9. Approves \$448 million for behavioral health workforce initiatives at the Office of Statewide Health Planning and Development (OSHPD).
  10. Approves of \$352 million for behavioral health counselors and coaches over five years through OSHPD.
  11. Approves of \$100 million over five years for a public education and change campaign to be implemented by the California Department of Public Health.
  12. Approves of \$25.5 million for public education on Adverse Childhood Experiences and trauma, to be implemented by the Office of the Surgeon General.
  13. Approves of \$70 million for DHCS state operations.

14. Approves of \$45 million for the CalHOPE Student Support Program.
15. Approves of \$50 million for subject matter expertise and evaluation at the California Health and Human Services Agency.
16. Adopts trailer bill language to implement this initiative.

- Approves administrative resources for implementation of SB 852 (the California Affordable Drug Manufacturing Act of 2020) including a one-time appropriation of \$2 million General Fund in Fiscal Year 2021-22 for consulting services, with expenditure authority until Fiscal Year 2022-23, and position authority for one FTE position (\$197,000 General Fund in 2021-22 and \$184,000 General Fund ongoing) to support implementation of SB 852 (Pan, Chapter 207, Statutes of 2020), the California Affordable Drug Manufacturing Act of 2020.

### **California Health Facilities Financing Authority**

- Adopts trailer bill to provide flexibility to the California Health Facilities Financing Authority to support hospitals through its HELP II health facility loan program.

### **Emergency Medical Services Authority**

- Approves \$10 million General Fund one-time and \$750,000 annually thereafter, and adopts trailer bill to establish a statewide electronic registry for Physician Orders for Life Sustaining Treatment (POLST).
- Approves \$2.3 million General Fund over three years beginning in 2021-22 to implement AB 1544 (Gipson, Gloria, Chapter 138, Statutes of 2020), the Community Paramedicine or Triage to Alternate Destination Act of 2020, which would authorize a local emergency medical services agency to develop and seek approval for a program that provides the various community paramedic or triage paramedic services.
- Approves \$286,000 General Fund ongoing and two permanent positions, to meet the increased workload within the Office of Legislative, Regulatory and External Affairs (LEA) to coordinate external affairs; public engagement related to emergency preparedness and disaster response and mitigation; and intergovernmental communications in support of EMSA's lead role under California's Emergency Support Function 8 (ESF-8) – Public Health and Medical. The requested resources will also address increased workload within the Legal Office associated with mandated reporting tasks, AB 434 (Baker, Chapter 780, Statutes of 2017) compliance, and creation of content and ongoing workload associated with implementation of EMSA's intranet.
- Approves \$365,000 General Fund ongoing, to improve regional disaster medical and health mitigation, preparedness, response and recovery by permanently funding an additional three (3) local Regional Disaster Medical Health Specialist in three California Governor's Office of Emergency Services Mutual Aid regions.

- Increases item 4120-001-0001 by \$8,495,000 and 14 positions to maintain and store critical equipment and medical supplies acquired during the COVID-19 Pandemic, and provide resources for the Operations Center and for exercises and training.
- Increases item 4120-001-0001 by \$1,414,000 and 6 positions for recruitment, on-boarding, and program management of the California Health Corps Program California Medical Assistance Teams program, and the Disaster Healthcare Volunteers/Medical Reserve Corps Program.
- Increases item 4120-001-0001 by \$851,000 and 5 positions for administrative services support for the Human Resources Unit to address workload associated with routine and emergency response personnel services functions.
- Increases item 4120-001-0001 by \$10 million and 2 positions one-time for planning and readiness activities to establish a statewide emergency services data infrastructure that strengthens real-time information sharing and data analytics for the state and locals, emergency medical services providers, and health care providers.

**Office of Statewide Health Planning and Development**

- Approves \$16 million General Fund ongoing to provide grants to universities and colleges to operate Health Professions Career Opportunity Programs.
- Approves \$45.5 million General Fund one-time to support training efforts for certified nursing assistants (CNAs), including: 1) \$40.5 million for CNA startup programs, scholarships and stipends; and 2) \$5 million for a CNA certification training pilot program based on the Healthcare Career Pathway program.
- Approves \$10.5 million General Fund one-time to pilot the California Medicine Scholars Program, which would enable a statewide pathway to medicine to prepare California community college students for careers as primary care physicians in underserved communities.
- Approves 58 positions and \$11.2 million in 2021-22, 106 positions and \$24.5 million in 2022-23, 123 positions and \$27.3 million in 2023-24, and annually thereafter from the California Health Data and Planning Fund to establish the Office of Health Care Affordability.
- Approves trailer bill, nine positions and total expenditure authority of \$6.3 million, from various fund sources, in 2021-22 and 13 positions and \$3.9 million annually thereafter to recast and reorganize OSHPD into the Department of Health Care Access and Information (HCAI). The reorganization includes transferring the Office of Rural Health and the J-1 Visa Waiver Program from DHCS to the new department.

- Approves of \$50 million General Fund one-time, available over six years, for additional awards to support and sustain new primary care residency programs through the Song-Brown Health Care Workforce Training Program. Of this amount, \$10 million is specifically to support Board of Registered Nursing-approved pre-licensure programs, with priority for public programs.
- Approves of \$8 million one-time, available over six years, for geriatric workforce programs.
- Approves a net-zero adjustment to the OSHPD's total special funds (increase of \$6,000 Hospital Building Fund, \$31,000 Health Data and Planning Fund, \$4,000 Mental Health Services Fund, and decrease of \$41,000 Health Facility Construction Loan Insurance Fund) to support administrative services related to accounting and human resources. The implementation of the Fi\$Cal system has resulted in increased time needed for various processes.
- Approves \$5,009,000 in reimbursement authority to the General Fund for Fiscal Year 2021-22, \$5,316,000 in 2022-23, \$4,736,000 in 2023-24, and \$4,743,000 in 2024-25. Reimbursement authority will enable OSHPD to use federal funds to support the Health Care Payments Data (HPD) System through the end of the Project Approval Lifecycle process. HPD costs eligible for federal funds include state staff and services, operating expenses, and contracted services.
- Approves \$457,000 in 2021-22 and \$567,000 in 2022-23 from the California Health Data and Planning Fund to support State Office of the Attorney General (AG) fees for legal services provided to OSHPD associated with Chapter 603, Statutes of 2017 (SB 17). Also approves provisional language providing increased expenditure authority in the case that 2021-22 attorney fees exceed the amount in this request.
- Reappropriates up to \$31,000 in federal funds, to support the State Loan Repayment Program due to a grant contract breach. OSHPD has federal authority to encumber the funds in 2021-22.
- Extends the period to liquidate encumbrances for \$700,000 (Prop. 63 funds) for the Peer Personnel Program, for one grantee needing additional time to fulfill the service grant agreement as a result of COVID. OSHPD anticipates that more grantees also will need additional time.
- Amends item 4140-101-0143 by increasing reimbursements by \$400,000 to correctly reflect reimbursements due to a technical computing error.
- Withdraws a proposed \$40 million one-time loan from the Hospital Building Fund to the General Fund included in the Governor's Budget.

- Extends the period to liquidate encumbrances from Item 4140-001-8034, Budget Act of 2018 and encumbrances from Item 4140-001-8034, Budget Act of 2019 to support the Steven M. Thompson Physician Corps Loan Repayment Program.

### **Department of Managed Health Care**

- Approves trailer bill and the following resources to establish and enforce health equity and quality standards for all DMHC licensed full-service and behavioral health plans: 2 positions and limited term expenditure authority (equivalent to 0.5 position) and \$952,000 Managed Care Fund in 2021-22, 2 positions and \$351,000 in 2022-23, 15 positions and \$3,584,000 in 2023-24, 19.5 positions and limited term expenditure authority (equivalent to 0.5 position) and \$4,441,000 in 2024-25, 19.5 positions and limited term expenditure authority (equivalent to 0.5 position) and \$4,402,000 in 2025-26, 24.5 positions and limited term expenditure authority (equivalent to 2.5 positions) and \$6,315,000 in 2026-27, 24.5 positions and limited term expenditure authority (equivalent to 2.5 positions) and \$5,999,000 in 2027-28, 24.5 positions and \$5,434,000 in 2028-29 and annually thereafter.
- Approves 5 positions and \$1,500,000 Managed Care Fund in 2021-22, 5.5 positions and \$1,345,000 in 2022-23 and annually thereafter to review and enforce mental health and substance use disorder treatment coverage mandates on health plans as specified pursuant to SB 855 (Weiner, Chapter 151, Statutes of 2020).
- Approves limited-term expenditure authority of \$413,000 in 2021-22, \$401,000 in 2022-23 through 2024-25, \$332,000 in 2025-26, and \$342,000 in 2026-27 from the Managed Care Fund to create two pilot programs, one in Northern California and one in Southern California, to permit a qualifying voluntary employees' beneficiary association (VEBA) or trust fund to enter into capitation payment agreements with qualified providers while being exempt from licensure under the Knox-Keene Health Care Service Plan Act of 1975 for no more than four years as specified pursuant to AB 1124 (Maienschein, Chapter 266, Statutes of 2020).

### **Department of Health Care Services**

- Expands Medi-Cal eligibility to all income-eligible undocumented adults 50 years or older.
- Adopts trailer bill to eliminate the Medi-Cal assets test, so that seniors, and individuals with disabilities, with assets of more than \$2,000, do not lose, or are not denied, Medi-Cal coverage.
- Approves \$18 million General Fund one-time for adjustments to reimbursements for clinical laboratories, and \$3 million General Fund ongoing associated with the costs of eliminating the statutory reimbursement rate cap of 80 percent of Medicare, effective July 1, 2021.

- Approves \$2 million General Fund annually, and adopts trailer bill, to eliminate the 10 percent reimbursement rate reduction, approved in 2011, for complex rehabilitation technology.
- Approves \$3 million General Fund annually, and trailer bill, to add whole genome sequencing as a Medi-Cal benefit for infants one year of age or younger receiving inpatient hospital services in an intensive care unit.
- Approves \$2.8 million General Fund annually, and trailer bill, to allow Narcotic Treatment Programs to provide testing for fentanyl, as well as for HIV and hepatitis C.
- Approves \$1 million General Fund one-time, \$30,000 ongoing, and provisional language to support field testing of translated Medi-Cal materials to ensure they are understood by the intended audience.
- Approves \$10 million General Fund beginning in 2022-23, and ongoing, to extend increased funding for Caregiver Resource Centers authorized in the 2019 Budget Act to provide support for unpaid family caregivers.
- Approves \$2 million General Fund annually to support free clinics.
- Approves \$10 million General Fund one-time, and provisional language, to support improvements to Martin Luther King, Jr. Community Hospital in South Los Angeles.
- Approves \$30 million General Fund one-time to support Kedren Community Health and Acute Psychiatric Hospital.
- Approves \$40 million General Fund one-time, contingent on federal approval of the State's Home and Community Based Services Spending Plan, to continue the Behavioral Health Pilot Project, which provides grants to acute care hospitals to hire behavioral health counselors and peer navigators in emergency departments, prioritizing grants to hospitals that have yet to receive a grant for this purpose.
- Approves \$15 million General Fund one-time, and provisional language, to support the Alameda Wellness Campus to provide an integrated model of care that includes permanent supportive housing, medical respite, primary and behavioral health care, end-of-life care, and intensive homeless prevention and housing placement services for homeless seniors.
- Approves \$12 million General Fund one-time to expand the Medi-Medi project, to provide seniors support and guidance when transitioning from Medi-Cal to Medicare.
- Adopts trailer bill to allow Vision to Learn to enroll as a Medi-Cal fee-for-service provider to provide vision services to low-income children in schools.



- Adopts trailer bill to withdraw program suspensions included in statute for various health programs.
- Approves \$300 million General Fund one-time to support grants to designated public hospitals to support increased health care expenditures.
- Approves the Medi-Cal Estimate which proposes \$115.6 billion in total funds, including \$21.5 billion in General Fund, \$79 billion in federal funds, and \$15.1 billion in other non-federal funds. This includes \$828 million from the Coronavirus Fiscal Recovery Fund of 2021.
- Decreases item 4260-101-0001 by \$1,715,828,000 one-time, item 4260-101-0890 by \$2,162,073,000 one-time, item 4260-113-0001 by \$92,673,000 one-time, and item 4260-113-0890 by \$172,126,000 one-time to reflect COVID-19 impacts on Medi-Cal caseload. Approves caseload estimate which, compared to Governor's Budget, is estimated to decrease by approximately 371,800 average monthly enrollees in 2020-21 and 1,107,400 average monthly enrollees in 2021-22.
- Approves the Family Health Estimate which increases item 4260-111-0001 by \$7,108,000 ongoing, increases reimbursements by \$77,000 ongoing, and decreases item 4260-114-0001 by \$2,582,000 ongoing.
- Approves funding and trailer bill to implement CalAIM, including, but not limited to, the following components:
  1. Establishes the CalAIM Act and requires DHCS to identify conflicts between the Act and the Terms and Conditions and statutes and submit recommended amendments.
  2. Establishes an incentive payment program for Medi-Cal managed care (MCMC) plans that meet certain milestones and metrics, including In Lieu of Services (ILOS) and Enhanced Care Management (ECM).
  3. Reforms the reimbursement system for County Mental Health Plans.
  4. Authorizes DHCS to require Medi-Cal managed care plans and subcontractors to be accredited by NCQA, but prohibits deeming, except for credentialing.
  5. Authorizes the continuation of the Health Homes Program using General Fund and sunsets the program January 1, 2022.
  6. Requires DHCS to implement the State Plan Dental Improvement Program, a quality incentive program for district hospitals and continue the Global Payment Program.
  7. Sunsets the Coordinated Care Initiative (CCI) and Cal MediConnect and authorizes transition to enrollment in Medicare Dual-Eligible Special Needs Plans (D-SNPs).
  8. Requires continuation of the Drug Medi-Cal Organized Delivery System and Specialty Mental Health Services programs, including a placeholder requirement to design an intergovernmental transfer claiming methodology to replace the current claiming process and a Behavioral Health Quality Improvement Program for grants to counties and contracting entities to implement.

9. Requires county Boards of Supervisors to designate entities to assist county jail and juvenile inmates with submitting Medi-Cal applications.
  10. Requires a workgroup to improve collection of Medi-Cal enrollee contact and demographic information.
  11. Authorizes new incentive payments, grants, or other financial supports in a new program known as Providing Access and Transforming Health (PATH) for qualified entities to support services, infrastructure, and capacity building in advancing select goals and components of CalAIM.
  12. Authorizes funding for the Population Health Management Service.
  13. Authorizes funding to extend the Medically Tailored Meals Pilot Project.
- Approves of CalAIM state operations resources of 69.0 permanent positions, limited term resources equivalent to 46.0 positions and expenditure authority of \$23,860,000 (\$11,041,000 General Fund; \$12,819,000 Federal Fund) for fiscal year 2021-22.
  - Approves \$940,000 (\$470,000 General Fund; \$470,000 Federal Fund) in FY 2021-22 and \$913,000 (\$457,000 General Fund; \$456,000 Federal Fund) in FY 2022-23 to support the equivalent of 3.0 positions and contract resources to administer the Behavioral Health Quality Improvement Program (BH-QIP) under CalAIM.
  - Increases item 4260-001-0001 by \$1.5 million, item 4260-001-0890 by \$13.5 million, item 4260-101-0001 by \$30 million, and Item 4260-101-0890 by \$270 million one-time to provide Medi-Cal population health management services utilizing administrative and clinical data as part of CalAIM efforts proposed in the Governor's Budget.
  - Increases item 4260-101-0001 by \$9.3 million one-time, and approves trailer bill, to continue providing medically tailored meals, and to cover additional health conditions, until their availability through the CalAIM initiative.
  - Increases item 4260-101-0001 by \$100 million one-time and item 4260-101-0890 by \$100 million one-time, and approves trailer bill, to build capacity for effective pre-release care for justice-involved populations to enable coordination with justice agencies and Medi-Cal coverage of services 30 days prior to release.
  - Adopts trailer bill to extend flexibilities for Medi-Cal providers to utilize telehealth, as provided during the Public Health Emergency, for an additional year (through December 31, 2022). Allows DHCS to authorize the use of remote patient monitoring as an allowable telehealth modality. Requires DHCS to convene an advisory group to provide recommendations on ongoing use of telehealth in Medi-Cal, beyond this temporary time-period.
  - Approves \$1.4 billion, and \$2.2 million General Fund in fiscal year (FY) 2021-22 and \$2.2 million General Fund in FY 2022-23 and in FY 2023-24 and trailer bill to administer the Behavioral Health Continuum Infrastructure Program.

- Increases item 4260-101-0001 by \$8,778,000 ongoing and item 4260-101-0890 by \$10,464,000 ongoing, and approves trailer bill to unfreeze rates for Intermediate Care Facilities for the Developmentally Disabled. Also augments this proposal by \$10.5 million General Fund one-time to smooth reimbursement rates as these facilities recover from the pandemic.
- Increases item 4260-101-0001 by \$2,328,000 ongoing, item 4260-101-0890 by \$2,873,000 ongoing, and approves trailer bill to unfreeze rates for Free-Standing Pediatric Subacute Facilities.
- Approves 2 positions and expenditure authority of \$296,000 (\$148,000 General Fund (GF); \$148,000 Federal Fund (FF)) in 2021-22 and 2 positions and \$278,000 (\$139,000 GF; \$139,000 FF) in 2022-23 and annually thereafter to coordinate with the Department of Managed Health Care on the establishment and enforcement of health equity and quality standards and to perform related data analysis.
- Increases item 4260-101-0001 by \$4,181,000, item 4260-101-0890 by \$7,736,000, item 4260-113-0001 by \$237,000, item 4260-113-0890 by \$441,000 on an ongoing basis, and approves trailer bill to implement a program for specialty pharmacy services in Medi-Cal.
- Increases item 4260-101-0001 by \$147,000 ongoing, item 4260-101-0890 by \$242,000 ongoing, item 4260-113-0001 by \$5,000 ongoing, and item 4260-113-0890 by \$9,000 ongoing—growing annually thereafter—to cover doula services in the Medi-Cal program, effective January 1, 2022.
- Increases item 4260-101-0001 by \$6,154,000 ongoing and item 4260-101-0890 by \$10,169,000 ongoing—growing annually thereafter—to cover services provided by Community Health Workers in the Medi-Cal program, effective January 1, 2022.
- Increases item 4260-101-0001 by \$45,273,000, item 4260-101-0890 by \$45,273,000, and approves trailer bill to extend Medi-Cal eligibility from 60 days to 12 months for most postpartum individuals.
- Rejects the elimination of dental managed care in Sacramento and Los Angeles Counties, and adopts trailer bill to authorize DHCS to extend contracts with dental managed care plans.
- Increases item 4260-101-0001 by \$243,000, item 4260-113-0001 by \$38,000, Item 4260-101-0890 by \$345,000, and Item 4260-113-0890 by \$71,000 one-time to implement a dental integration pilot program in San Mateo County pursuant to SB 849 (Committee on Budget and Fiscal Review, Chapter 47, Statutes of 2018).

- Increases item 4260-115-0890 by \$138,040,000 and Item 4260-116-0890 by \$334,966,000 to reflect the projected federal funds to support mental health and substance use disorder services.
- Approves 2020-21 expenditures in Item 4260-101-0001 increasing by \$222 million one-time to maintain a reserve of the equivalent amount in the Medi-Cal Drug Rebate Fund.
- Increases item 4260-112-3305 by \$1,953,000 one-time to reflect additional funds available for the Proposition 56 Loan Repayment Program based on past-year and estimated current year expenditures.
- Decreases item 4260-001-0001 by \$690,000 and 4 positions, Item 4260-001-0890 by \$676,000, and Item 4260-111-0890 by \$498,000 ongoing to shift various activities from DHCS to the proposed new Department of Health Care Access and Information, as part of the OSHPD recast and modernization.
- Adopts provisional language to Item 4260-101-0001 extending the availability of any available General Fund in the California Health Information Exchange Onboarding Program (Cal-HOP) through the end of 2021-22 for interoperability or data exchange purposes.
- Adopts trailer bill to institute closer alignment between state funding for the California Community Transitions program and federal Money Follows the Person Program funding and requirements.
- Expands accelerated enrollment to adults, ages 19 through 64, using the California Healthcare Eligibility, Enrollment and Retention System (CalHEERS) at the time of application. Accelerated enrollment for adults provides immediate and temporary benefits while income verifications are pending. The budget includes costs of \$14.3 million total funds (\$7.2 million General Fund) in FY 2021-22.
- Approves 5.0 permanent positions and expenditure authority of \$715,000 (\$358,000 Federal Fund (FF); \$357,000 Reimbursement Fund (RF)) in fiscal year (FY) 2021-22 and \$670,000 (\$335,000 FF; \$335,000 RF) in FY 2022-23 and ongoing to implement and continue the ongoing workload of the new Ground Emergency Medical Transportation Public Provider Intergovernmental Transfer Program pursuant to AB 1705 (Bonta, Chapter 544, Statutes 2019).
- Approves two-year limited-term expenditure authority of \$1,080,000 (\$108,000 General Fund; \$972,000 Federal Fund) in fiscal year 2021-22 and in FY 2022-23 to support contract costs for the provision of technical assistance to counties during the expansion of X12 274 Health Provider Directory to behavioral health plans.

- Approves three-year limited-term (LT) resources equivalent to 3.0 positions and expenditure authority of \$432,000 General Fund in fiscal year 2021-2022 and \$405,000 GF in FY 2022-2023 and FY 2023-2024, needed to implement and maintain the workload created by the passage of SB 214 (Dodd, Chapter 300, Statutes of 2020) California Community Transitions Program.
- Approves limited-term (LT) extension of LT resources equivalent to 38.0 positions and expenditure authority of \$8,702,000 (\$3,081,000 General Fund; \$5,621,000 Federal Fund) in fiscal year 2021-22 to address the continuing workloads for: 1) California Community Transitions (CCT) Demonstration Project; 2) Federal Managed Care Regulations; 3) 1115 Waiver Extension Medi-Cal 2020; 4) Drug Medi-Cal Organized Delivery System Renewal and Policy Improvements; 5) Medi-Cal Health Enrollment Navigators; and 6) Robert F. Kennedy Workers Medical Plan.
- Approves the conversion of 62.5 limited-term resources to permanent positions and expenditure authority of \$9,455,000 (\$3,176,000 General Fund; \$5,603,000 Federal Fund; \$676,000 Hospital Quality Assurance Revenue Fund) in fiscal year 2021-22 and ongoing to address the following ongoing workload: 1) Federal Managed Care Regulations; 2) Legal Support for Ongoing Waiver Activities; 3) Health Care Reform Financial Reporting; 4) Private Hospital Directed Payment Program; and 5) Medi-Cal Eligibility Systems Staffing.
- Approves \$288,000 General Fund in fiscal year (FY) 2021-22 and \$270,000 General Fund in FY 2022-23 and in FY 2023-24 to implement the Assisted Outpatient Treatment (AOT) program pursuant to AB 1976 (Eggman, Chapter 140, Statutes 2020).
- Approves 4.0 permanent positions and expenditure authority of \$594,000 General Fund in fiscal year (FY) 2021-22 and \$558,000 General Fund in FY 2022-23 and ongoing to implement SB 406 (Pan, Chapter 302, Statutes 2020) by taking action on complaints against disclosed recovery residences, associated with a licensed residential substance use disorder treatment facility or certified program, that provide licensable services without first obtaining licensure or certification from DHCS.
- Adopts trailer bill language to restore over-the-counter acetaminophen and cough and cold products as Medi-Cal benefit, reflecting a reduction in annual Medi-Cal expenditures of \$21 million (\$7.8 million General Fund and \$13.2 million federal funds).
- Adopts trailer bill to repeal the statutory December 31, 2021 suspension date for Medi-Cal adult primary care screenings, brief intervention, and referral for treatments of misuse of opioids and other drugs because it is a federally required Medicaid State Plan benefit for all adults as of June of 2020.
- Adopts trailer bill language to clarify requirements for third-party commercial health insurance carriers to share data with DHCS of post-payment recovery and coordination of benefits.

- Approves expenditure authority of \$10.9 million (\$3.8 million General Fund and \$7.1 million federal funds) to add continuous glucose monitoring (CGM) systems as a Medi-Cal benefit for beneficiaries with Type 1 diabetes who demonstrate medical necessity, beginning January 1, 2022.
- Approves two-year limited-term (LT) expenditure authority of \$22,279,000 (\$4,016,000 General Fund (GF); \$18,263,000 Federal Fund (FF)) in fiscal year (FY) 2021- 22 and \$1,275,000 (\$128,000 GF; \$1,147,000 FF) in FY 2022-23 to continue support of critical IT modernization efforts. Also, approves a subsequent decrease of \$1,788,000 in General Fund and an increase of \$1,788,000 in federal funds.
- Adopts trailer bill to extend certain temporary adjustments to the Mental Health Services Act through June 30, 2022 to increase funding flexibility for counties to respond to the COVID-19 public health emergency.
- Adopts trailer bill to assess monetary penalties against a long-term health care facility for noncompliance with a hearing decision issued by DHCS that orders the readmission of a resident after a finding that the facility improperly transferred, discharged, or failed to readmit a resident.
- Approves 4.0 permanent positions and expenditure authority of \$602,000 (\$452,000 General Fund (GF); \$150,000 Federal Fund (FF)) in fiscal (FY) year 2021-22 and \$566,000 (\$425,000 GF; \$141,000 FF) in FY 2022-23 and ongoing, and approves trailer bill to establish a new DHCS Office of Medicare Innovation and Integration.
- Approves 8.0 permanent positions and expenditure authority \$2,238,000 (\$1,119,000 General Fund (GF); \$1,119,000 Federal Fund (FF)) in fiscal year (FY) 2021-22 for the expansion and improvement of school based health care. The request includes limited-term contract authority of \$1,000,000 (\$500,000 GF) in FY 2021-2022, and \$1,000,000 (\$500,000 GF) in FY 2022-23 to hire a contractor to help implement the expansion of the Local Educational Agencies Medi-Cal Billing Option Program.
- Approves one-year limited-term (LT) contract expenditure authority of \$6,885,000 (\$1,130,000 General Fund (GF); \$5,755,000 Federal Fund (FF)) in fiscal year (FY) 2021-22 to extend funding for the Medi-Cal Program Integrity Data Analytics (MPIDA) service.
- Approves 5.0 existing permanent positions, one-year limited-term (LT) contract funding, and expenditure authority of \$2,854,000 (\$713,000 General Fund (GF); \$2,141,000 Federal Fund (FF)) in fiscal year (FY) 2021-22 and \$737,000 (\$184,000 GF; \$553,000 FF) in FY 2022-23 and ongoing. The requested resources are needed to plan for and support DHCS compliance with the Centers for Medicare & Medicaid Services (CMS) and the Office of the National Coordinator (ONC) for Health Information Technology's Interoperability and Patient Access Rule (CMS-9115-F).

- Approves 11.0 permanent positions, four-year limited-term (LT) resources equivalent to 7.0 positions, and expenditure authority of \$2,672,000 (\$1,336,000 General Fund (GF); \$1,336,000 Federal Fund (FF)) for fiscal year (FY) 2021-22, \$2,510,000 (\$1,255,000 GF; \$1,255,000 FF) in FY 2022-23 through FY 2024-25 and \$1,554,000 (\$777,000 GF; \$777,000 FF) in FY 2025-26 and ongoing to support the statewide Managed Care Program procurement effort.
- Approves one-year limited-term contract funding in the amount of \$7,168,000 (\$1,792,000 General Fund (GF); \$5,376,000 Federal Fund (FF)) in fiscal year (FY) 2021-22 for enhancements (change requests) to the Provider Application and Validation for Enrollment (PAVE) system, including functionality to support provider enrollment activities within DHCS.

### **Department of Public Health**

- Approves a minimum of \$300 million ongoing, beginning in 2022-23, and trailer bill to address the state's public health infrastructure, health equity, and racial justice needs.
- Approves of \$3 million General Fund one-time to support a review of the state's pandemic response.
- Approves of \$63.1 million one-time General Fund to support Phase II of the California Reducing Disparities Project (CRDP).
- Approves of \$13 million ongoing General Fund to support investments to End the Epidemics of HIV/AIDS, hepatitis, sexually transmitted infections, and drug overdose deaths.
- Approves of \$8 million General Fund one-time to support the Parkinson's Disease Registry and to expand it to cover additional neurodegenerative diseases.
- Approves of five positions and \$2,780,235 General Fund in 2021-22 and ongoing to establish and administer an Office of Suicide Prevention, as authorized by AB 2112 (Ramos, Chapter 142, Statutes of 2020), and adopts trailer bill to remove the prohibition on the expenditure of new resources for this purpose.
- Approves \$1.5 million General Fund one-time for additional support for community based organizations that assist adults with sickle cell.
- Approves \$4.6 million General Fund in 2021-22, and provisional language to specify that other state resources will backfill reductions in Proposition 56 tobacco tax revenue to ensure a \$30 million annual allocation to the Office of Oral Health.
- Approves \$15 million General Fund one-time, and provisional language, to continue to support the wraparound model of care for individuals diagnosed with amyotrophic lateral sclerosis (ALS) and their caregivers.



