

June 26  
Version

# FLOOR REPORT OF THE 2023-2024 BUDGET



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**Chair, Assembly Budget Committee**



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**OVERVIEW****2023-24 California State Budget Package**

This version of the Assembly Budget Committee floor report is a pre-publication draft created to brief Assemblymembers. It will be updated, corrected, and formally published prior to the Monday, June 26 hearing of the Assembly Budget Committee.

As of the morning of Saturday, June 24, there is no “budget deal” between the Legislature and the Governor. The budget package discussed in this draft—expected for legislative floor action on Tuesday, June 27—reflects budget discussions between the executive and legislative branches in recent weeks.

The state budget package to be considered by the Legislature on Tuesday, June 27, 2023, largely mirrors the Legislature’s budget package from earlier this month—most of which was incorporated in SB 101 (Skinner), as passed by the Assembly and the Senate on June 15.

Switching about \$1 billion of community college facilities projects from cash financing to lease-revenue bonds offsets the Governor’s add backs of over \$1 billion of one-time energy and resources spending omitted from the June 15 package. After dozens of other changes, total state budget reserves in the June 27 state budget package are estimated to be around \$37.8 billion—believed to be the biggest reserves of any state in U.S. history and about \$600 million bigger than those included in the Governor’s May Revision and the June 15 legislative budget plan. California’s state treasury has never had as much cash and resiliency as it has in 2023.

The Governor and the Legislature have agreed that budget reserves need to be maintained due to significant uncertainties about the economy and tax revenues to be paid by California’s high-income tax filers in October. The June 27 state budget package includes the Assembly’s proposal to give the administration power to delay, with notice to the Legislature, one-time spending items in departmental line items of the 2023-24 budget to no later than March 1, 2024. This authority, if exercised by the administration, would allow the Legislature to consider additional reductions and delays to budgeted one-time spending—in addition to those already approved in this year’s budget packages—in response to possible revenue deterioration in the coming months. The Assembly’s key budgetary goal—shared with the Senate and the Governor—is to keep protecting the state’s core ongoing programs in education, health care, the human services safety net, wildfire protection, public safety, housing, and natural resources, among others.

In addition to higher reserves, below are other highlights of the June 27 budget package:

- **Schools and Community Colleges:** Provides a total Proposition 98 General Fund funding level of \$110.6 billion in 2021-22, \$107.4 billion in 2022-23, and \$108.3 billion in 2023-24. Provides an increase of \$3.4 billion in Proposition 98 funding for the Local Control Funding Formula (LCFF), reflecting Universal Transitional Kindergarten (UTK) enrollment and an 8.22% percent cost-of-living adjustment (COLA) in 2023-24. Total Budget Year LCFF is estimated at \$79.8 billion.
- **Early Childhood Education:** Provides a total of up to \$2.83 billion in one-time funds for child care reimbursement increases: \$1.673 billion from various federal and general fund sources one-time, and up to \$1.158 billion Proposition 98 one-time, through the 2024-25 fiscal year to increase all child care and preschool rates, subject to collective bargaining. Reduces family fees for childcare and preschool to 1% of total family income, for families making at least 75 percent of the state median income, beginning October 1, 2023, and appropriates \$78.4 million from non-Proposition 98 general fund and Proposition 98.
- **Higher Education:** Provides 5% ongoing increases to UC and CSU, supports 12,000 more spots for Californians at UC and CSU, including continuing to replace nonresidents with Californians at UC, avoids cuts and delays to infrastructure and student housing projects by shifting costs to bonds, approves projects that will add about 4,100 new beds at campuses, expands financial aid programs to provide debt free college to foster youth, and provides ongoing increases to student support programs.
- **Housing and Homelessness:** Continues funding local homelessness efforts with over \$1 billion in 2023-24 and language expressing intent to provide additional rounds of funding. Requires a regional homelessness action plan. In total, over \$3 billion of 2023-24 housing and homelessness-related expenditures, including funding for the Multifamily Housing Program, adaptive reuse, the Infill Infrastructure Grant Program, CalHome, accessory dwelling units, and the State Low Income Housing Tax Credit Program.
- **Public Transit:** Provides \$5.1 billion for transit capital funding across three years (including restoring Transit and Intercity Rail Capital Program funding proposed for reductions by the Governor), with flexibility to shift funds to operating expenses subject to accountability guidelines to help ensure that state subsidies are temporary and nonrecurring.
- **Medi-Cal and MCO:** Provides \$2.7 billion of reimbursement rate increases and other investments annually beginning in 2025 through 2029, from the managed care organization (MCO) funding mechanism. The MCO package also includes \$50 million

one-time for assistance for small rural hospital seismic improvements and \$150 million more (in addition to \$150 million previously appropriated) for the Distressed Hospital Loan Fund.

