



# Floor Report 2020 - 2021 State Budget

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Version 1

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Chair, Assembly Budget  
Committee

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## OVERVIEW

The Speaker of the Assembly, the President Pro Tempore of the Senate, and the Assembly and Senate Budget Committee Chairs announced a legislative agreement on the 2020-21 state budget on June 3, 2020. This sets the stage for legislative negotiations on the budget with the Governor and his administration. The Legislature will meet the June 15 deadline to pass a balanced budget bill.

Building on the Governor's May Revision framework, including the Administration's sober economic and revenue forecast, the legislative budget plan reflects a strong likelihood of more federal relief and uses reserves and other state balances to avoid overcutting now when California families are so vulnerable and future revenue and economic trends are so uncertain. Funding K-14 schools above the Proposition 98 minimum guarantee and providing increases in university funding, the plan protects vital health and human services programs and aims to protect jobs and preserve vital services. Funding is provided for local governments, building on the Governor's proposals to provide federal funding for the state's partners in administering public programs.

Assuming receipt of \$14 billion of added federal funds – the amount discussed in the Governor's May Revision – the legislative budget plan contains total reserves (preliminary estimate) of \$11.8 billion, including \$2.6 billion in the discretionary reserve (the Special Fund for Economic Uncertainties, SFEU), \$900 million in the Safety Net Reserve, and \$8.35 billion in the Proposition 2 rainy day fund.

If federal funds are not received, "trigger solutions" take effect under the legislative budget plan. The legislative plan maximizes use of budget reserves and makes selected payment deferrals to minimize cuts to important programs if Washington, D.C. does not play its vital role in the nation's recovery. In the legislative trigger plan, if the federal funds are not received, the following actions would occur:

- \$2.7 billion more in draws from the rainy day fund and Safety Net Reserve
- \$1.3 billion one-time benefit from reinstatement of a longstanding deferral of state payments to CalPERS, including from state special funds
- \$5.3 billion of increased deferrals to Proposition 98 (K-14 education) funding
- \$600 million reduction to the county realignment backfill in this budget plan (leaving \$400 million of county backfill remaining)
- \$770 million of university reductions (\$370 million for UC and \$400 million for CSU)
- \$100 million of reductions to the judicial branch budget
- \$1.6 billion from any baseline savings or revenue increases not scored in this budget and, as a last resort, reinstatement of the one-day June payroll deferral that was instituted during the last recession.

If the federal funds do not arrive and these trigger actions take effect, total reserves would be \$7.5 billion, including about \$1 billion in the SFEU and \$6.5 billion in the rainy day fund.

Collectively bargained state employee agreements and/or an expansion of the managed care organization (MCO) tax to leverage more federal funds have been discussed during the budget process and may increase reserves further in the future.

The legislative plan sets money aside to make additional emergency state expenditures related to the coronavirus. Working with the Governor, the plan anticipates a new process to enhance legislative control and oversight over the \$2.9 billion of coronavirus emergency funding proposed by the Governor in the May Revision (about \$700 million of which would be paid—net—from the General Fund, with the remainder coming from anticipated federal match funding).

The legislative plan reflects key Assembly priorities with \$350 million of funding for homelessness programs and a historic expansion of the California Earned Income Tax Credit program to all eligible families, including those with Individual Taxpayer Identification Numbers (ITINs), with children under age 6. The legislative plan also aims to expand Medi-Cal to more seniors, regardless of immigration status, in 2022 if funds are available. The legislative plan, therefore, reflects California's values of building more opportunity for all, even as the state's leaders use its substantial reserves to preserve vital programs during this time of economic challenge.

## HEALTH

### California Health and Human Services Agency

- Approves of the May Revise withdrawal of the Administration's January budget proposal to establish the Office of Healthcare Affordability to analyze the health care market for cost trends and drivers of spending, enforce health care cost targets and create a state strategy for controlling the cost of health care and ensuring affordability for consumers.

### Office of the Surgeon General

- Approves of the May Revise withdrawal of the Administration's January budget request for \$10 million General Fund to develop a cross-sector training program and public awareness campaign for Adverse Childhood Experiences.

### Department of Health Care Services

- Rejects the Administration's withdrawal of the January budget proposal to expand Medi-Cal eligibility to undocumented seniors, and instead delays implementation to January 1, 2022. Adopts trailer bill to allow the Governor to delay further or implement early, depending on the availability of funding, and requires DHCS to complete eligibility system modifications by July 1, 2021.
- Restores \$54.3 million General Fund to continue all Medi-Cal optional benefits that were proposed to be eliminated in the May Revise, including: adult dental (partial reduction), optometry, optician/optical lab, audiology, incontinence creams/washes, pharmacist-delivered services, speech therapy, podiatry, acupuncture, nurse anesthetists, occupational therapy, physical therapy, and the Diabetes Prevention Program.
- Rejects the May Revise proposal to eliminate \$1.2 billion in Proposition 56-funded supplemental payments to various Medi-Cal providers, and restores these payments.
- Rejects the elimination of the Community Based Adult Services (CBAS) program, including \$95.2 million General Fund.
- Restores the 2019 augmentation for the Caregiver Resource Centers for \$10 million General Fund in 2020-21.
- Rejects the May Revise proposal to reinstate a pre-2016 Medi-Cal estate recovery policy, which recovered the costs of all health care services from deceased beneficiaries'

estates. Includes \$16.9 million General Fund to continue the current policy which recovers only long-term care costs, consistent with federal requirements.

- Restores \$68.4 million General Fund in 2020-21 in order to implement: 1) the increase in income eligibility for the Aged and Disabled Program, as approved through the 2019 budget; and 2) the Medicare Part B disregard for the program, as approved through AB 1088 (Wood, Chapter 450, Statutes of 2019).
- Restores \$26.3 million General Fund for supplemental payments to non-hospital-based clinics, as proposed in the Governor's January budget, to offset losses associated with changes to the 340B pharmaceutical pricing program.
- Rejects the May Revise proposal to withdraw the January proposal to establish a program that provides hearing aids and related services to children up to 600 percent of the federal poverty level. Restores \$1 million to make necessary automation changes in 2020-21 in order to implement beginning July 1, 2021.
- Approves and modifies the Administration's May Revise proposal to adjust managed care capitation payments for the period of July 2019 to December 2020, and to implement other efficiencies, rejecting proposed policies that would result in reduced funding to hospitals, for total savings of \$243.4 million General Fund.
- Restores \$34.3 million General Fund to implement the extension of pregnancy-only Medi-Cal coverage for up to 12 months after delivery for patients diagnosed with a maternal mental health condition, as approved through the 2019 budget.
- Rejects the May Revise proposal, for \$50 million General Fund, to eliminate carved-out services from a community clinic's Prospective Payment System (PPS) rate.
- Rejects the May Revise proposal to eliminate \$1.1 million General Fund for the Family Mosaic Project.
- Rejects the May Revise proposal to eliminate \$8.2 million in supplemental payments to the Martin Luther King Jr. Community Hospital in Los Angeles.
- Rejects the May Revise proposal to revert unspent funds from 2019 Budget Act augmentations, including: 1) Medi-Cal Enrollment Navigators (\$15 million General Fund); 2) Medi-Cal Interpreters Pilot (\$5 million General Fund); and 3) Behavioral Health Counselors in Emergency Departments (\$20 million General Fund).

- Rejects the May Revise proposal to eliminate \$2.1 million General Fund for the California Health Information Exchange Onboarding Program (Cal-HOP), which provides funding to assist Medi-Cal providers to access and use health information exchange technology.
- Defers without prejudice the Administration's January budget proposal to eliminate dental managed care in Sacramento and Los Angeles, for \$8.9 million General Fund.
- Approves of DHCS-proposed trailer bill to implement several initiatives and other changes to reduce the cost of prescription drugs in the state, including: 1) allowing Medi-Cal to negotiate for rebates based on the international "best price", 2) allowing DHCS to seek federal approval to establish a prescription drug rebate program for non-Medi-Cal populations, and 3) eliminating copays and the six prescription limit in Medi-Cal fee-for-service.
- Approves of the May Revise withdrawal of a January budget proposal to implement a Behavioral Health Quality Improvement Program to incentivize system changes and process improvements in county behavioral health programs. This was part of the Behavioral Health Payment Reform component of the California Advancing and Innovating in Medi-Cal (CalAIM) initiative, which DHCS is also delaying.
- Approves of the May Revise withdrawal of the January budget proposal to provide \$347.5 million for enhanced care management benefits and incentives for the provision of in-lieu-of services as part of the CalAIM initiative.
- Approves the May Revise modified January proposal to implement the provisions of the federal SUPPORT for Patients and Communities Act, which prohibits states from terminating Medi-Cal eligibility for a juvenile under age 21 or foster care youth under age 26 while incarcerated. Approves of \$3.7 million (\$1.2 million General Fund and \$2.5 million federal funds) in 2020-21, and \$139,000 (\$70,000 General Fund and \$69,000 federal funds) annually thereafter. Includes trailer bill language to align state law with the SUPPORT Act.

#### **Office of Statewide Health Planning and Development**

- Restores \$33.3 million General Fund to be ongoing, as approved in the 2019 Budget Act, for the Song Brown Program.

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

- Approves of the May Revise request for \$2,757,000 (special funds) and 14.5 positions to conduct focused investigations and further enforcement of full service, commercial health plans' compliance with existing law requiring parity of the behavioral health service delivery system with that of the medical and surgical service delivery system.

**Department of Public Health**

- Rejects the May Revise proposal to reduce \$4.5 million General fund from the Black Infant Health Program.
- Rejects the May Revise proposal to reduce \$500,000 General Fund ongoing for the Safe Cosmetics Program, as approved in the 2019 Budget Act for enforcement positions for the program, which requires cosmetics manufacturers to submit information regarding toxic ingredients in their products.
- Rejects reversions of 2019 augmentations, including partial reversions of funds appropriated for sickle cell disease and a farmworker health study, and an entire reversion of technical support for mental health disparities grants and mental health services grants.
- Approves of the May Revise request to remove provisional language in Items 4265-001-0001 and 4265-111-0001 that suspend funding for sexually transmitted disease, human immunodeficiency virus, and hepatitis C prevention programs adopted in the 2019 Budget Act. Maintains ongoing funding for these programs.
- Approves the withdrawal of the Administration's January budget proposal for \$3.6 million General Fund in 2020-21 for UC Davis to create a comprehensive coordinated statewide dementia care program.

**Department of State Hospitals**

- Approves the May Revise withdrawal of the January budget proposal for a six-year pilot program in three counties to provide incentives to treat and serve individuals deemed incompetent to stand trial on felony charges in the community, including \$364.2 million General Fund (the full cost of a proposed 6-year program).

**Mental Health Services Oversight and Accountability Commission**

- Provides the administration authority to: 1) pause reversion of county Mental Health Services Act funds for 12 months to allow counties to renegotiate plans with MHSOAC that reflect the pandemic; 2) allow the MHSOAC to enter into contracts for previously authorized expenditures including, but not limited to, for school mental health, youth drop-in centers, and early psychosis prevention; and 3) authorize flexibility for the OAC to redirect existing resources to support suicide prevention and COVID-19 response activities.



**Covered California**

- Approves of the May Revise requested reduction in General Fund expenditure authority of \$164.2 million in 2019-20 and \$90.3 million in 2020-21 to reflect lower than projected state subsidy program enrollment in the Covered California Health Benefit Exchange.