- Approves \$25 million General Fund one-time to support All Children Thrive, a statewide initiative that supports efforts to mitigate the disparate effects of adverse childhood experiences (ACEs) on California children.
- Approves \$2 million General Fund ongoing to support the Biomonitoring Program to continue studying the burden of chemical exposures on the bodies of California residents.
- Adopts trailer bill to exempt contracts administered by the WIC program from the public contract code to provide local WIC agencies more flexibility to utilize federal funding for administering the WIC benefit and avoid loss of federal funding.
- Adopts provisional language to ensure state and federal public health investments are provided directly to all 61 local health jurisdictions, including the three city health departments in Pasadena, Long Beach, and Berkeley.
- Approves of a one-time appropriation of \$408,591 General Fund to support redirection of two existing positions and to continue outreach and surveillance efforts for the California Parkinson's Disease Registry.
- Approves a one-time General Fund expenditure authority of \$450,000 in 2021-22, and encumbrance or expenditure authority until June 30, 2023, to support infectious disease modeling activities as a part of the urgent COVID-19 pandemic response by increasing internal capacity to conduct, oversee, and utilize high-quality data modeling to inform public health emergency decisions and to participate in the COVID-19 Modeling and Analytics Consortium.
- Includes three positions and \$677,225 General Fund appropriation in Fiscal Year 2021-22 and ongoing to create a new program to manage COVID-19 workplace outbreak reporting, as mandated by AB 685 (Reyes, Chapter 84, Statutes of 2020).
- Adds 17 positions and \$2.6 million from the Licensing and Certification Program Fund in 2021-22 and ongoing, to expand the Medical Breach Enforcement Section (MBES). By expanding MBES and centralizing the investigation workload, CHCQ will free up clinical staff in the field offices from investigating any privacy breach intakes, thus allowing them to redirect their time to workload of a more clinical nature.
- Includes six positions and \$939,000 from the Licensing and Certification Program Fund in 2021-22 and ongoing, to implement provisions of AB 81 (2020 budget trailer bill) affecting the Quality and Accountability Supplemental Payment Program. AB 81 increased the fines for SNFs that fail to meet staffing requirements and granted appeal rights to SNFs that are non-compliant with staffing requirements for one day.
- Approves \$17 million General Fund (\$10.2 million in Local Assistance and \$6.8 million in State Operations) in 2021-22, available to be spent over a three-year period, to support

Alzheimer's Disease Program activities that include: Grants focused on disproportionately impacted populations; public awareness campaign; caregiver training programs; California Blue Zone challenge grants; and a statewide standard of dementia care. Item 4265-001-0001 be increased by \$5,375,000 one-time and Item 4265-111-0001 be increased by \$2,125,000 to supplement the Governor's Budget proposal activities in public awareness and promulgating standards of care.

- Adds seven positions and \$1 million from the Licensing and Certification Program Fund in 2021-22 and ongoing, to improve the timeliness of investigations of complaints against caregivers.
- Approves one-time General Fund expenditure authority of \$5 million in Local Assistance in 2021-22 for an early childhood literacy program for Women, Infants and Children (WIC) participants.
- Adds 0.5 Research Scientist Supervisor I and 0.5 Associate Governmental Program Analyst and \$164,000 in 2021-22 and ongoing from the Licensing and Certification Fund (Fund 3098) for establishing regulations for a personal protective equipment (PPE) stockpile to build an adequate future supply of PPE, as specified in the language of the bill, for all health care and essential workers in the state as mandated by SB 275 (Pan, Leyva, Chapter 301, Statutes of 2020).
- Approves 3 positions and \$449,000 in State Operations expenditure authority in 2021-22 and ongoing and Local Assistance expenditure authority of \$3.9 million in 2021-22 and \$20.2 million in 2022-23 and ongoing from the Genetic Disease Testing Fund (Fund 0203) in order to meet current standards of care and improve the screening process for the California Prenatal Screening Program.
- Approves a decrease of 119.0 positions and \$29.0 million expenditure authority in CDPH State Operations, including \$28.4 million in Cannabis Control Fund (Fund 3288) and \$527,000 in Reimbursement Fund (Fund 0995), to support the consolidation of resources within the proposed new Department of Cannabis Control.
- Approves \$26,000 General Fund in 2021-22 and \$52,000 ongoing General Fund to pay for costs associated with changes, maintenance, and operation of an existing database needed to accommodate the mandates of SB 312 (Leyva, Chapter 315, Statutes of 2020), the Cosmetic Fragrance and Flavor Ingredient Right to Know Act of 2020.
- Approves the AIDS Drug Assistance Program (ADAP) Estimate, which is decreased by \$13,927,000 ongoing to reflect a projected decrease in medication expenditures, insurance premium expenditures, and medical out-of-pocket costs.

- Approves the Women, Infants, and Children (WIC) Program Estimate, which increases item 4265-111-0890 by \$52,946,000 ongoing and increases item 4265-111-3023 by \$15,497,000 ongoing to reflect adjusted expenditure estimates. Also adopts trailer bill to exempt contracts administered by the WIC program from the public contract code to provide local WIC agencies more flexibility to utilize federal funding for administering the WIC benefit and avoid loss of federal funding.
- Approves the Genetic Disease Screening Program (GDSP) Estimate, which decreases item 4265-111-0203 by \$230,000 ongoing to reflect adjusted expenditure estimates.
- Approves the Center for Health Care Quality (CHCQ) Estimate, including: revised 2020-21 expenditure authority of \$344.9 million, which is a \$3.8 million increase from the 2021-22 Governor's Budget. This increase is due to \$3.8 million in supplemental awards related to the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). For 2021-22, CDPH estimates expenditures will total \$394.0 million, which is an increase of \$2.5 million from the 2021-22 Governor's Budget. This increase includes \$2.5 million in supplemental awards related to the CARES Act.
- Adopts trailer bill to allow PrEP-AP to pay for specified ancillary services for a person dispensed or furnished PrEP and post-exposure prophylaxis medication pursuant to Business and Professions Code sections 4052-4052.03.
- Approves \$6 million General Fund one-time and provisional language to support costs incurred from legal challenges to the state's COVID-19 pandemic response.
- Adopts trailer bill to repeal Health and Safety Code section 125075, which requires hospitals and physicians attending newborn infants to report each occurrence of Rhesus Isoimmunization Hemolytic Disease (Rh-HDN), due to its extremely low morbidity and mortality rate.
- Adopts trailer bill to provide a Public Contracts Code exemption for the Lesbian, Bisexual, Transgender and Queer (LBTQ) Women's Health Equity Initiative, which was included in the 2019 Budget Act, to allow smaller community-based organizations to successfully compete for grants and contracts.

### **Department of State Hospitals**

- Approves a trailer bill and resources to address the state's waiting list for competency treatment restoration services for individuals found incompetent to stand trial, including: 1) \$255,863,000 for DSH to contract for subacute bed capacity in facilities such as institutions of mental disease, mental health rehabilitation centers, skilled nursing facilities; and 2) authorization for the Department of Finance to increase this augmentation by up to \$75

million to implement the resolutions of the newly-established Incompetent to Stand Trial Solutions Workgroup.

- Adopts trailer bill to remove family members of former DSH patients from financial responsibility for their involuntary stay in a state hospital. Also adopts supplemental reporting language to require DSH to assess existing law and guidance on patient and family member liability for care and treatment at a state hospital facility, and develop recommendations regarding patient relief from financial impacts.
- Rejects the proposal to increase item 4440-011-0001 by \$16,602,000, decrease reimbursements by \$24,704,000, and increase item 4440-017-0001 by \$480,000 to discontinue the state hospitals as a treatment option for Lanterman-Petris-Short (LPS) patients over three years, provide treatment for these patients at the county level only, and utilize the state hospital beds for Incompetent to Stand Trial (IST) treatment.
- Approves of the withdrawal of the January proposal to establish the Community Care Demonstration Project for Felony Incompetent to Stand Trial (IST) (CCPD-IST), for the department to contract with counties to provide a continuum of services to felony ISTs in the county as opposed to state hospitals.
- Increases item 4440-011-0001 by \$13,293,000 and 7 positions to reflect updated assumptions regarding the timing of contract execution and program activation for existing counties, and reflect the expansion of Jail Based Competency Treatment Programs into 11 new counties. Funding increases to \$22,477,000 in 2022-23 and annually thereafter.
- Increases item 4440-011-0001 by \$28,330,000 and 4.5 positions to expand the current Los Angeles County Community-Based Restoration program and establish new programs in 17 additional counties. Funding increases to \$49,755,000 in 2024-25 and annually thereafter. Also approves provisional language to expedite any contracts necessary to establish the new programs.
- Increases item 4440-011-0001 by \$12,729,000 and 15.5 positions to partner with local county jails to re-evaluate individuals deemed Incompetent to Stand Trial on a felony charge who have waited in jail 60 days or more pending placement to a state hospital treatment program. Funding decreases to \$9,176,000 in 2023-24 and annually thereafter.
- Adopts trailer bill to require felony Incompetent to Stand Trial patients deemed not restorable to mental competency to be returned to the county within 10 days and remain in the county, otherwise DSH will charge the county a daily bed rate, and corresponding statutory changes to allow DSH to collect a daily bed rate.
- Approves \$47,584,000 one-time General Fund to expand the Mental Health Diversion Program to 33 additional counties, and adopts placeholder trailer bill to require counties

expanding a current state-funded Diversion program to exclusively divert IST patient defendants. The trailer bill also will eliminate the county match requirement for expanding programs if a county has already met its maximum match requirement under the original program contract. Item 4440-011-0001 will be increased by \$6.6 million to reflect the carryover and reappropriation of the unencumbered balance of the Diversion Program funding until June 30, 2022.

- Increases item 4440-011-0001 be increased by \$16,489,000 with resources equivalent to 7 limited-term positions for payment and processing of worker's compensation claims resulting from illness or injury sustained by state hospitals' employees who contract COVID-19 while performing essential work duties at a state hospital facility.
- Increases item 4440-011-0001 be increased by \$6,346,000 with resources equivalent to 6 limited-term positions to contract for a healthcare provider network, including prior authorization and third-party administration services. Funding decreases to \$2,246,000 in 2022-23 and 2023-24.
- Approves \$337,000 General Fund in fiscal year (FY) 2021-22 and \$266,000 annually thereafter to support the reclassification of 20.0 Hospital Police Officer (HPO) positions to Investigators.
- Grants authority, through provisional language, in fiscal year (FY) 2021-22 and annually thereafter until 2026-27, to extend the encumbrance and expenditure authority for ligature risk special repair funding authorized in the 2020 Budget Act.
- Increases item 4440-011-0001 by \$6,534,000 and 35.8 positions to restore resources to implement a standardized staffing model for Protective Services at Napa State Hospital and Outside Custody functions at all five hospitals. Funding increases to \$11,846,000 and 82.1 positions in 2024-25 and annually thereafter.
- Increases item 4440-011-0001 by \$434,000 in 2021-22 and annually thereafter to address updated bargaining unit contract negotiations and pay differentials for previously approved, unestablished positions phased-in over several years.
- Increases item 4440-011-0001 by \$22,778,000 and 44.3 positions to align resources with the staffing study methodology for standardize clinician-to-patient ratios. Funding increases to \$54,091,000 and 213.3 positions in 2025-26 and annually thereafter.
- Decreases item 4440-011-0001 by \$40,000 in 2021-22 and annually thereafter to reclassify 1 position to perform enhanced recruitment and outreach efforts.

- Increases item 4440-011-0001 by \$222,000 in 2021-22 and annually thereafter to address updated bargaining unit contract negotiations and pay differentials for previously approved, unestablished positions phased-in over several years.
- Increases item 4440-011-0001 by \$329,000 and decreases 8.2 positions in 2021-22 to address updated bargaining unit contract negotiations and pay differentials for previously approved unestablished positions phased-in over several years for the Enhanced Treatment Program. Funding increases to \$1,015,000 in 2022-23 and annually thereafter.
- Approves the Conditional Release Program (CONREP) -- Sexually Violent Predator Caseload Updates – Increases item 4440-011-0001 by \$1,845,000 in 2021-22 and annually thereafter to reflect the Department of State Hospital's updated caseload for the Sexually Violent Predator Conditional Release Program.
- Approves the CONREP -- Continuum of Care Updates -- Decreases item 4440-011-0001 by \$2,738,000 in 2021-22 and annually thereafter due to delays in construction and contract negotiations.
- Approves the CONREP -- Mobile Forensic Assertive Community Treatment Team Updates -- Increases item 4440-011-0001 by \$4,090,000 to contract for an additional 80 Conditional Release Program beds with the Mobile Forensic Assertive Community Treatment Team model. Funding increases to \$6,465,000 in 2024-25 and annually thereafter.
- Approves \$777,000 General Fund in Fiscal Year (FY) 2021-22 and in FY 2022-23 to support 5.5 two-year limited term (LT) positions for the Legal Division (LD) to address the sustained increase in workload of court hearings at which DSH attorneys are required to appear throughout the state and the sustained increase in workload of Public Records Act (PRA) requests to which DSH must respond.
- Includes \$794,000 General Fund in Fiscal Year (FY) 2021-22 and \$774,000 annually in FYs 2022-23, 2023-24 and 2024-25 to support 1.0 permanent position and contract resources equivalent to 2.0 consultants. The resources will be used to enhance system functionality for the Cost Recovery System (CRS) to capture, bill and recover eligible patient cost-of-care reimbursements until DSH has successfully implemented an Electronic Health Record.
- Approves \$22,024,000 Public Buildings Construction Fund for the construction phase of the Metropolitan: Consolidation of Police Operations project. The request will allow for the consolidation of hospital police services into a single location and include the demolition of seismically deficient buildings.
- Approves one-time \$15 million General Fund, available over three years, to address critical deferred maintenance, special repairs/replacement, and regulatory compliance projects at DSH's five hospitals. The planned projects include those related to fire and life safety, critical

infrastructure, and any facilities modernization required to complete major repairs and systems replacements. Item 4440-011-0001 will be increased by \$85 million one-time to fund 8 critical deferred maintenance projects across the five state hospital facilities. Approves provisional language to extend the encumbrance and expenditure period to June 30, 2025.

- Approves 3.0 permanent positions and \$352,000 General Fund in Fiscal Year (FY) 2021-22 and ongoing to expand patient education services at DSH-Coalinga. DSH's goal is to offer comparable education services for DSH-Coalinga patients as it does at its other hospitals and improve patient outcomes.
- Includes \$986,000 General Fund in Fiscal Year (FY) 2021-22 and FY 2022-23 to extend 8.0 limited-term positions for an additional two years to continue processing of invoices and payments from external medical providers containing Protected Health Information (PHI) in compliance with the Health Insurance Portability and Accountability Act (HIPAA) and consolidating DSH's financial operations into a single budget unit.
- Approves \$350,000 General Fund in Fiscal Year (FY) 2021-22 and ongoing for 2.0 permanent positions to establish Infection Preventionists at DSH-Metropolitan and DSH-Napa in accordance with requirements set forth in AB 2644 (Wood, Chapter 287, Statutes of 2020).
- Adopts a supplemental appropriation of \$3,792,000 General Fund to fund increased construction costs for the Statewide Enhanced Treatment Unit (ETU) at DSH-Atascadero and DSH-Patton.
- Approves \$50,528,000 General Fund for the construction phase of the DSH-Coalinga Hydronic Loop Replacement project, and a decrease of \$23,069,000 General Fund for the construction phase, based on the Department of General Services (DGS) updated cost estimate.
- Authorizes a reappropriation of \$229,000 General Fund for the working drawings of the Atascadero: Potable Water Booster Pump System.
- Authorizes General Fund authority of \$9.2 million in FY 2021-22 and \$8.9 million ongoing to offset the increased rental costs of \$7.7 million for CHHS, DDS, and DSH in the new Clifford L. Allenby State Building. In addition, DSH requests 2.0 permanent position authority to provide technology support to CHHS.

### **Mental Health Services Oversight and Accountability Commission**

- Approves \$205 million (including \$10 million for evaluation and administration), and trailer bill, to support and expand the Mental Health Student Services Act Partnership Grant Program.

- Approves \$42.9 million, through an MOU with DHCS, in 2022-23 for a grant program to support and expand evidence-based programs that address youth mental health, such as: early psychosis programs, programs for disproportionately impacted communities or communities of color, youth drop-in wellness centers, intensive outpatient programs for youth, and prevention and early intervention services for youth.
- Approves \$5 million (Mental Health Services Fund) one-time for the OAC to support a peer social media network project for children and youth, primarily in grades 1 to 12, who have experienced bullying based on race, ethnicity, language, or country of origin, or perceived race, ethnicity, or country of origin.
- Approves an extension to the time period to liquidate \$400,000 in encumbrances from Item 4560-001-3085, Budget Act of 2018, to support County Mental Health Innovation Planning.
- Approves a request that Item 4560-494 be added to extend the period to liquidate \$5.9 million in encumbrances from Item 4560-101-3085, Budget Act of 2018, to support the Triage Personnel Grant Program.

### **Health Benefit Exchange**

- Decreases item 4800-101-0001 by \$405,647,000 one-time to reflect savings resulting from new federal subsidy levels pursuant to the American Rescue Plan Act of 2021 subsuming the state subsidy program.
- Adopts placeholder trailer bill to establish the Health Care Affordability Reserve Fund and to provide a one-time General Fund transfer of \$333,439,000 for the purpose of future health care affordability measures. The total equals the projected individual mandate penalty revenue in fiscal year 2020-21 and 2021-22, less the 2021-22 cost of the proposed One-Dollar Premium Subsidy Program.
- Adopts trailer bill to require Covered California to prepare a report by January 1, 2022, with options for utilizing the Health Care Affordability Reserve Fund to further improve affordability or cost-sharing requirements, including timelines and system requirements for implementation.
- Increases item 4800-101-0001 by \$20 million ongoing, and corresponding statutory changes made, to provide payments, on or after January 1, 2022, of no less than one dollar to qualified health plan issuers on behalf of qualified individuals enrolled in a qualified health plan through the exchange in the individual market that equal the cost of providing abortion services for which federal funding is prohibited.
- Adopts trailer bill to require OSHPD to make hospital discharge data available to Covered California to improve the accuracy of annual premium rate setting.



- Adopts trailer bill to extend Covered California’s authority to promulgate regulations on an emergency basis for three years.

## HUMAN SERVICES

### CalWORKs

- As part of a larger initiative to institutionalize the CalWORKs 2.0 and the program approach of the CalWORKs Outcomes and Accountability Review (Cal-OAR), approves funding to incrementally increase CalWORKs intensive case management services over a four-year period. The cost for this is \$37.5 million in 2021-22, \$75 million in 2022-23, and \$128.5 million in 2023-24, and \$257 M in 2024-25 and on-going, with trailer bill language to effectuate these changes. All funds are General Fund/TANF.
- Approves funding to reach 75 percent of complete alignment in the CalWORKs income standards for applicants and recipients. This would raise the applicant earned income disregard from \$90 to \$450. The cost for this is \$1 million in 2021-22 and \$94.8 million in 2022-23 for a start date of July 1, 2022, covering grant and employment services costs, increasing to \$135.1 million in 2023-24 and on-going, with trailer bill language to effectuate these changes. All funds are General Fund/TANF.
- Approves funding to restore a program cut, made in the Governor's May Revision, in order to maintain the CalWORKs eligibility funding in the Single Allocation at the 2020-21 level, preventing a large program reduction. The cost for this restoration is \$68.3 million in 2021-22 and \$40.8 million in 2022-23 and on-going. All funds are General Fund/TANF.
- Approves funding of \$10 million General Fund/TANF in 2021-22 and \$17 million in 2022-23 and on-going to allow a pregnant person to receive CalWORKs aid to meet special needs resulting from pregnancy upon verification of pregnancy and provide an increase in the CalWORKs pregnancy supplement from \$47 to \$100, with trailer bill language to effectuate these changes.
- Approves funding for a contract for development of trainings for all CalWORKs county staff focused on racial equity, implicit bias, and advancing and institutionalizing the CalWORKs 2.0 and CalOAR, for a cost of \$3 million General Fund/TANF in 2021-22 and \$10 million General Fund/TANF in 2022-23, with trailer bill language to effectuate these changes.
- Approves funding to implement CalWORKs statewide promotional and media campaign, at a one-time cost of \$2 million General Fund/TANF.
- Approves no-cost trailer bill language to make permanent electronic identity verification in CalWORKs. This practice was adopted in the COVID-19 pandemic and is considered a helpful and necessary feature to facilitate program access.
- Approves the Governor's May Revision funding of \$8.7 million General Fund in 2021-22 and ongoing for counties to continue providing CalWORKs services for no more than 180

days when a child has been removed from the home and is receiving out-of-home care, called the Family Reunification CalWORKs Assistance Payment. Approves associated trailer bill for this program change.

- Approves the Governor's May Revision proposal to provide a 5.3-percent increase to CalWORKs Maximum Aid Payment levels, which is estimated to cost \$142.9 million in 2021-22, with associated trailer bill changes. These increased grant costs are funded entirely by the Child Poverty and Family Supplemental Support Subaccounts of the Local Revenue Fund and are planned for October 1, 2021.
- Approves the Governor's May Revision proposal regarding changes to CalWORKs overpayment collections. First, beginning April 2020 through the end of the pandemic or June 30, 2022, whichever is sooner, authorizes a county to reduce the collection of all non-fraudulent related CalWORKs overpayments that are considered administrative errors from 10 percent to 5 percent of a family's aid payments. Second, reduces the CalWORKs overpayment collection timeframe from five to two years. Approves associated trailer bill for these changes.
- Approves the Governor's May Revision proposal for \$1.9 million General Fund ongoing to restore CalWORKs Indian Health Clinic funding to pre-2009 funding levels.

### **Housing and Homelessness Programs**

- Modifies the May Revision proposal and instead approves funding to the CalWORKs Housing Support Program (HSP) with \$190 million General Fund in 2021-22 and \$190 million General Fund in 2022-23, allowing for use of both appropriations until June 30, 2024. Includes trailer bill language to facilitate local use of these funds to combat homelessness, including enabling the ability to provide assistance to a family at risk of homelessness prior to the start of an eviction.
- Modifies the May Revision proposal and instead approves funding to the Bringing Families Home (BFH) program with \$92.5 million General Fund in 2021-22 and \$92.5 million General Fund in 2022-23, allowing for use of both appropriations until June 30, 2024. Includes trailer bill language to effectuate changes that includes a waiver of the county match requirement for the entire three-year period and funding flexibility to serve families at risk of homelessness.
- Modifies the May Revision proposal and instead approves funding to the Housing and Disability Advocacy Program (HDAP) with \$150 million General Fund in 2021-22 and \$150 million General Fund in 2022-23, allowing for use of both appropriations until June 30, 2024. Includes trailer bill language to effectuate changes that includes a waiver of the county match requirement for the entire three-year period and allowing the use of funds for prevention.

- Modifies the May Revision proposal and instead approves funding to the Adult Protective Services (APS) Home Safe Program with \$92.5 million General Fund in 2021-22 and \$92.5 million General Fund in 2022-23, allowing for use of both appropriations until June 30, 2024. Includes trailer bill language to effectuate changes that includes a waiver of the county match requirement for the entire three-year period and funding flexibility in homelessness prevention approaches, including the ability to serve APS clients at risk of homelessness.
- Approves the May Revision proposed funding of \$150 million General Fund one-time for Project Roomkey.
- Modifies the May Revision proposal for the Community Care Expansion (CCE) program, approving the Spring Finance Letter request for positions for program implementation and approve first year funding of \$805 million (\$352.5 million General Fund) in 2021-22 on a one-time basis, with trailer bill language. Of the total amount, \$55 million General Fund is appropriated in 2021-22 for a capitalized operating subsidies reserve (COSR) program to benefit Adult Residential Facilities and Residential Care Facilities for the Elderly that serve SSI/SSP recipients, with trailer bill language for these purposes.
- Rejects the May Revision trailer bill language to only allow for implementation through All County Letters until regulations are developed for the CalWORKs Housing Assistance Program (HAP).

**In-Home Supportive Services (IHSS) and Cash Assistance Program for Aged, Blind and Disabled Legal Immigrants (CAPI)**

- Provides \$8 million General Fund to aid in the retention of In-Home Supportive Services (IHSS) consumers in the Medi-Cal program as redeterminations resume in January 2022.
- Approves \$5 million General Fund in 2021-22, \$5 million General Fund in 2022-23, and a final \$5 million General Fund in 2023-24 to be available to support development and statewide implementation of electronic forms and signatures, including translation of forms into all Medi-Cal threshold languages. Budget bill language is included for this purpose.
- Approves trailer bill language to effectuate a seven percent penalty on counties that fail to reach a collective bargaining agreement for their IHSS workers and extends related bargaining tools.
- Approves trailer bill language regarding the IHSS permanent emergency backup system to require that statute be enacted before the backup provider system can be implemented to define the parameters of a mandated emergency provider backup system and establish clear eligibility standards.

- Approves the Governor's May Revision proposal to retain the IHSS State and County Sharing Ratio. Under current law, the state and counties share the nonfederal cost for locally negotiated increases to wages and benefits for IHSS providers, a ratio of 35 percent county and 65 percent state, up to the state participation cap, which is set at \$1.10 above the state minimum wage. For increases above that amount, the county is responsible for 100 percent of the nonfederal share. Effective January 1, 2022, when the state minimum wage reaches \$15 per hour, county-negotiated increases to IHSS wages and benefits would have flipped to a ratio of 65 percent county and 35 percent state. This action now assumes the continuation of the 65 percent state and 35 percent county sharing ratio and the continuation of the 10 percent over three years option. This assumes increased state costs of \$57.3 million General Fund in 2021-22 and \$123.8 million ongoing General Fund to reflect this change.
- Approves of the Governor's May Revision Long-Term Care Career Pathways proposal for \$200 million one-time General Fund to incentivize, support, and fund career pathways for IHSS providers, with trailer bill language.
- Eliminates the IHSS 7 percent reduction in service hours resulting in a restoration of approximately \$248 million General Fund in 2022-23 and \$496 million ongoing General Fund. Permanently repeals the 7 percent reduction statute, pursuant to the Governor's May Revision proposal.
- Approves the Governor's May Revision trailer bill language proposal regarding revisions to guiding principles for Electronic Visit Verification.

### **Supplemental Security Income/State Supplementary Payment (SSI/SSP) and Adult Protective Services (APS)**

- Provides \$225 million in 2021-22 and \$450 million in 2022-23 to restore 50 percent of the remaining 2009 SSI/SSP grant cut, and anticipates the remaining 50 percent of the cut will be restored in the 2023-24 budget year. This restoration, combined with Governor's May Revision proposal, will increase the SSP grant by approximately \$36-\$37 per month for individuals and \$90-\$94 per month for couples on January 1, 2022. Includes trailer bill language to effectuate these changes.
- Approves funding to expand and enhance the Adult Protective Services (APS) program, lowering the eligibility to age 60 from the current age 65. This is funded with \$70 million in 2021-22 and on-going. Includes trailer bill language to effectuate these changes.
- Protects expansion of CalFresh to the SSI caseload for cases that are losing benefits due to churning off of the Transitional Nutrition Benefit Program (TNB). This is funded with \$5.6 million General Fund in 2021-22, \$11 million General Fund in 2022-23, and \$10 million General Fund in 2023-24 and on-going. Includes trailer bill language to effectuate these changes.

**Child Welfare Services and Foster Care**

- Approves additional resources of \$100 million General Fund in 2022-23, atop the Governor's May Revision amount of \$122.4 million, for use over a multi-year period, for prevention services to be implemented under the Families First Prevention Services Act (FFPSA). Includes trailer bill language to effectuate changes.
- Approves additional resources of \$100 million General Fund in 2022-23, atop the Governor's May Revision amount of \$39.2 million, for use over a multi-year period, for services for high and complex care needs foster youth, some of whom were previously served out of state. Includes trailer bill language to effectuate changes, including movement toward a state moratorium on out of state placement for children and youth served in California's system.
- Approves funding of \$85 million General Fund in 2021-22 one-time to reflect actual expenditures and true-up costs for counties to conduct the Resource Family Approval (RFA) process, an integral part of the Continuum of Care Reform (CCR) effort.
- Approves funding of \$50 million General Fund in 2021-22 and another \$50 million General Fund in 2022-23 to increase the number of Emergency Response social workers in the child welfare system.
- Approves \$42 million General Fund one-time in 2021-22 to provide pandemic and stabilization support for Short-Term Residential Therapeutic Program (STRTP) providers, with budget bill language to effectuate this.
- Provides a \$1500 per child caregiver stipend to all household types with a foster child in care, at a cost of \$80 million General Fund one-time in 2021-22.
- Approves funding of \$7 million General Fund in 2021-22 and \$7 million General fund in 2022-23 for Child Welfare Services Training.
- Approves \$1.8 million General Fund in 2021-22 and \$800,000 in 2022-23 and on-going to provide an early infant supplement for expectant foster youth three months prior to the birth of the child, with trailer bill language to effectuate this.
- Approves \$5.4 million General Fund in 2021-22 and on-going to increase the Foster Family Agency (FFA) rate by \$50 per child per month for social worker salaries to reduce turnover and bolster retention.
- Approves the Governor's May Revision proposal for \$24.5 million General Fund and federal TANF block grant funds in 2021-22 to provide caregivers with up to four months of Foster Care Emergency Assistance payments pending resource family approval and up to twelve months for cases that meet good cause criteria.

- Approves the Governor's May Revision proposal for \$39.4 million General Fund in 2021-22 to continue development of a new technology platform for Child Welfare Services, called the Child Welfare Services-California Automated Response and Engagement System (CWS-CARES).
- Approves the Governor's May Revision proposal for \$3.4 million General Fund ongoing for increased county social worker workload associated the Child and Adolescent Needs and Strengths assessment tool.
- Approves the Governor's May Revision proposal for \$7.1 million General Fund to reflect Continuum of Care Reform true-up related to county Child and Family Teams actual expenditures for fiscal year 2018-19.
- Approves the Governor's May Revision proposal for \$3 million General Fund in 2021-22 to provide a Master of Social Work Programs stipend for tribal members or Native Americans who commit to working in tribal social services programs dedicated to serve children and families through after graduation.