- **CoveredCA:** Provides \$82.5 million (\$165 million ongoing) from penalty funds to lower copays and deductibles of CoveredCA plans beginning January 1, 2024.
- **CalWORKs Grants.** Provides \$500 million in ongoing funds beginning in 2024-25 to turn temporary 10 percent grant increase into a permanent grant increase to support California families struggling the most.
- **Safety Net Reserve:** Rejects proposed use of the Safety Net Reserve for purposes not intended for the reserve.
- **Prison Policy.** Reflects the Legislature's intent to close additional prisons, specifically by requiring the administration to produce a preliminary (August 15, 2023) and final (November 15, 2023) assessment of state prison operational and housing requirements to assist the Legislature in making future decisions concerning prison facilities.
- **Resources and Climate:** Protects key investments in coastal resilience, community resilience, dam safety, and sustainable agriculture.
- **Helping Communities.** Among over \$1 billion for important community projects funded in the plan, the June 27 budget package—like the June 15 legislative budget—includes funding to assist the communities of Pajaro (\$20 million) and Planada (\$20 million) in recovering from this year's flooding, available for various purposes to help those in the communities regardless of documentation and citizenship status. Providing help to these communities was a key Assembly priority in this year's budget negotiations.
- **Strengthens Out-Year Commitments:** Continues to protect California's hard-won budget progress with actions for key programs:
  - Specifies intent that local funding to combat the homelessness crisis will continue into 2024-25.
  - Provides \$289 million for the Middle Class Scholarship program in 2024-25 to maintain current level of the program in that school year.
  - As mentioned above, makes temporary CalWORKs grant increase permanent, beginning in 2024-25.

## SUMMARY CHART

**General Fund Multiyear Forecast**  
**Final Agreement**  
(Dollars in Millions)

	2022-23	2023-24
<b>RESOURCES:</b>		
Prior Year Balance	\$55,810	\$26,352
Revenues/Transfers	\$205,678	\$208,688
Transfer to Budget Stabilization Account	-\$544	\$0
<b>Total Resources</b>	<b>\$260,944</b>	<b>\$235,040</b>
<b>EXPENDITURES:</b>		
Proposition 98	\$78,117	\$77,457
Proposition 28 Arts and Music Education	\$0	\$938
Non-Proposition 98	\$154,306	\$145,196
Prop 2 Infrastructure/Deferred Maintenance	\$2,169	\$2,337
<b>Total Expenditures</b>	<b>\$234,592</b>	<b>\$225,928</b>
<b>FUND BALANCES:</b>		
	\$26,352	\$9,112
Reserve for Encumbrances	\$5,272	\$5,272
SFEU	\$21,080	\$3,840
Safety Net Reserve	\$900	\$900
Budget Stabilization Account	\$22,252	\$22,252
Public School System Stabilization Account	\$9,929	\$10,831
<b>Total Reserves</b>		<b>\$37,823</b>

**Note:** Totals may not add due to rounding

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

- Approves of expenditure authority for \$1.13 million and 6.0 limited-term positions, originally appropriated in 2021 and reappropriated in 2022, to implement the California Emergency Medical Services Data Resource System (Budget Change Proposal) at the Emergency Medical Services Authority.
- Approves \$13,243,000 (\$10,273,000 988 State Suicide and Behavioral Health Crisis Services Fund [988 Fund], \$2,197,000 Managed Care Fund, and \$773,000 federal funds) in 2023-24, \$16,041,000 (\$13,228,000 988 Fund, \$2,085,000 Managed Care Fund, and \$728,000 federal funds) in 2024-25, and \$16,258,000 (\$13,228,000 988 Fund, \$2,302,000 Managed Care Fund, and \$728,000 federal funds) in 2025-26 and ongoing to implement AB 988 (Bauer-Kahan, 2022) at the California Health and Human Services Agency, Department of Health Care Services, and the Department of Managed Health Care (Budget Change Proposal).
- Adopts trailer bill to amend AB 988 (Bauer-Kahan, 2022), to: 1) protect the fund set up for 988 activities which prioritizes the call centers and mobile crisis teams; 2) align the behavioral health coverage for commercial and Medi-Cal plans; 3) clarify the reporting requirements laid out in AB 988; 4) delay the implementation of various reporting requirements to July 1, 2025 and January 1, 2030; and 5) conform the AB 988 language with existing federal 988 regulations and requirements.
- Approves provisional language to provide flexibility for the California Health and Human Services Agency to implement requirements of AB 988 (Bauer-Kahan) through June 30, 2028 by exempting contracts from requirements contained in the Public Contracts Code and the State Administrative Manual and from approval by the Department of General Services (Spring Finance Letter).
- Approves of the reappropriation of up to \$8.8 million Mental Health Services Fund, (originally General Fund appropriated through the 2021 Budget Act), to allow these funds to be expended from June 30, 2022 until June 30, 2025 for subject matter expertise and evaluation for the Children and Youth Behavioral Health Initiative (Spring Finance Letter Issue #056).
- Approves \$665,000 one-time (California Health and Human Services Automation Fund) and 3 ongoing positions to provide project management support to the Emergency Medical Services Authority for the California Emergency Medical Services Data Resource System Project planning efforts.