## HUMAN SERVICES

### CalWORKs

- Adopts placeholder trailer bill language to move to a single 60-month CalWORKs time limit, with access to barrier removal services in the Welfare-to-Work program during this time, to take effect May 1, 2022 and provides that time clocks untick during a state emergency and when the state is experiencing high unemployment.
- Rejects the Governor's May Revision proposal that would have cut, absent a federal funds trigger restoration, \$665 million General Fund in 2020-21 for CalWORKs Employment Services and Child Care.
- Rejects the Governor's May Revision proposal that would have cut, absent a federal funds trigger restoration, all but the base funding for CalWORKs Subsidized Employment, yielding \$134.1 million General Fund in 2020-21.
- Approves a one-time \$30 million General Fund cut in 2020-21 for the CalWORKs Home Visiting program, restoring the funding in 2021-22. This cut will not impact families currently receiving these services in the program.
- Approves a one-time \$21 million General Fund cut in 2020-21 for the CalWORKs Outcomes and Accountability Review (CalOAR) effort, restoring the funding in 2021-22.
- Adopts adjusted caseload estimates from the Legislative Analyst's Office for the program in lieu of the Governor's May Revision estimates.
- Approves placeholder trailer bill language that modifies, extends, and codifies actions taken in this program by the Governor through Executive Order and departmental guidance to grant flexibilities to counties in the administration of the program during the shelter in place order and to provide protections and services to individuals who are recipients of this program during the economic recession and unemployment crisis resulting from the COVID-19 pandemic.

### In-Home Supportive Services (IHSS)

- Rejects the Governor's May Revision proposal that, absent additional and sufficient federal funds that would trigger this reduction off, would have cut IHSS service hours by seven percent effective January 1, 2021, resulting in \$205 million General Fund in 2020-21.
- Rejects the Governor's May Revision proposal that assumed a savings of \$9.2 million General Fund in 2020-21 from the Department of Social Services entering into a contract with the state Case Management, Information, and Payroll System vendor to perform IHSS payroll functions.

- Rejects the Governor's May Revision proposal that assumed a reduction of \$72.6 million General Fund in 2020-21 from avoidance of movement of cases into the IHSS Residual Program due to a temporary loss of Medi-Cal coverage.
- Approves the Governor's May Revision proposal to freeze IHSS county administration funding at the 2019-20 level, yielding \$12.2 million General Funding in 2020-21.
- Approves \$112,000 in the Department of Health Care Services budget for sick day coverage parity for Waiver of Personal Care Services providers.
- Approves placeholder trailer bill language related to IHSS provider orientations.
- Approves placeholder trailer bill language that modifies, extends, and codifies actions taken in this program by the Governor through Executive Order and departmental guidance to grant flexibilities to counties in the administration of the program during the shelter in place order and to provide protections and services to individuals who are recipients of programs during the economic recession and unemployment crisis resulting from the COVID-19 pandemic.

#### **Supplemental Security Income/State Supplementary Payment (SSI/SSP)**

- Rejects the Governor's May Revision proposal that would have, absent a federal funds trigger restoration, withheld and absorbed the anticipated federal January 2021 cost of living adjustment to the SSI portion of the SSI/SSP grant, which would have resulted in \$33.6 million General Fund in 2020-21.

#### **Child Welfare Services and Foster Care**

- Rejects the Governor's May Revision proposal to eliminate the Foster Family Agency social worker rate increases in 2020-21, which would have resulted in a cut of \$4.8 million General Fund, with placeholder trailer bill language that allows for this cost to be backfilled by federal funds resulting from a time study that will produce additional federal financial participation.
- Rejects the Governor's May Revision proposal to eliminate the Family Urgent Response System (FURS), that would have resulted in a cut of \$30 million General Fund for 2020-21 and approves placeholder trailer bill language in an effort to expedite implementation.
- Rejects the Governor's May Revision proposal to eliminate the Public Health Nurse Early Intervention Program in Los Angeles County, that would have resulted in a cut of \$8.3 million General Fund for 2020-21 and approves placeholder trailer bill language in an effort to facilitate timely implementation of this program.
- Rejects the Governor's May Revision proposal to cut rates by five percent for Continuum of Care Reform (CCR) short-term residential treatment program providers and assume a

suspension of additional level of care rates 2 through 4, which would have together resulted in a cut of \$28.8 million General Fund in 2020-21.

- Approves placeholder trailer bill language that modifies, extends, and codifies actions taken in this program by the Governor through Executive Order and departmental guidance to grant flexibilities to counties in the administration of the program during the shelter in place order and to provide protections and services to foster children, vulnerable older youth, foster family providers, and emergency caregivers during the economic recession and unemployment crisis resulting from the COVID-19 pandemic.

### **CalFresh and Emergency Food**

- Approves the Governor's May Revision proposal to provide an additional \$30 million General Fund to support food bank response to COVID-19 in 2020-21.
- Approves placeholder trailer bill language to achieve simplifications in the CalFresh program that will help those enrolled to retain benefits and those who are eligible to access the program more readily. Caseloads have increased dramatically during the COVID-19 crisis.
- Approves placeholder trailer bill language that modifies, extends, and codifies actions taken in this program by the Governor through Executive Order and departmental guidance to grant flexibilities to counties in the administration of the program during the shelter in place order and to provide protections and services to individuals who are recipients of CalFresh during the economic recession and unemployment crisis resulting from the COVID-19 pandemic.

### **Developmental Services**

- Rejects the Governor's withdrawal of the supplemental rate increases for Early Start Specialized Therapeutic Services, Infant Development Programs and Independent Living services, first proposed in the Governor's January Budget, which cost \$10.8 million General Fund in 2020-21 and \$21.6 million in 2021-22, with placeholder trailer bill language to effectuate this change.
- Rejects the Governor's May Revision proposal that would have, absent a federal funds trigger restoration, proposed to adjust provider rates and review expenditure trends with a total cut target of \$300 million General Fund in 2020-21.
- Rejects the Governor's May Revision proposal that would have, absent a federal funds trigger restoration, established a cost-sharing program that would result in additional \$2 million General Fund in 2020-21 and \$4 million ongoing.
- Rejects the Governor's May Revision proposal that would have, absent a federal funds trigger restoration, implemented the uniform holiday schedule outlined in Welfare and

Institutions Code section 4692, resulting in a cut of approximately \$31.3 million General Fund in 2020-21, with placeholder trailer bill language.

- Rejects the Governor's May Revision proposal that would have, absent a federal funds trigger restoration, reduced the operations budget for Regional Centers, resulting in a cut of \$30 million General Fund in 2020-21 and \$55 million ongoing.
- Rejects the Governor's May Revision proposal on creating additional federal reimbursement opportunities for additional individuals with developmental disabilities eligible for and enrolled in Medi-Cal and new waiver eligible services, which was proposed to result in General Fund savings of \$27 million General Fund in 2020-21 and \$40 million ongoing. Instead, due to concerns about impacts to families and limited time to review the proposal, adopts Supplemental Report Language asking the Legislative Analyst's Office to review the possible impacts and implications of such a proposal, and provide this information to the Legislature by March 1, 2021.
- Approves the Governor's withdrawal of the Enhanced Performance Incentive Program that was proposed in the Governor's January Budget, which was proposed to cost \$60 million General Fund in 2020-21, 2021-22 and 2022-23.
- Approves the Governor's withdrawal of the Enhanced Caseload Ratios for Young Children that was proposed in the Governor's January Budget, which was proposed to cost \$11.8 million General Fund in 2020-21.
- Approves a delay during 2020-21 of the Systemic, Therapeutic, Assessment, Resources and Treatment Training for services to individuals with co-occurring developmental disabilities and mental health needs that was proposed in the Governor's January Budget, for a savings of \$2.6 million General Fund in 2020-21 only.
- Approves the Governor's May Revision proposal to provide \$237 million in additional supports to developmental services to reflect impacts of COVID-19 on the system.
- Approves placeholder trailer bill language for the State Council on Developmental Services to provide an update in 2021 on the state of implementation of the Self-Determination Program and observations from families in the developmental services system.
- Includes Budget Bill Language that would allow the Department of Developmental Services to assess the balance of funds unspent for the state minimum wage provider supplement in the spring of 2021 and pass through the one dollar provider supplement, to the extent the balance allows, to providers that were not eligible for the original supplement due to their location in areas with local minimum wage ordinances.

**Department of Aging**

- Rejects the Governor's May Revision proposal that would have, absent a federal funds trigger restoration, eliminated the Community-Based Adult Services (CBAS) and Multipurpose Senior Services Program (MSSP) programs. The effective date in the Governor's proposal for CBAS elimination would be January 1, 2021, for a savings of \$1.6 million General Fund in 2020-21 and \$2.7 million ongoing. The effective date in the Governor's proposal for MSSP would be July 1, 2020, for a savings of \$22.2 million General Fund in 2020-21 and \$21.8 million ongoing.
- Rejects the Governor's May Revision proposal that would have cut \$8.5 million General Fund for the Senior Nutrition program, also known as Meals on Wheels, in 2020-21.
- Rejects the Governor's May Revision proposal that would have cut \$2 million General Fund for the State Long-Term Care Ombudsman Program.
- Rejects the Governor's May Revision proposal that would have cut \$3 million General Fund for the Aging and Disability Resource Centers.

**Child Support Services**

- Rejects the withdrawal of the child support disregard pass-through statutory change proposal that was part of the Governor's January Budget and adopts the change to increase the pass-through payment to families in the CalWORKs program, effective January 1, 2022.
- Rejects the Governor's May Revision proposal that would have, absent a federal funds trigger restoration, reverted the funding levels for local child support agencies to the 2018 funding level, resulting in a cut of \$38.2 million General Fund in 2020-21.
- Rejects the Governor's May Revision proposal that would cut the Department of Child Support Service's state operations and contract costs by \$8.3 million General Fund in 2020-21.

**Department of Rehabilitation**

- Rejects the Governor's May Revision proposal that would have reduced funding for Independent Living Centers by \$2.1 million General Fund.

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

- Leverages anticipated and in-hand federal funds to spend above the Proposition 98 minimum guarantee in General Fund at \$78.5 Billion, for the 2020-21 Budget Year.
- Adopts the May Revise “Pay Back” schedule for the difference between total Prop 98 funding level and Test Two in the Guarantee.

**Major K-12 Education Adjustments**

- Proposes total K-12 funding from all sources at \$107.9 Billion in the Budget Year, for \$18,416 per student.
- Projects Budget Year per-pupil spending to increase, across all funding sources, for all LEAs.
- Rejects 10% LCFF reduction from May Revise.
- Adopts an LCFF COLA of 2.31%.
- Defers \$1.87 billion in Proposition 98 funding in the 2019-20 budget year to the 2020-21 budget year, and defers an ongoing total of \$3.412 billion in funding from the 2020-21 budget year to the 2021-22 budget year. Lack of federal funds triggers an additional \$4.625 billion in 20-21 deferrals.
- Allocates \$4.56 Billion in discretionary federal funds for one-time COVID closure impacts on schools and children:
  - \$1.5B to all LEAs, based on Special Education enrollment for Learning Loss
  - \$2.9B to all LEAs, based on LCFF for Learning Loss
  - \$100m to all LEAs, based on ADA for Reopening Costs
  - \$63.2m for LEA school meal reimbursements during summer and COVID closures
- Allocates \$1.4B in federal ESSER funds directly to LEAs based on mandatory Title I allocation.
- Provides \$2.3 billion (\$1 billion in Budget Year) funding relief for Local Education Agency (LEA) statutory contributions to the STRS and PERS retirement systems.
- Provides \$645 million Proposition 98 funding for special education services and supports: \$545m to base rate increases, \$100m for low-incidence pool.