### **CalFresh, Emergency Food, and Other Basic Needs Assistance**

- Approves \$80 million General Fund in 2021-22 one-time for food banks. This funding will allow food banks to continue operations past July 2020.
- Approves \$150 million General Fund in 2021-22 one-time to support capacity and infrastructure needs for food banks statewide grants for Food Banks Statewide, with budget bill language to facilitate expeditious and effective expenditure of the funds timely.
- Approves \$32 million General Fund in 2021-22 one-time for disaster resiliency needs for food banks, with budget bill language to facilitate expeditious and effective expenditure of the funds timely.
- Approves funding for the "Food for All" initiative, expanding the California Food Assistance Program (CFAP) to provide state-funded nutrition benefits to those ineligible for CalFresh or the current CFAP solely due to immigration status, with trailer bill language to effectuate this. A decision about the specific population that will be served with these resources will be made closer to the implementation date; this investment allows for readiness in anticipation of that decision. The funding provided is \$5 million General Fund in 2021-22, \$25 million General Fund in 2022-23, \$280 million General Fund in 2023-24, and \$280 million General Fund in 2024-25 and on-going.
- Approves \$30 million General Fund in 2021-22 one-time for diaper assistance through eight food and diaper banks statewide, with budget bill language to effectuate this.

- Approves \$8.8 million General Fund in 2021-22 and \$7 million General in 2021-22 and on-going to fund county administration and staffing for CalFresh simplifications adopted in the 2020 Budget, with trailer bill language to effectuate these changes.
- Approves \$8.2 million in Federal Funds in 2021-22 one-time to fund county administration for CalFresh expansion to students in the higher education segments and restore DSS cuts to funding.
- Approves \$2 million General Fund in 2021-22 one-time for a menstrual product pilot project at the Jacobs and Cushman San Diego Food Bank and the Los Angeles Regional Food Bank.
- Approves \$100,000 General Fund in 2021-22 one-time to fund automation to support a simplified senior and disabled CalFresh application and telephonic access, with trailer bill language.

**Programs Serving Immigrant Californians**

- Approves \$30 million General Fund in 2021-22 one-time for the Immigrant Services Funding program, also called One California.
- Approves \$8 million General Fund in 2021-22 one-time to fund case management support for asylees, also called the Enhanced Services Program for Asylees (ESPA), with trailer bill language to effectuate these changes.
- Approves the Governor's May Revision proposal for \$105.2 million one-time General Fund for the Rapid Response Fund to provide support for migrant family arrivals at the Southern California border and additional funding for other emergency responses, including wildfires and drought. Approves budget bill language requiring a reporting on the use of the funds by April 1, 2022.
- Approves the Governor's May Revision proposal for \$20 million General Fund and \$5 million Proposition 98 General Fund in 2021-22 to provide additional support for Unaccompanied Undocumented Minors (UUM) through Opportunities for Youth pilot project (\$4.7 million General Fund), the UUM legal services (\$14 million General Fund), state operations (\$1.3 million General Fund) and the California Newcomer Education and Well-Being Project (\$5 million Proposition 98 General Fund) will be available through 2022-23.
- Approves the Governor's May Revision proposal for \$25 million one-time General Fund in 2021-22 to fund filing fees for Deferred Action for Childhood Arrivals (DACA) and naturalization.



**Additional Budget Actions for the Department of Social Services**

- Approves \$5 million General Fund in 2021-22 and \$1 million General Fund in 2022-23 and on-going to implement a global telephonic signature solution for human services programs, with trailer bill language to effectuate these changes.
- Approves \$200,000 General Fund in 2021-22 one-time for consumer compensation for human-centered design for the BenefitsCal Online Application Portal, with budget bill language to effectuate this.
- Approves \$5.7 million General Fund in 2021-22 one-time for Jewish Family Services SOVA Community Food and Resource Program in Los Angeles, which will enable a building purchase for this food bank.
- Approves trailer bill associated with the Rapid Response program and the Safety Net Reserve.

**Additional Actions on Governor's Proposals for the Department of Social Services**

- Approves the Administration's budget change proposal regarding adult residential facility closures and resident transfers.
- Approves the Administration's budget change proposal regarding CalFresh operations support.
- Approves the Administration's budget change proposal regarding the California Child and Family Services Review quality assurance support.
- Approves the Administration's budget change proposal regarding the CalWORKs Homeless Assistance Program resources.
- Approve the Administration's budget change proposal regarding the CalWORKs Housing Support Program resources.
- Approves the Administration's budget change proposal regarding children's residential facilities and reducing law enforcement.
- Approves the Administration's budget change proposal regarding children's services policy and program support.
- Approves the Administration's budget change proposal regarding Community Care Licensing resources.
- Approves the Administration's budget change proposal regarding Electronic Visit Verification continuation.

- Approves the Administration's budget change proposal regarding Equal Employment Opportunities office resources.
- Approves the Administration's budget change proposal regarding immigration services operations support.
- Approves the Administration's budget change proposal regarding monitoring and oversight of Child Welfare Services (CWS) data quality for CWS/Case Management System (CMS) CARES automation.
- Approves the Administration's budget change proposal regarding the Office of Equity's language access resources.
- Approves the Administration's budget change proposal regarding the Office of Foster Care Ombudsperson.
- Approves the Administration's budget change proposal regarding the Office of Tribal Affairs support.
- Approves modified trailer bill proposal regarding the inclusion of Medi-Cal full-scope state-only recipients in the In-Home Supportive Services program, without any further change to modify the IHSS Residual program.
- Approves trailer bill language regarding the Statewide Restaurant Meals Program extension.
- Approves trailer bill language regarding refugee support services funding.
- Approves trailer bill language regarding CalFresh overissuance timeframe adjustment.
- Approves trailer bill language regarding the Supplemental Nutrition Assistance Program (SNAP)/CalFresh waiver authority.
- Approves trailer bill language regarding client notification of benefit eligibility. This trailer bill was adopted in the Early Action package taken in the spring.
- Approves trailer bill language regarding licensing administration certification program fees.
- Approves trailer bill language regarding program eligibility for out-of-state relative caregivers in the Approved Relative Caregiver program.
- Approves the Administration's Spring Finance Letter proposal regarding the Appeals Case Management System (ACMS) planning and functionality.

- Approves the Administration’s Spring Finance Letter proposal regarding Housing and Homelessness data reporting solution, with Supplemental Report Language regarding quarterly progress updates to the Legislature.
- Approves the Administration’s Spring Finance Letter proposal regarding the Community Care Expansion program state operations resources.
- Approves the Administration’s Spring Finance Letter proposal regarding the CWS-CARES project staff resources.
- Approves the Administration’s Spring Finance Letter proposal regarding the Family First Prevention Services Act state-level resources.
- Approves the Administration’s Spring Finance Letter proposal, with the Department of Health Care Services, regarding the Statewide Verification Hub staffing resources.
- Approves the May Revision caseload adjustments for the Department of Social Services, conforming to all other actions taken.
- Approves trailer bill language regarding the Federal Pandemic Emergency Assistance Fund.
- Approves the May Revision proposal regarding revised CWS-CARES cost estimates, with budget bill language that extends the Joint Legislative Budget Committee’s review process from 10 to 30 days to allow for additional Legislative oversight.
- Approves the May Revision proposal regarding the Continuum of Care Reform and 2018-19 reconciliation of costs.
- Approves the May Revision proposal regarding the Child and Adolescent Needs and Strengths (CANS) assessment workload.
- Approves the May Revision proposal regarding stipends for tribal social work students.
- Approves the May Revision proposal regarding the Universal Basic Income Pilot, funded with \$35 million General Fund on a one-time basis, benefiting foster youth as part of the pilot.
- Approves the May Revision proposal regarding emergency payments for children placed with families prior to complete approval, with modified trailer bill language.
- Approves the May Revision proposal regarding CalFresh notice of denial or pending status.
- Approves the May Revision proposal regarding CWS/CMS migration.

- Approves the May Revision proposal regarding CWS/CMS data clean-up activities.
- Approves the May Revision proposal regarding the California Statewide Automated Welfare System (CalSAWs) consolidated portal and mobile functionality.
- Approves the May Revision proposal regarding the Appeals Case Management System (ACMS) multi-factor authentication.
- Approves the May Revision proposal regarding data automation and enterprise IT funding.
- Approves the May Revision proposal regarding the County Expense Claim Reporting Information System (CECRIS).
- Rejects the May Revision trailer bill proposal regarding the CalWORKs Housing Assistance Program and Housing Support Program All County Letter use.
- Approves all of the May Revision proposal related to the elimination of the suspensions in statute and in budget provisional language.

**Department of Developmental Services**

- Approve a five-year phase-in of rate reform to achieve the rate levels in the 2019 Rate Study, with a focus on quality benchmarks, metrics, and outcomes to assure person-centered service delivery for individuals with developmental disabilities. Provides \$89.8 million in 2021-22, \$346.1 million in 2022-23, \$678.7 million in 2023-24, \$706.1 million in 2024-25, and \$1.233 billion in 2025-26. This includes trailer bill language to effectuate these changes.
- Approves funding of \$61.8 million General Fund starting in 2022-23 and on-going to enhance service coordinator ratios at the 21 Regional Centers. This includes trailer bill language to effectuate these changes.
- Approves trailer bill language directing the department to meet with stakeholders in the fall and make recommendations for the development of standard performance improvement indicators and benchmarks to incentivize high-quality regional center operations by January 10, 2022.
- Approves funding to restore social recreation, camping services, educational services, and non-medical therapies for persons served, with \$19 million General Fund in 2021-22, \$31.6 M in 2022-23, and \$36.8 million General Fund in 2023-24 and on-going, with trailer bill language to effectuate these changes.
- Approves \$10 million General Fund in 2021-22 one-time for a outcomes and quality improvement pilot, with the department contracting out for this purpose.

- Approves \$10 million General Fund in 2021-22 and on-going to support and promote language access and cultural competency across the Regional Center system, specifically funding multi-language orientations, culturally sensitive outreach efforts, and translation services for persons served and their families who are non-English speaking, with trailer bill language to effectuate these changes.
- Approves \$3 million General Fund in 2021-22 and on-going to support the facilitation of health and safety waivers for underserved consumers and families in the DDS system who are non-English speaking.
- Adopts trailer bill language to codify critical directives for Regional Centers that were borne out of the COVID-19 pandemic and allow for their continued use, including remote services, virtual meetings, and remote Early Start services at the request of the family.
- Approves \$1 million General Fund in 2021-22 and on-going to establish an Office of the Ombudsperson for the Self Determination Program.
- Approves a modified version of the May Revision proposal regarding Implicit Bias, adding an additional \$2.9 million General Fund in 2021-22 and on-going to expand the training to all service coordinators and those setting policies in the 21 Regional Centers. The original proposal was only reaching front-line eligibility workers, and not those who are case managing persons served already in the developmental services system.
- Approves no-cost trailer bill language to enable flexibilities to improve competitive integrated employment and paid internships for persons served, allowing for participants to work additional hours.
- Approves the May Revision trailer bill language on the following subjects, with modifications pursuant to feedback from disability rights advocates: Direct Service Professional Workforce Training and Development, Bilingual Staff Differential, Community Navigators, Implicit Bias Training, Early Start Provisional Eligibility, Performance Incentives, Residential Facilities for Special Health Care Needs, and Acute Crisis Admissions.
- Approves no-cost trailer bill to permit the DDS Director to authorize extensions of six months for current out-of-state adult placements until January 1, 2022, to assure the continuation of services and the security of the persons served in this post-pandemic time.
- Approves the Governor's May Revision proposal for \$23.8 million ongoing General Fund to provide children aging out of Early Start provisional Lanterman service eligibility up to age five.
- Approves the Governor's May Revision proposal for \$8 million General Fund in 2021-22, increasing to \$11 million General Fund ongoing in 2022-23, for Systemic, Therapeutic,

Assessment, Resources and Treatment (START) mobile crisis teams. The teams provide 24-hour crisis prevention and response services to individuals with intellectual or developmental disabilities.

- Approves the Governor's May Revision proposal for \$10 million General Fund in 2021-22 to establish an intensive caseload ratio (1:40) to improve service delivery to consumers in underserved communities.
- Approves the Governor's May Revision proposal for \$24 million (\$11 million General Fund) to address frozen rates for Intermediate Care Facilities for Individuals with Developmental Disabilities (ICF/DD) and Pediatric Subacute Facilities.
- Approves the Governor's May Revision proposal to eliminate the suspension of the Provider Supplemental Rate Increase and lift the implementation of the Uniform Holiday Schedule resulting in a cost of \$173.7 million General Fund in 2022-23 and \$309.6 million ongoing General Fund.
- Approves the Governor's May Revision proposal for \$2.9 million General Fund in 2021-22 to establish a training and certification program for direct service professionals tied to wage differentials. The program aims to reduce staff wage inequity, stabilize service access, and professionalize and diversify the workforce. Beginning in 2023-24, ongoing costs increase to \$51 million General Fund.
- Approves the Governor's May Revision proposal for \$2.2 million General Fund in 2021-22 to create a differential for bilingual service provider staff. Beginning in 2023-24, ongoing costs increase to \$6.5 million General Fund.

### **Department of Aging**

- Approves \$14.4 million General Fund in 2021-22, atop the Governor's one-time May Revision amount of \$20.7 million, and \$35 million General Fund in 2022-23 and on-going for the Senior Nutrition program, which includes meals on wheels and congregate nutrition services.
- Approves \$40 million General Fund in 2021-22 one-time for capacity and infrastructure needs in the Senior Nutrition program, with budget bill language to effectuate this.
- Approves \$50 million General Fund in 2021-22 one-time for a grant program for counties to provide access to technology for older adults, with budget bill and trailer bill language.
- Approves \$3.3 million General Fund in 2021-22 and on-going to increase the baseline funding for the Area Agencies on Aging.

- Approves \$6.3 million General Fund in 2021-22 and \$11.7 million in 2022-23 and on-going for the Multipurpose Senior Services Program (MSSP) to both restore the 2,497 slots cut in budget actions taken in 2008 and to continue the rate supplement, at an included cost of \$4.9 million, on-going.
- Approves \$2.5 million General Fund in 2021-22 and \$4 million General Fund in 2022-23 and on-going to fund the Office of the Long-Term Care Patient Representative with General Fund, modifying the May Revision proposal on this subject, with trailer bill language.
- Approves the Governor's May Revision proposal for \$2 million (\$1.1 million General Fund) ongoing for the Department of Aging to continue CalFresh Expansion outreach efforts to older adults.
- Approves \$200,000 General Fund in 2021-22 one-time for the City of Colton Hutton Senior Center patio upgrades.

### **Child Support Services**

- Accepts the Collectability portion of the Governor's January proposal regarding the Child Support Payment Methodology Study, and rejecting the portion that dealt with the re-evaluation of the K Factor.
- Approves of trailer bill language that extends a pandemic practice, allowable under federal law, to process child support payments prioritizing families.
- Approves of trailer bill language to cease enforcement of state-owed child support debt for low-income Californians, with no savings or funding decreases associated with this proposal. Approves of minor state operations costs associated with implementation of this policy.
- Approves of the Governor's proposals to restore funding that was reduced in the 2020 Budget Act for child support.

### **Department of Community Services and Development**

- Approves the Governor's May Revision proposal regarding the American Rescue Plan Act energy arrearages, providing approximately \$1 billion in one-time assistance provided by the federal government under the American Rescue Plan Act of 2021 to cover low-income utility payment arrearages, with trailer bill language.
- Approves trailer bill language, with modifications, for CSD-administered programs.
- Provides \$25 million General Fund one-time for Farmworker Housing Low-Income Weatherization.

**Health and Human Services Agency**

- Modifies the Administration’s proposal on Equity as follows: (1) For the Post-COVID equity analysis, approve resources for the analysis, but require inclusion of specific recommendations for all major programs in Health and Human Services for how to address the identified inequities. A preliminary analysis would be required to be submitted by May 1, 2022 with future updates to be specified in the 2022 spring budget process. (2) For the Equity Dashboard, approve resources to implement the dashboard at Agency and the Department of Health Care Services, but require that the dashboard include, and be informed by, the annual Department of Public Health reporting on health disparities adopted by the Legislature as part of the “Public Health Infrastructure Investments.” (3) For the Government Alliance on Race and Equity (GARE) training, approve as budgeted.
- Modifies the Administration’s proposal as follows on Language Access Resources: Approve requested resources and adopt modified budget bill language to require the completion of the language access framework, adopted in the Equity Proposals request above, prior to the availability of these additional resources. The framework must also be accompanied by a report detailing the components of the framework and how these additional resources would be utilized in health and human services departments to support language access planning and implementation, including specific staff, contracts, programs, and other activities.
- Approves the Budget Change Proposal associated with the Center for Data Insights and Innovations, but defers the associated trailer bill proposal without prejudice.



**TK-12 EDUCATION AND EARLY CHILDHOOD EDUCATION****Proposition 98**

- Appropriates Proposition 98 funding at \$79.329 Billion, for the 2019-20 Budget Year, \$93.429 Billion for the 2020-21 Budget Year, and \$93.728 Billion in ongoing Proposition 98 funding for the 2021-22 Budget Year.
- Pays back \$11 Billion in deferred Proposition 98 funding to local education agencies from the 2020-21 Budget Act.
- Repeals the statutory “Supplemental Payment” schedule for the difference between total Prop 98 funding level and Test Two in the Guarantee for 2020-21, beginning in 2021-22.
- Assumes an out-year rebenching of Proposition 98 Guarantee to accommodate growth in Transitional Kindergarten enrollment through 2025-26.
- Makes deposits in the State School Reserve of \$1.889 Billion for 2020-21, and \$2.617 Billion for 2021-22 Budget Years.

**Major TK-12 Education Adjustments**

- Provides total TK-12 funding from all sources \$121.7 Billion, and \$21,152 per student, including \$2.331 Billion in new one-time federal relief funding.
- Increases the Local Control Funding Formula (LCFF) Base Grant by 5.07 percent.
- Increases the LCFF concentration grant formula to 65 percent with \$1.1 Billion ongoing funds, for purposes of reducing student to adult ratios for direct services, including custodial services.
- Creates an Expanded Learning LCFF add-on, and provides \$1 Billion ongoing Proposition 98, and \$753 million one-time Proposition 98, in 2021-22 for all classroom-based LEAs, based on their counts of unduplicated student enrollment in grades TK-6, with higher per pupil amounts for LEAs with concentrated poverty above 80%. Expanded Learning programs would provide a minimum LEA amount of \$50,000, and LEAs would be required to provide the proposed expanded learning opportunities to at least 50 percent of their unduplicated student count in the 2021-22 school year, with program standards aligned to the After School Education & Safety (ASES) program.
- Appropriates one-time federal American Rescue Plan Act funds for increasing the ASES and 21<sup>st</sup> Century after school program daily rates to \$10.18 and increasing program access.

- Creates Universal Transitional Kindergarten (UTK) by 2026, with required age cohorts increased in increments of two months of age per year from 2022-23 through 2025-26, when all four-year-olds would be eligible. Requires quality standards for TK including full school-day instructional minutes, 1:12 staff to student ratio by 22-23, and 1:10 staff to student ratio by 23-23, subject to future Budget appropriations. Allows California State Preschool Program wrap for after and summer school care for TK/K, and allows for parent choice for entering or retaining children in state preschool programs, child care, or Head Start programs that are age-eligible for TK.
- Provides \$300 million in one-time Proposition 98 for a California Pre-Kindergarten Program Planning and Implementation Grant to support the preparation of preschool, transitional kindergarten, kindergarten teachers, and support professional development in providing instruction in inclusive classrooms, support for English language learners, social-emotional learning, trauma-informed practices, restorative practices, and mitigating implicit biases. Up to \$200 million supports planning grants for the expansion of Pre-Kindergarten and Kindergarten programs, including transition kindergarten, kindergarten, Head Start, and preschool programs.
- Provides \$490 million one-time General Fund for school districts to construct new facilities or retrofit existing facilities to support CSPP, TK, or full-day kindergarten program expansion.
- Expands the California Community Schools Partnership Program with \$2.8 billion in one-time Proposition 98 funding through 2028, and aligns program requirements to Healthy Start program best practices, with planning, launch, and ongoing coordination grant types.
- Increases Special Education funding by \$396.8 million ongoing Proposition 98 funds, with a COLA of 4.05 percent to all SELPAs, even those above the statewide rate, then calculate the new statewide rate with the additional funding, including an Out-of-Home formula adjustment.
- Provides \$260 million in ongoing Proposition 98 General Fund for Special Education Early Intervention Grants to increase the availability of evidence-based services for infants, toddlers, and preschoolers.
- Supports Special Education learning recovery with \$550 million in one-time General Fund for students with disabilities, with requirements to match funds on a one-to-one basis, use voluntary alternative dispute resolution practices, and implement a plan to engage with families.
- Provides \$15 million in one-time Proposition 98 funds, for use over three years, for the Supporting Inclusive Practices project to provide technical assistance and grants to LEAs to increase inclusive practices for students with disabilities.

- Allocates \$277,705,000 in one-time federal IDEA funds for local assistance.
- Provides \$7 million in ongoing federal funding to expand family empowerment centers to all regions in the state.
- Provides \$10 million in one-time General Fund for CDE to make the California Healthy Kids school climate surveys available to all LEAs, develop a trauma-informed survey supplement and provide training resources to LEAs.
- Expands statewide systems with \$50 million one-time Proposition 98, and \$2 million one-time General Fund to create resources and provide targeted professional development on social-emotional learning and trauma-informed practices.
- Provides ongoing support for an Office of School Based Health at CDE, with authority for state-wide LEA Medi-Cal billing support and technical assistance.
- Increases the Career Technical Education Incentive Grant (CTEIG) by \$150 million ongoing Proposition 98 General Fund and increases the positive consideration for existing high-quality regional-based career technical education programs.
- Launches the Universal School Meals Program, with an increase in state meal reimbursements by \$54 million in the 2021-22 fiscal year and \$650 million ongoing Proposition 98 funding beginning in 2022-23, to cover the costs of offering a free breakfast and lunch for all students.
- Appropriates \$150 million one-time Proposition 98 General Fund to provide training for school food service workers to promote healthier and more nutritious meals, and grants for kitchen infrastructure upgrades.
- Increases the school meals program funding by \$257 million with one-time Federal Trust Fund for payments to child nutrition program operators to offset pandemic program costs.
- Provides \$98,710,000 one-time federal ARPA Homeless Children and Youth Funds for state level and statewide services for homeless students.
- Provides \$557 million in one-time Proposition 98 funding for the A-G Completion Grant Program, which includes funding to all LEAs to improve A-G completion rates through staff development, pupil supports, additional A-G access, high school learning loss, credit recovery, and covering AP fees for students.
- Provides \$1.5 Billion one-time Proposition 98 General Fund for a new Educator Effectiveness Block Grant available over five years to provide LEAs with flexible

resources to expedite professional development for teachers, administrators, and other in-person staff.

- Appropriates \$250 million one-time Proposition 98 General Fund, available over five years, to provide incentive grants to attract and retain highly-qualified National Board Certified teachers to teach in high poverty schools, serve as mentors for other instructional staff, and support teachers in pursuing National Board certification.
- Appropriates \$25 million one-time Proposition 98 General Fund, available over five years, to support the 21st Century School Leadership Academies.
- Increases the Classified School Employees Credentialing Program to \$125 million one-time Proposition 98 funding available over 5 years, and provides priority for LEAs expanding or providing new program with plan to recruit expanded learning and early childhood education program staff.
- Appropriates \$60 million one-time Proposition 98 General Fund to provide state matching funds to the Classified School Employees Summer Assistance Program.
- Provides \$1.7 million one-time Proposition 98 General Fund to support the Center for Teaching Careers in 2021-22, and waives teacher credentialing fees in the Budget Year.
- Supports the implementation of California's Ethnic Studies curricula with \$50 million one-time Proposition 98 for LEA curricula and implementation, and \$5 million one-time Proposition 98 General Fund to fund professional development and instructional materials for local educational agencies on a regional basis.
- Appropriates \$15 million one-time Proposition 98 General Fund to identify and curate a repository of high-quality open educational resources.
- Appropriates \$10 million one-time Proposition 98 General Fund to provide professional learning to strengthen reading instruction for all students, with an emphasis on diverse learners.
- Appropriates \$5.2 million one-time non-Proposition 98 General Fund to fund the remaining 10 schools identified as part of the Broadband Infrastructure Grant Program.
- Appropriates \$86.4 million one-time Proposition 98 General Fund to career technical education regional centers or programs operated by a joint powers authority, and \$80 million one-time to County Offices of Education to be used for any purpose consistent with providing in-person instruction.

- Decreases the Charter School Facility Grant program by \$1,349,000 ongoing Proposition 98 General Fund, to reflect program demand and COLA.
- Appropriates \$20 million in one-time General Fund for capital projects at the California State Special schools.
- Appropriate \$3.1 million in one-time Proposition 98 funding in 2021-22 for the SACS system replacement project, and \$3.92 million ongoing Proposition 98 General Fund, beginning in 2022-23 for maintenance and ongoing operations.
- Provides \$10 million one-time General Fund to CDE to update the California Preschool Learning Foundations to reflect the expansion of transitional kindergarten.
- Provides \$5 million one-time General Fund and related provisional language to establish the Educator Workforce Investment Grant: Computer Science.
- Provides \$300,000 ongoing non-Proposition 98 General Fund for CDE to administer the Seal of Civic Engagement and to allocate up to \$150,000 through 2024 to the California Association of Student Councils.
- Appropriates \$1.8 million for the development of LGBTQ+ cultural competency online training content, \$600,000 for the development of an interactive online platform for the content, and \$598,000 one-time General Fund for State activities.
- Provides \$10 million in one-time Proposition 98 General Fund, available over a three year period, to the California Department of Education to administer the Dual Language Immersion Grant program.
- Provides \$10 million in one-time Proposition 98 Funds for the Anti-Bias Education Grant Program.
- Provides \$6 million dollars in one-time Proposition 98 to the Superintendent of Public Instruction, to be allocated to the San Mateo County Office of Education for the creation of free open education resources that are K–12 standards-based curriculum units focused on climate change and environmental justice.
- Appropriates \$10,008,000 one-time Proposition 98 General Fund for Oakland Unified School District's operating budget deficit.
- Provides \$6 million in one-time General Fund for the Special Olympics of Northern and Southern California.
- Provides \$25 million in one-time General Fund to support child behavioral health-related professional development for educators.

- Provides \$3.5 million Proposition 98 General Fund to reflect the restoration of the Science, Technology, Engineering, and Mathematics professional development funding for San Francisco Unified School District in partnership with the San Francisco Exploratorium.
- Allocates \$10.5 million one-time Coronavirus Fiscal Recovery Fund for the California Interscholastic Federation.
- Creates ADA hold harmless and offset relief for various LEAs impacted by wildfires.
- Exempts Elementary and Secondary School Emergency Relief funds appropriated in the Coronavirus Response and Relief Supplemental Appropriations Act and the American Rescue Plan Act from the computation of the Routine Restricted Maintenance Account for school districts.
- Makes numerous adjustments to federally funded programs to reflect carryover and federal funding levels.
- Provides numerous increases to the CDE State Operations for Budget Act proposals and to offset the transfer of child care programs to the Department of Social Services.

### **Major TK-12 Education Policy Changes**

- Amends independent study program and school closure statutes to provide schools and families with high-quality alternative options to in-person learning when necessary.
- Extends the existing moratorium on the approval of new non-classroom based charter schools to 2026.
- Changes the multi-year nature of LCFF Supplemental and Concentration fund tracking.
- Expands the list of allowable exemptions from the basic skills proficiency test, would specify that the minimum requirements for a preliminary single or multiple subject teaching credential include verification of subject matter competence, and provides alternative assessment authority to the CTC.
- Allows local educational agencies to administer standards-aligned assessments in place of the California Assessment of Student Performance and Progress summative assessments in the 2020-21 school year, and receive an apportionment at the rate approved by the State Board of Education.
- Makes numerous technical changes to Education Code, including short-term pandemic flexibilities.

**Major Early Education and Child Care Adjustments**

- Increases child care access by 120,000 slots in the Alternative Payment and General Child Care programs with a multi-year commitment to fund a total of 200,000 new slots by 2025. Makes essential worker short-term child care vouchers ongoing.
- Reflects changes in the CalWORKs child care caseload and cost of care for a net decrease of \$327 million, reflecting a total \$120 million decrease in Stage 1, a \$211 million decrease in Stage 2, and a \$4 million increase in Stage 3.
- Provides \$130 million ongoing Proposition 98 funding for LEA-based California State Preschool (CSPP) programs, with priority for full-day, full-year CSPP programs, for approximately 8,700 slots, at the 75<sup>th</sup> percentile of the 2018 Regional Market Rate (RMR).
- Increases all childcare and preschool program rates to the 75th percentile of their county 2018 RMR, as the interim Rate Reform single rate.
- Increases all school-based preschool program rates to the 75th percentile of their county 2018 RMR, as the interim Rate Reform single rate, with a total of \$234 million in ongoing Proposition 98 General Fund for the State Preschool Program in 2021-22 and \$468 million ongoing.
- Adopts Rate Reform policy for all child care programs, beginning in the 2021-22 Budget Year, which sets rate targets for a single rate system beginning in 2023.
- Approves amended proposal to increase the COLA General Child Care and California State Preschool Program, to 4.05%, for contracts already above their county RMR.
- Shifts \$4,285,522,000 in one-time Coronavirus Aid Relief Economic Security Act funds from CDE to DSS.
- Funds \$250 million in a combination of one-time federal funds and General Fund to the Early Learning and Care Infrastructure Block Grant.
- Ratifies the Child Care Providers United contracts, which includes rate increases, licensing incentives, provider stipends and supplemental payments, paid non-operative days, pandemic flexibilities, a hold-harmless for child attendance in all early care and learning programs, mental health supports, and provider recruitment.
- Provides \$289 million federal funds, \$289 million General Fund, and \$67.7 million Proposition 98 one-time funding, to provide supplemental rate payments to all child care and preschool providers.