- Approves of the reappropriation of up to \$2.5 million General Fund from the 2021 Budget Act to expand equity training opportunities to staff of CalHHS departments and offices to create transformative change toward a more equitable state. Extends the availability of these funds from June 30, 2022 to June 30, 2024 (Spring Finance Letter).
- Approves of \$42 million General Fund in 2023-24 and \$32 million General Fund in 2024-25 to establish the Health and Human Services Innovation Accelerator Initiative, a public-private partnership to create an environment for researchers and developers to create solutions to health challenges.

### **Emergency Medical Services Authority**

- Approves of \$84,000 General Fund in 2023-24, 2024-25 and 2025-26 to implement AB 2130 (Cunningham, 2022) which requires training of emergency medical technicians and paramedics on issues relating to human trafficking (Budget Change Proposal).
- Adopts trailer bill to remove the requirement to integrate the Advance Health Care Directive (AHCD) Registry into the Physician Orders for Life-Sustaining Treatment (POLST) Registry with the understanding that EMSA will modify the POLST to allow people to indicate if they have filed their AHCD with the Secretary of State.
- Adopts trailer bill to remove the statutory requirement for the EMSA Director to be a medical doctor, and to establish a separate Chief Medical Officer (CMO) within EMSA, with clarifications on the authority of the new CMO.
- Approves 1.0 permanent position and \$312,000 General Fund in 2023-24 and ongoing to establish a Chief Medical Officer position at EMSA (Spring Finance Letter Issue #17).
- Approves of a \$29,000 ongoing General Fund increase to the Governor's Budget proposal to support indirect costs associated with the appointment of a Chief Medical Officer (May Revise).
- Approves \$100,000 General Fund in 2023-24 to contract with a consultant to assist in the development of a Diversity, Equity, and Inclusion Strategic Plan (Budget Change Proposal).
- Approves \$4.9 million General Fund in 2023-24 and \$185,000 in 2024-25 for the maintenance and operations of the California Emergency Medical Services Information System (CEMSIS) (Spring Finance Letter Issue #15).



- Approves 4 positions and \$775,000 General Fund in 2023-24 and ongoing to allow EMSA to properly align staff allocation and reporting structure requirements mandated by the California Department of Human Resources (Spring Finance Letter Issue #18).
- Approves the redirection of \$190,000 General Fund from the California Emergency Medical Advancement Project to support planning efforts for the Central Registry.

### **Department of Health Care Access and Information**

- Approves \$100,000 General Fund annually for 2023-24 through 2027-28 to contract with an external organization to conduct the annual evaluations of the Abortion Practical Support Fund as required by SB 1142 (Caballero, Skinner, 2022) (Budget Change Proposal).
- Approves 1.0 position and \$120,000 from the Hospital Building Fund for 2023-24 and ongoing to implement AB 1882 (Robert Rivas, Nazarian, Rodriguez, 2022), which requires HCAI to identify on its website hospital buildings that may not be repairable or functional following an earthquake, but do not significantly jeopardize life (Budget Change Proposal).
- Approves of 2 positions, with existing administrative resources, to staff the Health Workforce Education and Training Council (Budget Change Proposal).
- Approves modified trailer bill to delay a subset of proposed 2022 workforce investments, and approves of \$100 million General Fund (GF) and \$182.4 million Mental Health Services Fund (MHSF) in order to not delay these investments as follows:
  - Social Work Initiative -- \$51.9 million (MHSF)
  - Addiction Psychiatric/Medicine Fellowships -- \$48.5 million (MHSF)
  - University/College Behavioral Health Workforce Grants -- \$52 million (MHSF)
  - Masters in Social Work Slots at Public Universities/Colleges -- \$30 million (MHSF)
  - Nursing Initiative Grants -- \$70 million (GF)
  - Community Health Workers Initiative Grants -- \$15 million (GF)
  - Song-Brown Program Nurses -- \$15 million (GF)
- Approves 6.0 positions, and \$1,452,000 from the Hospital Building Fund in 2023-24 and ongoing to implement AB 2511 (Irwin, 2022), which requires skilled nursing facilities to have an alternative power source for at least 96 hours during any type of power outage (Budget Change Proposal).