- Restores all May Revise reductions to K-12 categorical programs to fully fund Career Tech, after school, and Adult Education programs.
- Adopts May Revise proposal for over \$23 million in federal IDEA funds for teacher scholarships, mediation costs, and various policy studies and workgroups, with some legislative amendments. Provides \$2m IDEA for Dyslexia research and dissemination of resources.

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

- Extends the ADA Hold Harmless to the 2020-21 School Year, contingent on student engagement reporting and local Continuity of Learning plan elements.
- Adopts short-term fiscal flexibilities:
  - Increases LEA inter-fund borrowing allowances.
  - Allow sale of surplus LEA property for one-time spending purposes.
  - Excludes on-behalf pension payments from the Routine Restricted Maintenance Account requirements.
- Adopts short-term academic flexibilities:
  - Placeholder trailer bill language to align Continuity of Learning plans and LCAPs for 2020-21 Budget Year and freezes LCAP Dashboard.
  - Moves the Transitional Kindergarten credential deadline to August 2021.
- Adopts LCFF fiscal carryover guidance (AB 1835).
- Adopts various January Budget and May Revise education finance omnibus items.
- Adopts May Revise “micro-college” prohibition.
- Rejects January Budget and May Revise Special Education reform proposals.
- Defers charter school age cap proposal.
- Requires OES to provide COVID-19 relevant health, safety, and cleaning equipment to County Offices of Education and child care Resource & Referral agencies.

### **Major Early Education and Child Care Adjustments**

- Rejects the May Revise 10% trigger cuts to all child care programs.



- Rejects January Budget and May Revise General Fund and Prop 98 reductions to Alternative Payment programs, General Child Care, and California State Preschool Program for negative growth.
- Adopts 2.31% statutory COLA for the Budget Year for all capped child care programs.
- Provides \$53.3 million in new federal CCDBG funds in 2020-21 to the Alternative Payment Programs (CAPP) for approximately 5.6K new childcare service spaces.
- Allows rollover of \$50 m SB 89 Essential Worker Child Care vouchers into 20-21.
- Provides an additional \$73 million in CARES for one-time essential worker child care stipends via the Alternative Payment Program.
- Provides \$125 million in CARES for one-time child care provider stipends for AP and CalWORKS providers, methodology based on difference between site licensed capacity and COVID attendance.
- Provides Hold Harmless to direct-contract childcare providers for attendance if open in 20-21, and if closed due to short-time staff quarantine or school site closure.
- Provides \$8 million in CARES to extend the family fee waivers through June 30, 2020.
- Adopts a “Child Care Trigger” for anticipated federal CCDBG aid, to fund additional child care access, re-opening grants for centers and family child care homes, and placeholder trailer bill language on rates.
- Reduces planned California State Preschool Program full-day/full-year investments in 2020 and 2021 by \$159.4 million, reducing planned preschool expansion by 20K service spaces, consistent with the May Revise.
- Reduces the school-based California State Preschool Program by an additional \$130 million in on-going Proposition 98 funds, consistent with the May Revise.
- Eliminates 2019-20 Budget Act child care investments including:
  - \$300 million in unspent full-day Kindergarten facility grants
  - \$263 million provided for grants to renovate and construct facilities
  - \$195 million provided for workforce development
  - \$10 million provided to improve CDE’s early education data system
- Reduces \$2.2 million for the Early Childhood Policy Council.

- Reduces CalWORKS Stages 2 & 3 caseloads estimates by \$35.9 million.
- Appropriates \$13.4 million one-time federal Preschool Development Grant funds to HHS.
- Defers May Revise Child Care shift to DSS.

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

- Restores the Governor's Budget proposal to increase General Fund support for UC operations by 5%, or \$169.2 million.
- Approves a trigger cut to UC of \$370 million. The cut would be enacted on Oct. 1 if federal funding is not received by the state.
- Restores the Governor's Budget proposal to provide \$25 million ongoing General Fund to the UC Riverside School of Medicine.
- Restores the Governor's Budget proposal to provide \$15 million ongoing General Fund to the UC San Francisco School of Medicine Fresno Branch Campus, in partnership with UC Merced.
- Provides \$4 million one-time General Fund to support summer financial aid for students.
- Approves budget bill language redirecting unspent deferred maintenance funds from 2019-20 to be used in 2020-21 to support core operations, including enrollment and student support services.
- Rejects the May Revision proposal to provide \$5 million one-time General Fund to support the UC Davis Grant Program for Animal Shelters.
- Rejects the May Revision proposal to provide \$6 million in federal funds to the UC Subject Matter Projects. The funds will be used for other K-12 purposes.
- Approves the May Revision proposals to withdraw Governor's Budget proposals regarding the Agriculture and Natural Resources division, the UC San Diego Center for Public Preparedness, the UC Subject Matter Projects, and the UC Extension Degree Completion program.
- Removes one-time funding from the 2019-20 budget for the UC Extension Degree Completion program.
- Makes adjustments to the graduate medical education, breast cancer research and medical research programs.

- Approves the May Revision proposal to allow an increased assessment for the UC Path program, with budget bill language requiring annual reporting on staffing and funding levels and whether this program has reduced campus costs.

**California State University**

- Restores the Governor's Budget proposal to increase General Fund support for CSU operations by 5%, or \$199 million.
- Approves a trigger cut to CSU of \$400 million. The cut would be enacted on Oct. 1 if federal funding is not received by the state.
- Provides \$6 million one-time General Fund to support summer financial aid for students.
- Approves budget bill language redirecting unspent deferred maintenance funds from 2019-20 to be used in 2020-21 to support core operations, including enrollment and student support services.
- Approves the May Revision proposal to withdraw the Governor's Budget proposal to provide \$6 million for CSU Extension Degree Completion programs.

**California Community Colleges**

- Eliminates Calbright College. Requires Calbright Board of Trustees to develop a closure plan by December 2020.
- Rejects the May Revision proposal to cut apportionment funding, and adds \$17 million ongoing Proposition 98 General Fund to apportionments redirected from Calbright College.
- Provides \$75 million one-time Proposition 98 General Fund redirected from Calbright College to support a basic needs/learning loss/COVID 19 response block grant to colleges to support expenses such as mental health services, housing and food insecurity, re-engagement for students who left college in Spring 2020, technology and development of online courses and student supports.
- Rejects the May Revision proposals to reduce funding for the Strong Workforce and K-12 Strong Workforce programs, keeping the programs at 2019-20 spending levels.
- Restores the Governor's Budget proposal to provide a \$167.7 million Proposition 98 General Fund cost-of-living adjustment to the Student Centered Funding Formula.

- Restores the Governor's Budget proposal to provide \$31.9 million ongoing Proposition 98 General Fund to support enrollment growth.
- Rejects the May Revision proposal to reduce support for the Student Equity and Achievement Program, keeping the program at the 2019-20 spending level.
- Rejects the May Revision proposal to reduce support for adult education, keeping the program at the 2019-20 spending level.
- Defers without prejudice the Governor's Budget proposal to create the System of Support program.
- Rejects the May Revision proposals to reduce funding for part-time faculty office hours and compensation, and the Academic Senate.
- Increases support for the part-time faculty office hours and compensation programs by about \$10.6 million Proposition 98 General Fund, redirected from Calbright College.
- Rejects the May Revision proposal to move the Dreamer Resource Liaison program into the Student Equity and Achievement Program. Provides \$5.8 million ongoing Proposition 98 General Fund to support the Dreamer Resource Liaison program.
- Approves the May Revision proposal to extend the hold harmless period for the Student Centered Funding Formula by an additional two years.
- Approves \$332 million in deferrals in the 2019-20 and 2020-21 budget years. Includes placeholder trailer bill language to allow hardship exemptions.
- Approves an Oct. 1 trigger deferral of \$674.3 million Proposition 98 General Fund if the state does not receive federal funding.
- Rejects the May Revision proposal to create a food pantry expense within the Student Equity and Achievement Program. Provides \$11.4 million ongoing Proposition 98 General Fund to support food pantries.
- Provides \$20 million one-time Proposition 98 General Fund to support costs associated with apprenticeship instructional hours.
- Approves the Governor's Budget and May Revision proposals to support 25 new and 15 continuing capital outlay projects using Proposition 51 funding. Also approves the May Revision proposal to reappropriate funds for 9 projects.

- Approves the Governor's Budget proposal to provide \$700,000 one-time General Fund to support a working group to review current rules governing the use of athletes' names, images and likeness per the Fair Pay to Play Act.
- Makes technical funding adjustments to various programs, including the Mandates Block Grant, Student Success Completion Grant, California College Promise, Financial Aid Administration, local property taxes, student fees, oil and mineral reserves, and the Education Protection Account.
- Approves the May Revision proposal to withdraw several Governor's Budget proposals, including funding for textbooks for dual enrollment students, zero-textbook-cost degrees, the faculty diversity fellowship program, work-based learning models, budget year apprenticeship instructional hours; increases to the California Apprenticeship Initiative and Chancellor's Office; and cost-of-living adjustments for adult education and other categorical programs.
- Approves the Governor's Budget proposal to provide ongoing support for immigrant legal services.

**California Student Aid Commission**

- Provides \$15 million one-time General Fund to support emergency financial aid for undocumented students at UC, CSU and the community colleges. These students were denied federal emergency aid. Funding is available by pausing the Dreamer Service Incentive Grant program, which will re-launch in 2021-22.
- Rejects the May Revision proposal to provide \$500,000 one-time General Fund for a student loan working group.
- Rejects the May Revision proposal to reduce Cal Grant support for students attending non-profit institutions. Students will receive the 2019-20 level of support.
- Approves Governor's Budget proposal to provide \$5.3 million General Fund to support the Grant Delivery Modernization project.
- Rejects the May Revision proposal to eliminate state funding for the Golden State Teacher Program. Approves the May Revision proposal to provide \$15 million in federal funds to support grants for special education teachers.
- Approves the May Revision proposal to reduce 2019-20 support for the college savings program, from \$25 million one-time General Fund to \$10 million one-time General Fund.

- Approves the May Revision proposals to withdraw the Governor's Budget proposal to provide \$1.8 million General Fund to relocate the CSAC offices and amend the Governor's Budget proposal regarding the National Voter Registration Act.
- Approves the May Revision proposals for technical adjustments to the APLE, SNAPLE, John J. Justice Grant, and Middle Class Scholarship programs.

**Hastings College of the Law**

- Restores the Governor's Budget proposal to increase General Fund support for Hastings by \$1.4 million ongoing General Fund.
- Approves a trigger cut to Hastings of \$1.5 million General Fund. The cut would be enacted on Oct. 1 if federal funding is not received by the state.

**California State Library**

- Approves the Governor's Budget proposal to provide \$500,000 ongoing General Fund to support the Braille Institute of Los Angeles.
- Approves the May Revision proposal to withdraw support for the Zip Books and Lunch at the Library programs.
- Reduces support for the California Library Services Act by \$1.5 million General Fund.
- Approves Governor's Budget proposal to increase General Fund support by about \$200,000 to cover CENIC dues.
- Approves May Revision proposal to withdraw Governor's Budget proposal to support a new legislative affairs position.

**Scholarshare**

- Rejects the May Revision proposal to reduce 2019-20 funding for the California Kids Investment and Development Savings program. Retains \$25 million one-time General Fund for the program.