- Allocates \$10 million, one-time CCDBG quality funds for the MyChildCarePlan.org for county access until DSS launches their replacement child care portal.
- Allocates \$10 million on-going increased federal funds for Resource & Referral agencies.
- Provides \$45 one-time Proposition 98 General Fund, available over three years, for the California Early Math Initiative.
- Provides \$20 million and general fund loan authority for the Department to cover reimbursements made between community-based California State Preschool Programs and general child care contracts.
- Restores \$15 million on-going General Fund for the child nutrition program state match and provides a COLA for the program.
- Provides the Department of Social Services and the Department of Education with a total of \$15 million one-time General Fund to modernize payment options and support the implementation of direct deposit electronic fund transfers and payments for child care and early childhood development providers.
- Provides DSS with \$4,874,000 in one-time CCDBG quality funds for data resources for the planning and initial implementation of a child care data system, and adds provisional language to support resources for the planning and initial implementation of a child care data system, with requirements for a unique child identifier and compatibility with the Cradle to Career data system.
- Provides 259.9 positions and \$42.048 million in ongoing General Fund and federal funds for the Department of Social Services to administer the state and federally funded child care programs, per the transfer from CDE authorized in the 2020-21 Budget Act.

### **Major Early Education and Child Care Policy Changes**

- Adopts Rate Reform policy changes, to align all child care and preschool programs to the Regional Market Rate, conform to the Child Care Providers United – California bargaining agreements, and set funding targets for all providers based on statutory standards.
- Extends the Alameda County Child Care Pilot sunset date to 2023.
- Adopts placeholder trailer bill for amending the Education Code, and Welfare and Institutions Code, to reflect the transfer of all child care programs to DSS authority.



**HIGHER EDUCATION****University of California**

- Restores the \$302.4 million ongoing General Fund cut made to the university in 2020-21.
- Approves the May Revision proposal to provide a \$173.2 million ongoing General Fund base increase.
- Provides \$67.8 million ongoing General Fund in 2022-23 to support 6,230 new California students.
- Creates a nonresident reduction plan at UC Berkeley, UCLA and UC San Diego. Provides \$31 million ongoing General Fund in 2022-23, \$61 million ongoing General Fund in 2023-24, and \$92 million in 2024-25 to reduce nonresident enrollment to 18% of the undergraduate student body, replacing about 900 nonresident students with California students annually.
- Rejects the Governor's Budget proposal to tie increased funding to the requirements that UC increase online courses and provide an equity gap report.
- Modifies the Governor's Budget proposal to provide \$15 million ongoing General Fund to support student mental health services and student technology needs, to only support student mental health services.
- Modifies the May Revision proposal to move the UCOP budget line item into the main campus budget item. Allows the move for one year and includes language stating that the Legislature will review the UCOP budget before determining where it should be placed in the 2022 Budget Act.
- Approves the May Revision proposal to provide \$45 million one-time General Fund to support the UC Davis animal shelter program.
- Provides \$22.5 million one-time General Fund to support the Student Academic Preparation and Educational Partnerships (SAPEP) program.
- Approves the Governor's Budget proposal to increase funding for the UC PRIME program by \$12.9 million ongoing General Fund. Adds reporting language requiring UC to report on how this funding was used and the outcomes it achieved.
- Approves the May Revision proposal to provide \$15 million one-time General Fund to support for the University of California Los Angeles Labor Center facility.

- Approves the May Revision proposal to eliminate the sunset date on summer financial aid.
- Modifies the Governor's Budget proposal to provide \$1 million ongoing General Fund to align campus learning management systems with CSU and community colleges. Includes funding and budget bill language stating that UC may enter into discussions with CSU and community colleges to align campus learning management systems.
- Provides \$325 million one-time General Fund for deferred maintenance and energy efficiency projects.
- Approves the Governor's Budget proposal to provide \$20 million one-time General Fund to support student stipends at the California Institutes for Science and Innovation.
- Approves the Governor's Budget proposal to provide \$15 million one-time General Fund to support emergency financial aid for students.
- Approves the Governor's Budget proposal to provide \$7 million one-time General Fund to the UC Subject Matter Projects.
- Modifies the Governor's Budget proposal to provide \$5 million one-time General Fund to support faculty professional development, to include language allowing funding also to be used to support equal employment opportunity practices.
- Approves the Governor's Budget proposal to provide \$1.25 million one-time General Fund to support a public health modeling consortium at UC San Francisco.
- Modifies the Governor's Budget proposal to create a new dual admissions transfer program. Creates the program with a three-year sunset and reporting language.
- Provides \$543,000 one-time General Fund to the Statewide Database program.
- Approves trailer bill language that extends the sunset of a UC institutional aid program that provides support to some refugee and undocumented students.
- Approves trailer bill language to expand the certification process UC must complete before receiving approval for capital outlay projects.
- Approves updates and reappropriations proposed in the May Revision for the Breast Cancer Research Fund and the Cigarette and Tobacco Products Surtax Fund.
- Approves the Governor's Budget proposal to provide \$1 million ongoing General Fund to support the UC Davis Firearms Violence Research Center, once one-time funding

expires, and a May Revision proposal to correct the name of the center, which is the University of California Firearm Violence Research Center.

- Modifies the Governor's Budget proposal for immigration legal services, providing \$1.8 million ongoing General Fund.
- Approves the May Revision proposal to decrease the Graduate Medical Education grant program by \$1.6 million to maintain a total of \$40 million for the program based on the most recent Proposition 56 revenue estimates. Includes budget bill language allowing the Department of Finance the ability to adjust this fund each year to ensure it provides \$40 million for this program.
- Approve the May Revision proposal to align emergency student financial aid eligibility criteria for funding available to University of California students with criteria established by Chapter 4, Statutes of 2021 (AB 85) for similar funding available to California Community College students.
- Approves \$30 million one-time General Fund for UC Dan Diego Medical Center Hillcrest for capital planning and construction of the new facility.
- Approves \$15 million one-time for UC Riverside Center for the planning, site acquisition, environmental surveys Environmental Research and Technology.
- Approves \$25 million to support UC Riverside School of Medicine for clinical facilities.
- Approves \$5 million one-time for the UCLA Ralph J. Bunche Center.
- Approves \$32.133 million ongoing General Fund for UC Agricultural and Natural Resources (ANR) Division and continues ANR as a separate budget line item.
- Approves \$4.5 million one-time for the UC Hematologic Malignancies Consortium pilot.
- Approves \$375,000 one-time for UC Merced Community and Labor Center.
- Approves \$7 million one-time to establish the UC Merced Public Policy Center and \$3 million one-time General Fund to establish the UC Merced Center for the Future of Agriculture.
- Approves May Revision funding for the University of California San Francisco Dyslexia Center and adds \$5 million that will be used to expand pilot sites at LEAs to use dyslexia screening tools and assessments and research-based interventions to prevent reading failure.

- Provides \$3.5 million one-time General Fund to the Alba Lab at the Memory and Aging Center at UCSF, \$3 million one-time General Fund to the UC/CSU California Collaborative on Neurodiversity and Learning at UCLA (and \$3 million to UC Hastings) to create the California Institute on Law, Neuroscience, and Education to promote a collaborative focus on neuroscience, law, education, and social justice to improve literacy outcomes in school settings for at-risk youth.
- Approves the Governor's May Revision proposal to provide \$1 million one-time for the UC Berkeley Alternative Meats Lab.
- Approves \$1 million one-time General Fund to support the UC Berkeley Food Institute.
- Approves \$3 million ongoing General Fund to support the UCLA Latino Policy and Politics Initiative.
- Approves \$21 million one-time for UC Davis Center for Regenerative Cures to support research into Jordan's Syndrome.
- Approves \$50 million one-time to UCLA to support the Charles Drew University of Medicine and Science for capital costs for facilities to support the graduate medical education program.
- Approves \$1 million ongoing to fund the CalSurv Gateway mosquito abatement program.
- Approves \$2.5 million one-time for Scripps Institution of Oceanography at UCSD to conduct a study on coastal cliff landslides and erosion.
- Approves \$10 million one-time to support the UC Institute for Transportation studies to develop a three year research and technical assistance program.
- Provides \$10 million one-time General Fund to UC Riverside to support social surveys of Asian American and Pacific Islander residents of California.
- Provides \$3 million ongoing General Fund to support the California Veterinary Emergency Team at UC Davis.

### **California State University**

- Restores a \$299 million ongoing General Fund cut made in 2020-21.
- Modifies the May Revision proposal to provide a \$185.9 million ongoing General Fund base support increase.

- Provides \$81 million ongoing General Fund to increase CSU undergraduate enrollment by 9,434 new students in 2022-23.
- Approves the Governor's Budget proposal to provide \$15 million ongoing General Fund to support student basic needs.
- Rejects the Governor's Budget proposal to tie increased funding to the requirements that CSU increase online courses and provide an equity gap report.
- Modifies the Governor's Budget proposal to provide \$15 million ongoing General Fund to support student mental health services and student technology needs, to only support student mental health services.
- Modifies the Governor's Budget proposal to provide \$2 million ongoing General Fund to align campus learning management systems with UC and community colleges. Instead includes budget bill language stating that CSU may enter into discussions with UC and community colleges to align campus learning management systems.
- Approves the Governor's Budget proposal to provide \$1 million ongoing General Fund to support enrollment growth of 115 students at the CSU Stanislaus Stockton Center.
- Provides \$325 million one-time General Fund to support CSU deferred maintenance and energy efficiency projects.
- Approves the Governor's Budget proposal to provide \$30 million one-time General Fund to support emergency financial aid for students.
- Modifies the Governor's Budget proposal to provide \$10 million one-time General Fund to support faculty professional development, to include language allowing funding also to be used to support equal employment opportunity practices.
- Approves the Governor's Budget proposal to provide \$10 million one-time General Fund to support the Computing Talent Initiative at CSU Monterey Bay.
- Approves the May Revision proposal to eliminate the sunset date on summer financial aid.
- Modifies the Governor's Budget proposal to create a new dual admissions transfer program. Creates the program with a three-year sunset and reporting language.

- Provides \$2 million one-time General Fund to support a study on CSU non-faculty salary structures.
- Approves the May Revision proposal to provide \$25 million one-time General Fund to support the California State University Northridge Center for Equity in Innovation and Technology.
- Approves the May Revision proposal to provide \$433 million for capital projects, and \$25 million ongoing to support CSU Humboldt transition to a polytechnic university.
- Approves the Governor’s Budget proposal to support CENIC cost increases by \$246,000 ongoing General Fund.
- Provides \$54 million one-time to fund the replacement of the Acacia building at CSU, Stanislaus Stockton Center.
- Provides \$1 million ongoing to support the Mervyn M Dymally African America and Political and Economic Institute at CSU Dominguez Hills.
- Provides \$5 million one-time to support CSU Project Rebound Consortium over three years to support housing.
- Provides \$60 million one-time General Fund to support CSU Dominguez Hills infrastructure.
- Provides \$1 million one-time General Fund to the CSU Fullerton Arboretum.
- Provides \$10 million one-time General Fund to support the Asian American Studies Department at San Francisco State University to support the Stop Asian Pacific Islander Hate website and conduct other research.

**California Community Colleges**

- Provides a 5.07% cost-of-living adjustment to apportionments, or \$371.2 million ongoing Proposition 98 General Fund.
- Approves the May Revision proposal to eliminate deferrals created in the 2020 Budget Act.
- Approves the May Revision support for 0.5% enrollment growth.
- Approves the Governor’s Budget proposal to provide \$150 million one-time Proposition 98 General Fund for emergency financial aid.

- Approves the Governor’s Budget proposal to provide \$100 million one-time Proposition 98 General Fund to support student basic needs.
- Modifies the Governor’s Budget proposal to provide \$30 million ongoing Proposition 98 General Fund to support student mental health services and student technology needs, to only support student mental health services.
- Approves the Governor’s Budget proposal to provide \$20 million one-time Proposition 98 General Fund to support faculty professional development.
- Approves the Governor’s Budget proposal to provide \$10.6 million ongoing Proposition 98 General Fund to systemwide technology projects, such as online tutoring and counseling and electronic transcripts.
- Approves the Governor’s Budget proposal to add \$15 million ongoing Proposition 98 General Fund to the California Apprenticeship Initiative.
- Approves May Revision proposals to provide a 4.05% cost-of-living adjustment to the apprenticeship program.
- Modifies the Governor’s Budget and May Revision proposals regarding work-based learning by folding this funding into the Strong Workforce program and including budget bill language stating that Strong Workforce programs may utilize work-based learning.
- Provides \$115 million one-time Proposition 98 General Fund for zero-textbook-cost degrees, with trailer bill language to allow funds to be used for popular courses, as well as degrees.
- Approves all proposed Proposition 51 capital outlay projects and reappropriations in the Governor’s Budget, April Finance letter, and May Revision. This includes 9 new projects and 32 continuing projects.
- Rejects May Revision proposals to support dual enrollment costs.
- Approves Governor’s Budget proposal to support dual enrollment textbook costs.
- Approves the Governor’s Budget proposal for \$1 million ongoing Proposition 98 General Fund to provide technical assistance to adult education regional consortia.
- Provides a 4.05% cost of living adjustment for the adult education program.

- Includes budget bill language allowing the California Department of Education and the Community College Chancellor's Office to work together to distribute adult education funding to the field in a more timely manner.
- Provides \$5.6 million one-time Proposition 98 General Fund to support AB 1460 (CSU ethnic studies) and anti-racism efforts.
- Approves the Governor's Budget proposal for \$8 million ongoing Proposition 98 General Fund to support increased CENIC broadband costs.
- Continues funding for Calbright College but adds budget bill language stating that any legislation that eliminates the college will be binding.
- Provides increases to the following categorical programs:
  - \$4.9 million ongoing Proposition 98 General Fund for Umoja
  - \$8.2 million ongoing Proposition 98 General Fund for MESA
  - \$7.3 million ongoing Proposition 98 General Fund for Puente
  - \$20 million ongoing Proposition 98 General Fund for EOPS
  - \$1.3 million ongoing Proposition 98 General Fund for the HBCU Transfer program.
- Provides \$100 million ongoing Proposition 98 General Fund to increase the hiring of full-time faculty.
- Provides \$90 million one-time Proposition 98 General Fund and \$10 million ongoing Proposition 98 General Fund to support part time faculty office hours.
- Extends the hold harmless provision for the Student Centered Funding Formula by one year, to 2024-25.
- Rejects the May Revision proposal to provide \$50 million ongoing Proposition 98 for vocational courses for English as a Second Language students.
- Approves the May Revision proposal to increase support for the Student Equity and Achievement Program by \$23.8 million ongoing Proposition 98 General Fund.
- Approves the May Revision proposal to support cost-of-living adjustments to the following categoricals: EOPS, campus child care, CalWORKS, DSPS, child nutrition and mandates block grant.
- Approves the May Revision proposal to provide \$10 million one-time General Fund to develop a common course numbering system throughout the community college system,



and if feasible, align the proposed common course numbering system with course numbering systems at the California State University and University of California.

- Approves the May Revision proposal to increase funding for dreamer resource liaison positions by \$5.8 million ongoing Proposition 98 General Fund.
- Approves the May Revision proposal to provide \$30 million ongoing Proposition 98 General Fund to support basic needs centers at all community colleges, and adopts trailer bill language describing the centers and basic needs coordinator duties and noting that funding shall not be used for financial aid administration.
- Approves the May Revision proposal to provide \$10 million one-time Proposition 98 General Fund to establish a workgroup for a competency based education pilot program.
- Approves the May Revision proposal to provide \$1 million one-time Proposition 98 General Fund to modernize the CCC Registry to better enable centralized recruitment and resources. The CCC Registry is an online database of job opportunities for the California Community Colleges.
- Rejects the May Revision proposal to provide \$10 million one-time Proposition 98 General Fund to support Guided Pathways mapping through acquisition and implementation of software for community colleges that visualizes and clearly maps out curricular pathways for community college students.
- Approves the May Revision proposal for \$4 million ongoing Proposition 98 General Fund to expand the implementation of the systemwide technology platform for library services.
- Provides \$511 million one-time Proposition 98 General Fund for deferred maintenance.
- Modifies the May Revision proposal to provide \$150 million one-time Proposition 98 General Fund to support Guided Pathways implementation by providing \$50 million one-time Proposition 98 General Fund.
- Rejects the May Revision proposal to create a \$50 million one-time Proposition 98 General Fund COVID 19 Block Grant.
- Approves the Governor's Budget proposal to provide \$100 million one-time Proposition 98 General Fund to support student recruitment and retention strategies.
- Approves the May Revision proposal to provide \$20 million one-time Proposition 98 General Fund to support equal employment opportunity practices.

- Provides \$10 million one-time Proposition 98 General Fund to support LGBTQ+ student support centers.
- Provides \$10 million ongoing Proposition 98 General Fund to create the Rising Scholars program to support justice-involved students.
- Approves the May Revision proposal to provide \$20 million one-time Proposition to support the participation of community colleges in High Road Training Partnerships and regional partnerships funded by the California Workforce Development Board.
- Increases support for the Strong Workforce program by \$42 million ongoing Proposition 98 General Fund.
- Approves trailer bill language to allow colleges to waive fees owed by students, rather than collecting owed fees from students and then reimbursing the students, specifically for the colleges electing to use federal funds to waive student fees.
- Modifies the May Revision proposal to remove the sunset date for the CollegeBuys Program, allowing the continued procurement of goods and services in bulk for the community college system, instead extending the sunset date by one year.
- Rejects proposed trailer bill language that would change practices with regard to establishing the tuition level for nonresident community college students.
- Rejects the Governor's Budget proposal to tie increased COLA funding to the requirements that community colleges increase online courses and provide an equity gap report.
- Includes budget bill language emphasizing the importance of in-person instruction and requiring districts to report on the percentage of in-person instruction they are offering in Fall 2021, their plans for increasing in-person instruction in Spring 2022, and how they are responding to student demand for in-person or online instruction.
- Provides \$1 million one-time Proposition 98 General Fund to the Reedley College aviation program.
- Provides \$3.5 million one-time Proposition 98 General Fund to Mira Costa College to support the Cooperative Education Reskilling and Training (CERT) program.
- Provides \$6.6 million one-time Proposition 98 General Fund to Rio Honda College to support the Water Reservoir Project.
- Provides \$2 million one-time Proposition 98 General Fund to Riverside College to support the Military Articulation Platform.

- Provides \$3 million one-time Proposition 98 General Fund to Palo Verde College for the Palo Verde College Child Development Center Relocation and Expansion Project.
- Provides \$1 million one-time Proposition 98 General Fund to Chaffey College to support the CORE Academy.
- Provides \$3 million one-time Proposition 98 General fund to the Chaffey College InTech Center to support and equip a welding training facility.
- Provides \$6 million one-time Proposition 98 General Fund to Bakersfield College to expand and implement healthcare workforce training programs.
- Provides \$355,000 one-time Proposition 98 General Fund to the College of the Siskiyous to support its nursing program.
- Provides \$355,000 one-time Proposition 98 General Fund to Shasta College to support its nursing program.
- Provides \$4 million one-time Proposition 98 General Fund to San Bernardino Community College to support a partnership with KVCR TV.
- Provides \$500,000 one-time Proposition 98 General Fund to the College of the Redwoods to support its nursing program.
- Provides \$400,000 one-time Proposition 98 General Fund to Rio Hondo College to support its situational simulation training center.
- Provides \$5 million one-time Proposition 98 General Fund to the Community College Chancellor's Office expand pathways to law school programs through the Community College Law School Initiative.
- Provides \$1 million one-time Proposition 98 General Fund to the San Jose Evergreen Community College District to support planning and community engagement to explore ideas for development of vacant land owned by the district.
- Provides \$35.1 million one-time Proposition 98 General Fund to the San Diego College of Continuing Education to support the renovation and remodel of the historical theater and community room at the Educational Cultural Complex building.

### **California Student Aid Commission**

- Eliminates the age and time out of high school requirements for the Cal Grant for income-eligible California community college students starting in 2021-22. These students would continue to receive Cal Grant even if they transferred to UC or CSU. New funding will be \$153 million ongoing General Fund in 2021-22 and grow to \$332 million ongoing General Fund by 2025-26. Includes an increased cap for the Students with Dependent Children

award to accommodate new students in this program and adds \$82.3 million ongoing General Fund to support up to \$6,000 in non-tuition support for each of these students.

- Provide \$5.4 million for a cost of living adjustment to the private non-profit tuition coverage award of \$9,084. Students will now receive \$9,220.
- Expands the Middle-Class Scholarship program to cover the total cost of attendance for low- and middle-class UC and CSU students starting in 2022-23. The program calculates a student's costs, other aid, and a student contribution, and then provides state aid to make up the remaining costs. The program begins by covering about a third of the full costs.
- Rejects the Governor's proposal to increase the number of competitive Cal Grant awards.
- Approves the Governor's Budget proposal to provide \$20 million ongoing General Fund to provide all foster youth in the Cal Grant program with a \$6,000 access award.
- Approves the May Revision proposal to provide \$500 million one-time General Fund to support the Golden State teacher program.
- Modifies the Governor's Budget proposal to require all California high schools to ensure that students fill out financial aid applications. Approves trailer bill language that would delay implementation by one year; require CSAC to develop regulations, standardized opt-out form, and acceptable use forms; require schools to use standardized opt-out form; allow legal services organizations and postsecondary immigration resource centers to aid schools; allow a student to opt out for any reason; and ensure students are not penalized for not completing a financial aid form.
- Modifies the May Revise proposal to provide \$1 billion one-time federal funds to create the Education and Training Grants program. Instead provides \$472.5 million federal funds and \$27.5 one-time General Fund to support education grants for displaced workers wishing to attend UC, CSU or a California community college.
- Modifies the May Revision proposal to create the Learning-Aligned Employment program. Provides \$200,000 one-time General Fund in 2021-22 and \$300,000 one-time General Fund in 2022-23 to support state-funded work study programs at UC, CSU and community college campuses. Students could work on campuses or with non-profits or private employers in jobs related to their field of study. Private employers would be required to pay at least half of the student's salary, while non-profits would be required to pay at least 10% of the student's salary.
- Approves the Governor's Budget proposal to restore Cal Grant A eligibility to students who changed living situations due to COVID-19.

- Approves the Governor's Budget proposal to delay by one year requirements related to transfer enrollment at private non-profit institutions to maintain the Cal Grant award.
- Approves the Governor's Budget proposal to support the maintenance and operations phase of the Grant Delivery System modernization project.
- Rejects proposed trailer bill language that would authorize CSAC to receive bequests, donations and grants through an affiliated foundation.
- Provides \$103 million one-time General Fund to support current year Cal Grant costs not identified in the May Revise.
- Approves May Revision proposals to adjust various programs based on caseload.

### **Hastings College of the Law**

- Approves the Governor's Budget proposal to support a \$2.1 million General Fund ongoing increase to Hastings budget. The Governor links the General Fund augmentation to an expectation that Hastings not increase tuition in the 2021-22 academic year.
- Approves the May Revision proposal for \$3 million one-time General Fund to support an alternative campus public safety program. Funding shall be available for encumbrance or expenditure until June 30, 2024.
- Provides \$3.5 million one-time General Fund to create the California Institute on Law, Neuroscience, and Education to promote a collaborative focus on neuroscience, law, education, and social justice to improve literacy outcomes in school settings for at-risk youth.

### **California State Library**

- Approves the Governor's Budget proposal for \$1 million ongoing General Fund for the Zip Books project, which provides for easily accessible online purchasing and convenient shipping of library books to ensure timely and cost-effective access to information in California's hard-to-reach and underserved communities.
- Approves the Governor's Budget proposal of \$800,000 ongoing General Fund to support the Lunch at the Library program.
- Approves the Governor's Budget proposal of \$3 million one-time General Fund to support grants to local library jurisdictions to acquire bookmobiles and vans.
- Approves the Governor's Budget proposal of \$5 million one-time General Fund to provide grants for early learning and after school programs to library jurisdictions.

- Approves the Governor’s Budget proposal of \$500,000 ongoing and \$300,000 one-time General Fund to support increased costs for library broadband services as part of the CENIC network.
- Modifies the May Revision proposal to provide \$439 million one-time General Fund to provide grants for local library infrastructure improvements through an equity-focused matching infrastructure grant program
- Approves the May Revision proposal to provide \$5 million one-time to support the Civil Liberties Education Grant Program. This grant program supports the creation and dissemination of educational and public awareness resources concerning the history and the lessons of civil rights violations or civil liberties injustices carried out against communities or populations. It is also requested that these funds be available for encumbrance or expenditure until June 30, 2024.
- Approves the May Revision proposal to provide \$6 million one-time General Fund to support the Broadband Connectivity initiative for public libraries. This initiative supports library grants to leverage federal funds to connect rural and under-sourced public libraries, tribal libraries and cultural centers, and to upgrade local library equipment to support high speed connectivity.
- Approves the May Revision proposal to provide \$35 million one-time to support local projects to expand broadband access for isolated and under-served communities through a collaborative partnership of local education agencies, regional and local libraries, and telehealth providers. The projects funding through the proposed program would also be eligible to leverage funding available through the Federal Universal Service Program for Schools and Libraries (“E-Rate”). It is also requested that these funds be available for encumbrance or expenditure until June 30, 2025.
- Approves the May Revision proposal to provide \$300,000 to support CENIC circuit deployment fees to local libraries.
- Approves the May Revision proposal to provide \$15 million one-time General Fund to expand access and support to the English as a Second Language Learners program available through local libraries.
- Approves the May Revision proposal to provide \$6.4 million to support a two-year pilot project for a real-time, online tutoring service program that would be accessible by elementary and secondary school pupils through local libraries, irrespective of whether the pupil accesses the assistance on-site at the local library or through a personal device. It is also requested that these funds be available for encumbrance or expenditure until June 30, 2023

- Approves the May Revision proposal to provide \$1,641,000 one-time and 2 positions and \$220,000 ongoing to support a pilot project to implement new assistive technologies and to expand access to those resources to visually-impaired Californians. The California State Library would collaborate with the Braille Institute of America in Los Angeles to implement these technology and to expand access to those resources.
- Approves the May Revision proposal to provide \$835,000 and 6 positions, and Item 6120-219-0001 be added in the amount of \$1,552,000 to support the development of disaster preparedness plans to protect at-risk art, and historically and culturally significant collections that are publicly and privately held by underserved and underrepresented communities. It is also requested that these funds be available for encumbrance or expenditure until June 30, 2025.
- Approves the May Revision proposal to provide \$10,578,000 to reflect available one-time federal Institute of Museum and Library Services Grant funds from the American Rescue Plan of 2021.
- Approves the May Revision proposal to provide \$130,000 and 1 position to support Library workload associated with the California Homeless Youth Project.
- Approve the May Revision proposal to provide \$241,000 and 2 positions to support expanded access to online educational database resources for Science, Technology, Engineering, Arts, and Mathematics (STEAM) available to K-12 students and education professionals.
- Approve the May Revision proposal to provide \$345,000 and 3 positions to curate, preserve, and archive increasing amounts of electronic data being generated by state agencies and other relevant entities; and to coordinate and support information services and automated processes to facilitate convenient and efficient access to this information by policymakers, researchers, and the public.
- Approves the May Revision proposal to shift the State Government Oral History Program from the California State Library to the Secretary of State, which oversees the California State Archives.
- Provides \$2 million one-time General Fund for California Humanities.
- Provides \$3 million one-time for Career Online High School.
- Provides \$2.4 million one-time for the Logan Heights Library facilities restoration.

- Provides \$2.1 million in 2021-22, of which \$0.46 million is ongoing to digitize documents and records, complement an inventory, catalog materials, expand metadata capacity for the UC Berkeley's Institute of Governmental Studies Library.
- Provides \$314,000 ongoing and \$500,000 one-time to improve and maintain the California State Library State Grants Portal.
- Provides \$750,000 one-time General Fund to support LGBTQ historical archives.
- Restores \$1.8 million ongoing General Fund to the California Library Services Act.
- Provides \$26.5 million one-time General Fund to support the San Francisco Chinatown Media and Arts Collaborative.
- Provides \$500,000 one-time General Fund to support the San Francisco Richmond Community Youth Center.
- Provides \$10 million one-time General Fund to support the Outreach Grants to Ethnic Media Program.
- Provides \$6 million one-time General Fund to support the Inland Congregations United for Change Parent and Youth Civic Engagement.
- Provides \$1 million one-time General Fund to support the Jewish Family and Children's Services Holocaust Center.
- Provides \$200,000 one-time General Fund to support the California Center for Civic Participation.
- Provides \$1.1 million ongoing General Fund to support the administration of new library programs.