- Approves the transfer and reappropriation of a one-time 2021-22 appropriation of \$1.184 million General Fund from the California Health and Human Services Agency to HCAI to support implementation of SB 852 (Pan, 2020), the “California Affordable Drug Manufacturing Act of 2020” (Spring Finance Letter Issues #40 and #57).
- Approves \$2,000,000 General Fund (Budget Act of 2022) to be reappropriated through June 30, 2028, from and for the Capital Infrastructure Security Program, and also for these funds to be used for reproductive health care, if necessary.
- Adopts trailer bill to add pharmacists to the definition of “reproductive health care professionals,” for purposes of implementing AB 1918 (Petrie-Norris, 2022) which includes: “recruiting, training and retaining a diverse workforce of reproductive health care professionals who will be part of the reproductive health care teams to work in underserved areas.”
- Approves \$30 million one-time from the Opioid Settlements Fund to be used to support development, manufacturing, or procurement of a low-cost naloxone nasal product.
- Approves \$2.8 million ongoing General Fund for the California Medicine Scholars Program.
- Approves \$10 million one-time General Fund for the Promotoras de Salud Program.

### Department of Managed Health Care

- Approves of resources for the implementation of SB 923 (Wiener, 2022), which requires health plans, and their delegate staff who are in direct contact with enrollees, to complete evidence-based cultural competency training so they can proficiently provide trans-inclusive health care to individuals who identify as transgender, gender diverse, or intersex (TGI) (Budget Change Proposal), as follows:
  - *Department of Managed Health Care*: limited-term expenditure authority in 2023-24 through 2026-27 (equivalent to 0.5 staff) and 4.5 positions and \$1,196,000 from the Managed Care Fund in 2023-24, 7.0 positions and \$1,732,000 in 2024-25, 9.0 positions and \$2,284,000 in 2025-26, \$2,251,000 in 2026-27, \$2,233,000 in 2027-28 and ongoing;
  - *California Health and Human Services Agency*: \$400,000 one-time General Fund in 2023-24; and
  - *Department of Health Care Services*: 11.0 permanent positions, three year limited-term resources equivalent to 3.0 positions and expenditure authority of \$2,696,000 (\$1,348,000 General Fund (GF)); \$1,348,000 Federal Fund (FF)) in 2023-24,

\$3,570,000 (\$1,785,000 GF; \$1,785,000 FF) in 2024-25, \$2,070,000 (\$1,035,000 GF; \$1,035,000 FF) in 2025-26, and \$1,575,000 (\$788,000 GF; \$787,000 FF) in 2026-27 and ongoing.

- Approves a decrease of \$350,000 to reflect the correct amount proposed one-time at the Governor's Budget for consultant services within the California Health and Human Services Agency related to the Gender Affirming Care Fund, a component of the Budget Change Proposal to implement SB 923 (Spring Finance Letter Issue #48).
- Approves 2.0 positions and \$499,000 in 2023-24 and \$483,000 in 2024-25 through 2027-28 from the Managed Care Fund to implement SB 245 (Gonzalez, 2022), which requires full-service health plans to cover abortion and abortion-related services, including pre-abortion and abortion follow-up services, without a co-payment, deductible, or any type of cost-sharing requirement (Budget Change Proposal).
- Approves 2.0 positions and \$343,000 in 2023-24, \$323,000 in 2024-25, \$333,000 in 2025-26 and annually thereafter from the Managed Care Fund to implement AB 2352 (Nazarian, 2022), which requires a health plan to provide specified information about a prescription drug upon request by an enrollee or a prescribing provider (Budget Change Proposal).
- Approves 40.5 positions and \$12,570,000 in 2023-24, \$9,510,000 in 2024-25, \$9,562,000 in 2025-26, \$9,618,000 in 2026-27, \$9,678,000 in 2027-28, \$9,715,000 in 2028-29 and annually thereafter from the Managed Care Fund to implement the requirements of SB 858 (Wiener, 2022), which revises the administrative and civil penalty provisions of the Knox-Keene Act and increases various specified penalty amounts assessed against health plans and others for violations of the Knox-Keene Act (Budget Change Proposal).
- Approves 3.0 positions and \$572,000 in 2023-24, \$547,000 in 2024-25 and annually thereafter from the Managed Care Fund to implement SB 1419 (Becker, 2022), which requires health plans to establish and maintain a provider directory application programming interface (Budget Change Proposal).
- Approves 14.5 positions and \$2,676,000 in 2023-24, \$2,553,000 in 2024-25 and ongoing from the Managed Care Fund to fund the activities identified in the Office of Financial Review Workload Budget Change Proposal.
- Approves \$400,000 in 2023-24 and ongoing from the Managed Care Fund to support legal representation by the California Department of Justice, Attorney General's Office (Budget Change Proposal).