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

- Approves the withdrawal of \$210K Special Fund for the Forest Management Task Force administration and research support.
- Approves the withdrawal of \$80M General Fund for the Innovation and Improving Use of Technology: Light Detection and Ranging Data (LiDAR).
- Approves \$515K General Fund for the one-time litigation costs associated with the federal biological opinions.
- Approves the withdrawal of the \$4.8B Climate Bond.
- Approves the reduction of \$4.823M General Fund for the Natural Resources Agency New Facility relocation.
- Approves a number of technical adjustments, reappropriations and extensions of liquidation.
- Approves \$12.01M Proposition 84 funds for the continuation of the San Joaquin River Restoration Project.
- Approves two positions for the Salton Sea Management Plan operations.
- Approves a \$17M loan from the Environmental Enhancement and Mitigation Program Fund to the General Fund.
- Approves \$1M Special Fund for the Museum Grant Program with provisional language to require CNRA to prioritize the funds for cultural/historical institutions affected by COVID19 and those serving underserved/title I students.
- Approves \$1M Special Fund for once-through cooling interim mitigation at the Ocean Protection Council.
- Approves \$360K Special Fund for environmental justice and tribal affairs.
- Approves trailer bill language for the Good Neighbor Authority Fund.



**California Tahoe Conservancy**

- Approves \$603K Special Fund for a lease renewal.
- Approves the reappropriations for Proposition 1 and Propositions 68 funds.
- Approves an increase in reimbursement and Federal Trust Fund authority.
- Approves a net-zero shift between the Lake Tahoe Science and Lake Improvement Account State Operations and Local Assistance.
- Approves the reversion of Proposition 1.
- Approves \$850K Special Fund for various minor capital outlay projects.
- Approves \$622K Special Fund for conceptual feasibility planning.

**California Conservation Corps**

- Approves the withdrawal of \$318K General Fund and \$230K Special Fund for Fi\$cal.
- Approves the withdrawal of \$96K General Fund and \$458K Special Fund for baseline program support.
- Approves the withdrawal of \$1.253M General Fund for the Los Pinos Residential Center.
- Approves the withdrawal of \$2.2M for the Auberry Residential Center.
- Approves \$1.293M Proposition 84 for Local Conservation Corps funding.
- Approves \$150K Special Fund for the continued operation and maintenance of the C-Cubed system.
- Approves a number of technical adjustments.
- Approves \$61.582M Special Fund for the replacement of the existing Ukiah Residential Center.
- Approves the reversion of the funds for the Tahoe Base Center: Equipment Storage relocation.

**Department of Conservation**

- Approves 128 positions and \$24,323,000 Oil, Gas and Geothermal Administrative Fund for the CA Geologic Energy Management Division (CalGEM) to strengthen oversight and enforcement of oil and gas operations. These resources are also intended to limit the state's financial liability, improve public transparency, and implement chaptered legislation.
- Approves \$119K for the Stream Gage Plan implementation (SB 19).
- Approves the reappropriation of funding for the Well Statewide Tracking and Reporting (WellSTAR) System.
- Approves a net-zero technical reimbursement authority adjustment.
- Approves a \$10M loan from the Hazardous and Idle-Deserted Well Abatement Fund to the General Fund.
- Approves a \$5.4M loan from the Strong-Motion Instrumentation and Seismic Hazard Mapping Fund to the General Fund.
- Approves \$1.2M Special Fund for lease cost increase.
- Approves \$146K Special Fund for the Oil and Gas Environmental Remediation Account.
- Approves \$600K Special Fund for tsunami hazard zone mapping.
- Approves \$250K Proposition 68 for the California Farmland Conservancy Program.

**Department of Forestry and Fire Protection**

- Approves 172 firefighting positions and \$85.6M General Fund ongoing for surge capacity and staffing relief. Rejects without prejudice the requested position and resources for the outyears.
- Approves the withdrawal of \$10.798M General Fund and \$5.784M Special Fund for fire protection enhancements: direct mission support.
- Approves the withdrawal of \$986K for the State Fire Training Program enhancements.
- Approves the withdrawal of \$2.725M General Fund and \$137K Special Fund for increased workers' compensation costs (SB 542) as the Administration indicated this cost can be absorbed within existing resources.

- Approves the withdrawal of \$5.6M General Fund for the Wildfire Forecast and Threat Intelligence Integration Center (SB 209). This bill will still be implemented, the funding for this is within CalOES' budget.
- Approves the withdrawal of \$1.689M General Fund for law enforcement use of deadly force policy and training update (SB 230/AB 392) as the Administration indicated this cost can be absorbed within existing resources.
- Approves the withdrawal of \$1.653M General Fund for the Davis Mobile Equipment Staffing.
- Approves the withdrawal of \$19M General Fund for mobile equipment replacement.
- Approves the withdrawal of \$5M General Fund for the Wildland Firefighting Research Grant Program.
- Approves the withdrawal of resources for the following capital outlay projects:
  - \$1.490M General Fund for the Prado Helitack Base.
  - \$2.745M General Fund for the Butte Fire Center.
  - \$1.931M General Fund for the Hemet-Ryan Air Attack Base.
  - \$559K General Fund for the Temecula Fire Station.
  - \$3.831M General Fund for the Intermountain Conservation Camp.
  - \$550K General Fund for the Howard Forest Helitack Base.
  - \$859K General Fund for the Kneeland Helitack Base.
- Approves the reduction of \$3.033M Special Fund for the Forest Resources Improvement Fund expenditure authority re-baseline.
- Approves the reduction of \$933K General Fund for the Wildfire Mitigation Financial Assistance Pilot Program and Defensible Space (AB 38).
- Approves the reduction of \$9.704M General Fund for the C130 Air Attack Base Infrastructure improvements.
- Approves the reduction of \$1.950M General Fund for minor projects – technical adjustments.
- Approves the reduction of \$5.998M General Fund for the Shasta Trinity Unit Headquarters/Northern operations.
- Approves the shift of \$10.708M from General Fund into Special Fund for the Ishi Conservation Camp Kitchen project replacement.

- Approves \$1.48M and two positions for Emergency Medical Services – Dispatch (SB 438).
- Approves budget bill language for the Joint Institute for Wood Projects Innovation.
- Approves budget bill language for the Board of Forestry and Fire Protection Effectiveness Monitoring Services.
- Approves \$4.355M General Fund and 24 positions for implementation of the Innovation Procurement Sprint.
- Approves a number of technical adjustments, baseline adjustments, reappropriations and extensions of liquidation.
- Approves a \$2.8M loan from the Forest Resources Improvement Fund to the General Fund.
- Approves a \$3M loan from the California Hazardous Liquid Pipeline Safety Fund to the General Fund.
- Approves \$1.9M Special Fund for the San Luis Obispo Unit Headquarters replacement project.
- Approves the halting of design and construction of the Ventura Training Center.
- Approves the halting of design of the Potrero Forest Fire Station: replace facility.
- Approves \$5.012M General Fund for the Enhanced Industrial Disability Leave (SB 334 and SB 1134).
- Approves \$3.969M in Proposition 40 and 84 for urban forestry.
- Approves \$689K Special Fund for the Fire Safe Building Standards and Defensible Space Program (SB 190).
- Approves \$356K Special Fund for the protection of underground infrastructure (AB 1166).
- Approves \$50K Special Fund for peer support (AB 1116).
- Approves \$2.263M General Fund for the Perris Emergency Command Center remodel.
- Approves \$24.638M Special Fund for the Bieber Forest Fire Station/helitack base.

- Approves \$2.102M General Fund for the lake/Napa unit auto shop and warehouse replacement.
- Approves trailer bill language for the Forest Resources Improvement Fund clean-up.

**State Lands Commission**

- Approves the reduction of \$3.778M General Fund and \$628K Special Fund for increased lease costs.
- Approves the reduction of \$2.5M General Fund for the Oil and Gas Decommissioning Environmental Review and Feasibility study.
- Approves the reduction of \$739K General Fund for administrative support staffing.
- Approves the reappropriation of the oil and gas plug abandonment.
- Approves a \$32M loan from the School Land Bank Fund to the General Fund.
- Approves \$2M Special Fund for the Bolsa Chica Lowlands Restoration Project.

**Department of Fish and Wildlife**

- Rejects the \$33.7M General Fund ongoing baseline cut to the Department of Fish and Wildlife.
- Rejects trailer bill language to roll back of the Habitat Conservation Fund sunset date.
- Rejects the transfer of \$18.9M from the General Fund to the Biodiversity Protection Fund.
- Approves the withdrawal of \$420K General Fund for the proposed water transfers from groundwater basins underlying desert lands (SB 307). The Administration indicated the cost to implement this bill can be absorbed within existing resources.
- Approves \$214K General Fund for the Freshwater and Estuarine Harmful Algal Bloom Program (AB 834).
- Approves the withdrawal of \$1.119M General Fund for the Streamlined Temporary Permit and Temporary Change Order Water Permitting for Groundwater Sustainability Implementation (AB 658). The Administration indicated the cost to implement this bill can be recovered through fees.

- Approves the withdrawal of \$275K General Fund for the Camp Fire Assistance Act of 2019 Implementation (AB 430). The Administration indicated the cost to implement this bill can be absorbed within existing resources.
- Approves \$2.742M General Fund for the Statewide Bobcat Management (AB 1254).
- Approves \$24K General Fund for the Stream Gage Plan (SB 19).
- Approves the withdrawal of \$883K General Fund for law enforcement use of deadly force policy and training update (AB 392/SB 230). The Administration indicated the cost to implement this bill can be absorbed within existing resources.
- Approves two positions for the Salton Sea Management Plan Operations.
- Approves \$757K Special Fund for the Dedicated Fish and Game Preservation Fund realignment.
- Approves \$9.565M Special Fund augmentation of reimbursements to various programs.
- Approves a number of technical adjustments, reappropriations and extensions of liquidation.
- Approves an increase of \$3M in Federal Trust Fund authority for various programs.
- Approves \$760K Special Fund for the Environmental Enhancement Fund realignment.
- Approves \$344K General Fund for Federal Endangered Species Act litigation attorney's fees.
- Approves a \$30M loan from the Oil Spill Response Trust Fund to the General Fund.
- Approves \$12.717M Special Fund for the continuation of the cannabis regulatory and enforcement program.
- Approves \$880K Special Fund for various minor capital outlay projects.
- Approves trailer bill language to amend Chapter 678, Statutes of 2019 (AB 658).

**Wildlife Conservation Board**

- Approves a number of technical adjustments, extensions of liquidation, and reappropriations for Proposition 1, 12, 68, and 84.

- Approves a \$1M reduction in Proposition 40 reimbursement authority.
- Approves \$684K reduction in Wildlife Restoration Fund State Operations authority.
- Approves the reappropriation of \$10M General Fund for the purposes of acquisition, planning, design, development, public access, rehabilitation, restoration, protection, and expansion of wildlife corridors and open space, including projects to improve connectivity and reduce barriers between habitat areas in the Upper Guadalupe, Los Gatos Creek, Saratoga Creek and adjacent areas from the San Jose Water Company and other land owners, until June 30, 2025.

**California Coastal Commission**

- Approves six positions for regulatory compliance of coastal zone transportation projects.
- Approves \$300K Special Fund for public access violation enforcement support.
- Approves \$375K Special Fund for the Federal Coastal Zone Management Program grant.