**Scholarshare**

- Modifies the May Revision proposal to support college savings accounts by providing \$1.8 billion federal funds and \$107.8 million ongoing General Fund to support the CalKIDS program and a new program within CalKIDS to provide up to \$1,000 for accounts for low-income K-12 students

**Government Operations Agency**

- Provides \$15 million ongoing General Fund and \$3.8 million Proposition 98 General Fund to support the Cradle to Career data system and an online tool to support students and parents and adopts trailer bill language to increase public participation on the governing board, strengthen oversight language for the governing board in regard to reviewing and



approving data security and privacy policies in consultation with experts, as well as ongoing monitoring to ensure compliance, stipulate that data requests that are denied must be provided the rationale for the denial within 30 days, adopt stronger privacy protections language and specify adopt stronger privacy protections language and specify that the project is subject to the California Department of Technology review process.

### **Campus Expansion and Student Housing Fund**

- Rejects the May Revision proposal to provide the California School Finance Authority with \$4 billion one-time to support student housing projects. Instead creates a new \$2 billion fund that will support campus capacity expansion projects at UC and CSU and student housing projects at community colleges, UC and CSU. Details of this program will be added in a subsequent budget action.

**RESOURCES & ENVIRONMENTAL PROTECTION****Natural Resources Agency**

- Adopts \$5.7 million for rehabilitation of Clear Lake.
- Allocates \$600,000 for water resilience data, research, and communications.
- Funds \$2 million General Fund ongoing to Ocean Protection Council for the Marine Mammal Center to conduct rescue and research efforts.
- Provides \$2.5 million for the Holocaust Museum Los Angeles Building Truth Campaign and \$10 million for the Museum of Tolerance funding.
- Rejects \$125 million in Prop 68 appropriations for habitat funding.
- Approves three permanent positions to support the Youth Community Access grant program.
- Approves \$11,274,000 General Fund one-time, and \$6,421,000 General Fund ongoing to support increased rental costs at the Natural Resources Agency's new facility. These funds are from Department of Conservation, CALFIRE, and Department of Fish and Wildlife, and Department of Parks and Recreation as well.
- Approves \$27.5 million in General Fund for Presidio Park.
- Approves \$6.5 million for interagency offshore wind environmental analyses with OPC, Coastal Commission, CDFW.
- Approves various technical bond reappropriations and reversions.

**California Tahoe Conservancy**

- Approves \$500,000 in Proposition 84 funds for feasibility planning for watershed improvements, forest health, and fuels reduction capital outlay projects.
- Approves \$850,000 in various propositions funds for various minor capital outlay projects.
- Authorizes \$500,000 in federal reimbursement authority for the Upper Truckee River Sunset Stables Reach 6 Restoration Project.
- Approves \$519,000 in various proposition funds for lead remediation of the Van Sickle Bi-State Park's 1860's era barn.

**California Conservation Corps**

- Allocates \$5 million for fire prevention projects from GGRF.

- Approves \$141,266,000 General Fund phased in over 5 years and 617 positions ongoing, to add 30 additional hand crews to provide vegetation management, hazardous fuel reduction projects, and wildland fire suppression. The request includes 16 CAL FIRE Firefighter crews, eight year-round CCC crews, and six seasonal CCC crews.
- Approves \$1.953 million to make the Navigator Pilot program permanent.
- Grants position authority for four positions for the Watershed Stewardship Program.
- Appropriates \$1 million General Fund one-time to the California Conservation Corps (CCC) for deferred maintenance projects that represent critical infrastructure deficiencies and \$1.3 million General Fund one-time to address critical maintenance projects at the Los Padres facilities.

### **Department of Conservation**

- Approves a baseline funding increase of \$3.932 million Oil, Gas, and Geothermal Administrative Fund for increased inspections.
- Grants four positions and three-year limited term funding of \$3 million Strong-Motion Instrumentation and Seismic Hazards Mapping Fund in order to develop Multi-Benefit three-dimensional geologic framework mapping.
- Approves 26 positions and a baseline increase of \$4,826,000 from the Oil, Gas, and Geothermal Administrative Fund, phased in over three years to strengthen enforcement at CalGEM.
- Approves \$168,000 ELPF and 1 position ongoing to support the Forest Management Task Force.

### **Department of Forestry and Fire Protection**

- For the Wildfire Prevention and Resilience Package, appropriates \$258 million General Fund and \$75 million Greenhouse Gas Reduction Fund (GGRF) one-time in 2021-22; and \$500 million General Fund in 2022-23. (The remaining \$125 million GGRF for 2021-22 for purposes of SB 901 (Dodd), Chapter 626, Statutes of 2018, will be part of the Cap-and-Trade Spending Plan, which is to be finalized later this summer.) Details of the wildfire prevention package are to be finalized in an agreement among the Senate, Assembly, and Governor.
- Approves \$141,266,000 General Fund in 2021-22 and \$124,493,000 General Fund (phased in over five years) and 617 positions ongoing, to add 30 additional hand crews to provide vegetation management, hazardous fuel reduction projects, and wildland fire

suppression. The request includes 16 CAL FIRE Fighter crews, eight year-round CCC crews, and six seasonal CCC crews.

- Rejects \$2 million for CalFire to work with CalHR to work on a new classification.
- Approves \$50 million in one-time deferred maintenance from General Fund with reporting requirements.
- Approves \$61.783 million General Fund for various capital outlay projects.
- Approves \$22.753 million General Fund over three years to support two optional years of aviation parts and logistics vendor contract increases.
- Funds one position and \$482,000 from the Building Standards Administration Special Revolving Fund for the Office of State Fire Marshal's Code and Development and Analysis Division.
- Adds budget bill language to waive specified state contracting requirements to enable CalFire to contract for Exclusive Use aircraft quickly to address emergency fire conditions and support fire suppression operations.
- Approves \$3.2 million General Fund one-time to educate the public and to develop regulations on the provisions for a zero to five-foot ember-resistant zone set forth in AB 3074 (Friedman).
- Approves \$1.687 million California Hazardous Liquid Pipeline Safety Fund, \$1.602 Federal Trust Fund, and five permanent ongoing to research leak detection and automatic shutoff technologies for pipelines.
- Provides \$5 million one-time General Fund to provide a pass-through grant to California State University, San Marcos to study enhanced firefighting.
- Approves \$8.3 million General Fund one-time (\$6.1 million ongoing) and 26 positions to implement AB 38 (Wood).
- Rejects a trailer bill to carve out \$200 million from GGRF until 2028-2029.
- Permanently redirects \$12.197 million General Fund ongoing from the Emergency Fund to the base budget (a net-zero transfer), along with \$1.5 million General Fund one-time for 87 positions.
- Allows one-time funding of \$38.913 million General Fund to augment fire protection resources from July-December.

- Approves 22 positions \$7,286,000 General Fund, \$191,000 Public Utilities Commission Utilities Reimbursement Account in 2021-22 and \$4,230,000 General Fund, \$191,000 PUCURA ongoing, to support the implementation and strategy development of the Wildfire Forecast and Threat Intelligence Integration Center.

### **State Lands Commission**

- Provides \$250 million to help ports recover from losses due to COVID 19.
- Approves \$2 million Environmental License Plate Fund for operations and management responsibilities for the Bolsa Chica Lowlands Restoration Project.
- Approves \$49.9 million one-time General Fund and to repurpose \$2.5 million one-time General Fund to complete Phase 1 of the South Ellwood Project.
- Rejects without prejudice trailer bill language regarding oil tax assessments with the City of Long Beach.

### **Department of Fish and Wildlife**

- Appropriates \$143.6 million General Fund one-time for the Biodiversity Conservation Program, management of DFW lands and facilities, and enforcement. Allocates \$2 million to DFW to be provided to the Resource Conservation District of the Santa Monica Mountains to assist the recovery of the federally endangered southern steelhead trout with habitat restoration, genetic preservation, and hatcheries.
- Approves \$5 million California Environmental License Plate Fund to develop a wolf conflict compensation pilot program and a feasibility study.
- Makes permanent 18.0 positions and \$3.8 million General Fund one-time for the Cutting the Green Tape Initiative, with reporting requirements.
- Funds \$135,000 in 2021-22, and \$124,000 in 2022-23 and ongoing from the Federal Trust Fund to implement AB 1949 (Boerner Horvath).
- Allows an adjustment to move revenue and expenditures from the Wildlife Restoration Fund to a Fish and Game Preservation Fund dedicated account, resulting in a net authority increase in the amount of \$114,000.
- Makes permanent 17 positions on nutria education and approves an increase of \$8.9 million in reimbursement authority and \$2.5 million ongoing in Federal Trust Fund authority.
- Provides \$1.3 million one-time to cover payments to voluntary participants to complete the Drift Gill Net Transition Program.

- Approves placeholder trailer bill language to fix the structural deficit in the Oil Spill Prevention and Administration Fund.
- Approves \$15.3 million for Terrestrial renewable energy permitting.
- Approves \$6.5 million for Interagency offshore wind environmental analyses with OPC, Coastal Commission, CDFW.

**California Coastal Commission**

- Provides \$10 million for the Whale Tail Grant Program.
- Approves \$1,067,000 from the Coastal Act Services Fund annually for three years for operations.
- Approves \$750,000 GGRF one-time for state operations.
- Approves \$30 million one-time for sea level rise local assistance grant program with encumbrance by June 30, 2026.
- Approves \$1 million one-time General Fund for operations.
- Approves \$6.5 million for Interagency offshore wind environmental analyses with OPC, Coastal Commission, CDFW.

**State Coastal Conservancy**

- Approves an annual appropriation of \$1,500,000 from the Violation Remediation Account to fund coastal resource enhancements and public access projects statewide with expenditure through June 30, 2026.
- Approves a \$2,000,000 increase to the blanket Federal Trust Fund authority.
- Approves various technical reappropriations of bond funds.

**Native American Heritage Commission**

- Approves \$350,000 ELPF annually through 2024-25 to support the Truth and Healing Council.
- Adopts \$115,000 ELPF ongoing to support the Governor's Tribal Advisor.

**Department of Parks**

- Approves \$155 million General Fund for the Statewide Parks Program and \$40 million for Outdoor Equity Grants Program.
- Appropriates \$3.16 million ELPF one-time and \$2.441 million ongoing to the Department of Parks and Recreation (Parks) for K-12 Expansion to provide disadvantaged youth with digital and physical access to the natural environment.
- Appropriates \$3 million General Fund one-time to Parks, in collaboration with the California State Library for a three-year pilot program to provide state park passes to libraries for check-out.
- Appropriates \$500,000 General Fund one-time to Parks for the CalWORKS Golden Bear Pass Eligibility Outreach Pilot Program.
- Appropriates \$5.6 million General Fund one-time to Parks for the California State Park Adventures Pilot Program to provide free State Parks access to 4th graders and approves companion trailer bill language.
- Defers \$200 million one-time for capital outlay local park grants and legislative investments for later action.
- Approves an extension of liquidation for various local park projects.
- Approves \$195 million in General Fund for deferred maintenance with reporting requirements.
- Approves \$585,000 ongoing from the State Parks and Recreation Fund and four positions for the Community Outreach Program and California Relevancy and History Interpretation Program.
- Provides \$2,000,000 ongoing General Fund, seven positions, and seven vehicles to comply with the requirements of AB 3074.
- Approves \$29,000,000 one-time from the Off-Highway Vehicle Trust Fund for local assistance grants.
- Approves \$770,000 ongoing General Fund and five positions to comply with the requirements of AB 275 (Ramos).
- Approves \$10,000,000 General Fund one-time and \$23,350,000 in reimbursement authority for Phase II continuation of the Woolsey Fire rebuild project and extends encumbrances.

- Approves \$55.477 million for various capital outlay projects.
- Approves \$1,423,000 ongoing and two positions, from the State Parks and Recreation Fund for staffing and software license renewal for a Records Management System.
- Approves \$113,500,000 General Fund and \$103,500,000 in reimbursement authority in for Big Basin Redwoods State Park fire repairs.
- Approves \$95.3 million General Fund for the California Indian Heritage Center.
- Approves various capital outlay and state operations reappropriations and reversions as well as non-bond and Prop 99 technical adjustments.
- Allocates \$2 million of Prop 84 for the South Yuba River State Park Historic Covered Bridge.
- Funds \$30 million General Fund one-time for the Sacramento Railyards.
- Rejects fee increases on boats and instead backfills \$9.3 million General Fund over the next three years to cover the loss of revenue.
- Rejects the proposed suspension of the Beach Sand Replenishment grant program.
- Adds budget bill language to require a stakeholder process to address the boating and waterways structural deficit, with a new proposal by January 2023.
- Approves \$10.7 million General Fund annually over four fiscal years for aquatic invasive species.
- Approves \$20 million General Fund in 2023-24 and 2024-25 for Davis-Dolwig Transfers.

**San Francisco Bay Conservation and Development Commission**

- Approves \$511,000 General Fund annually for three years to fund the enforcement program. Rejects trailer bill language to authorize enforcement activities as an eligible use of the Bay Fill Cleanup and Abatement Fund.

**San Joaquin River Conservancy**

- Approves \$15 million one-time for purposes including operations and maintenance of conservancy lands.

**Baldwin Hills Conservancy**

- Approves a technical readjustment.



**San Diego River Conservancy**

- Approves \$11,000 ELPF for DGS's contracted HR services.
- Approves \$40,000 ELPF to fulfill existing grant agreements.

**Sierra Nevada Conservancy**

- Approves a technical adjustment to support local assistance.

**Wildlife Conservation Board**

- Funds \$65 million General Fund one-time for local assistance for drought-related purposes, of which \$12.5 million for the removal of Ringe Dam to preserve the federally endangered southern steelhead trout.
- Appropriates \$8.5 million General Fund one-time for the Pacific Flyway habitat protection and restoration; \$2.75 million General Fund one-time for wildlife and fish passage; and \$15.5 million General Fund one-time for the protection, restoration, and improvement of upper watershed lands in the Sierra Nevada and Cascade Mountains.

**Department of Water Resources**

- \$101 million General Fund one-time to DWR for immediate drought support.
- \$663 million General Fund one-time to DWR for local assistance related to drought relief, such as small community drought relief (\$200 million), urban community drought relief (\$100 million), multi benefit projects (\$200 million), and Sustainable Groundwater Management Act implementation (\$60 million), water conveyance (\$100 million), and \$3 million emergency drought support.
- Approves \$237 million General Fund for deferred maintenance.
- Approves \$4,190,000 one-time special funds to conduct an assessment to prepare for climate vulnerability in the San Joaquin Basin.
- Approves \$9.5 million in Proposition 1 funds for the Delta Grants & Flood Emergency Preparedness, Response, & Recovery Program.
- Approves \$104.292 million in Proposition funds for local assistance to continue the Delta Levees System Integrity Program.
- Approves \$2 million from Proposition 68 for Groundwater Recharge Technical Assistance.

- Approves \$28.5 million in one-time funding from Prop 68 Floodplain Management, Protection and Risk Awareness Program.
- Approves \$25 million from Proposition 50 for projects that improve water quality or ecological conditions within the Sacramento – San Joaquin Delta.
- Approves \$17.85 million in Reimbursement Authority, \$22.6 million in Federal Fund Authority, and to support state operations within its Integrated Water Management programs.
- Approves two full-time positions for the Security and Emergency Management Program.
- Authorizes 150 permanent full-time positions funded by the State Water Project for aging infrastructure.
- Approves \$4.4 million Proposition 84 for Perris Dam.
- Approves \$1 million one-time from Proposition 1 to support existing staff and contract work needed for the lower Yolo bypass project.
- Approves \$6.5 million Proposition 1 Capital Outlay funds to support implementation of a fish passage project for the San Joaquin River Restoration Program.
- Approves \$4 million of Proposition 68 funding toward the construction phase of the ongoing Tisdale Weir Rehabilitation and Fish Passage project.
- Reverts \$3 million of Proposition 68 for the Yolo Bypass Phase I Implementation Program.
- Approves \$224.9 million in General Fund over multiple years for the American River Commons Features.
- Approves various technical reappropriations.
- Approves the CalConserve Fund trailer bill.
- Defers drought control sections and drought contract exemption trailer bill language to a future discussions on the drought package with the Assembly, Senate, and Governor.

### **Delta Protection Commission**

- Authorizes \$131,000 ELPF one-time to contract with DGS' Contracted Fiscal Services division.

**California Environmental Protection Agency**

- Funds \$5 million General Fund one-time for the California Green Business Program.
- Approves \$1,723,000 from the Unified Program Account and 4.0 positions to update the California Environmental Reporting System.
- Approves various technical bond reapportions.
- Approves a net zero shift of \$843,000 from the Unified Program Account and 4.0 positions from Cal OES to CalEPA realign staff resources, funding, and authorities within the state's Unified Hazardous Waste and Hazardous Materials Regulatory Management Program. Approves placeholder trailer bill language to implement this, but retains the regulations deadline.
- Approves the May Revision withdrawal of \$1.5 million from Toxic Substances Control Account ongoing to support the Environmental Justice Small Grant Program as this is funded with general fund in the Climate Resilience package.

**Air Resources Board**

- Adopts \$1 million GGRF to support existing staff for AB 617.
- Adopts \$180 million GGRF for alternatives to agriculture burning in the San Joaquin Valley.
- Funds \$315 million for drayage, school bus, and transit bus ZEV incentives.
- Adopts \$150 million for transportation equity programs.
- Approves \$525 for the Clean Vehicle Rebate Project with \$10 million for e-bikes.
- Approves \$500 million for HVIP/CORE for medium and heavy duty trucks and buses.
- Approves \$45 million to replace diesel medium and heavy duty trucks with low emission trucks in severe non-attainment air districts.
- Approves \$20.1 APCF and 33 positions over multiple years for heavy-duty vehicle mobile testing.
- Approves \$962,000 Air Pollution Control Fund and 5 permanent positions phased in over four years for the At-Berth Regulation.

- Approves 2 permanent positions and \$386,000 Air Pollution Control Fund for the Advanced Clean Trucks regulation.
- Extends liquidation for community air grants under AB 617 and Prop 1B funds, as well as reappropriates funds for the IMPEI project.
- Approves repayment of a loan to the Underground Storage Tank Fund.
- Defers approval of \$3.165 million ongoing from the Greenhouse Gas Reduction Fund to support 22 existing permanent positions for AB 617 to Cap and Trade discussions.

**Department of Pesticide Regulation**

- Approves \$5 million Department of Pesticide Regulation Fund for CalPEST.
- Approves \$339,000 Department of Pesticide Regulation Fund to implement SB 86 (Durazo).
- Provides \$10 million General Fund for the Pesticide Notification Network.
- Approves \$10.25 million and 44.0 positions to transition to safer pest management and links monitoring and oversight to enforcement actions.
- Rejects the tiered mil fee assessment trailer bill.

**State Water Resources Control Board**

- Approves \$1 billion CARES Act funds for water arrearages and adopts placeholder trailer bill language.
- Approves \$1.385 billion General Fund one-time to SWRCB, \$650 million of which will be available for drinking water projects, \$650 million for wastewater projects, \$85 million for groundwater cleanup and water recycling projects.
- \$30 million General Fund one-time to the State Water Resources Control Board (SWRCB) for water rights data modernization.
- Approves \$4,282,000 in reimbursement authority and 21.0 permanent positions to oversee cleanup of contaminants including PFAS.
- Approves a \$200 million reimbursement from the Underground Storage Tank Cleanup Fund.

- Approves a baseline increase \$728,000 in state operations from the USTCF and 5.0 permanent positions for the Accounting Office.
- Approves a one-time increase of \$2 million local assistance from the School District Account with an encumbrance period of 3 years.
- Approves a baseline increase of \$16.7 million local assistance and \$804,000 state operations ongoing from the Site Cleanup Subaccount and 4.0 permanent positions.
- Approves \$206,000 ongoing from the Safe Drinking Water Account and one position to carry out public small water system regulatory program for Amador County.
- Approves \$850,000 Drinking Water Operator Certification Fund and \$150,000 Wastewater Operator Certification Fund ongoing to administer computer based testing.
- Approves \$951,000 ongoing from the Waste Discharge Permit Fund and six permanent positions, to assist in permit enrollment and assist regional boards in responding to requests from industrial facility owners.
- Approves \$606,000 Waste Discharge Permit Fund ongoing and 3 permanent positions to implement new US EPA residual designation authority to regulate stormwater.
- Approves \$1,962,000 in General Fund for Groundwater sustainability plan review.
- Approves various technical adjustments including Expedited Claim Account Reappropriation.

**Department of Toxic Substances Control**

- Approves 15.0 positions and \$3 million General Fund to establish the Board of Environmental Safety within the Department of Toxic Substances Control with placeholder trailer bill language on the specifics of the Board and governance reform.
- Approves placeholder trailer bill language to revise the Environmental Fee rates and the hazardous waste fee rates and structure.
- Approves \$500 million General Fund over 3 years to accelerate progress toward the cleanup of contaminated properties and the revitalization of environmental justice communities with placeholder trailer bill language.
- Approves a loan of \$291 million to clean up an additional 2,740 residential properties surrounding the former Exide Technologies facility in Vernon, California with a representative lead concentration above 200 parts per million.

- Approves \$132 million General Fund one-time as a loan to complete closure activities and to conduct additional needed cleanup at the former Exide facility.
- Approves a loan of \$31.4 million General Fund to reach the goal of cleaning 3,200 properties identified within 1.7 miles of the former Exide Technologies facility.
- Reappropriates \$2 million for the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy for the purchase of land owned by the Montebello Unified School District in the City of Commerce for the purpose of creating a new county park and shall be available for encumbrance or expenditure until June 30, 2023:
- Approves 6.0 positions and \$16.5 million General Fund and Lead-Acid Battery Cleanup Includes funding for Attorney General's Office legal services and outside bankruptcy counsel to support Exide cost recovery efforts.
- Approves 11.0 permanent positions and \$6.6 million one-time Hazardous Waste Control Account, and \$2.6 million HWCA annually to implement the Violation Scoring Procedures adopted pursuant to SB 673.
- Approves 17 permanent positions and \$2.5 million HWCA ongoing to establish the Resource Conservation and Recovery Act Grant Unit.
- Approves a transfer of \$19.55 million to fund the state's National Priorities List obligations and state orphan sites with Priorities 1A, 1B, and 2.
- Approves 4.0 permanent positions and \$1.3 million one-time, and \$880,000 annually thereafter from various funds to provide additional resources for cybersecurity.
- Approves \$29 million General Fund backfill for the Hazardous Waste Control Account and \$11.5 million General Fund backfill for the Toxic Substances Control Account.
- Approves \$977,000 ongoing, split between the Hazardous Waste Control Account, Toxic Substances Control Account, and Lead Acid Battery Cleanup Fund to cover increased Department of Justice.
- Approves \$282,000 Toxic Substances Control Account annually for two years to implement a Third-Party Enforcement Initiative in coordination with the BKK Working Group and a technical adjustment from the May Revision.
- Approves \$3.7 million over two years, and \$750,000 annually thereafter, split between the Hazardous Waste Control Account, Toxic Substances Control Account, and Lead Acid Battery Clean-up Fund to continue and complete the remaining project phases of the Cost Recovery Management System.

- Approves \$1.4 million General Fund one-time for the Argonaut Mine Dam.

### **Department of Resources, Recycling, and Recovery**

- Defers \$65 million for a Circular Economy Package with details to be determined in a final agreement between Senate, Assembly, and the Governor.
- Approves nine permanent positions and \$1.38 million COIA ongoing to implement SB 1383 (Lara, 2016).
- Approves one position and \$129,000 Beverage Container Recycling Fund in 2021-22, an additional five positions and \$805,000 BCRF in 2023-24, and an additional three positions and \$1.2 million BCRF in 2024-25 and ongoing, for a contracted biennial study to implement AB 793 (Ting, 2020).
- Reappropriates \$3.525 million in the Integrated Waste Management Account and extends encumbrance to complete the closure of the inactive Bonzi Sanitary Landfill project.
- Approves \$10 million in 2021-22 from the Beverage Container Recycling Fund to provide grants for the Beverage Container Recycling Pilot Project Program along with statutory changes. Approves \$1.069 million over 5 years for staffing to implement.
- Appropriates \$891,000 General Fund and 6.0 permanent, full-time positions in fiscal year 2021-22 and \$880,000 General Fund ongoing to provide resources to adequately manage the workload for debris removal operations.
- Approves 5.0 permanent positions and \$767,000 in 2021-22 and \$757,000 ongoing from various special funds to develop a Regulations Development Unit.
- Grants one-time authority of \$255,000 from the Beverage Container Recycling to relocate its San Diego office. Approves ongoing increased expenditure authority of \$53,000 in fiscal year 2022-23, \$60,000 in 2023-24, \$67,000 in 2024-25, and \$74,000 in 2025-26 from the BCRF to pay for the increased lease costs.
- Rejects trailer bill language to exclude from the definition of “food service packaging” products defined as drugs, devices, or medical food pursuant to federal law.

### **Office of Environmental Health Hazard**

- Approves \$920,000 General Fund one-time to OEHHA to provide analysis and recommend pipeline biogas standards to protect public health. This funding is for an initial study and chemical analyses and one staff toxicologist positions to develop recommendations and advise the California Public Utilities Commission.

**Department of Food and Agriculture**

- For the Agriculture Package, appropriates \$436 million General Fund. Of this amount, the following have been approved for CDFA:
  - \$50 million General Fund one-time for Healthy Soils.
  - \$5.4 million General fund one-time for technical assistance for Underserved Farmers.
  - \$500,000 General Fund one-time for the Senior Farmers Program.
  - Details for remaining \$200 million General Fund, as well as funding from special funds, for the package are to be finalized in an agreement among the Senate, Assembly, and Governor.
- Approves \$11.5 million for one-time for the purpose of creating a DNA barcode reference library for California insects. This proposal will barcode and preserve existing specimens; secure new specimens from priority locations such as the Central Valley; expand opportunity via professional and informal training and deliver data to accomplish Executive Order N-82-20.
- Appropriates \$2 million General Fund one-time to CDFA for deferred maintenance projects that represent critical infrastructure deficiencies.
- Approves \$11.75 million General Fund to transfer to safer pest management.
- Rejects the tiered mil fee assessment trailer bill.
- Approves \$199,000 General Fund and one permanent position ongoing for an Agricultural and Rural Economic Advisor (AB 417, Arambula).
- Funds \$2,126,000 one-time General Fund for the Bee Safe Program.
- Approves \$103.9 million one-time General Fund for various capital outlay projects.
- Approves \$60 million General Fund on a one-time basis to provide fairground operational support and address fair deferred maintenance needs with language to ensure all fairgrounds may seek funding.
- Allocates \$150 million General Fund one-time for Fairground and Community Resilience Centers, with \$10 million for CalExpo.
- Approves \$6 million one-time General Fund for regulatory alignment and efficiencies.
- Approves an extension of expenditure, encumbrance and liquidation deadlines.



- \$650,000 in Specialized License Plate Fund annually for three years to continue the Pet Lover's Specialized License Plate Program, which provides grants to qualifying spay and neuter facilities that result in low-cost or no-cost animal sterilization services.
- Approves as high as \$8,665,000 in Federal Fund authority over three years and 24 positions for the Produce Safety Program.
- Approves trailer bill language to establish the Climate Smart Agriculture Account for moneys received from federal, state, industry, philanthropic, and private sources with reporting requirements.

## CLIMATE INVESTMENT PACKAGES

### Various Departments: Several Packages:

The Legislature proposes several packages with details to be determined in a final agreement among the Senate, Assembly, and Governor. The spending levels are:

- Wildfire Prevention & Resilience: \$258 million General Fund, plus additional special funds in 2021-2022, plus \$500 million General Fund in 2022-2023.
- Agriculture Budget Plan: \$200 million General Fund plus special funds
- Circular Economy: \$65 million General Fund in 2021-2022
- Water and Drought Resilience: \$730,700,000 General Fund in 2021-2022
- Climate Resilience: \$3.7 billion over three years, with \$440 million General Fund in 2021-2022
- Cap-and-Trade Spending Plan: \$720 million

Both the Governor and the Legislature proposed substantial investments in these categories to reduce greenhouse gas emissions, protect our environment, and ensure resiliency in the face of a changing climate. While there is broad agreement on many of the components of these packages, the Assembly would like to prioritize investments in wildfire prevention, PFAS remediation, regional climate planning, and helping communities respond to extreme heat.

## TRANSPORTATION

### Transportation Infrastructure Plan

- Provides \$3 billion in funding for transportation infrastructure across the state including:
  - \$1 billion (General Fund) to deliver critical projects for completion by 2028.
  - \$1 billion (General Fund) for transit and rail projects statewide that improve rail and transit connectivity between state and regional/local services.
  - \$500 million (General Fund) to advance projects that increase active transportation
  - \$500 million (General Fund) to support critical safety improvements throughout the state
- Provides roughly \$2 billion in special funds and federal funds for streets, roads, and highway projects.
- Provides \$400 million for a State and Local Transportation Adaptation program.
- Provides that these funding pots are dependent on future legislation being enacted by October 10, 2021, and if no legislation, the funding reverts to the General Fund.

### California Transportation Commission

- Provides \$30 million, leveraged against other funding sources for affordable housing development and construction of needed infrastructure.
- Includes trailer bill language that makes changes to the Maintenance of Effort (MOE) requirement for local governments that receive funding from the state for their local streets and roads.

### Caltrans

- Includes \$7,172,000 (\$1,829,000 in Personal Services (PS) and \$5,343,000 in Operating Expense (OE)) of the \$94,000,000 received from the Coronavirus Aid, Relief, and Economic Security (CARES) Act for support costs.
- Includes a permanent increase in State Highway Account (SHA) funds of \$20,600,000 beginning in 2021-22, for the Division of Maintenance (Maintenance) at Caltrans to dedicate resources for Hazardous Material Removal at Encampments. Adopts only two years of funding.
- Provides 2-year limited term increase of \$22,499,000 and five 2-year limited-term positions to fund safety projects throughout the state as part of its Highway Maintenance 4 Safety (HM-4) Program.