- Approves 5.0 positions and \$3,459,000 in 2023-24, \$3,432,000 in 2024-25, \$3,467,000 in 2025-26, \$3,482,000 in 2026-27, \$3,608,000 in 2027-28 and ongoing from the Managed Care Fund to address critical information technology gaps including security and privacy (Budget Change Proposal).
- Approves 0.5 position and \$27,000 in 2023-24, \$186,000 in 2024-25, \$177,000 in 2025-26 and ongoing from the Managed Care Fund to implement AB 2581 (Salas, 2022), which requires health plans, that provide coverage for mental health and substance use disorder treatment and credential health care providers, to complete the credentialing process within 60 days of receiving a completed provider credentialing application (Budget Change Proposal).
- Approves \$2,981,000 and 8 positions in 2023-24, decreasing to \$2,900,000 in 2024-25 and ongoing from the Managed Care Fund to complete focused behavioral investigations and incorporate long-range behavioral health focused assessments into the routine medical survey process (Spring Finance Letter Issue #42).
- Approves 19.5 permanent positions in 2023-24 and ongoing to support the staff resources necessary for various activities detailed in, and funded through, the Governor's Budget Workload Budget Change Proposal (Spring Finance Letter Issue #41).
- Approves a technical adjustment of -62.6 Full Time Equivalent (FTE) in 2023-24 to correct the FTE display error in Hyperion and the Galley (Spring Finance Letter Issue #45).
- Adopts trailer bill and approves 1.0 position and limited-term expenditure authority (equivalent to 2.0 staff) and \$1,254,000 in 2023-24, \$1,229,000 in 2024-25, \$258,000 in 2025-26 and ongoing from the Managed Care Fund to implement the mandatory use of standardized forms that describe the benefits of an enrollee's health plan product (Spring Finance Letter Issue #46).
- Approves a reduction in expenditure authority of \$368,000 in 2023-24, \$376,000 in 2024-25, \$402,000 in 2025-26, \$422,000 in 2026-27, \$445,000 in 2027-28, \$471,000 in 2028-29 and ongoing via the withdrawal of the Enforcement Investigations and eDiscovery Software Application Budget Change Proposal, included in the 2023-24 Governor's Budget, as these resources were inadvertently duplicated in another proposal (Spring Finance Letter Issue #47).

**Department of Health Care Services**

- Approves the May Revise Medi-Cal Estimate, modified to reflect all actions in the final 2023 Budget Act.
- Approves the May Revise Family Health Estimate (California Children's Services, Genetically Handicapped Persons Program, and Every Woman Counts), modified to reflect all actions in the final 2023 Budget Act.
- Approves of \$200 million (\$15 million General Fund, \$185 million federal funds) in 2024-25 to implement the proposed Reproductive Health Services 1115 Waiver.
- Approves of adding transitional rent to the CalAIM Community Supports that Medi-Cal managed care plans may provide to their enrollees.
- Adopts trailer bill to: 1) authorize increases to Medi-Cal reimbursement rates for primary care, obstetric care and behavioral health services, as required by the federal government for participation in the Designated State Health Programs; and 2) delay the transition of Intermediate Care Facilities for the Developmentally Disabled (ICF-DD) and subacute services into the Medi-Cal managed care delivery system from July 1, 2023, to January 1, 2024.
- Approves of the proposed delay to buying back the existing two-week checkwrite hold for Medi-Cal fee-for-service providers for \$378 million in General Fund savings.
- Approves conversion of 4.0 limited-term (LT) funded resources to permanent positions, and the establishment of 2.0 new permanent positions, and \$1,766,000 (\$443,000 General Fund (GF); \$1,323,000 Federal Fund (FF)) in 2023-24, \$1,748,000 (\$438,000 GF; \$1,310,000 FF) in 2024-25 and ongoing, to oversee a procurement effort and contract transition to secure a new Fiscal Intermediary Dental Information Technology Maintenance and Operations contract for the Medi-Cal Dental Fee-for-Service delivery system (Budget Change Proposal).
- Approves 3.0 permanent positions and \$455,000 (\$228,000 General Fund (GF); \$227,000 Federal Fund (FF)) in 2023-24 and \$428,000 (\$214,000 GF; \$214,000 FF) in 2024-25 and ongoing to implement SB 523 (Leyva, 2022), which requires DHCS to determine which contraceptive services may need to be carved out to the Fee-For-Service delivery system due to federal impermissibility, and facilitate those carve outs (Budget Change Proposal).
- Approves of a one-time appropriation of \$7,450,000 (Special Deposit Fund) in 2023-24 to reimburse local educational agencies for excess administrative withholds associated with the Local Educational Agency Medi-Cal Billing Option Program (Budget Change Proposal).