**State Coastal Conservancy**

- Approves the withdrawal of \$1M Special Fund for the Explore the Coast Program support and local assistance.
- Approves a number of reappropriations for Proposition 12, Proposition 68, General Fund, and other funds.
- Approves \$6M in Proposition 68 to restore reimbursement current service level.
- Approves a number of Proposition 68 reversions and new appropriations.
- Approves \$17.087M Proposition 84 for local assistance.
- Approves \$257K Proposition 1 to support appropriations.

**Native American Heritage Commission**

- Approves the reduction of \$350K for the Truth and Healing Council.

**Department of Parks**

- Rejects the \$30M General Fund ongoing baseline cut to the Department of Parks that is scheduled to begin 2021-22.

- Approves \$20M General Fund for the Outdoor Environmental Education Grant Program (AB 209).
- Approves \$2M for the state beaches and parks smoking ban implementation (SB 8).
- Approves the withdrawal of \$15M for a new state park and approves retaining \$5M for a new state park.
- Approves the withdrawal of \$2.88M Special Fund for the K-12 Access Program expansion.
- Approves the withdrawal of \$619K General Fund for law enforcement use of deadly force training policy and update (SB 230/AB 392). The Administration indicated the cost to implement this bill can be absorbed within existing resources.
- Approves the withdrawal of \$1.6M General Fund for public safety dispatch radio console replacement.
- Approves the withdrawal of \$2.66M Special Fund for the Candlestick Point State Recreation Area: build out of park.
- Approves \$285K for statewide bond costs and website management
- Approves \$197.333M Proposition 68 for local assistance grants.
- Approves various reappropriations, extension of liquidations, and reimbursement authority.
- Approves \$8.8M Proposition 84 for local assistance grants.
- Approves \$44.343M Proposition 68 for deferred maintenance.
- Approves \$3.317M Special Fund for sewer and utility modernization of Torrey Pines State Natural Reserve.
- Approves \$827K Special Fund for sediment track-out prevention at the Oceano Dunes State Vehicle Recreation Area.
- Approves \$178K Special Fund for low cost accommodations study at the Silver Strand State Beach.



- Approves the reversion of working drawing and construction funding for the California Indian Heritage Center.
- Approves \$\$8.915M Proposition 68 for program delivery and projects.
- Approves \$4.875M Special Fund for non-profit operated park unit deferred maintenance.
- Approves \$15M Special Fund for the museum collection storage facility acquisition.
- Approves \$4.6M Special Fund for the State Park System Acquisition Program.
- Approves \$572K Special Fund for the Colonel Allensworth State Historic Park Visitor Center.
- Approves \$225K Special Fund for the Humboldt Redwoods State Park to replace Founders Grove restroom.
- Approves \$414K Special Fund for the Lake Perris State Recreation Area to replace the lifeguard headquarters.
- Approves \$583K Special Fund for the river front improvements at the Old Sacramento State Historic Park.

**Santa Monica Mountains Conservancy**

- Approves various reappropriations.

**San Francisco Bay Conservation and Development Commission**

- Approves \$343K General Fund for Public Records Act litigation attorney's fees.
- Approves \$330K General Fund for attorney general fees.

**San Joaquin River Conservancy**

- Approves the withdrawal of \$75K Special Fund for the maintenance of parkway habitat.
- Approves \$84K Special Fund for enhanced access at the San Joaquin River Parkway.

**San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy**

- Approves the reappropriation of Proposition 1 funds.

- Approves \$2.821M Proposition 68 funds.

### **Baldwin Hills Conservancy**

- Approves the reversion and new appropriation of \$96K Proposition 1.
- Approves the reversion and new appropriation, and reappropriations of Propositions 1, 68, and 84 funds.

### **Coachella Valley Mountains Conservancy**

- Approves \$73K Proposition 12 for local assistance.
- Approves the reappropriation of Propositions 1, 12, 40, and 84 for local assistance.
- Approves a \$16M reduction of reimbursement authority.

### **San Diego River Conservancy**

- Approves an adjustment of \$1.375M in Proposition 1 funds.
- Approves the reversion and new appropriations of \$50M Proposition 68 funds.
- Approves various technical adjustments.

### **Sierra Nevada Conservancy**

- Approves the reappropriation and reversion Proposition 68.
- Approves \$1.45M Sierra Nevada Conservancy Fund for a cash flow adjustment.
- Approves a \$4.093M increase in Federal Trust Fund and reimbursement authority.
- Approves the reversion and new appropriations of \$5M in Proposition 68 funds.
- Approves the reversions and technical adjustments of \$42K in Proposition 1 funds.

### **Department of Water Resources**

- Approves \$18M General Fund and \$10M Proposition 68 for the New River Project.
- Approves \$9.637M General Fund for the continued implementation of the Sustainable Ground Water Management Act (SGMA). Approves the withdrawal of \$30M General Fund for local assistance grants to those impacted by SGMA implementation.

- Approves the withdrawal of \$35M General Fund for the Tijuana River Project.
- Approves \$383K General Fund for Stream Gaging Plan implementation (SB 19).
- Approves the withdrawal of \$6M General Fund for the hydrometeorology and surface water observations.
- Approves the withdrawal of \$853K for flood management support.
- Approves the elimination of \$2.283M General Fund and replaces funding with \$2.089M Special Fund for flood planning resourcing.
- Approves \$400K Special Fund for DWR's Charge Fund legal support.
- Approves six positions for the Salton Sea Management Plan operations.
- Approves \$34.68M Special Fund for systemwide flood risk reduction.
- Approves \$2.7M for the Grizzly Slough Floodplain project.
- Approves two positions for regulatory support for the Delta Compliance Program.
- Approves various adjustments, reappropriations, extensions of liquidation, and reversions.
- Approves \$6.75M Proposition 68 for the Central Valley Flood Protection Plan update.
- Approves \$19.25M Proposition 68 for the Salton Sea Authority North Lake Pilot Project.
- Approves \$96M Special Funds for systemwide flood improvement projects.
- Approves \$46M General Fund for the American River Common Features Project for urban flood risk reduction.
- Approves \$5M Special Fund for the Perris Dam Remediation Plan.
- Approves \$54.575M Proposition 68 for continuation of various flood and restoration programs.
- Approves \$4.010M General Fund for the continuation of existing staff at the Central Valley Flood Protection Board.

- Approves six positions for the Public Affairs Office.
- Approves \$38.911M Special Fund for the continuation of various bond programs.
- Approves \$3.250M Special Fund for the Federal Emergency Management Agency Grant reimbursement.
- Approves \$6.592M Special Fund and 23 positions for the Transmission Operator compliance support.
- Approves \$1.964M Special Fund and 11 positions for the Charge Fund Program Implementation (AB 1054).
- Approves trailer bill language to extinguish remaining unissued bond authority (Propositions 122/82). This trailer bill reduces the amount of indebtedness authorized by the Earthquake Safety and Public Buildings Rehabilitation Bond Act of 1990 and Water Conservation Bond Law of 1988 to \$292.51 and \$54.765 million, respectively.

#### **Sacramento-San Joaquin Delta Conservancy**

- Approves a number of reappropriations and extensions of liquidation.

#### **Delta Stewardship Council**

- Approves the reduction of \$490K Special Fund for the Delta Plan implementation.
- Approves extensions of liquidation.

#### **California Environmental Protection Agency**

- Approves \$515K General Fund for the one-time litigation costs associated with the federal biological opinions.
- Approves the reappropriation and extension of liquidation of the Environmental Justice Small Grants Program.
- Approves a \$750K Special Fund reduction to the Unified Program Account expenditures.

#### **Air Resources Board**

- Approves \$50M Air Pollution Control Fund for AB 617 implementation.
- Approves \$185K Special Fund for the San Diego County Air Pollution Control District Audit (AB 423).

- Approves \$1.047M Special Fund for the Heavy-Duty Vehicle Inspection and Maintenance Program (SB 210).
- Approves \$5.510M Special Fund for the Wildfire Smoke Clean Air Shelters for Vulnerable Populations Incentive Pilot Program (AB 836).
- Approves the withdrawal of \$2.492M Special Fund for cutting toxic air pollution in California communities.
- Approves \$6.724M Special Fund for the Southern California Headquarters relocation and building management.
- Approves \$2.9M Special Fund for Information Technology projects for the Community Air Protection program (AB 617).
- Approves the reappropriation of greenhouse gas reduction funds.
- Approves the reappropriation of \$270.121M in lease revenue bonds.
- Approves \$172K Special Fund and three positions for monitoring and laboratory division and information services program support.
- Approves the reappropriation for extension of liquidation for low carbon transportation and zero/near-zero emission warehouse facilities program funds.
- Approves a technical adjustment to the Proposition 1B grant program.
- Rejects trailer bill language to delay implementation of the Heavy-Duty Vehicle Inspection and Maintenance Program (SB 210).

**Department of Pesticide Regulation**

- Approves the withdrawal of \$1.879M Special Fund for the Pesticide Air Monitoring Network Continuation.
- Approves the reduction of \$350K General Fund and the addition of \$215K Special Fund for the Integrated Pest Management Work Group.
- Approves \$3.487M Special Fund for the implementation of cannabis regulations.

**State Water Resources Control Board**

- Approves \$400K General Fund for fish and shellfish public health advisories.
- Approves \$175K Special Fund for business licenses: stormwater discharge compliance (SB 205).
- Approves \$1.5M Special Fund for the Freshwater and Estuarine Harmful Algal Bloom Program (AB 834).
- Approves \$67K General Fund and \$200K Special Fund for the Stream Gage Plan (SB 19).
- Approves \$200K General Fund for the Onsite Wastewater Treatment Systems: Prohibited Chemicals (SB 317).
- Approves \$525K General Fund to update uniform statewide criteria for nonpotable recycled water use (AB 1180).
- Approves the withdrawal of \$1.353M Special Fund for the Oil and Gas Monitoring Program and the Underground Injection Control (UIC) Project review.
- Approves \$1.289M Special Fund for the assessment of surface water quality.
- Approves \$1.473M Special Fund for water quality permitting of transportation projects.
- Approves General Fund reappropriations and extensions liquidation.
- Approves a \$24M loan from the Air Pollution Control Fund to offset General Fund expenditures at the Water Board.
- Approves \$1.838M Special Fund for the water resilience portfolio.
- Approves a \$500M loan from the Underground Storage Tank Cleanup Fund to the General Fund.
- Approves a \$1.784M Special Fund bond technical adjustment.
- Approves 10 positions for administrative and accounting support.
- Approves \$22.556M Special Fund for the continuation of cannabis program.

- Approves 48 positions for the Sage and Affordable Drinking Water program staffing.
- Rejects trailer bill language to delay implementation of AB 834 (Chapter 354, Statutes of 2019).
- Rejects trailer bill language to delay implementation of SB 205 (Chapter 470, Statutes of 2019).

**Department of Toxic Substances Control**

- Defers action on the DTSC reform package to create a new board and to provide the Board with fee setting authority.
- Approves funding for the following items with a loan from the Underground Storage Tank Fund instead of a shift from the Air Pollution Control Fund:
  - Stringfellow Superfund Site Expenditure Shift - \$11.8M
  - General Fund Expenditure Shift to Air Pollution Control Fund - \$9.5M
  - General Fund Backfill for HWCA - \$19.5M
  - General Fund Backfill for TSCA - \$7.77M
  - Argonaut Dam Phase II - \$2.1M
- Approves the reduction of \$4.223M Special fund for the National Priorities List and State Orphan Sites.
- Approves \$1M Lead Acid Battery Fund for the Exide 2014 Enforcement Order Program oversight.
- Approves \$600K Lead Acid Battery Fund for the Third-Party Quality Assurance Oversight Contract for Exide Closure Implementation.
- Approves a \$4.399M loan from the Air Pollution Control Fund for the lease revenue debt service adjustment.
- Approves a \$749K loan from the Air Pollution Control Fund for the Illegal Drug Lab Cleanup Account backfill shift.
- Approves \$2.710M Special Fund for the Cost Recovery Management System (CRMS) IT project.
- Approves \$3M Special Fund to align reimbursement authority.