- Includes a permanent increase in the State Highway Account (SHA) funds of \$4 million in operating expenses beginning in 2021-22 for MAZEED needs statewide. The permanent increase in resources will enhance worker safety in project work zones.
- Includes a total of \$8,295,000 comprised of a one-time operating expense increase of \$7,340,000 in 2021-22, and a permanent operating expense of \$955,000 beginning in 2021-22, for Caltrans. This increase in the State Highway Account (SHA) funds will be utilized for office space modifications, internal staffing relocations, modular systems furniture (MSF) reconfigurations and mobile workforce technology to enhance the ability of Caltrans to telework and explore further innovations related to housing employees.
- Adopts three-year, limited-term resources in the SHA funds totaling \$2,756,000 to support increase workload for wildfire litigation.
- Defers action on resources for a two-year limited term reimbursement authority of \$3.4 million and 14 positions for legal services rendered on behalf of the California High Speed Rail Authority.
- Adopts May Revision and placeholder budget bill language related to accountability and reporting for encampment relocation liaisons and homeless services liaisons.
- Includes an ongoing increase in State Highway Account funding to implement the replacement of the most critical end-of-life information technology infrastructure equipment.
- Provides \$5.5 million and 10 positions one-time for costs related to the Transportation System Network Replacement IT project.
- Adopts placeholder trailer bill language to authorize Caltrans to provide a \$250 stipend to an individual, organization, agency, or business upon completion of a clean-up and abatement of litter agreement.
- Adopts \$418 million for litter abatement; adopts state and local beautification, and education projects; rejects \$75 million for Arts; and approves \$83 for the Clean California Initiative. Adopts trailer bill language to implement the state and local beautification programs.
- Adopts trailer bill language will allow for the assessment before the ending the exemption.
- Approves \$7 million in one-time General Fund for the Liberty Canyon Wildlife Crossing project and trailer bill language.

- Approves \$400 million for state and local transportation adaptation grants. Adopts placeholder trailer bill language and budget bill language.

### **Secretary of Transportation Agency**

- Adopts trailer bill language to make changes to the Transportation Development Act (TDA) related to the distribution and uses of funding for transit.
- Adopts placeholder trailer bill language to extend NEPA delegation to 2025.
- Provides \$280 million to fund improvements that facilitate enhanced freight and passenger access in and around the seaport and to promote the efficient and safe movement of goods and people.

### **High Speed Rail Authority**

- Defers action on all proposals related to High Speed Rail.

### **California Highway Patrol**

- Reappropriates \$339,000 Motor Vehicle Account (MVA) funding for the working drawings phase of the Sawtooth Ridge site of the CHP Enhanced Radio System (CHPERS) Phase 1 Replace Towers and Vaults project. The working drawing phase has been delayed due to challenges in acquiring the site.
- Includes a permanent budget augmentation of \$4 million in reimbursement authority to provide traffic control and management services to the California Department of Transportation (Caltrans) Maintenance Zone Enhanced Enforcement Program (MAZEEP).
- Includes a one-time augmentation of \$2.271 million in 2021-22, and \$2.223 million in 2022-23, to address cost increases associated with services provided by the California Governor's Office of Emergency Services, Public Safety Communications related to the Dispatch Radio Console Replacement Project approved in 2018-19.
- Includes a permanent increase of \$3.5 million for the ongoing licensing and subscription of the Department's Records Management System (RMS).
- Adopts \$8.604 million permanent augmentation from the Motor Vehicle Account to replace portable radios and accessories that have exceeded the life expectancy, are out of warranty, and unserviceable.
- Includes \$14.2 million for the ongoing maintenance and operation of the Wireless In-Car Camera System, including ongoing funding for 12 previously approved positions.

- Provides \$54,285,000 (General Fund) for the design-build phase of the Baldwin Park Area Office Replacement.
- Includes \$1,463,000 (General Fund) for the acquisition phase of the Gold Run Area Office Replacement.
- Includes \$1,593,000 (General Fund) (\$1,167,000 for the acquisition phase and \$426,000 for the performance criteria phase) for the Humboldt Area Office Replacement project.
- Provides a reversion of \$1,819,000 and a new appropriation of \$2,635,000 from the Motor Vehicle Account for the construction phase of the Keller Peak Tower Replacement project.
- Provides \$43,934,000 (General Fund) for the design-build phase of the Quincy Area Office Replacement. The existing facility no longer meets the CHP's programmatic requirements, nor the seismic criteria required for state-owned buildings.
- Adopts \$53,522,000 (General Fund) for the design-build phase of the Santa Fe Springs Area Office Replacement.
- Includes \$10,000,000 budget augmentation in 2021-22 (General Fund) to complete a prioritized subset of the CHP's deferred maintenance project list.
- Includes provisional language to allow the augmentation of the CHP's budget by up to \$1,442,000 to fund one Associate Governmental Program Analyst position and the costs related to the installation and operation of the Department of General Services telematics system.

### **Department of Motor Vehicles**

- Adopt January and May Revision proposals with the following modifications: 1) Provide REAL ID resources until 2023-24; and 2) remaining resources as proposed in January and May.
- Adopts resources for Facility improvements and defer without prejudice resources for Digital Acceleration and Talent Acceleration.
- Approves \$10 million for DMV to develop a mobile driver license and adopt trailer bill language.
- Approves the 6.9 reappropriation and Defer without prejudice the Digital eXperience Platform project.

- Defers action on the Sunset Date of the Business Partner Automation \$1 Fee.
- Adopts \$16,982,000 (General Fund) to fund the construction phase of the continuing DMV Delano Field Office Replacement Project.
- Provides \$316,000 in 2021-22, \$526,000 in 2022-23, and \$793,000 in 2023-24, and ongoing, to relocate the Brawley Field Office to a temporary leased office near Brawley, California.
- Includes \$311,000 in 2021-22, \$490,000 in 2022-23, and \$727,000 in 2023-24 and ongoing to relocate the Woodland Field Office to a permanent leased office near Woodland, California.
- Provides \$10 M (General Fund) appropriation for various Deferred Maintenance Projects
- Includes one-time costs of \$651,000 in 2021-22, \$3,187,000 in 2022-23, \$854,000 in 2023-24, and \$284,000 in 2024-25 from the General Fund to seek a temporary swing space facility near Inglewood, California.
- Provides one-time costs of \$487,000 in 2021-22, \$1,999,000 in 2022-23, \$670,000 in 2023-24, and \$503,000 in 2024-25 (General Fund) to seek a temporary swing space facility near Oxnard, California.
- Includes \$18,814,000 (General Fund) to fund the construction phase of the Inglewood Field Office Replacement Project.
- Provides \$13,462,000 (General Fund) to fund the working drawings and construction phase of the continuing Oxnard DMV Field Office Reconfiguration Project.
- Adopts \$18,435,000 (General Fund) to fund the construction phase of the continuing Reedley Field Office Replacement project.
- Includes \$2,572,000 (General Fund) to fund for the performance criteria phase of the San Francisco Field Office Replacement project.
- Provides \$18,127,000 General Fund, to fund the construction phase of the continuing Santa Maria Field Office Replacement project.
- Includes additional funding and resources of \$9.6 million, for onetime information technology (IT) resources to develop and implement the new S2S system and resources to handle the additional workload anticipated in FY 2022-23.

- Defers action on trailer bill related to Driver License Renewal alternatives; Driver License and Identification Card Application Signature; Electronic Reporting for Commercial and Fleet Insurance; California Vehicles Code, Publication.
- Adopts placeholder trailer bill language for used motor vehicle sales tax collection and resources to implement the program.
- Provides \$18 million for relief of DMV fees for charter bus operators. This will provide refunds for bus operators who paid DMV fees in 2019-20 but were unable to operate due to the COVID pandemic.

### **Board of Pilot Commissioners**

- Includes a permanent augmentation of \$200,000 from the Board of Pilot Commissioners' Special Fund to cover increased training costs for the Board of Pilot Commissioners (BOPC) for the Bays of San Francisco, San Pablo, and Suisun.

### **University of California**

- Provides \$10 million for UC ITS to develop a three-year research and technical assistance program that addresses four strategic areas: 1) strategic actions to support public transit and shared mobility recovery and long-term resilience; 2) policies to accelerate the use of zero emission vehicles (powered by electricity and hydrogen); 3) integration of emerging transportation technologies and service models (e.g., mobility wallets, microtransit, shared micromobility, shared automated mobility) with California's environmental, social, and economic policy priorities; and 4) policy trade-offs and implications for sustaining "high road" jobs, supporting economic growth, and advancing social and racial equity while reducing GHG emissions from the transportation sector.



**ENERGY****State Energy Resources Conservation and Development Commission (Energy Commission)**

- Adopts \$400 million for green hydrogen, long duration storage, as well as funds for energy efficiency and decarbonization for industrial customers and food processors with placeholder trailer bill language.
- Approves \$125 million for manufacturing grants for industries related to zero-emission vehicles.
- Approves \$500 million for the Clean Transportation Program to fund charging and hydrogen refueling infrastructure for zero-emission light-duty vehicles and medium- and heavy-duty vehicles.
- Funds \$160 million for medium and heavy duty ZEV infrastructure.
- Approves \$75 million one-time General Fund to expand the BUILD program to provide incentives for new market rate homes that utilize all electric appliances and/or energy storage systems above local and state building code requirements with placeholder trailer bill language.
- Provides \$20 million in one-time General Fund resources to provide education and technical assistance to local governments seeking to improve their permitting processes for technologies that reduce greenhouse gas emissions from homes with placeholder trailer bill language.
- Rejects trailer bill language to increase fees on ratepayers to fix the structural deficit in the Energy Resources Program Account. This language would have raised the fee cap, adjusted for Consumer Price Index, and applied to behind the meter resources.
- Rejects trailer bill language to extend the AB 8 fees on cars, tires, and boats that fund zero emission vehicles and infrastructure.
- Approves trailer bill language to continuously appropriate the School Energy Efficiency Stimulus Program funds with reporting requirements and expands the program to career technical centers.
- Appropriates \$750,000 to enter into a contract to implement AB 841 (Ting, 2020) from the School Energy Efficiency Program Fund.
- Approves 23 permanent positions and \$200,000 in annual technical support funding for a total request of \$3.65 million from the School Energy Efficiency Program Fund, and 0.6

permanent positions and \$90,000 annually from the Alternative and Renewable Fuel and Vehicle Technology Fund to implement AB 841.

- Approves three trailer bills with placeholder language that allow follow on funding for EPIC grants, allow continuous appropriation for Public Interest Energy Research Natural Gas Funds, and continues the School Bus Replacement program and allows five temporary positions from the Alternative and Renewable Fuel and Vehicle Technology Fund.
- Approves \$1.5 million general fund for energy emergency planning, \$13.2 million for offshore wind planning, and \$6.2 million for SB 100 interagency planning and local government grants.

### **Office of Energy Infrastructure Safety**

- Approves \$7,433,000 Public Utilities Commission Utilities Reimbursement Account (\$13,015,000 ongoing), \$352,000 Safe Energy Infrastructure and Excavation Fund (\$348,000 ongoing), and 34 positions in 2021-22 and ongoing to establish the new Office within the California Natural Resources Agency, as required by AB 111. Approves a net-zero transfer of \$10,568,000 PUCURA (\$6,068,000 in 2023-24 and ongoing) and 32 positions to transfer the Wildfire Safety Division from the California Public Utilities Commission and a net-zero transfer of \$2,148,000 SEIEF (\$4,129,000 ongoing) and 24 positions to transfer the California Underground Facilities Safe Excavation Board from the Department of Forestry and Fire Protection SB 865.
- Adopts placeholder trailer bill language on the authority of the new division.

### **Exposition Park**

- Approves \$11,900,000 General Fund be made available for transfer to the Exposition Park Improvement Fund to backfill lost revenues.
- Approves \$5 million one-time deferred maintenance from General Fund.

### **Governor's Office of Business and Economic Development**

- Adopts \$5 million market development strategy component of the Zero-Emission Vehicle package.
- Approves 5 staff and \$955,000 ongoing to create an Energy Unit.
- Rejects Climate Catalyst Fund trailer bill language to delete the prohibition of state moneys being deposited into the Climate Catalyst Fund and provide for continuous appropriation of funds except for moneys received from federal sources.

- Rejects \$50 million Climate Catalyst Fund in the Sustainable Agriculture package.
- Rejects \$50 Climate Catalyst Fund in the Circular Economy package.
- Rejects trailer bill language to continuously appropriate Wildfire Resilience Climate Catalyst Fund and expand fund sources.

**Office of Emergency Services**

- Approves \$8.7 million for a contract with Filsinger Energy Partners with reporting requirements.

**California Public Utilities Commission**

- Approves \$10 million for Supplementary funding for Flex-Alert.
- Approves \$1.9 million PUCURA for Energy Division management and support.
- Approves \$13.8 million for SB 100 interagency planning.
- Approves \$338,000 for fiscal year 2021-22 and \$336,000 for 2022-23 and ongoing from PUCURA for two permanent positions to implement AB 841.
- Approves \$338,000 and two positions to implement the mandates of Chapter 372, Statutes of 2020 (AB 841) which require the CPUC to create a new ratepayer-funded tariff to deploy electric distribution infrastructure needed to support electric vehicle (EV) charging, and a new program to upgrade air conditioning, ventilation, and plumbing equipment at existing public schools.
- Denies a request for budget bill language and statutory changes to amend the Public Utilities Code to provide for loans between the telecommunications Public Purpose Programs to prevent insolvencies arising from the continued decline of intrastate revenues.
- Allocates \$1,628,000 for fiscal year 2021-22 for project funding and \$290,000 for 2022-23 and onwards for ongoing maintenance and support from the Public Purpose Program (PPP) funds to restart the Program Claims Management System (PCMS) project which has been on hold since June 2017. The PCMS project will provide a fully integrated standard, enterprise-wide technology platform to automate electronic intake, routing, tracking, disposition, and status checks of documents and allow for the electronic submission of financial payments by regulated entities that participate in the PPPs.
- Reflects technical shifts to the Lifeline program's caseload, which provides subsidized phone access to low-income Californians. The projected caseload declines in the budget

year due to lower levels of new applicants and renewals for the program.

- Includes \$314,000 ongoing to strengthen CPUC's Accounts Receivable Unit to address findings from a recent audit.
- \$7.5 million one-time to reauthorize resources to support CPUC's ability to respond to utility bankruptcies. These funds were originally appropriated in 2019-20 for three years, but due to technical oversight were only available for expenditure one year. This would authorize expenditures through fiscal year 2021-22. Additionally, the budget includes Trailer Bill Language to amend the Corporations Code to prevent the Secretary of State from reserving the name Golden State Energy for any entity other than the one created in existing law.

### **Broadband**

- Includes \$6 billion (\$1.7 billion General Fund and \$4.3 billion federal ARPA) over a multi-year period for broadband infrastructure and improved access to broadband services throughout the state, including:
  - \$3.75 billion for middle-mile infrastructure;
  - \$250 million for a loan-loss reserve, and;
  - \$2 billion for last-mile projects
- The 2021-22 Budget includes \$4.3 billion total for broadband for the fiscal year, with the entire middle mile appropriation contained in the fiscal year. Details will continue to be worked out through three party negotiation.

## GENERAL GOVERNMENT

### Homelessness

- Proposes to a multi-year homeless package including roughly \$4.8 billion over two years.
  - 2021-22:
    - \$1.45 billion (\$1.2 billion federal ARPA funds and \$250 million GF) for Project Homekey
    - \$1 billion GF for flexible local aid, with robust oversight and accountability requirements
    - \$40 million for Family Homelessness challenge Grants; and Technical Assistance
    - \$50 million for Encampment Resolution Grants
    - Additional funding in health and human services programs, which is covered elsewhere in Actions' taken.
  - 2022-23:
    - \$ 1.3 billion (\$1 billion federal ARPA funds and \$300 million GF) for Project Homekey
    - \$1 billion GF for flexible local aid, with robust oversight and accountability requirements
    - Additional funding in health and Human Services programs, which is covered elsewhere in the agenda.
  - Adopts placeholder budget and trailer bill language.

### ***Homelessness Coordinating Council (HCFC)***

- Approves \$4 million for support of the state's Homeless Data Information System (HDIS).
- Adopts \$5.6 million in funding and placeholder trailer bill language for HCFC to do a homelessness landscape assessment.
- Provides \$150,000 in 2021-22, and \$185,000 in 2022-23, and ongoing to cover one-time and ongoing facilities costs required to accommodate a relocation.

### **Affordable Housing**

- Provides significant investment in developing, constructing, and preserving affordable and livable housing, including:
  - \$1.75 billion to alleviate the backlog in affordable housing construction including a set aside of \$50 million for Joe Serna eligible projects.

- \$300 million for the preservation of existing affordable housing.
- \$500 million for the creation of a Foreclosure Intervention Housing Preservation program.
- \$80 million for the development, maintenance and preservation of farmworker housing including \$50 million for farmworker housing through the Joe Serna program and \$30 million to the Office of Migrant Services for deferred maintenance projects.
- \$600 million for planning and implementation grants to help local governments plan for and meet their goals under their Sustainable Community Strategies.
- Adopts trailer bill language to implement these programs.

### ***Housing***

- Approves the following funding for the Infill Infrastructure program:
  - \$284.1 million in Prop.1 funds
  - \$250 million administered through the Infill Infrastructure Grant (IIG) Program of 2019.
- Includes \$4.3 million (General Fund) in state operations and 16 positions, \$3.8 million in state operations for 16 positions in 2022-23, and ongoing to assist local governments in housing element and housing law compliance.
- Includes \$2.924 million (General Fund) and 11.5 positions in 2021-22, \$1.622 million (General Fund) and nine positions in 2022-23, and \$125,000 and one position in 2023-24, and ongoing to implement housing laws passed during the 2020 legislative session.
- Adopts trailer bill language that makes a number of changes to state law to allow increased flexibility for the development of housing on state excess lands.
- Provides \$45 million from the Coronavirus Fiscal Recovery Fund of 2021 in 2021-22, to expand the state excess sites program with funding for brownfield remediation, and trailer bill language to expand the state excess sites program with local government matching grants that will incentivize further affordable housing development on excess lands.
- Includes an additional \$60 million above May Revision for legal aid per SB 91 (2021) which established the state's Emergency Rental Assistance Program, funded by federal funds from the CARES Act and budget bill language.
- Provides \$81 million from the Coronavirus Fiscal Recovery Fund of 2021 in 2021-22, to expand CalHFA's Accessory Dwelling Unit (ADU) financing program.

- Includes \$45 million one-time to provide financing for low and moderate income multi-family housing projects.
- Restores in the amount of \$5 million in 2021-22, and ongoing to support housing navigators to help young adults secure and maintain housing.
- Provides \$30 million for Oasis Mobilehome Park.
- Adopts \$50 million in one-time General Fund resources to expand the Golden State Acquisition Fund, which, combined with matching funds, GSAF makes up to five-year loans to developers for acquisition or preservation of affordable housing.
- Provides \$15 million for the Dolores Huerta Peace and Justice cultural center; a community center complex to provide statewide economic recovery, jobs, and educational opportunities for disadvantaged and underrepresented communities.
- Includes \$10 million for a pilot program for grants to local governments to incentivize conversion of idle commercial property to affordable housing.
- Approves \$9.2 million General Fund in 2021-22 and \$9.0 million General Fund in 2022-23 and on-going to provide a Transitional Housing Program Plus housing supplement for older youth, with trailer bill language to effectuate this. Included in this is \$200,000 General Fund in 2021-22 to fund training for social workers and probation officers.

### ***Homeownership***

- Provides \$100 million in 2021-22 to expand CalHFA's homebuyer assistance program and begins the process of developing the California Dream for All First Time Homebuyer Program.

### **Governors' Office of Business and Economic Development**

- Provides \$1.5 billion in Coronavirus Fiscal Recovery Fund to fund 3 additional rounds of grants to small businesses. Adopts trailer bill to make changes to unused funds in the cultural institutions grants in order to use unused funds.
- Approves a \$2.5 million one-time (General Fund) allocation to relaunch the California Innovation Hub program in its Office of Small Business Advocate as the Inclusive Innovation Hub program (iHub2) to incentivize a focus on diversity, equity and inclusion in the state's tech and science-based startup ecosystem.
- Includes \$901,000 (General Fund) and permanent authority for six positions in 2021-22, and ongoing as part of the California Office of the Small Business Advocate (CalOSBA) to provide direct support to small businesses.

- Reduces the Governor's Budget request by \$30 million (General Fund), from \$50 million one-time to \$20 million one-time, as a result of the expected influx of federal funding for the Small Business Loan Guarantee Program from the State Small Business Credit Initiative.
- Provides \$35 million one-time to support microgrants up to \$10,000 to seed entrepreneurship and small business creation in underserved small business groups that are facing opportunity gaps.
- Includes \$120 million for the newly created California Competes Grant Program to provide grants to create jobs and investments in the state. Adopts trailer bill language.
- Provides \$147 million General Fund for the Main Street Small Business Tax Credit (Main Street Credit), a tax credit for small businesses that increase their number of employees and the Homelessness Hiring Tax Credit. Adopts trailer bill language.
- Provides \$95 million to the California Travel and Tourism Commission to implement strategic media and jobs recovery campaigns to kick-start the recovery of the travel and tourism industry. Adopts trailer bill language for oversight and accountability.
- Approves \$250 million in one-time federal CSFRF funds. Adopt provisional language related to funding allocations. Moves this program from Go-Biz to the State Lands Commission.
- Includes \$90 million per year for 2021-22 and 2022-23, including \$75 million for recurring and \$15 million for relocating TV shows and placeholder trailer bill language on diversity and equity.
- Adopts trailer bill language to create an infrastructure for a guaranteed film credits to productions made in the qualifying sound stages. The film credits would be granted, up to \$150 million in aggregate, on a first-come-first-served basis to qualifying films. This film credit would requires a diversity workplan on the film credits and be approved by the California Film Commission. Provides additional credit percentages for productions that meet diversity goals.
- Includes \$50 million one-time (General Fund) for grants to local governments and nonprofits to provide direct relief to eligible microbusinesses.
- Adopts \$150 million one-time General Fund for CalOSBA to provide financial relief to independent venues, live events businesses, and minor league sports.
- Includes \$50 million one-time to support small non-profit performing arts organizations and adopts trailer bill language.



**Department of Fair Employment and Housing**

- Includes \$2.2 million (General Fund) in 2021-22, and \$1.7 million (General Fund) in 2022-23, and ongoing, and eight positions to support compliance with fair housing laws, including (1) providing education and training efforts to reduce discrimination in housing and employment and (2) studying how COVID-19 has affected housing discrimination.
- Provides \$5.1 million (General Fund) in 2021-22, and \$3.9 million (General Fund) in 2022-23 and ongoing, and 24 positions to provide resources to implement three bills enacted in 2020.
- Adopts trailer bill language to clarify portions of SB 973 (Jackson), Chapter 363, Statutes of 2020.

**Department of Financial Protection and Innovation (DFPI)**

- Provides resources for the Department of Financial Protection and the Debt Collector Licensing and Regulation
- Includes \$733,000 in 2021-22 and \$705,000 in 2022-23, and ongoing from the Financial Protection Fund to support to implement AB 376. AB 376 imposes servicing standards on student loan services, increases borrower protections, and expands prohibitions against predatory student loan industry practices.
- Provides \$426,000 in 2021-22, and \$408,000 in 2022-23, and ongoing from the Credit Union Fund and Financial Protection Fund for 1 Attorney III and 1 Legal Analyst to address increased rulemaking workload.
- Includes \$710,000 in 2021-22, and \$573,000 in 2022-23, and ongoing from the Credit Union Fund and Financial Protection Fund for security tools to strengthen DFPI's information technology security safeguards protocols, and state security requirements.
- Adopts \$10 million one-time General Fund to capitalize the Financial Empowerment Fund at DFPI, which provides grants to non-profit groups serving underbanked and unbanked Californians.

**California Department of Tax and Fee Administration**

- Proposes \$5.889 million in 2021-22, to reimburse DMV for the costs associated with AB 85 (2020) and AB 82 (2020) implementation for the Used Motor Vehicle Sales Tax Gap.
- Adopts a General Fund appropriation of \$1.6 million in 2021-22, \$266,000 and 1.5 positions in 2023-24, and \$245,000 in 2024-25, and ongoing to address the costs associated with the passage of Proposition 19.

**Franchise Tax Board**

- Adopts \$8.1 billion for the Golden State Stimulus 2.0. Additionally includes resources to administer the program.
- Provides \$15 million in order to maximize participation and claiming of the Golden State Stimulus and I and II, the California Earned Income Tax Credit (CalEITC), the Young Child Tax Credit, and to increase the awareness of Individual Taxpayer Identification Number (ITIN) tax status eligibility.
- Requires the FTB to work with the Legislature and the Department of Finance to determine the feasibility for providing an online portal, which may include, but is not limited to, allowing taxpayers to claim a refundable tax credit and other benefits including, but not limited to, the California Earned Income Tax Credit (CalEITC), the Young Child Tax Credit, and the Golden State Stimulus I and II and report back to the Legislature by April 1, 2022.
- Reappropriates \$2 million or whatever greater or lesser amount of the unexpended outreach funds appropriated to the Franchise Tax Board by Chapter 5, Statutes of 2021 (AB 81), for the continued provision of outreach for the Golden State Stimulus.
- Adopts trailer bill language for the Diaper and Menstrual Products Sales Tax exemption.
- Includes \$2 billion in Unemployment Insurance tax credits over 10 years from 2023 to 2033 to mitigate the impacts of UI repayments for small businesses and non-profits.
- Proposes trailer bill language to extend the Donated Fresh Fruit and Vegetable credit.
- Includes a one-year augmentation of \$110 million for the California Competes Tax Credit.
- Provides for Administrative Costs for the Mainstreet Tax Credit and Homelessness Tax Credit programs.
- Allows California Personal Income Tax (PIT) filers with income from S corporations to pay an optional 9.3 percent tax at the entity level. In return, the filer would receive a nonrefundable credit for their share of the new S corporation tax.
- Includes \$2 million (General Fund) and 17.0 permanent and 1.0 permanent-intermittent positions in 2021-22, and \$1.7 million (General Fund) and 17.0 permanent and 1.0 permanent-intermittent positions in 2022-23, and ongoing to implement and administer provisions of Assembly Bill (AB) 1876 (Chapter 87, Statues 2020).
- Provides one-time funding of \$2,833,000 (General Fund) and 45.0 permanent-intermittent positions in 2021-22, to allow FTB to proactively provide assistance to those

taxpayers who have already filed a return and are impacted by the retroactive provision enacted in the American Rescue Plan Act (ARPA) and a recent opinion issued by the Office of Tax Appeal related to what qualifies as earned income for the purposes of computing the California Earned Income Tax Credit (CalEITC).

- Increases the Budget Act Authority from \$150,000 to \$740,000, beginning FY 2021-22 and annually thereafter for the Asset Forfeiture Account.
- Includes an augmentation of \$55.6 million (General Fund) and 22.0 permanent positions, 1.0 permanent-intermittent position, and 13.0 limited-term positions in 2021-22, to begin the Enterprise Data to Revenue (EDR2) project, which is the second phase of the Tax System Modernization (TSM) plan. Additionally, includes an augmentation of \$32.8 million General Fund and 1.0 permanent position to begin the Enterprise Data to Revenue (EDR2) project, which is the second phase of the Tax System Modernization (TSM) plan.
- Provides an augmentation of \$2 million to its litigation budget with the Attorney General's (AG) Office to defend against increasing tax refund lawsuits for 2021-22.
- Adopts 12 permanent positions and \$1.73 million (General Fund) and \$42,000 (Special Funds) in 2021-22; and \$1.60 million (General Fund) and \$39,000 (Special Funds) in 2022-23, and ongoing to accommodate newly mandated state and federal workloads with FTB's privacy program.
- Includes \$377,000 (General Fund) and 4.0 positions for 2021-22, and \$189,000 (General Fund) and 4.0 positions for 2022-23, (ending December 31, 2022). These resources will be used to administer provisions of Senate Bill (SB) 1447 (Chapter 41, Statute 2020).
- Provides \$1,617,000 (General Fund) in 2021-22, for Preliminary Plans (\$680,000) and Working Drawings (\$937,000) phases of the FTB Central Office Campus: Data Center Upgrades project located in Sacramento. Total project costs are estimated to be \$20.306 million, including \$18,689,000 for construction. Additionally, ongoing maintenance costs are estimated at \$43,000 after the project is completed.

### **State Teachers' Retirement System**

- Requests \$38.2 million in permanent funding to establish 104 authorized positions distributed from 2021–22 through 2025–26, as part of a Multi-Year Internal Investment Management Plan (Plan). The Plan is a five-year resource strategy to continue the implementation efforts of the Collaborative Model (Model) and manage growth in assets under management (AUM).
- Adopts trailer bill language related to the Supplemental Pension Payment.

**Local Government Financing**

- Includes \$10.1 million (General Fund) to reimburse San Mateo County for Vehicle License Fee backfill insufficiencies in 2019-20 driven by insufficient Educational Revenue Augmentation Fund (ERAF) revenues.
- Includes \$11 million to backfill property tax losses for the 2020 wildfires.
- Adopts trailer bill language to extend the deadline to allow assessment appeals board to hear cases remotely until 12/31/21.
- Provides \$100 million to assist independent special districts with revenue loss and increase costs related to the COVID-19 pandemic.