- Approves 7.0 permanent positions, two-year limited-term (LT) resources equivalent to 6.0 positions; the Office of the Agency Information Officer is requesting 1.0 permanent position, and contract expenditure (LT) authority of \$7,797,000 (\$1,379,000 General Fund (GF); \$6,418,000 Federal Fund (FF)) in 2023-24, \$4,509,000 (\$716,000 GF; \$3,793,000 FF) in 2024-25, and \$1,580,000 (\$337,000 GF; \$1,243,000 FF) in 2025-26 for ongoing support of the DHCS Medi-Cal Enterprise Systems modernization efforts (Budget Change Proposal).
- Approves 16.0 permanent positions, five-year limited-term (LT) resources equivalent to 5.0 positions, the conversion of 3.0 LT resources to permanent positions, expenditure authority of \$3,807,000 (\$1,904,000 General Fund (GF); \$1,903,000 Federal Fund (FF)) in fiscal year (FY) 2023-24, \$3,654,000 (\$1,827,000 GF; \$1,827,000 FF) in FY 2024-25 through 2027-28 and \$2,959,000 (\$1,480,000 GF; \$1,479,000 FF) in FY 2028-29 and ongoing to support the activities identified in the DHCS Program Workload Budget Change Proposal.
- Approves 2.0 permanent positions and \$523,000 (\$193,000 General Funds (GF); \$330,000 Federal Funds (FF)) in 2023-24, \$505,000 (\$187,000 GF; \$318,000 FF) in 2024-25 and ongoing to provide clinical and legal expertise in reviewing proposed State Fair Hearing (SFH) decisions and assisting the director in drafting alternative SFH decisions, as required by AB 1355 (Levine, 2022) (Budget Change Proposal).
- Adopts trailer bill related to Acute Inpatient Intensive Rehabilitation Services to update state law to conform to evidence-based practice, federal Medicare policy and current DHCS policy on medical necessity by removing the provisions related to initial evaluation (7-10 days) and the 14-day trial program.
- Adopts trailer bill to require all qualified Medi-Cal providers participating in presumptive eligibility programs to report the births of any Medi-Cal eligible infant born in their facilities, including hospitals and birthing centers or other birthing settings, within 72 hours after birth through the Newborn Hospital Gateway.
- Adopts trailer bill which updates and conforms statutory requirements related to the Medi-Cal Local Assistance Estimate with recent program changes in Medi-Cal and reorganizes the Estimate budget act information to reflect current budgeting practices, while still displaying fee-for-service rates.
- Adopts trailer bill to set the Medical Provider Interim Payment loan authority at 10 percent of the amount appropriated from the General Fund and 6 percent of the amount appropriated from the Federal Trust Fund for Medi-Cal benefit costs in the Budget Act from the most recent fiscal year, instead of a fixed \$2 billion, in the event there is a deficiency in budget authority.