- Defers without prejudice trailer bill language to create the Board of Environmental Safety and trailer bill language to provide the newly created Board fee authority.
- Approves trailer bill language to expand the use of the Lead-Acid Battery Cleanup Fund and additionally adopt language to specify that cost recovered from Exide shall be deposited back into this Fund.

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

- Approves an extension of the loan repayment period for the 2014 loan from the Integrated Waste Management Account to the Used Mattress Recycling Fund.
- Approves \$2.231M General Fund for the Mendocino Complex Fire augmentation.
- Approves a \$4M loan from the Solid Waste Disposal Site Cleanup Trust Fund to the General Fund.
- Approves a \$20M loan from the Electronic Waste Recovery and Recycling Account to the General Fund.
- Approves the reappropriation of greenhouse gas reduction funds.
- Approves \$454K Special Fund for the Pharmaceutical and Sharps Waste Stewardship Program enforcement.
- Approves \$367K Special Fund for solid waste reporting, inspection, and enforcement.
- Approves \$200K for extended producer responsibility program expenditure authority alignment.
- Approves \$119K Special Fund for the Carpet Stewardship Program (AB 719).
- Approves \$390K Special Fund for financing mechanisms and support for in-state recycling manufacturing infrastructure (AB 1583).
- Approves \$103K Special Fund for the used mattress recovery and recycling program (AB187).
- Approves \$126K Special Fund for the Beverage Container Redemption Pilot Project Grant Program (AB 540).



**Office of Environmental Health Hazard**

- Approves the withdrawal of \$5.962M General Fund for evaluating unassessed chemicals using precision prevention methodologies.
- Approves the withdrawal of \$425K Special Fund for well stimulation treatment health and environmental risks.
- Approves budget bill language for a General Fund cash flow loan.

**Department of Food and Agriculture**

- Approves the withdrawal of \$20M General Fund for State Water Efficiency and Enhancement Program (SWEET) Grants.
- Approves \$10M General Fund and six positions for the Farm to School Program.
- Approves \$2M General Fund for the Fresno-Merced Food Innovation Corridor.
- Approves the withdrawal of \$2.25M General Fund for Cal Expo.
- Approves the withdrawal of \$31M General Fund for the Fresno-Merced Food Innovation Corridor.
- Approves the withdrawal of \$494K General Fund for the Laboratory Information Management System for Food Safety Protection Animal Disease Prevention and Emergency Response.
- Approves the withdrawal of \$199K General Fund for the Agricultural and Rural Economic Advisor.
- Approves the withdrawal of \$188K General Fund for food waste recovery.
- Approves the withdrawal of \$1.1M Special Fund for the fairs and exposition branch oversight.
- Approves the withdrawal of \$3M General Fund for the Blythe Border Protection Station replacement.
- Approves the withdrawal of \$10.371M General Fund for the Needles Border Protection Station replacement.
- Approves the shift of \$2.462M from General Fund into Special Fund for the Information Technology workload growth and sustainability.

- Approves the shift of \$1.872M from General Fund into Special Fund for the Anaheim Facility purchase.
- Approves \$2.715M Special Fund for the Navel Orange Worm Pilot Program.
- Approves \$64.08M Special Fund for the continuation of Cannabis Cultivation Program.
- Approves \$1.443M Special Fund for the Farm Animal Confinement implementation (Proposition 12).
- Approves the reduction of \$3.901M General Fund for the California Biodiversity Initiative.
- Approves the reappropriation of Proposition 68 funds.
- Approves \$799K Special Fund for the weights and measures oversight and services.
- Approves four positions for the Milk Producer Security Trust Fund Program (AB 590).
- Approves trailer bill language to provide CDFA fee authority to regulate the law prohibiting confinement of animals (Proposition 12).
- Approves trailer bill language to clean up AB 1499 (Chapter 798, Statutes of 2017).

**Climate Catalyst Fund**

- Approves the May Revision proposal to withdraw \$250 million General Fund to establish a new Climate Catalyst Fund.

**CAP AND TRADE****Cap and Trade Program**

- Defers action on the \$965 million Cap and Trade Expenditure plan proposed in the January budget and Control Section 15.14 proposed at the May Revision. After funding statutorily required programs, the Control Section would have prioritized quarterly auction proceeds for state operations and the following discretionary programs:
  - Air Quality in Disadvantaged Communities: AB 617 Community Air Protection Program and agricultural diesel emission reduction.
  - Forest Health and Fire Prevention, including implementation of the requirements of Chapter 391, Statutes 2019 (AB 38).
  - Safe and Affordable Drinking Water.
- Adopts placeholder budget bill and trailer bill language directing the State Air Resources Board to consider changes to the Cap-and-Trade Program.

## TRANSPORTATION

### California Department of Transportation

- Approves the May Revision funding estimate of a reduction in fuel tax revenues of \$1.8 billion through 2024-25 (with most of the reduction in 2019-20 and 2020-21).
- Maintains 2019-20 planning and engineering staffing levels to continue developing and designing previously programmed transportation projects.
- Rejects the May Revision proposal to transfer \$130.5 million in interest earnings from the State Highway Account (SHA) to the General Fund.
- Approves the May Revision proposal to loan \$21 million from the Local Airport Loan Account to the General Fund.
- Approves the May Revision proposal to transfer \$32 million from the Traffic Congestion Relief Fund to the General Fund.
- Approves the January budget proposal of an increase of \$31.8 million in 2020-21 increasing to a permanent increase of \$43.4 million in 2024-25 for the Litter Abatement Program to address increased litter. The state will continue to use state staff, community based programs and contracts with the California Department of Corrections and Rehabilitation and other local law enforcement agencies to provide litter abatement and cleanup.
- Approves placeholder trailer bill language to allow the California Department of Tax and Fee Administration to collect sales tax data from airports as required by the Federal Aviation Administration.

### Transit

- Adopts placeholder trailer bill language intended to hold harmless transit operators that receive state funding and whose ridership levels have been negatively impacted by COVID-19.

### High-Speed Rail Authority

- Approves the January budget proposal of \$2.63 million and 15 permanent positions to continue the transition of day-to-day information technology (IT) operational activities from contractor resources to state employees that will be offset by a consultant reduction of 15 full-time equivalent positions, resulting in a reduction of \$4.2 million in IT consulting resources and net ongoing IT savings of \$1.5 million per year.
- Approves the May Revision proposal of net annual savings of \$16.4 million and a net reduction of 18 full-time equivalent positions that would be achieved by reducing 88

consultant positions and adding 70 permanent state positions in response to the California State Auditor's 2018 recommendations.

### **California Highway Patrol**

- Defers the January proposal of \$7 million from the Electronic Cigarette Products Tax Fund on an ongoing basis for 10 positions and contract funding for the Department of Justice and trailer bill language to create a task force charged with combatting illicit vaping devices and products. This proposal is dependent upon the passage of the Administration's proposed vaping tax.
- Approves the May Revision proposals to withdraw the following capital outlay projects reducing special fund expenditures by a total of \$139.7 million:
  - Santa Fe Springs: Area Office Replacement (\$44.3 million)
  - Baldwin Park: Area Office Replacement (\$43.1 million)
  - Quincy: Replacement Facility (\$38.1 million)
  - California Highway Patrol Enhanced Radio System (CHPERS): Replace Towers and Vaults (\$10.2 million Motor Vehicle Account)
  - Humboldt: Area Office Replacement (\$2.1 million)
  - Gold Run: Area Office Replacement (\$1.4 million)
  - Statewide Planning and Site Identification (\$500,000 Motor Vehicle Account)

### **Department of Motor Vehicles**

- Approves the January budget proposal of \$6.4 million General Fund and 38 positions for continued administration of the Motor Voter Program. This request includes \$900,000 for continued IT vendor support and knowledge transfer.
- Approves the January budget proposal of \$3 million in 2020-21, dropping to \$685,000 in 2021-22 and roughly the same amount ongoing for a new leased Eureka Field Office due to the loss of the lease at the current office.
- Approves the May Revision proposals to withdraw the following capital outlay projects reducing special fund expenditures by a total of \$56.7 million:
  - Santa Maria: Field Office Replacement (\$17.4 million)
  - Reedley: Field Office Replacement (17.4 million)
  - Delano: Field Office Replacement (\$15.3 million)
  - San Francisco: Field Office Replacement (\$2.9 million)
  - Inglewood Swing Space (\$2.0 million)

- Oxnard: Field Office Reconfiguration (\$1.2 million)
  - Statewide Planning and Site Identification (\$500,000)
  - Oxnard Field Office Swing Space (\$60,000)
- Approves placeholder trailer bill language that allows DMV to disclose to the Employment Development Department certain information for purposes relating to tax administration and to ensure compliance with specified requirements including unemployment compensation benefit requirements.

**ENERGY****Public Utilities Commission**

- Approves the May Revision proposal to loan \$300 million from the LifeLine program to the General Fund. Adds budget bill language to ensure that if caseload growth exceeds the Administration's anticipated caseload for 2020-21 a portion of the loan will be repaid to fund the caseload growth.
- Approves the May Revision proposal to loan of \$60 million from the California High Cost Fund B to the General Fund.
- Approves the May Revision proposal to loan of \$60 million from the California Advanced Services Fund to the General Fund.
- Modifies the January and May Revision proposals for Utility Wildfire and Safety Process Reform to implement SB 901 (Dodd, Chapter 626, Statutes of 2018), AB 1054 (Holden, Chapter 79, Statutes of 2019), and AB 111 (Committee on Budget, Chapter 81, Statutes of 2019). These requests are for \$29.6 million special funds for 103 positions and contract funding. Rather than approving the entire request for positions on a permanent basis, only approves 63 permanent positions for wildfire safety, one position for Diablo Canyon related activities, and nine administrative positions. Also, approves on a three-year limited term basis 16 positions for the fair allocation of wildfire damages, 15 positions for PUC streamlining and efficiency, and \$10 million per year for contracts for three years.
- Approves the May Revision LifeLine Program caseload and state operations costs of \$427.5 million for 2019-20 and \$398.6 million for 2020-21 and adopts placeholder budget bill language to ensure that any unanticipated caseload growth would be funded.
- Modifies the May Revision proposal of \$2.8 million special funds for three positions and contracting for three years instead of permanently. These resources will be used to identify which areas of the state lack sufficient access to broadband (CalSPEED).
- Rejects the Administration's trailer bill proposal to exempt the CPUC Commissioners' salaries from the statutory cap.

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

- Approves the May Revision proposal of several loans to the General Fund from various special funds. These loans range in size from three million to \$25 million, and provide a total of \$52 million.