**State Treasurer's Office**

- Requests an ongoing augmentation of \$400,000 in reimbursements to meet the increasing cost of electronic services necessary to invest state money for the Pooled Money Investment Account (PMIA).
- Includes one-time (General Fund) augmentation of \$1,222,000 for relocation costs necessary to facilitate the renovation of its headquarters, the Jesse Unruh building. Provisional language is also requested to allow for additional costs, if required.

**Tax Credit Allocation Committee**

- Adopts \$500 million in low-income housing tax credits.
- Includes an allocation of up to \$50 million annually in tax credits for the rehabilitation of historic structures, administered by Office of Historic Preservation and the California Tax Credit Allocation Committee.

**California Alternative Energy and Advanced Transportation Financing Authority**

- Rejects trailer bill language to expand CAEATFA Sales Tax exclusion

**California Achieving a Better Life Experience Act Board**

- Includes resources to fund administrative costs and the continued implementation of the CalABLE program.

**California Arts Council**

- Provides \$60 million one-time General Fund to implement the California Creative Corps Pilot Program.
- Allocates \$40 million General Fund for Creative Youth Development Grant programs.
- Appropriates \$50 million one-time General Fund to assist cultural institutions in rebounding from the pandemic.
- Provides \$1.7 million General Fund to assist the National LGBTQ Center for the Arts with a new air circulation and filtration system needed for a safe reopening.

**Cannabis**

- Accepts trailer bill language providing for the consolidation of the three licensing entities into the newly created Department of Cannabis Control within the Business, Consumer Services and Housing Agency.
- Approve funding for new positions in the Department of Cannabis Control including a Deputy Director of Cultivation, Deputy Director of Cannabis Equity and Inclusion and two support staff (one attorney and one Associate Governmental Program Analyst) serving under the Deputy Director of Cannabis Equity and Inclusion.
- Allocates \$100 million for a Local Jurisdiction Grant Program to help local governments with the highest amount of provisional licenses assist licensees in transitioning to full annual licenses.
- Provides \$30 million in to reduce barriers into entry in the legal cannabis market.

**Department of Human Resources**

- Allocates \$230,000 General Fund and 1.0 permanent position to serve as the Enterprise HR Project Director and work in collaboration with the Department of Technology and the State Controller's Office on the CSPA Project.
- Provides five permanent positions and \$836,000 in General Fund for fiscal year 2021-2022 and ongoing to provide direct assistance and oversight in supporting departmental personnel units with complex workload, resolving audit findings, assisting with surge staffing for crises, and other human resources needs.
- Accepts budget bill language to permanently transfer the Controlled Substance Abuse Testing Program from the Benefits Division to the Pre-Employment Division, where it will be more appropriately aligned.

**Department of Consumer Affairs**

- Approves \$1,745,000 in fiscal year 2021-22 to fund software licensing, project management, maintenance, credit card services, technical knowledge transfer, and 3.5 existing positions.
- Provides \$436,000 in fiscal year 2021-22 and ongoing to support 1.0 existing position in the Business Services Office and 2.0 existing positions in the Fiscal Operations Office, which were received in 2019-20 with two years of limited-term funding. These positions will continue to address significant ongoing workload increases, enhanced reporting requirements, and complex accounting processes.
- Allocates 2.0 positions and \$2.0 million in 2021-22 and \$1.7 million ongoing to meet State of California mandated information technology security regulations and processes across all five department domains. This request will provide the resources needed to increase the Department's information technology security posture and align to the State Administrative Manual Chapter 5300 and National Institute of Standard and Technology 800-53, as well as implement the findings from mandated security audits, and security assessments performed by the California Department of Technology and the California Military Department.
- Approves a two-year limited-term extension of \$1,674,000 in 2021-22 and 2022-23 to continue supporting 8.0 existing positions in the Department's Regulations Unit. A two-year limited-term extension will allow DCA to fully implement and evaluate the effectiveness of a dedicated Regulations Unit.
- Provides three-year limited term funding of \$242,000 in fiscal year 2021-22, \$341,000 in 2022-23, and \$275,000 in 2023-24 for the Medical Board of California to align the appropriation for the Licensed Physicians and Dentists from Mexico Pilot Program (program) to match the revised timeline for the program's implementation as required by Chapter 1157, Statutes of 2002 (AB 1045).
- Approves \$800,000 in fiscal year 2021-22 and 2022-23 to support increased Attorney General (AG) services as a result of Chapter 800, Statutes of 2016 (SB 1196), requiring all firearm assessment appeals be referred to the AG's Office.
- Accepts budget bill language to authorize Contractor's State Licensing Board to augment its Construction Management Education Account (CMEA) appropriation, to provide the flexibility to increase the grants awarded from the fund based on the amount of contributions made to the CMEA. This will allow the CSLB to award the maximum amount of grants to institutions, which ultimately benefits students.

- Allocates to the Veterinary Board \$430,000 in fiscal year 2021-22, \$406,000 in 2022-23, \$246,000 in 2023-24 and ongoing, and 3.0 positions to sufficiently address oversight and probation monitoring workload. Funding for the Staff Services Manager I is requested on a two-year limited-term basis.
- Provides the California State Board of Optometry (Board) \$60,000 in fiscal year 2021-22 and ongoing to fund continued optometry examination development and validation. Ongoing annual development and validation of the Board's licensing exams is critical to avoid any potential compromises of the exams.
- Provides the California State Board of Optometry \$262,000 in the fiscal year 2021-2022, \$246,000 in 2022-23 and 2023-24, and two three-year limited-term positions to create a new license type for mobile optometric offices.
- Allocates support court reporter expenses of \$165,000 in 2021-22, \$178,000 in 2022-23, \$186,000 in 2023-24, and \$193,000 thereafter for expert witnesses, and \$13,000 in 2021-22 and \$14,000 thereafter for court reporters working for the Board of Psychology.
- Provide the Bureau of Automotive Repair an increase of \$2,300,000 in 2021-22 and 2022-23, from the High Polluter Repair or Removal Account, to increase repair assistance to consumers when their vehicles fail a Smog Check inspection. BAR anticipates an increase in participation in the Repair Assistance Program due to recent changes BAR implemented through emergency regulations.
- Allocates one-time funding of \$1,117,000 and 2.0 positions to the Speech-Language Pathology and Audiology and Hearing Aid Dispensers Board to complete planning activities and begin implementing its selected Business Modernization software alternative, consistent with the Department's Business Modernization Plan.
- Approves one-time funding of \$4,346,000 and 8.0 positions to allow the Structural Pest Control Board, the California Architects Board/Landscape Architects Technical Committee, the Cemetery and Funeral Bureau, and the Bureau of Household Goods and Services to begin implementing their selected Business Modernization software alternative, consistent with the Department's Business Modernization Plan.
- Provides the Cemetery and Funeral Bureau a 0.5 position and \$86,000 in 2021-22, and \$78,000 in 2022-23 and ongoing, from the Cemetery and Funeral Fund, to address the additional workload.
- Allocates \$188,000 in fiscal year 2021-22, \$180,000 in 2022-23 and 2023-24, and one position for the Structural Pest Control Board to address the additional workload (AB 2138), and oversee the Board's probation monitoring.

- Provides \$74,000 for special fund costs associated with the relocation of the Business, Consumer Services and Housing Agency.

### **Department of Veterans Affairs**

- Provides \$10 million in one-term funding for the second year of implementation of a new long term care electronic health record system in the Veterans Homes of California and headquarters.
- Allocates \$15 million General Fund in 2021-22 to address deferred maintenance projects at the Veterans Home of California. Specific funding will go to replacing air handling units at Veterans Home of California-Barstow and elevator renovations at the Veterans Home of California-Yountville.
- Approves budget bill language to provide an extension of the liquidation period to complete infrastructure upgrades for the nurse call system at the Barstow Veterans Home.
- Provides a one-time augmentation of \$7,725,000 from the Federal Trust Fund from the United States Department of Veterans Affairs to support efforts to prevent, prepare for and respond to COVID-19 in the eight Veterans Homes of California.
- Provides \$296,000 General Fund for the Preliminary Plans (\$132,000) and Working Drawings (\$164,000) phases for the columbarium expansion at the Northern California Veterans Cemetery (NCVC) in Igo, California. The scope includes the construction of ten new columbaria, each consisting of 100 niches on each side, totaling 2,000 additional niches; new walk-ways, ramps, curbs and gutters; landscaping; and irrigation.
- Allocates \$954,000 General Fund for the Construction Phase of the water system upgrade at the Northern California Veterans Cemetery in Igo, California. Completion of working design phase was delayed due to the due diligence obligations required by the State and additional requirements set forth by the State Fire Marshal. Due to this delay, the construction phase that was originally funded in the 2019 Budget Act expired as the funds were not encumbered or expended by the specified dates in the 2019 Budget Act. In addition, the overall project costs have increased by \$113,000 to reflect additional escalation and because the 2019 proposal omitted costs for due diligence and extended SFM review.
- Provides a re-appropriation to extend the liquidation period to complete the Rector Creek Instream Flow and Fish Condition Assessment Study for June 2023.
- Approves an augmentation of \$330,000 General Fund and 3.1 positions in 2021-22 and \$588,000 General Fund and 6 positions annually to realign levels of care in the Barstow



Veterans Home as outlined in the 2020 Veterans Homes of California Master Plan and the 2021 Barstow Report.

- Re-appropriates \$7,833,000 in Public Buildings Construction Fund for the construction phase of the Steam Distribution System Renovation project at the Veterans Home of California-Yountville (VHC-Yountville).
- Adopts a one-time augmentation of \$2.1 million General Fund in 2021-22 for the required renovations for the water treatment plant at the Rector Reservoir near the Veterans Home of California-Yountville (VHC-Y).
- Approves a re-appropriation of \$500,000 from the Budget Act of 2018, Control Section 6.10 to complete the Americans with Disabilities Act restroom upgrades in the Administration Building of the Yountville Veterans Home. Additionally, CalVet requests an extension of the liquidation period to complete the nurse call system project in the Eisenhower Building of the Yountville Veterans Home.
- Provides \$5.4 in ongoing funding to County Veteran Support Offices to support increased staff outreach and workload associated with improved outreach.
- Approves \$25 million to support organizations that provide supportive services to homeless or at-risk veterans.
- Allocates \$20 million to help fund 1,200 permanent supportive housing units for homeless and at-risk veterans at the West Los Angeles VA Medical Center Campus.

### **Secretary of State**

- Approves \$9.789 million in spending authority from the Federal Trust Fund to cover the maintenance and operations, data analysis, security assessment, further increased Department of Motor Vehicles and California Department of Technology connectivity costs, and Election Management System support and verification for the VoteCal statewide voter registration system.
- Continues spending authority for the additional resources needed to again reach and maintain an average five (5) business day or better turnaround/processing time for Business Filings and Statements of Information, as sought by the SOS and Legislature until California Business Connect is fully implemented.
- Approves a General Fund augmentation of \$3,225,000 in 2021-22 and \$2,850,000 in 2022-23 for maintenance and operation of the CAL-ACCESS Replacement System.

- Allocates \$11.674 million in spending authority for 2021/22, \$8.174 million from the Business Fees Fund and \$3.5 million from the Business Programs Modernization Fund, to continue implementation of the California Business Connect project.
- Provides \$1,592,000 (\$1,129,000 Business Fees Fund and \$463,000 General Fund) in 2021/22 and \$1,582,000 (\$1,122,000 BFF and \$460,000 GF) ongoing for 12 positions (2 new positions and continued funding for 10 existing positions). These position will support the backlog at the Secretary of State's Accounting and Procurement sections.
- Allocates \$343,000 in 2021-22 and \$333,000 annually thereafter from the Business Fees Fund to establish 2.0 positions needed to implement new obligations associated with the data collection, reporting compliance and litigation defense due to new responsibilities related to Board of Directors from underrepresented communities.
- Approves \$1,651,000 in 2021-22 and \$1,641,000 in 2022-23 and ongoing for resources to support elections in California. This request will provide ongoing resources to maintain the operation, access, and integrity of public services provided by the SOS including funding for the expansion of existing system maintenance services and licenses.
- Provides a one-time General Fund increase in the amount of \$265,000 for 2021-22 for additional voter registration card costs and a one-time Federal Trust Fund increase in the amount of \$140,000 for 2021-22 for the cost of system changes to VoteCal, the state's centralized voter registration database.
- Approves \$22.735 million in expenditure authority for 2021-22 from the Federal Trust Fund to continue implementation of the statewide mandates of the Help America Vote Act of 2002.
- Allocates \$783,000 in 2021-22 (\$555,000 Business Filings Fees Fund and \$228,000 General Fund) and \$753,000 (\$534,000 BFF and \$219,000 GF) in 2022-23 and ongoing to fund six permanent full-time positions to bring Human Resources Bureau staffing in line with Agency growth, provide the SOS with guidance for decision-making, ensure appropriate manual, resources, and tools are developed to ensure compliance with laws and regulation, and streamline internal processes through the digitization and modernization project efforts within Human Resources.
- Approves a General Fund augmentation of \$3,078,000 in 2021-22 and \$1,622,000 in 2022-23 and ongoing and three positions to automate paper-based processes and support increased online and contactless access to the State's historic public records and data held in the State Archives in response to the ongoing COVID-19 pandemic.

- Provides \$225,000 General Fund in 2021-22 and ongoing to reflect of funding for the State Government Oral History Program and digital preservation subscription services from the State Library to the Secretary of State.
- Allocates \$216,000 in 2021-22 and \$79,000 in 2022-23 and ongoing funds from the Business Fees Fund to effect needed changes to the Statement of Information online applications, website changes, form updates and to manage increased workload and statutory changes in Statement of Information for domestic and foreign corporations and limited liability companies.
- Provides \$5.8 million to support increased workload as more counties opt into the Voters Choice Act.

**Fair Political Practices Commission**

- Increases FPPC General Fund expenditure authority for \$121,000 2021-22 and one permanent position to support online filing and disclosure systems for local elections.
- Provides \$430,000 in 2021-22 and ongoing to fund three positions to continue workload associated with the California Disclose Act.

**California Citizens Redistricting Commission**

- Approves \$8,472,000 one-time General Fund in 2021-22 to complete redistricting activities related to the 202 Census.

**Department of Alcoholic Beverage Control**

- Approves an increase in expenditure authority of \$2,943,000 one-time Alcohol Beverage Control Fund in 2021-22 for ongoing support costs following the completion of the Business Modernization and Responsible Beverage Service project.

**California Gambling Control Commission**

- Approves budget bill language that allows the Gambling Control Commission to provide fee waivers to card rooms. The estimated cost of this program is \$15 million out of a special fund.

**Employee Compensation**

- Provides funds to increase Item 9800-001-0001 by \$53,897,000 ongoing, Item 9800-001-0494 by \$45,868,000 ongoing, and Item 9800-001-0988 by \$22,592,000 ongoing to reflect collectively bargained pay increases, updated health and dental rates, increased enrollment in health and dental plans, and a change in the Top 4 Health Plan composition.

**State Employee Compensation**

- Approves the elimination of Control Section 3.91, which was included in the 2020-21-budget act in conjunction with the suspension of employee compensations.

**Establishing New Positions**

- Amends Control Section 4.11 to outline new vacancy reporting requirements designed to replace the Budget Position Transparency display from the Governor's Budget and Enactment Budget displays to provide enhanced transparency.

**Contribution to Public Employee's Contingency Reserve Fund**

- Approves amending Control Section 4.20 to reflect an administrative rate of .25 percent to mitigate the impact of changing rates in the out years as a result of updated projections.

**Contribution to Public Employees' Retirement Benefits**

- Amends Control Section 3.60 to capture changes in state retirement contribution rates for state members of the California Public Employees' Retirement System (CalPERS) and the Judges' Retirement System II (JRS II), adopted by the CalPERS Board on April 20, 2021. The increase in state employer contribution is primarily a result of increases in payroll.

**Labor and Workforce Development Agency**

- Defers without prejudice, the \$332 million proposed in various workforce programs at the Workforce Development Board, Employment Training Panel and Community Colleges Chancellor's Office.
- Allocates \$6000 million in ARP funds to create the Community Resilience Fund.
- Provides 4 positions and \$765,000 from the Labor and Workforce Development Fund ongoing to increase agency capacity and ensure consistent implementation.

**Employment Development Department**

- Allocates \$276.3 million one-time for additional temporary EDD staff to address backlog workload and approves an addition amount up to \$53.7 million for more staff as needed.
- Provides \$5.5 million General Fund and 23 positions (14 permanent and 9.3 temporary) in 2021-22, and \$5.5 million General Fund, and 23 positions in 2022-23, to begin planning and implementation of a direct deposit solution.
- Approves \$11.8 million General Fund and 39 positions in 2021-22, \$9.2 million General Fund and 39 positions in 2022-23, and \$6.8 million ongoing funds to improve education and outreach in communities requiring multilingual access to EDD services and programs.
- Approves a number of Administration requests related to workload at EDD including \$6.0 million in 2021-22, and \$2.7 million in 2022-23, funded equally by the General Fund and the Unemployment Compensation Disability Insurance Fund in order to be in compliance with the legislatively mandated requirements to remove social security numbers from the majority of EDD forms, \$11.8 million General Fund in 2021-22 to begin to re-focus the Benefit Systems Modernization (BSM) project, \$11.4 million General Fund and 92 positions in 2021-22, and \$11.4 million General Fund and 92 positions in 2022-23, to expand the presence of Unemployment Insurance (UI) trained staff in the America's Job Center of California locations to perform UI activities, a \$35.77 million repayment of interest on the unemployment insurance loan and \$2 million General Fund for deferred maintenance.
- Adopts language that extends the sunset date for paid family leave wage replacement rate by one additional year.
- Approves placeholder trailer language to modify the School Employee's Fund contribution rate from 1.23% to .5% for 2021-22 and 2022-23.
- Rejects administration proposal to spend \$1.1 billion paying down unemployment insurance debt. The LAO notes that due to how federal law sets out the employer tax repayment structure, the Governor's proposed \$1.1 billion deposit would not benefit employers or their employees until well after the pandemic has ended, at the earliest it would be in 2030.
- Allocates \$50 million to the Employment training Panel to expand programming in high-demand sectors.
- Provides \$15 million to the Employment Training Panel to align and operate programs with the community college system in partnership with the Strong Workforce Program.

**California Workforce Development Board**

- Provides \$75 million to expand the High Road Training Partnership program.
- Approves \$25 million to develop a Regional Equity and Recovery Partnership program between local workforce boards and community college.
- Provides \$10 million for a shared data infrastructure between the Labor Agency and the Community Colleges Chancellor's Office with \$2 million funding data sharing and outcome research through the Bureau for Private Postsecondary Education.
- Allocates \$20 million to expand the Social Entrepreneurs for Economic Development program
- Provides \$20 million for the Prison to Employment program.
- Allocates \$30 million to the Breaking Barriers to Employment program with \$5 million expended on programs targeted toward individuals with autism.
- Provides \$14.5 million for workforce programs for certified nursing assistants.
- Allocates \$3.5 million for Southern California Association of Governments for workforce development and training.
- Approves \$1 million for the San Gabriel Valley Council of Governments for workforce development.
- Appropriates \$2 million for the East Palo Alto Job Training Center for Economic Mobility.
- Provides \$3.5 million for the Los Angeles Black Worker Center to create the Workforce Equity Demonstration Project.
- Allocates \$10 million for the Santa Clara Valley Transportation Authority for worker assistance including mental health services, worker training and retraining.
- Approves \$10 million to develop earn and learn apprenticeship training programs in residential construction.
- Provides \$27 million to Creating Restorative Opportunities and Programs (CROP) for the Ready for Life Pilot program that provides integrated reentry services.
- Allocates \$15 million to provide resources needed for the increased workload based on new and expanded programs.

- Approves \$500,000 one-time General Fund to implement AB 639 (Cervantes) that requires a stakeholder process to develop recommendations on how best to mitigate the employment impacts of automation at the Port of Los Angeles and the Port of Long Beach.
- Provides \$10 million one-time to support the LA Clean Tech Incubator to expand workforce training, transportation and green energy pilots in disadvantaged communities, and startup supports for small businesses.
- Approves \$20 million one-time General Fund for the Labor Training and Mutual Aid Center in Los Angeles
- Provides \$5 million one-time General Fund for the New Economics for Women.

**Department of Industrial Relations**

- Provides \$240,000 in Federal Trust Fund authority for the 2021-22 year to enable the Division of Apprenticeship Standards to effectively and efficiently complete all its goals.
- Allocates 56.5 positions and funding from the Elevator Safety Account to reduce inspection backlog.
- Approves 43.0 positions and \$8.7 million from various funds in Fiscal Year 2021/22, 43.0 positions and \$7.7 million in 2022/23, 41.0 positions and \$7.3 million 2023/24, 38.0 positions and \$6.7 million in 2024/25 and 2025/26, with 8.0 positions and \$1.7 million in 2026/27 and beyond to fulfill the provisions of recently chaptered legislation relating to personal protective equipment and worker's compensation.
- Adopts Budget Bill Language that will authorize up to 70.0 positions in the 2021-22 fiscal year and up to \$14.4 million (\$13.3 million ongoing) from the Occupational Safety and Health Fund to address a critical staff shortage of Industrial Hygienists and Safety Engineers.
- Provides \$175,000 from 2021-22 through 2023-24 and an on-going augmentation of \$55,000 from the Workers' Compensation Administration Revolving Fund to allow the Commission on Health and Safety and Workers' Compensation to assist schools in establishing effective occupational Injury and Illness Prevention Programs.
- Approves \$4 million one-time the California Firefighter Joint Apprenticeship Council to conduct the EMT and Paramedic Pre-Apprenticeship Training Academies.
- Allocates \$15 million to establish a Women in Construction Priority Initiative to assist and provide resources to women in the construction industry.

- Provides \$5 million one-time to establish a Garment Worker Wage Claim Program to work with community-based organizations to provide outreach, education and legal assistance to garment workers seeking to file a wage claim.

**Department of Insurance**

- Converts 34.0 limited-term positions to permanent positions and an increases expenditure authority by \$6,139,000 General Fund in 2021-22 and ongoing to support enhanced fraud investigation and prevention efforts in civil whistleblower cases
- Increases Insurance Fund expenditure authority by \$81,000 in 2021-22 and \$70,000 2022-23 and ongoing to support insurer compliance related to new requirements for covering mental health and substance use disorders.

**Department of Real Estate**

- Provides \$125,000 in 2021-22 and \$117,000 in 2022-23 and ongoing, from the Real Estate Fund, and 1.0 position and 1.0 two-year limited-term Accounting Officer position to support the accounting activities in Fiscal Operations.
- Approves three-year limited-term funding of \$414,000 in 2021-22, and \$374,000 in 2022-23 and 2023-24, from the Real Estate Fund and 5.0 positions, to support the Licensing Program, Information Section.

**Exposition Park**

- Provides \$11,900,000 General Fund be made available for transfer to the Exposition Park Improvement Fund (EPIF) to offset lost revenues resulting from the state and county public-health mandates resulting from COVID-19.
- Approves \$5 million for deferred maintenance from the California Natural Resources Agency.
- Adopts \$168,000 General Fund ongoing to the California African American Museum for operations and maintenance.

**State Controller's Office**

- Approves around \$7 million to support technology upgrades to the California State Payroll System Project.
- Provides \$408,000 ongoing support to hire new positions to perform pre-payment audits of Fi\$cal vouchers.



- Allocates \$712,000 ongoing to perform investigative audits and reviews of the oversight of local government agencies.
- Provides \$301,000 in 2021-22 and \$287,000 ongoing to expand the State Controller's Office continuity of operations program as the state transitions to telework.
- Provides approximately \$2 million for Fi\$cal reporting and other annual reports to ensure the required reporting is successfully transitioned to Fi\$cal from the legacy program.
- Approves \$308,000 in 2021-22 and \$287,000 ongoing to validate compliance with statewide information security policy, standards, and procedures; verify SCO's internal information security systems and policies are in place and functioning as intended; and to support business continuity operations.
- Allocates \$1.6 million ongoing to support increased infrastructure and operational costs associated with personnel services, training, statewide fees and contracted costs.
- Approves budget bill language that allows the Department of Finance to provide an augmentation for the administrative costs of making the Golden State Stimulus I and II tax refund payments.
- Provides \$6 million one-time General Fund to coordinate with the Department of Education and the Department of Social Services to set up an electronic payment processing system and provide direct deposit payments to child care and state preschool providers.

### **California Horse Racing Board**

- Adopts a decrease in expenditure authority of \$434,000 Horse Racing Fund and 2.0 positions in 2021-22, \$662,000 in 2022-23, and \$890,000 in 2023-24 and ongoing.
- Approves an increase in expenditure authority of \$890,000 Horse and Jockey Safety and Welfare Account in 2021-22 and ongoing and 2.0 positions to promote enhanced equine and jockey safety measures consistent with the statewide implementation of safety review panels designed to effectively assess the fitness of horses prior to racing.

### **Department of Technology**

- Provides 17.0 positions and \$11,430,000 General Fund in Fiscal Year (FY) 2021-22, \$9,430,000 in 2022-23, and \$6,430,000 ongoing to invest in proactive measures to stabilize critical services and enhance performance statewide, particularly in light of the challenges faced during COVID-19.

- Allocates \$20.965 million General Fund to convert 49.0 existing Office of Information Security positions currently funded through the Technology Services Revolving Fund. The requested funding will ensure that the department's Security Operations Center and the Information Security Program Audit can continue to provide critical statewide security benefits to state entities while enabling those state entities to focus their limited resources on remediating identified security vulnerabilities.
- Approves 10.0 positions and \$2,252,000 in General Fund in Fiscal Year (FY) 2021-22 and FY 2022-23 to build a dedicated team to focus on the development and continued evolution of the re-imagined CA.gov web portal and expand the CAWeb team to increase capacity and reduce time required for onboarding partner agency websites into the state's web enterprise platform.
- Includes a proposed \$50 million General Fund allocation for a new Technological Modernization Fund funding and project at the department.
- Approves \$1.1 million and 2 positions for digital identification software, with strict budget and trailer bill language to protect privacy.
- Provides \$1.4 million for additional governmental operations costs, including 3 positions for the Chief Equity Officer position at the agency. The Legislative budget proposal would make this agency effort part of the overall Office of Equity initiative.
- Includes \$214,000 one-time to fund the planning efforts for the Statewide Property Inventory modernization project, with provisional language to allow up to \$2.5 million for this purpose.
- Includes budget bill language to fix an error that had led to the California Commission on Disability Access not receiving its correct level of revenues.
- Approves the design-phase of the Unruh building at 915 Capitol Mall for \$124.4 million from the Public Building Construction Fund, including \$2 million for the State Capitol Fountain.
- Includes \$11,630,000 one-time for design-build authority for improvements to the Paul Bonderson Building in Sacramento.

### **Governmental Operations Agency**

- Includes \$558,000 to establish a Chief Data Officer to implement the Statewide Data Strategy.
- Appropriates \$588,000 to establish at Chief Equity Officer to create a more inclusive, respectful, and equitable state workplace.

- Provides \$10 million and placeholder language to establish the Office of Statewide Equity.
- Reappropriates up to \$2,242,000 to support the residual costs of the California Complete Count Census 2020.

### **Department of General Services**

- Provides \$51.3 million (\$50 million General Fund) for additional zero-emission charging station at state-owned facilities.
- Approves a proposal to start the three-year \$196.8 million renovation of the Bateson building, currently the home of the Health and Human Services agency, located at 1600 9th St. in Sacramento.
- Includes a proposal for \$461 million Public Building Construction Fund funding to renovate the “old” Resources building at 1416 9th St in Sacramento.
- Adds 105 positions for Facilities staff to maintain the new Allenby and Resources buildings in Sacramento. The additional positions reflect that fact that these buildings are larger and also include public-facing spaces, like a restaurant and an auditorium at the Resources building, which will necessitate additional cleaning staff.
- Appropriates one-time \$20 million General Fund to upgrade fire alarm systems at three state buildings. Specifically, \$7.6 million of upgrades to the Ronald M. George building in San Francisco, \$7 million for the Reagan building in Los Angeles, and \$5.4 million for the Attorney General building in Sacramento.
- Includes a statutory change allow for the progressive design-build authority, which is assumed for several of the projects proposed in the budget.
- Provides a one-time budget authority increase of \$1.3 million in the Disability Access Account for fiscal year 2021-22 to complete a statutorily mandated study of detectable warning surfaces.
- Reflects an expenditure authority increase of \$11.035 million (\$9.320 million for the Public School Planning, Design, and Construction Review Revolving Fund (Fund 0328) and \$1.715 million for the Disability Access Account (Fund 0006)), and 26.0 permanent positions beginning in fiscal year 2021-22 to provide necessary resources to manage increasing public school construction workload and required oversight.
- Includes \$1.3 million (\$567,000 General Fund) and 8 positions to provide administrative services for four new client agencies: the California African American Museum, the Native American Heritage Commission, Office on Energy Infrastructure, and the Delta Protective Commission.

- Adds \$300,000 in ongoing Service Revolving Fund expenditure authority and 2.0 permanent positions to support the increased demand for departmental and statewide emergency management functions, specific to statewide resiliency and emergency planning. These additional resources reflect the additional workload from the department's role in disasters and emergencies.
- Shifts \$93 million General Fund to the State Project Infrastructure Fund to cover the costs associated with the Capitol Annex project.
- Includes \$250 million General Fund for the K-16 College Collaborative grant program.
- Approves \$3 million General Fund for Science, Technology, Engineering, and Mathematics Teacher (STEM) Recruitment Grants.