- Approves the delay of \$235 million General Fund for the Behavioral Health Bridge Housing Program from 2023-24 to 2024-25 and delays the expenditure of \$50 million General Fund from 2022-23 to 2023-24.
- Approves the delay of \$480.7 million General Fund for the Behavioral Health Continuum Infrastructure Program from 2022-23 to 2024-25 and 2025-26.
- Approves an estimated \$109.7 million total funds (\$39.1 million General Fund) in 2023-24 for the CalAIM inmate pre-release program, called the “Justice Involved Initiative.”
- Approves of \$711.9 million (\$271.2 million General Fund, \$356 million federal funds, and \$84.7 million special funds and reimbursements) in 2022-23 and \$599.9 million (\$272 million General Fund, \$300 million federal funds, and \$28 million special funds and reimbursements) in 2023-24 for the Medi-Cal Providing Access and Transforming Health (PATH) initiative which provides pre-release care and coordination with justice agencies.
- Adopts trailer bill, including May Revision updates, to establish a continuously appropriated special fund, titled Medi-Cal County Behavioral Health Fund, to support the non-federal share of behavioral health services provided by counties under the implementation of the CalAIM Behavioral Health Payment Reform initiative which transitions county behavioral health plans from a certified public expenditure protocol to intergovernmental transfers.
- Approves of a \$250 million one-time General Fund appropriation for counties in 2023-24 to initially fund the non-federal share of behavioral health-related services at the start of CalAIM behavioral health payment reform.
- Approves 2.0 permanent positions and expenditure authority for \$304,000 (\$152,000 General Fund (GF) and \$152,000 Federal Fund (FF)) for 2023-24 and \$286,000 (\$143,000 GF and \$143,000 FF) for 2024-25 and ongoing to implement AB 2242 (Santiago, 2022), which requires DHCS to develop a statewide model care coordination plan for implementation by all facilities designated by the counties and approved by DHCS, for the involuntary detainment, evaluation and treatment of adults or minors (Budget Change Proposal).
- Approves 15.0 permanent positions, and \$2,565,000 (\$1,223,000 General Fund (GF) and \$1,342,000 Federal Funds (FF)) in 2023-24, \$2,639,000 (\$1,262,000 GF and \$1,377,000 FF) in 2024-25 and ongoing to implement AB 2317 (Ramos, 2022), which requires DHCS to establish and oversee a new licensing category, Psychiatric Residential Treatment Facility (PRTF), for children and youth requiring inpatient psychiatric services (Budget Change Proposal).

- Denies proposed trailer bill, and directs the Administration to work with the author of AB 2317 (Ramos, 2022), to make changes to the statute governing Psychiatric Residential Treatment Facility to align interdisciplinary team member requirements with federal statutes and make other technical changes to AB 2317.
- Approves 2.0 permanent positions and expenditure authority of \$5,000,000 General Fund in 2023-24 and ongoing to implementation the Community Assistance, Recovery and Empowerment (CARE) Act Supporter Program adopted through SB 1338 (Umberg, Eggman, 2022) (Budget Change Proposal).
- Adopts provisional language that requires DHCS, in consultation with the Judicial Council, to develop a reporting schedule for the submission of specified CARE Act data from each trial court implementing the CARE Act. Requires DHCS to provide an implementation report, based on this data, to the Legislature by December 2024.
- Approves 10.0 permanent positions and \$2,400,000 (\$1,200,000 General Fund (GF); \$1,200,000 Federal Fund (FF)) in 2023-24 and \$1,560,000 (\$780,000 GF; \$780,000 FF) in 2024-25 and ongoing to implement SB 929 (Eggman, 2022), which mandates the collection of comprehensive data to determine what is working well and help identify best practices pertaining to the implementation of the Lanterman-Petris-Short Act (Budget Change Proposal).
- Adopts trailer bill to expand Lanterman-Petris-Short (LPS) Act data reporting requirements primarily by: 1) requiring counties to collect and report data quarterly to DHCS from their local entities implementing LPS involuntary holds rather than those entities reporting directly to DHCS; and 2) authorizing DHCS to levy civil money penalties against facilities and counties for failure to submit data timely. Subjects the civil money penalties to an appeals process and deposits penalty revenue into a new continuously appropriated special fund to support DHCS implementation of SB 929 (Eggman, 2022).
- Approves 2.0 permanent positions and \$310,000 (\$155,000 General Fund (GF); \$155,000 Federal Fund (FF)) in 2023-24 and \$292,000 (\$146,000 GF; \$146,000 FF) in 2024-25 and ongoing to implement SB 1207 (Portantino, 2022), which expands the maternal mental health program requirements beyond only applying to Knox-Keene licensed health plans, overseen and regulated by the Department of Managed Health Care, to all managed care plans, including County Organized Health Systems (Budget Change Proposal).
- Approves 5.0 permanent full time positions and \$1,443,000 (\$722,000 General Fund (GF); \$721,000 Federal Fund (FF)) in 2023-24 and \$2,098,000 (\$1,049,000 GF; \$1,049,000 FF) in 2024-25 and ongoing to implement SB 1019 (Gonzalez, 2022), which requires Medi-Cal Managed Care Plans (MCPs), starting no later than January

1, 2025, to conduct annual outreach and education to members regarding mental health benefits covered by MCPs (Budget Change Proposal).