- Defers the January Budget proposal of \$51 million one-time for EV charging infrastructure to the Cap and Trade Expenditure Plan discussion.
- Approves the May Revision proposal of \$40 million in 2020-21, \$20 million in 2021-22, and \$20 million in 2022-23 from greenhouse gas emission allowances allocated directly to gas corporations and consigned to auction as part of the Cap and Trade program for the Commission to implement the Building Initiative for Low-Emissions Development (BUILD) Program as created by SB 1477 (Stern, Chapter 378, Statutes of 2018). As part of this program, the Commission will disburse incentives to building developers for near-zero emission technologies in new, low-income residential housing.



**GENERAL GOVERNMENT****CARES Funding**

- Approves \$550 million for acquisition or acquisition and rehabilitation of motels, hotels, or hostels; master leasing of properties; acquisition of other sites and assets; conversion of units from nonresidential to residential in a structure with a certificate of occupancy as a motel, hotel, or hostel; and purchase of affordability covenants and restrictions for units. Adopts placeholder trailer bill to implement project room key.
- Provides \$500 million to cities for homelessness, public health, public safety, and other services to combat COVID-19 pandemic.
- \$225 million to cities with a population greater than 300,000 that did not receive a direct allocation from the Federal CARES Act.
  - Allocated based on the share of each city's population relative to the total population of the cities covered by the subsection.
- \$275 million to cities with a population less than 300,000.
  - Allocated based on the share of each city's population relative to the total population of the cities covered by the subsection.
  - No city shall receive less than \$50,000.
- \$1.289 billion to counties to be used for homelessness, public health, public safety, and other services to combat COVID-19 pandemic.
  - Allocated based on population.

**Business, Consumer Services, and Housing Agency and Department of Housing and Community Development**

- Adopts an additional \$350 million for homelessness subject to legislation.

**Department of Housing and Community Development**

- Maintains out year funding for the Foster Care Transitional Housing program. The budget provides \$8 million in 2020-21 and \$4 million in 2021-22.
- Maintains funding to support mixed-income housing developments per AB 101 (Committee on Budget), Chapter 159, Statutes of 2019. AB 101 provided \$500 million over four years to the California Housing Finance Agency for the production of low and moderate income housing, including \$200 million in 2019-20 and \$95 million in 2020-21.

- Maintains funding for the Infill Infrastructure Grant (IIG) Program of 2019, per AB 101 (Committee on Budget), Chapter 159, Statutes of 2019. This program is intended to support the development of additional housing by providing for the construction, rehabilitation, demolition, relocation, preservation, and acquisition of infrastructure that supports the development of housing.
- Approves trailer bill language to allocate \$331 million to the National Mortgage Settlement Trust Fund for housing counseling and mortgage relief (\$300 million) and tenant legal aid (\$31 million).
- Adopts placeholder trailer bill language to clarify changes to language related to farmworker housing development.
- Adopts placeholder trailer bill language to provide clarity around Housing First principles and their application to corrections and related programs.

**California Tax Allocation Committee**

- Allocates \$500 million in new State Low Income Housing Tax Credits (LIHTC) for 2020-21.

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

- Approves a total of \$100 million to supports the IBank's loan guarantee program that provides financial assistance to small businesses.
- Provides additional operating costs for the California Film Commission.

**Employment Development Department**

- Includes increased expenditure authority in 2020-21 of \$38 billion, (about \$34 billion federal funds) for Unemployment Insurance.
- Adopts January Budget proposal to extend Paid Family Leave job protections to all workers currently eligible for program, and extend pregnancy/birth disability job protections to all workers currently eligible.

**Department of Business Oversight**

- Approves merging the historically separated Financial Institutions Fund and the State Corporations Fund into a new Financial Protection and Innovation Fund. These funds are

remnants of the pre-2013 merger of the Department of Financial Institutions and the Department of Corporations into the DBO. Accounting of expenditure and allocation of funds by program will remain transparent and exactly the same.

- Defers action without prejudice on trailer bill language and related resources to expand consumer financial protection activities as the new Department of Consumer Financial Protection and Innovation.

### **Secretary for Labor Workforce Development Agency**

- Defers action without prejudice on creating the Department of Better Jobs and Higher Wages.
- Approves a \$107 million loan from the Labor and Workforce Development Fund (LWDF) to the General Fund. The LWDF is funded through litigation settlements for labor law violations, primary through the Private Attorneys General Act. The LWDF is used to fund labor law outreach, education and enforcement.

### **Department of Industrial Relations**

- Approves \$17.5 million and 103.5 positions in 2020-21, and \$16 million in 2021-22 and 2022-23 from various fund sources for three-year limited term to implement AB 5 for the following: (1) Division of workers compensation (DWC) - 63 positions: to adjudicate and manage workers comps claims, (2) Division of Labor Standards Enforcement (DLSE) - 26.5 positions: to investigate violations and conduct outreach, (3) Division of Occupational Safety and Health (DOSH) - 2 positions: inspections, and (4) Division of Administration - 12 support staff positions.

### **California Workforce Board**

- Approves \$10 million General Fund one-time to fund the Social Entrepreneurs for Economic Development (SEED) Initiative to provide micro-grants and entrepreneurial training to immigrants. This funding targets individuals with limited English proficiency, and individuals who are not US citizens or are undocumented.

### **Department of Tax and Fee Administration**

- Defers action without prejudice on resources to levy an additional, nicotine-based tax of \$1 per 20mg of nicotine tax on e-cigarettes effective Jan 1, 2021. The budget resource request is associated with the e-cigarette (vaping) tax trailer bill proposal, which is also deferred without prejudice.

- Adopts trailer bill language for used car dealer sales tax. This trailer bill language would require used car dealers to remit the sales tax from a vehicle sale to the DMV with the registration fee. This is needed to close the gap between the amount of sales tax collected by CDTFA and DMV used car registration data.
- Defers without prejudice on trailer bill language for vehicle valuation of private party sale. This language would require the DMV to calculate use tax for private party sales as the greater of the vehicle's sale price or the vehicle's standard presumptive value. Proposal would require DMV to collect more information than it does currently, places additional burdens on tax-payers.

### **Franchise Tax Board**

- Extends the California Earned Income Tax Credit and Young Child tax credit to ITIN filers with at least one child six years of age or younger.
- Adopts trailer bill language to expand the first-year exemption from the \$800 Minimum Franchise Tax (MFT) to LLCs, Limited Partnerships, and Limited Liability Partnerships with a three-year sunset. Exemption would be applicable beginning Jan. 1, 2021 and sunset on January 1, 2026.
- Approves temporarily suspending the use of NOL deductions for taxpayers with business income in excess of \$1 million for 2020, 2021 and 2022.
- Approves temporarily limiting the use of business incentive tax credits to offset no more than \$5 million in tax liability for 2020, 2021 and 2022. Exempts the Low Income Housing Tax Credit from the \$5 million cap.

### **CalPERS**

- Adopts placeholder trailer bill language to do the following:
  - Withdraw the \$500 million General Fund CalPERS supplemental pension payment provided in the 2019-20 budget act due to the economic crisis.
  - Provide \$243 million Proposition 2 funds, instead of General Fund, to pay for the California Highway Patrol CalPERS unfunded liability.
  - Repurpose the remaining \$2.4 billion of supplemental pension payment to help address state General Fund contributions in 2020-21 and 2021-22.

### **CalPERS and CalSTRS**

- Adopt placeholder trailer bill language to do the following:
  - Redirect the \$660 million CalPERS School Pool supplemental pension payment to make supplanting payments to school employer contribution rates. This would

- increase the supplanting payment in 2020-21 to \$430 million and \$330 million in 2021-22. This would reduce the estimated contribution rate from 22.67 percent to 20.7 percent in 2020-21, and from 24.6 percent to 22.84 percent in 2021-22.
- Redirect the \$1.64 billion General Fund CalSTRS supplemental pension payment provided in the 2019-20 budget act to make an additional supplanting payment in 2020-21 and 2021-22. This would increase the supplanting payment in 2020-21 to \$1.07 billion and to \$820 million in 2021-22. These payments would reduce the estimated employer contribution rate from in 2020-21 from 18.41 percent to 16.15 percent and from 17.9 percent to 16.02 percent in 2021-22.
  - Notes a trailer bill proposal to suspend the CalSTRS annual rate increases authorized by the STRS Board at the 2019-20 level until 2023-24. The Administration would instead continue to make supplemental payments from Proposition 2.

### **Employee Compensation**

- Does not score savings associated with suspending pay increases and reductions in employee compensation achieved through the collective bargaining process. Savings negotiated through that process would increase reserves above levels currently estimated.

### **Local Government Financing**

- Restores funding for Paradise Irrigation District.

### **Secretary of State**

- Approves a legislative augmentation of \$35 million General Fund for the November 2020 election and adopts placeholder budget bill and trailer bill language to help ensure counties and the state have adequate funding to administer the election.
- Provides the SOS authority to spend \$65.5 million in additional federal funds for the implementation of the statewide mandates of the Help America Vote Act of 2002 as it relates to the Consolidated Appropriations Act of 2020 and the CARES Act due to the COVID-19 pandemic.
- Approves the January budget proposal of \$10.97 million in one-time expenditure authority in 2020-21 from the Federal Trust Fund to continue implementation of the statewide mandates of the Help America Vote Act of 2002 (HAVA).
- Approves the May Revision proposal to provide \$14.8 million in special funds to continue implementation of the California Business Connect project and fund one-time resources necessary for contracting and consulting services for system integration vendors and project management services, and other operating expenses related to the project.

- Approves the May Revision proposal to increase funding by \$14.1 million (\$13.4 million General Fund) for the California Automated Lobbying and Campaign Contribution and Expenditure Search System (Cal-ACCESS) Replacement Project to continue the design and development of a Cal-ACCESS replacement system. This request will provide the SOS with one-time funding necessary to continue the support of staff resources and to procure contracted services. Also, adopts budget bill language proposed by the Legislature that requires reporting on project progress.

### **Department of Consumer Affairs**

- Defers action on trailer bill language proposed at the May Revision to increase fees effective January 1, 2021 for the following boards and bureaus:
  - Acupuncture Board
  - Board of Behavioral Sciences
  - Bureau of Private Postsecondary Education
  - Medical Board of California
  - Podiatric Medical Board
- Defers action on the Controlled Substance Utilization Review and Evaluation System (CURES)-related proposals and trailer bill language that would increase the CURES fee from \$6 to \$14 annually to generate approximately \$1.6 million in annual revenues to fund upgrades to CURES.
- Approves and further modifies the January budget and May Revision workload proposal for various boards and bureaus. The January budget proposal included \$8.3 million in special funds and 41.5 positions for workload increases at various boards and bureaus. The May Revision reduced the proposed expenditure by \$1.4 million and 5 positions. In addition, the Legislature deferred action on \$1.26 million special funds and 10 positions included in this request for the Bureau of Private Postsecondary Education.
- Approves the May Revision proposals to loan the following amounts to the General Fund:
  - \$25 million from the Barbering and Cosmetology Contingent Fund
  - \$900,000 from the Psychology Fund
  - \$30 million from the Vehicle Inspection and Repair Fund
  - \$60 million from the High Polluter Repair or Removal Account
  - \$10 million from the Accountancy Fund
  - \$5 million from the State Dentistry Fund
  - \$30 million from the Board of Registered Nursing Fund
  - \$2.4 million from the Pharmacy Board Contingent Fund
  - \$3.4 million from the Enhanced Fleet Modernization Subaccount, High Polluter Repair or Removal Account

- Modifies the January budget proposal for BreEZe System Maintenance and Credit Card Funding to only approve \$11.5 million, special fund, in 2020-21 and \$10.6 million in 2021-22, rather than approving funding on a permanent basis.