**Office of Planning and Research**

- Approves 3 positions and \$508,000 General Fund in 2021-22 and ongoing to continue establishing the Regional Climate Collaborative (RCC) program and continue developing and implementing technical assistance guidelines for state agencies.
- Includes \$348,000 General Fund to develop planning guidance for jurisdictions to leverage volunteer and donation resources during disasters per the mandates of AB 2213 (Chapter 98, Statutes 2020, Limon).
- Approves \$622,000 to fund increased personnel in the CEQA Clearinghouse and OPR's cross-programmatic administrative functions.
- Adds \$406,000 General Fund in ongoing funding to develop and implement a Just Transition Roadmap to implement Executive Order (EO) N-79-20, issued on September 23, 2020. EO N-79-20 charges the Office of Planning and Research and the Labor Workforce Development Agency, in consultation with the Department of Finance and other state agencies, with developing a plan to manage the economic changes that will follow the implementation of the EO's carbon neutrality strategies.
- Includes \$12.4 million to the Precision Medicine program. The funding would be used to expand Adverse Childhood Experiences (ACEs) research which assists in detecting toxic stress to prevent long-term health impacts of youth homelessness.
- Defers action of \$191 million of Climate Resilience proposals at OPR, so these can be included in the larger package being developed by the Legislature.
- Approves \$1,324,000 and 7 positions ongoing to maintain an emergency response framework to prepare and train for future disaster response.
- Includes a \$285,989 million (\$45.8 million General Fund and \$209 million American Rescue Plan Funding for a new California For All College Service Program.

- Approves action on a \$185 million Youth Workforce Development proposal pending discussion of the Legislature's workforce development package.

### **Office of Finance**

- Includes \$3,374,000 and 15 positions ongoing to fund the tracking, implementation, and oversight of federal stimulus and disaster relief funds by creating a Federal Stimulus and Disaster Reimbursement Tracking, Recovery, and Accountability

### **Office of Lieutenant Governor**

- Provides \$500,000 ongoing and 3 permanent positions to support increased workload within the Office of the Lieutenant Governor.
- Reflects \$58,000 to cover expenses associated with relocating the Office of the Lieutenant Governor from the Capitol Annex building to 1021 O Street in November 2021, including moving and storage costs.

### **Deferred Maintenance**

Provides \$2 billion in total deferred maintenance. The funding would be proposed to be allocated in the following manner:

University of California—\$325 million

California State University—\$325 million

California Community Colleges—\$250 million

Department of Water Resources—\$237 million

Judicial Branch—\$188 million

Department of Parks and Recreation— \$185 million

Department of State Hospitals—\$100 million

Department of Corrections and Rehabilitation—\$100 million

Department of Forestry and Fire Protection—\$50 million

Department of General Services—\$50 million

Housing and Community Development, Office of Migrant Services, Farmworker Housing—\$30 million

State Special Schools—\$25 million

California Military Department—\$15 million

Department of Fish and Wildlife—\$15 million

Department of Veterans Affairs—\$15 million

California Highway Patrol —\$10 million

Department of Motor Vehicles—\$10 million

Department of Developmental Services—\$5 million

### **California State Assembly, Senate, and Legislative Analyst**

- Adjusts the Legislature’s budget from the January budget pursuant to Proposition 140 (1990), in line with the State Appropriations Limit Adjustment.

### **State Appropriations Limit and Budget Resiliency**

- Fully funds required Proposition 2 deposits to the Budget Stabilization Account (rainy day fund) and the Public School System Stabilization Account (Proposition 98 reserve), bringing their estimated balances up to \$15.8 billion and \$4.5 billion, respectively. In total, the state’s General Fund reserves are estimated to equal \$25.2 billion in 2021-22, or about 13 percent of expenditures. (Prior to the pandemic, with passage of the 2019 state budget, Department of Finance estimates anticipated that total General Fund reserves in 2021-22 would equal only \$21.2 billion.)
- Approves deposit of \$450 million to the Safety Net Reserve, bringing that reserve’s balance to \$900 million (a part of the total General Fund reserves described above).
- Approves use of a portion of American Rescue Plan Act funds to offset eligible General Fund expenditures: \$9.2 billion of Coronavirus Fiscal Recovery Fund moneys (Control Section 11.96[k]) and \$1.5 billion of Home and Community-Based Services funds (Control Section 11.95[c][3]), with the latter assumed to be spread equally across fiscal years 2021-22 and 2022-23.
- Adopts Control Section 11.97, requiring the Director of Finance to identify federal funds expenditures (including ARPA funds) that are qualified capital outlay. Authorizes the director to “swap out” any such federal funds with eligible non-capital outlay expenditures appropriated from the General Fund if needed to keep the state within the constitutional state appropriations limit for the 2020-21 and 2021-22 fiscal years.
- Adopts trailer bill language requiring state appropriations limit calculations to recognize school and community college spending limit room (May Revision proposal) and reflect changes in state-local subventions since 1980 (Legislative Analyst’s Office suggestion).
- Adopts trailer bill language specifying that Golden State Stimulus II payments are related to the COVID-19 state of emergency and are not subject to the state appropriations limit, as authorized by Proposition 4 (1979), as amended.

### **COVID-19 and CARES Act Funding**

- Approves the Administration \$1.74 billion budget proposal related to COVID-19 response, which represents costs in 11 different state departments and agencies.

- Adopts control section language giving the Department of Finance flexibility to make adjustments to the use of state funds for the purpose of claiming federal CARES act funding.
- Approves a proposal to allow the administration the ability to make adjustments to state expenditures or offset any costs with federal American Rescue Plan funding for costs incurred in 2020-21.

**PUBLIC SAFETY****California Department of Corrections and Rehabilitation**

- Provides a total of \$13.7 billion for the Department of Corrections and Rehabilitation in 2021-22 to operate 34 state owned and operated prisons and 1 leased and operated prison with a total state prison population of 93,356 people as of May 12, 2021 and 55,000 budgeted staffing positions. Updated spring population projections estimate an average daily population of 106,259 and an average daily parolee population of 48,269.
- Includes plans to close Deuel Vocational Institution by September 2021. Provides \$1.6 million General Fund and 9.3 positions in 2021-22 and \$2.2 million and 12 positions ongoing to support the warm shutdown of the prison.
- Provides a total of \$88.7 million General Fund and 180 positions in 2021-22 and \$43 million ongoing for various proposals related to CDCR's staff complaint process including, the Armstrong Court Compliance order and the Statewide Use of Force and Prison Rape Elimination Act Allegations process. This is in addition to the \$9.8 million ongoing funding provided in the 2019 Budget Act.
- Provides \$3.4 billion ongoing General Fund for health care services programs, including \$3.5 million for the Quality Management and Patient Safety Program.
- Includes \$546.9 million General Fund for rehabilitative programs including the following:
  - \$23.2 million General Fund in 2021-22, and \$18 million ongoing General Fund, for information technology to enhance access to rehabilitative programming, including the purchase of laptops, expansion of virtualization infrastructure, network bandwidth, and the creation of a secure online academic portal.
- Includes \$21.2 million General Fund in 2021-22 and 59 positions and trailer bill language to enhance staff development through new training for correctional officers, including repurposing the former Northern California Women's Facility into a training facility.
- Provides \$51 million General Fund in 2021-22, growing to \$77.6 million through 2024-25 for increased workers' compensation costs associated with Chapter 85, Statutes of 2020.
- Includes the following infrastructure and maintenance proposals:
  - \$100 million one-time General Fund for deferred maintenance.
  - \$115.7 million in General Fund for remaining HCFIP projects instead of using existing lease revenue bond authority; withdraws April spring finance letter asking



- for \$43.23 million LRB authority and replaces it with this proposal and reappropriates \$30.1 million for 13 medication distribution projects.
- \$54.5 million General Fund reappropriation for fire alarm replacement and fire suppression repair.
  - \$33.6 million General Fund over two years for roof replacement projects at California State Prison, Los Angeles.
  - \$6 million AB 900 General Fund reappropriation.
  - \$537,000 for preliminary plans/working drawings for 10 individual exercise yards at the CA Health Care Facility.
  - Reappropriates \$91.03 million Public Buildings Construction Fund for the construction phase delayed due to recent CEQA litigation for the 50 bed mental health crisis facility at the CA Institution for Men.
  - \$328,000 General Fund for Working Drawings for the Medication Preparation Room Unit D5 at California State Prison, Los Angeles.
  - \$2.7 million General Fund for Preliminary Plans and Working Drawings for the California Substance Abuse Treatment Center and Corcoran State Prison: Air Cooling Facility F and G.
  - \$4.15 million General Fund (total estimated project cost is \$22.19 million) in additional funding for construction of the HCFIP project at Calipatria.
  - \$1 million General Fund in 2021-22 for the design phase and \$32.6 million General Fund in 2022-23 for the construction phase of roof replacements at California State Prison, Los Angeles.
  - Reappropriation of \$6 million General Fund for CDCR's Health Care Facility Improvement Projects to ensure the balance of this appropriation remains available for encumbrance or expenditure until June 30, 2022 for completion of these projects.
  - \$821,000 for two new ground water wells to supply potable water at Chuckawalla State Prison. The total project cost is \$11.43 million.
  - \$11.49 million lease revenue to complete the construction of a new central chiller water plant at Ironwood State Prison as well as replacement of existing air handling units and improvements to existing roofs, fire dampers, and smoke evacuation systems. The total estimated project cost is \$187.42 million.
  - Provides \$1.52 million for the minor capital outlay program.
  - Provides \$6.8 million one-time General Fund for health care facility repairs at the California Rehabilitation Center.

- Provides \$1.8 million ongoing General Fund to maintain the Managed Access System to block unauthorized cellular usage.
- Provides \$7.5 million ongoing General Fund to implement healthier menus in its prisons based on the Department of Agriculture's dietary guidelines.
- Provides \$2.8 million General Fund and 5.5 positions to develop and implement policies related to Chapter 182, Statutes of 2020, the Transgender Respect, Agency, and Dignity Act.
- Includes \$13.7 million General Fund in 2021-22 and \$3 million ongoing to expand programming and undertake facility improvements in Valley State Prison, guided by the Norway Model, including two new modular buildings, two new baccalaureate degree programs (one in general education, and one in STEM), new vocational and career technical training opportunities, and additional laptops.
- Includes \$2 million ongoing General Fund to establish a Youth Rehabilitative Offender Community at Valley State Prison.
- Provides \$20.3 million ongoing General Fund to add a third day of in-person visitation on Fridays at all prisons and includes free transportation on select days throughout the year to all prisons via chartered busses.
- Provides \$37.6 million General Fund and 7 positions in 2021-22, and \$1.9 million ongoing to install cameras at Salinas Valley State Prison, Mule Creek State Prison, California State Prison Sacramento, and California Correctional Institution in Tehachapi.
- Provides \$815,000 General Fund in 2021-22 and \$804,000 ongoing and 6 positions to expand CDCR's Civil Rights Operations and Equal Employment Opportunity program.
- Provides \$3.7 million ongoing General Fund to add supervisory capacity with the State Tele-psychiatry Program.
- Provides \$3.1 million ongoing General Fund to increase the number of Board of Parole Hearings Commissioners from 17 to 21.
- Provides \$1.3 million ongoing General Fund to deliver services for victims during the parole hearing process.
- Provides \$35.9 million ongoing and 264.1 positions to standardize staffing models across five prisons as part of the Psychiatric Inpatient Programs. Includes \$5.4 million for the preservation of filled psychiatric technician positions.

- Includes various statutory changes to expand the eligibility of CDCR community reentry programs, various enhancements to the Pine Grove Youth Fire Camp, and the increasing the expertise of the CA Sex Offender Management Board, expand the number and specify the qualifications of the commissioners on the Board of Parole hearings, technical changes to the CARE grant program.
- Provides \$3.5 million General Fund in 2021-22, and \$3.3 million in 2022-23 and 2023-24 for the Anti Recidivism Coalition's Hope and Redemption program to expand the program in 34 prisons.
- Provides one-time \$12 million General Fund for cost-free remote communications.
- Provides \$2.35 million ongoing General Fund and adopts trailer bill to expand and enhance the Pine Grove Youth Conservation Camp.
- Includes \$49.3 million in 2020-21 and \$40.9 million in 2021-22 and ongoing from eliminated civil service positions to cover the funding shortfall for psychiatry registry services.
- Provides \$34.8 million one-time General Fund to replace dayroom furniture in furtherance of the Norway prison model.

**Division of Juvenile Justice Realignment**

- Provides \$7.6 million in 2021-22 and \$7.2 million ongoing General Fund and 33 positions ongoing General Fund to establish the Office of Youth and Community Restoration that was created in the Health and Human Services Agency pursuant to SB 823 (Chapter 337, Statutes of 2020). Provides one-time \$20 million General Fund for technical assistance, disseminating best practices, and grants for the purpose of transforming the juvenile justice system.
- Includes statutory changes to create opportunities for state and local partnerships to maintain firefighting operations at the Pine Grove Youth Conservation Camp.
- Provides \$1.9 million General Fund in 2021-22, and \$1 million 2022-23, to the Department of Justice to convene a working group to submit a plan for the replacement of the Juvenile Court and Probation Statistical System with a modern database, as a part of the realignment of the Division of Juvenile Justice to the counties.

**Office of Inspector General**

- Includes \$7 million ongoing General Fund contingent upon the passage of pending legislation.

**Local Public Safety and the Board of State and Community Corrections**

- Provides \$200 million one-time General Fund across the next three fiscal years for the California Violence Intervention and Prevention Grant Program.
- Provides \$23.6 million one-time General Fund for county probation departments for post release community supervision.
- Provides a \$30 million General Fund augmentation to the Adult Reentry Grant.
- Provides an augmentation of one-time \$10.3 million General Fund to the California Community Corrections Performance Incentive Act of 2009 (SB 678) for 2021-22 and adopts statutory changes for a new allocation schedule that will sunset in one year.
- Provides \$19.5 million one-time General Fund in 2021-22 for county probation departments to supervise the temporary increase in average daily population of individuals on Post-Release Community Supervision.
- Estimates net General Fund savings of \$116.2 million as a result of Proposition 47 and \$23.6 million General Fund savings as a result of Proposition 57 adjustments.
- Adopts trailer bill to relinquish county jail funding to decrease the lease revenue bond authority of \$229 million.
- Provides \$18 million to establish a prosecutor initiated County Resentencing pilot program.
- Increases \$500,000 federal spending authority for Title II spending.
- Adopts trailer bill to authorize unannounced inspections of jails and provides \$3.1 million ongoing General Fund for additional positions and electronic data entry support.
- Provides \$50 million in each of the next three budget years, beginning in 2021-22, for a total of \$150 million for a Public Defense pilot to public defender offices, alternate defender offices, and other indigent defense offices statewide to workload associated with Penal Code 1170(d)(1), Penal Code 1473.7, Penal Code 3051, and Penal Code 1170.95.
- Adopts trailer bill to increase accountability over various sources of state funding that currently flow to and through the California District Attorneys Association and transfers the responsibility to the Environmental Protection Agency.

**Judicial Branch**

- Provides \$4.5 billion in 2021-22, of which \$1.2 billion General Fund is provided to support trial court operations.
- Provides \$72.2 million ongoing General Fund, an overall increase of 3.7% compared to the 2020 Budget Act and restores \$200 million ongoing General Fund support for the Judicial Branch.
- Includes a legislative package to support courts, court users, and Access to Justice, including the following investments:
  - \$40 million General Fund in 2021-22, \$30 million in 2022-23 and ongoing to address pandemic-related expenses, the temporary increase in dependency counsel caseloads due to the COVID-19 pandemic, and to correct for any shortfall in federal funding.
  - \$16.5 million General Fund in each of 2021-22 and 2022-23 to the County Law Libraries to backfill lost revenue.
  - \$50 million General Fund in 2021-22 and \$20 million in 2022-23 and ongoing for legal aid services through the Equal Access Fund.
  - \$200,000 one-time General Fund in 2021-22 to the Los Angeles Court Appointed Special Advocacy Program to support youth in the child welfare system.
- Includes a legislative package to support low income Californians who are assessed various administrative fines and fees which includes the following:
  - Trailer bill to determine the allocation schedule for the \$65 million backfill provided for five years pursuant to Chapter 92, Statutes of 2020 (AB 1869).
  - Scores \$151 million each in 2021-22 and 2022-23, \$130 million in 2023-24, and \$120 million in 2024-25 and ongoing to backfill the revenue associated with fees that will be considered for elimination.
- Provides \$19.1 million General Fund on a three-year limited basis for Self-help centers for unrepresented litigants and directs Judicial Council to complete the cost benefit analysis required in the 2018 Budget Act.
- Provides \$118.3 million General Fund for the Trial Court Trust Fund Revenue Backfill.
- Provides \$53.5 million ongoing General Fund to support maintenance, utility, and lease costs for trial court and the Courts of Appeal facilities.

- Reduces by \$7.82 million General Fund to reflect the updated health benefit and retirement rate changes as part of the trial court benefit adjustment.
- Provides one-time \$188 million General Fund to support deferred maintenance.
- Provides \$18.9 million General Fund in 2021-22 and \$48.8 million in 2022-23 to make facility modifications in two trial courts in Orange County and San Diego County to correct deficiencies identified by the State Fire Marshal.
- Adopts trailer bill to consolidate the Immediate and Critical Needs Account (ICNA) and the State Court Facilities Construction Fund (SCFCF) and design build authority for the Judicial Branch.
- Includes \$30 million one-time General Fund to support the Early Disposition Readiness Conference Program.
- Provides \$330,000 General Fund in 2021-22 and \$660,000 ongoing thereafter to support trial court security costs for a new courthouse scheduled to open in January 2022. Court security is provided by the Shasta County Marshal's Office.
- Adjusts the implementation costs of Chapter 289, Statutes of 2020 (AB 2699) to \$982,000 General Fund in 2021-22, \$912,000 in 2022-23, \$2.9 million in 2023-24, \$3 million in 2024-25, and \$1.9 million in 2025-26.
- Provides \$604,000 General Fund for the Butte County Juvenile Hall addition and renovation project. The total project cost is \$3.39 million.
- Provides \$38.72 million General Fund for the Monterey County—New Fort Ord Courthouse for the acquisition and performance criteria for the new 7 courtroom courthouse. The total project cost is \$154.26 million.
- Provides \$901,000 General Fund for the acquisition and preliminary plans phases for the San Bernardino Juvenile Dependency Courthouse. The total project cost is \$8.87 million.
- Provides \$2.35 million General Fund to the Judicial Council to complete a study for the Superior Court of Los Angeles to analyze and develop a plan for improving and modernizing Los Angeles County court facilities.
- Increases the reimbursement authority of Chapter 957, Statutes of 1996 (AB 1058) by \$5 million ongoing.

- Provides \$3.33 million General Fund for the Performance Criteria phase of the Mendocino County—New Ukiah Courthouse resulting in a new 7 courtroom courthouse in Ukiah. The estimated total project cost is \$118.13 million.
- Reduces the Judges Retirement system by \$567,000 to comply with statutory requirement pursuant to Government Code 75600.5.
- Provides \$1.63 million General Fund for the Performance Criteria and \$66.6 million in lease revenue bond authority for the Design Build phase of the Lake County—New Lakeport Courthouse.
- Provides \$972,000 General Fund to initiate a Planning Study for the Nevada County—New Nevada City Courthouse.
- Reappropriates \$75.79 million from the Public Building Construction Fund for the construction phase of the Riverside County—New Mid-County Civil Courthouse.
- Provides \$250.49 million from the Public Building Construction Fund for the construction phase of the Stanislaus County—New Modesto Courthouse.
- Provides \$60 million one-time General Fund to address civil and criminal backlog of cases resulting from the COVID-19 pandemic.
- Provides \$140 million General Fund for the implementation and operation of pre-trial services to courts who may contract with county departments, including probation. In the counties of San Francisco and Santa Clara, the courts may continue using the existing pre-trial services providers.
- Includes \$12.3 million General Fund in 2021-22 to expand the Ability to Pay program statewide and includes trailer bill language.

### **Department of Justice**

- Increases the implementation costs of Chapter 326, Statutes of 2020 (AB 1506), regarding the investigation of officer involved shootings to \$15.3 million General Fund in 2021-22 and \$15.6 million ongoing beginning in 2022-23 to implement Chapter 326, Statutes of 2020 (AB 1506) which establishes four investigative teams throughout the state for investigations of office involved shootings and supportive services.
- Provides one year backfill of \$16 million (\$6 million General Fund and \$10 million Fingerprint Fees Account) in 2021-22 for the DNA Identification Fund and adopts supplemental reporting language directing DOJ to present various options to address the decline in revenue for the DNA Identification Fund.

- Provides \$4 million General Fund in 2021-22 for the Sexual Assault Evidence Submission grant program to assist local law enforcement agencies in submitting and testing sexual assault evidence.
- Adopts trailer bill to provide currently available records relief that began on January 1, 2021 to retroactively apply to individuals and provide one-time \$7.5 million General Fund in 2022-23 to implement the proposal beginning on July 1, 2022.
- Provides two year limited term funding of \$3.4 million Gambling Control fund in to process California Cardroom and Third-Party Providers of Proposition Player Services license applications.
- Provides \$10.5 million Federal Trust Fund and \$3.5 million False Claims Act Fund to allow full expenditure of a reoccurring federal grant related to Medi-Cal fraud and elder abuse workload.
- Provides \$1.1 million General Fund in 2021-22 and 2022-23 to implement Chapter 319, Statutes of 2020 (AB 3121) to support the task force to study and develop reparation proposals for African Americans, with a special consideration for African Americans who are descendants of person enslaved in the United States.
- Provides \$301,000 Dealers' Record of Sale Special Account in 2021-22 and \$139,000 annually thereafter to promulgate regulations and track violations per the mandates of Chapter 284, Statutes of 2020 (AB 2362).
- Provides \$674,000 Dealers Record of Sale Special Account in 2021-22, and \$1.3 million in 2022-23 to implement Chapter 292, Statutes of 2020 (AB 2847) for information technology resources.
- Provides 2 positions and \$152,000 Dealers' Record of Sale Special Account in 2021-22, \$600,000 in 2022-23, and \$445,000 annually thereafter to the DOJ to inspect gun shows per the mandates of Chapter 273, Statutes of 2020 (AB 2061).
- Provides \$491,000 Secondhand Dealer & Pawnbroker Fund in 2021-22 and \$114,000 in 2022-23 to perform database upgrades and modifications to comply with the mandates of Chapter 185, Statutes of 2020 (AB 1969).
- Provides \$425,000 General Fund in 2021-22 and \$168,000 in 2022-23 to make necessary information technology upgrades to implement the mandates of Chapter 155, Statutes of 2020 (AB 499).
- Provides \$484,000 reimbursement authority in 2021-22 and ongoing to support the Controlled Substance Utilization Review and Evaluation System (CURES) Program and



includes trailer bill to extend the implementation date for Chapter 677, Statutes of 2019 (AB 528).

- Provides \$982,000 in 2021-22, \$912,000 in 2022-23, \$2.88 million in 2023-24, \$2.98 million in 2024-25, \$1.93 million in 2025-26, and \$778,000 ongoing thereafter to gather info about unsafe firearms transactions involving peace officers and develop/upgrade info technology infrastructure. Shifts sixty percent of this funding to come out of the Dealers Record of Sale special account.
- Provides \$2.1 million Public Rights Law Enforcement Special Fund and 10 positions for workload associated with Healthcare Rights and Access.
- Provides \$425,000 General Fund in 2021-22 and \$168,000 in 2022-23 to implement Chapter 155, Statutes of 2020 (AB 499) related to personal information and state agencies.
- Provides \$10.3 million General Fund to the Gun Violence Reduction Grant Program to fund local law enforcement agencies to reduce the number of individuals who are in illegal possession of firearms identified by the Armed Prohibited Persons Database.

### **Office of Emergency Services**

- Provides \$17.28 million one-time General Fund in 2021-22 for continued support of system operations, an education and outreach campaign, research and development to expand mitigation uses, and program management of the California Earthquake Early Warning Program.
- Provides \$3.6 million ongoing General Fund, beginning in 2021-22, to continue implementation of the Regional Hazardous Materials Response program.
- Provides \$5 million one-time General Fund for deferred maintenance, as described in the Five-Year Infrastructure Plan.
- Provides \$50 million one-time General Fund for the California State Nonprofit Security Grant Program.
- Provides \$100 million General Fund to supplement federal funding supporting a variety of services for domestic violence and sexual violence survivors and \$15 million in prevention funding for domestic and sexual violence. Stakeholders have identified the possibility of additional federal funding gaps in out years that the Legislature may wish to consider in future budget discussions.

- Provides \$10 million General Fund each year for three years, beginning in 2021-22 to support human trafficking services and programs.
- Provides \$11 million General Fund to Family Justice Centers statewide.
- Provides \$50 million for the Homeless Youth Emergency Services and Housing program.
- Adjusts the California Disaster Assistance Act to \$162.62 million.
- Provides \$100 million to support the local share of the Hazard Mitigation Grant program for disadvantaged communities.
- Provides ongoing \$79.3 million General Fund and \$22.13 million federal funds for long term recovery support and strengthening CA's emergency capacity and capabilities. This includes a \$25 million LISTOS grant program and the establishment of an Office of Equity.
- Provides \$1 million General Fund for mass casualty training for coroner offices.
- Provides \$6 million General Fund for statewide high frequency backup disaster communications.
- Provides \$6.7 million General Fund to increase the sexual assault reimbursement resources to health care providers.
- Increases \$570,000 in State Operations Federal Trust Fund Authority for OES to support the continued development and maintenance of Geographic Information Systems and other 9-1-1 activities needed to support the Next Generation 9-1-1 system using available federal grant funds.
- Provides \$251,000 General Fund for preliminary plans and working drawings for security improvements to OES headquarters' lobby to provide an enhanced secure point of entry and reduces the risk of visitor breaches, \$300,000 General Fund for the preliminary plan and working drawing phases of the Security Enhancements projects to install two permanent security checkpoints and upgrade existing entryway gates at the North and West entrances of the OES headquarters, and \$465,000 General Fund for the preliminary and working drawing phases of the State Operations Center Modification redesign project.
- Reappropriates \$1.5 million General Fund from the 2020 Community Power Resiliency appropriation, until June 30, 2023 to support the continued administration of the local assistance grants and the development of the required report.

- Extends the liquidation date of 2018 Budget Act funding associated with the Earthquake Early Warning System from June 30, 2021 to June 30, 2022 to continue the installation of seismic sensors and to perform maintenance activities.
- Reappropriates \$1.3 million for the equipment phase and \$15.38 million for the construction phase for the Relocation of Red Mountain Communications Site project in Del Norte County and also reappropriates \$100,000 until June 30, 2022 due to delayed site readiness of the relocation analysis.
- Reappropriates \$215,000 for the Seismic Safety Commission.
- Increases \$90,000 in reimbursement authority beginning in fiscal year 2021-22, and increasing annually thereafter, related to an Interagency Agreement with the California Department of Forestry and Fire Protection for the lease of office space.
- Eliminates the Voluntary Contributions Tax Form Expenditure Authority and reduces the budget authority as a conforming action to the removal of the California Sexual Violence Victim Services Fund and California Domestic Violence Victims Fund from state tax forms; they no longer receive revenue because they did not meet minimum contribution thresholds.
- Provides \$26.49 million one-time General Fund for the acquisition phase to serve as the new Regional Emergency Operations Center and \$7.73 million for the lease, tenant improvements, and moving costs associated with a temporary facility while a new operations center facility is constructed.
- Provides \$348,000 General Fund to implement the provisions of Chapter 98, Statutes of 2020 (AB 2213) related to volunteer and donation management planning guidance.
- Provides \$1 million to the San Diego City Attorney's Office for gun violence restraining order trainings statewide.

### **Penal Code Review**

- Provides \$494,000 ongoing General Fund for additional staffing for the Committee on Revision of the Penal Code.

### **California Victims Compensation Board**

- Provides \$7.5 million one-time General Fund in 2021-22 for reparations to survivors of forced or involuntary sterilization.

**Commission on Peace Officer Standards and Training**

- Reappropriates \$10.3 million General Fund that was previously appropriated to create a Distance Learning Grant Program, increase the functionality of POST's Learning Portal, and upgrade previously produced and developed distance learning courses and videos.

**California Military Department**

- Provides \$25.86 million one-time General Fund to supplement the design build phase of the Consolidated Headquarters Complex project in Sacramento.
- Provides \$15 million one-time General Fund for deferred maintenance.
- Provides \$2.9 million General Fund in 2021-22 and \$2.8 million ongoing thereafter to the Military Department to address the increased magnitude, frequency, and complexity of natural disasters.
- Provides an ongoing increase of \$16,000 (increase of \$22,000 General Fund and a decrease of \$6,000 Federal Trust Fund) for the state active duty compensation adjustment.
- Reverts the unexpended balance of acquisition and construction phase of the discontinuation of the Los Alamitos Southern Region Emergency Operations Center.
- Provides \$1.68 million General Fund for the construction phase of the Los Alamitos: STARBASE Classroom Building project.
- Provides 11 permanent positions and \$2.7 million one-time General Fund expenditure authority and \$2.1 million ongoing to continue the development, implementation, and maintenance of the Military Department's State Network.

**Commission of Judicial Performance**

- Provides \$200,000 one-time General Fund in 2021-22 and trailer bill for a committee to study and recommend changes to the structure and operation of the CJP.