### **Department of Veterans Affairs**

- Rejects the May Revision proposal to begin closure of the Veterans Home at Barstow and achieves net savings of \$2.6 million General Fund in the budget year. The Legislature adopted placeholder budget bill language to study alternatives for the Barstow Home consistent with CalVet's 2020 Master Plan for the Veterans Homes.
- Rejects the May Revision proposal to transfer \$24.5 million from the Southern California Veteran Cemetery Master Development Fund to the General Fund.
- Rejects the May Revision proposal to withdraw a January budget proposal of \$700,000 from the Southern California Veteran Cemetery Master Development Fund for a study of the Southern California Veterans Cemetery.
- Approves the May Revision proposal of \$317.1 million from the Public Buildings Construction Fund to proceed with the Design-Build phase for a new skilled nursing facility at the Yountville Veterans Home.

### **Office of Planning and Research**

- Rejects the proposed \$13 million expansion to the AmeriCorps program to support "Emergency Support Function 17"
- Defers action on Greenhouse Gas Reduction funded programs including climate resiliency research, regional collaboration and implementation.
- Reflects withdraw of Governor's proposals from the January Budget:
  - \$17 million for the Fresno Integrated K-16 Collaborative
  - \$357,000 for additional legal and legislative staff
  - \$1.7 million for AmeriCorps administration expansion
  - \$349,000 to implement the AB 285 Transportation Assessment

### **State Controller's Office**

- Provides \$3.5 million (\$2 million General Fund) and 8 positions for the California State Payroll System project
- Appropriates \$3.1 million (\$1.8 million General Fund) and 14.5 positions for the California Automated Travel Expense Reimbursement System.

- Provides \$898,000 (\$512,000 General Fund) and 7 position to address additional workload associated with administering the Other Post-Employment Benefits deduction for state employees.
- Continues 4 positions and provides \$540,000 Special Fund for workload related to property tax postponement efforts.
- Reflects withdraw of Governor's proposals from the January Budget:
  - \$1.1 million in additional State Controller administrative costs
  - Reverses a proposed fund shift for Internal Controls Reviews

### **Department of Insurance**

- Provides \$840,000 General Fund to local jurisdictions for fraud investigation and preventions activities related to worker's compensation.
- Reflects withdraw of Governor's proposals from the January Budget:
  - \$1 million of administrative resources, including those related to Fi\$Cal accounting needs.
  - \$177,000 from the elimination of a proposed hearing reporter positions.
  - \$120,000 that would have expanded the Disability Program Administration.

### **Department of General Services**

- Transfers \$734 million from the State Project Infrastructure Fund to the General Fund. This fund is set aside for the restoration of the State Capitol Annex, which would now be financed through lease-revenue bonds. \$20 million of the fund is retained for expenses related to the West Wing.
- Provides \$77.7 million in special fund loans to the General Fund from various DGS controlled special funds.
- Appropriates \$295,000 Special Fund and 2 positions to expand DGS state emergency management staffing.
- Establishes 9 permanent positions within existing funding
- Reflects withdraw of \$721 million of Sacramento state office building capital proposals from the January Budget:
  - \$183.6 million for the Bateson Building
  - \$116.8 million for the Unruh Building
  - \$421.3 million for the Resources Building



**Department of Technology**

- Rejects proposed \$13 million General Fund Office of Emergency Services/Military/Department of Technology Cybersecurity Integration Center proposal.

**Government Operations Agency**

- Provides \$736,000 (\$286,000 General Fund) and three new positions to reflect increased workload for the Agency.
- Shifts \$252,000 of Agency costs from Special Fund to the General Fund to align with use of the expenditures.

**California Art's Council**

- Reflects withdraw of a Governor's January proposal that would have provided \$10.5 million in additional one-time funding for the Art's Council, including funding for disaster preparation at cultural institutions.
- Rejects a proposed reversion of funding for the Korean American National Museum.

**Department of Finance**

- Provides \$10 million General Fund for expenses related to the oversight and litigation costs related to utilities.

**California State Treasurer's Office**

- Provides \$148,000 Special Fund and one position to increase legislative unit staffing.

**Commission on the Status of Women and Girls**

- Provides \$288,000 General Fund for new office space for the Commission
- Provides 4 positions to implement the provisions of SB 24.

**California Legislature**

- Reflects the Statewide Appropriations Limit adjustment to the budgets for the Assembly, Senate and the Legislative Analyst's Office, pursuant the requirements of Proposition 140.

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

- Defers all capital outlay proposals until a comprehensive plan on the prioritization of projects is submitted by the department.
- Ceases the intake of new youth commitments to the Division of Juvenile Justice in 2021 and begins the closure of all three state juvenile facilities and the fire camp through the attrition of the current population. Includes trailer bill with provisions that require immediate implementation but allows for additional time to develop programming needs and the associated funding, the state's oversight role, and other issues that would benefit from additional stakeholder input.
- Includes trailer bill to close two state prisons with legislative guidance.
- Reduces the reception center process to 30 days instead of 90-120 days, saving \$3.7 million General Fund in 2020-21 and significantly more in future years.
- Changes good conduct credits that will be applied prospectively with estimated savings of \$2.7 million General Fund in 2020-21 and significantly more in future years.
- Provides \$6.9 million to support the Mental Health Psychiatry Registry.
- Provides \$9.7 million in 2019-20 and \$4.3 million ongoing for Legionella Remediation at the California Health Care Facility.
- Provides \$1.3 million in 2020-21 and \$3 million ongoing for the Youth Offender Rehabilitative Communities proposal at Valley State Prison.
- Consolidates fire camps that are currently not at capacity in coordination with CAL FIRE, with estimated savings of \$7.4 million General Fund in 2020-21 and \$14.7 million ongoing.
- Eliminates the Integrated Services for Mentally Ill Parolee Program and proposes to adjust policies to connect individuals with community resources, resulting in \$8.1 million General Fund savings in 2020-21 and \$16.3 million ongoing General Fund.
- Defers the Parole Outpatient Clinics as services provided by these clinics can be accessed through Medi-Cal or other insurance but will retain Parole Outpatient Clinic Psychiatrists to continue meeting emergency medication needs for parolees with mental illness, resulting in estimated savings of \$9.1 million General Fund in 2020-21 and \$17.6 million ongoing General Fund.
- Increases ability to hold additional remote court appearances to enhance efficiencies.

- Proposes to cap parole terms for most parolees at 24 months, establish earned discharge at 18 months for certain Penal Code section 290 registrants, resulting in estimated savings of \$23.3 million General Fund in 2020-21, increasing to \$76 million ongoing General Fund in 2023-24.

### **Local Public Safety**

- Provides an estimated \$102.9 million General Fund of net savings from Proposition 47.
- Provides county probation departments \$112.7 million General Fund in 2020-21 using the existing SB 678 calculation.
- Provides \$12.9 million General Fund to county probation departments to supervise the temporary increase in the average daily population of offenders on Post Release Community Supervision.

### **Judicial Branch**

- Provides total funding of \$4.3 billion (\$2.2 billion General Fund and \$2.1 billion other funds) in 2020-21 for the Judicial Branch, of which \$1 billion is provided to support trial court operations.
- Provides one time \$50 million General Fund in 2020-21 to help trial courts address backlog of cases and resume normal operations.
- Provides \$25 million General Fund in 2020-21 and 2021-22 for modernizing court operations and increasing access to court services online.
- Triggers the reduction of \$100 million in Judicial absent sufficient funding from the federal government but protects the following programs from any reduction: Dependency Counsel; Court Interpreters; California Collaborative and Drug Court Projects; Court Appointed Special Advocate Program; Model Self-Help Program; Equal Access Fund; Family Law Information Centers; and Civil Case Coordination.
- Provides \$238.5 million one-time General Fund in 2020-21 to backfill fine and fee revenue losses.
- \$30 million ongoing General Fund for trial court employee health benefit and retirement costs, which is a decrease of \$5.1 million from the Governor's Budget due to updated cost estimates.
- Provides \$9.9 million General Fund in 2020-21 and \$9.6 million General Fund annually thereafter for increased costs for court interpreters and to purchase equipment for the newly established Video Remote Interpreting Program.

- Provides one time \$7 million General Fund to assist county law libraries.

### **Department of Justice**

- Provides total funding of \$1.1 billion, including \$365.9 million General Fund, to support the Department of Justice.
- Provides \$12 million in General Fund and Dealers' Record of Sales Special Account for the implementation of various legislative bills that were signed. Withdrawn budget change proposals related to legislative bills (listed below) will be implemented with DOJ's existing resources:
  - AB 164 (Chapter 726, Statutes of 2019 )
  - AB 1130 (Chapter 750, Statutes of 2019)
  - AB 1202 (Chapter 753, Statutes of 2019)
  - AB 528 (Chapter 677, Statutes of 2019)
  - AB 1132 (Chapter 452, Statutes of 2019)
  - AB 1296 (Chapter 626, Statutes of 2019)
  - AB 1331 (Chapter 581, Statutes of 2019)
- Provides \$35.8 million one-time funds (\$25.8 million General Fund and \$10 million Fingerprint Fees Account).
- Provides \$724,000 Gambling Control Fines and Penalties Account in 2020-21 for the initial planning and analysis phase of replacing the License 2000 system.
- Updates the implementation timeline for Chapter 541, Statutes of 2017 (SB 384) and aligns the funds accordingly.

### **Office of Emergency Services**

- Provides total funding of \$500 million to the Office of Emergency Services and more than \$1.1 billion in federal funds.
- Provides \$50 million one-time General Fund for Community Power Resiliency to support additional preparedness measures that bolster community resiliency and budget bill language reflecting the Legislature's priorities.
- Increases the total California Disaster Assistance Act funding availability to \$100.8 million.
- Provides \$17.3 million for the California Early Earthquake Warning through a loan from the School Land Bank Fund.

- Provides \$2 million General Fund for the Wildfire Forecast and Threat Intelligence Integration Center, consistent with Chapter 405, Statutes of 2019 (SB 209), reducing the proposal by \$6.8 million General Fund across various departments.
- Implements the Smart 9-1-1 Feasibility Study (Chapter 686, Statutes of 2019) with existing OES resources.
- Withdraws \$25.84 million General Fund and \$75 million other funds for the Wildfire Mitigation Financial Assistance Program (Chapter 391, Statutes of 2019) at this time.
- Maintains legislative investments made in the 2019 Budget Act, including resources for domestic violence and sexual abuse prevention and the Internet Crimes Against Children Taskforce.

### **Victim Services**

- Provides \$23.5 million one-time General Fund to backfill the Restitution Fund.

### **Board of State and Community Corrections**

- Maintains \$37 million General Fund for the Adult Reentry Grant.
- Maintains critical legislative investments made in the 2019 Budget Act, including the Youth Reinvestment Fund and tribal youth diversion and the California Violence Intervention and Prevention Grant Program.
- Maintains \$9 million ongoing for the California Violence Intervention and Prevention Grant Program.
- Provides \$10 million one-time General Fund for the Board of State and Community Corrections to administer a pilot program to supplement local funding for indigent defense.

### **Commission on Peace Officer Standards and Training**

- Reappropriates \$10 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. The Distance Learning Grant Program will develop and deliver training focused on use of force and de-escalation, implicit bias and racial profiling, community policing, cultural diversity, and organizational wellness.

### **State Public Defender's Office**

- Provides \$4 million General Fund in 2020-21 and \$3.5 million ongoing for training and technical assistance to public defender offices.