- Approves \$32,000,000 in 2023-24, \$23,000,000 in 2024-25, and \$12,000,000 in 2025-26 through 2026-27 from the Opioid Settlements Fund to support the Naloxone Distribution Project (Budget Change Proposal).
- Approves 5.0 permanent positions and \$764,000 (\$382,000 General Fund (GF); \$382,000 Federal Fund (FF)) in 2023-24, and \$719,000 (\$360,000 GF; \$359,000 FF) in 2024-25 and ongoing, to implement AB 1051 (Bennett, 2022), which revises statutory requirements governing the presumptive transfer of foster children placed in group homes, community treatment facilities, Children's Crisis Residential Programs, or short-term residential therapeutic programs outside of their county of original jurisdiction, and to ensure these children access to Specialty Mental Health Services in a timely manner (Budget Change Proposal).
- Approves but modifies the following request to reflect a phased-in fee increase: 12.0 permanent positions and expenditure authority of \$3.9 million General Fund in 2023-24 and \$1,904,000 Residential and Outpatient Program Licensing Fund (ROPLF) in 2024-25 and ongoing to strengthen compliance oversight and establish a new mandatory certification for outpatient substance use disorder programs (Budget Change Proposal).
- Adopts trailer bill to make ongoing changes to the Residential Outpatient Licensing Fee (ROPLF) program to strengthen compliance oversight and establish a new mandatory certification for outpatient substance use disorder programs. Additional trailer bill will be considered to set a fee increase phase-in schedule and the proposed transfer of administrative authority to DHCS to increase these licensing fees on an ongoing basis.
- Adopts trailer bill to change the Drug Medi-Cal claim timeliness from six months to twelve months to create parity and be consistent with the claim timeliness requirements for Medi-Cal fee-for-service, Specialty Mental Health Services and federal regulations.
- Approves 3.0 permanent positions, four-year limited term resources equivalent to 1.0 position, and expenditure authority of \$1,062,000 (\$458,000 General Fund (GF); \$604,000 Federal Fund (FF)) in 2023-24, \$726,000 (\$292,000 GF; \$434,000 FF) in 2024-25 through 2026-27, and \$581,000 (\$219,000 GF; \$362,000 FF) in 2027-28 and ongoing to implement SB 987 (Portantino, 2022), which requires Medi-Cal managed care plans to make good-faith efforts to include at least one cancer center within their contracted and subcontracted provider networks within each county in which they

operate for the provision of medically necessary services to members diagnosed with a complex cancer diagnosis (Budget Change Proposal).

- Approves a three-year extension of 2.0 limited-term positions and \$286,000 General Fund in 2024-25 through 2026-27 to continue to implement and maintain the workload of the temporary, state-funded California Community Transitions Program created by SB 214 (Dodd, 2020) and extended by SB 281 (Dodd, 2022) (Budget Change Proposal). Also adopts Supplemental Report Language requesting information and data related to participation, costs and expenditures in the program.
- Approves 10.0 permanent positions and \$1,678,000 (\$713,000 General Fund (GF); \$965,000 Federal Fund (FF)) in 2023-24 and \$1,588,000 (\$674,000 GF; \$914,000 FF) in 2024-25 and ongoing to support the administration, operation, monitoring, and oversight of the Program of All-Inclusive Care for the Elderly (PACE) Program (Budget Change Proposal).
- Adopts trailer bill to align long-term care policy with federal guidelines, including specifically how DHCS describes the cost sharing provisions for individuals subject to the Post-Eligibility Treatment of Income and spenddown of excess income to become eligible for Medi-Cal, and Notices of Action for individuals in long-term care.
- Approves the extension of 9.0 existing two-year limited-term resources and \$1,483,000 (\$148,000 General Fund; \$1,335,000 Federal Fund) in 2023-24 and 2024-25 to implement and plan for the new interoperability rules required by the federal Centers for Medicare and Medicaid Services (Spring Finance Letter Issue #203).
- Approves 2.0 permanent positions and expenditure authority of \$1,332,000 (\$666,000 General Fund (GF); \$666,000 Federal Fund (FF)) in 2023-24, and \$1,314,000 (\$657,000 GF; \$657,000 FF) in 2024-25 and ongoing to implement three new skilled nursing facility financing programs authorized by AB186 (2022 budget trailer bill): Workforce & Quality Incentive Program, Workforce Standards Program, and Accountability Sanctions Program (Spring Finance Letter Issue #205).
- Approves \$308,000 General Fund in 2023-24, and \$772,000 in 2024-25 and ongoing to support 5 permanent positions, and an increase of \$625,000 federal funds in 2023-24 and \$1,566,000 in 2024-25 and ongoing to support 10 permanent positions for the administrative, operational, monitoring and oversight needs for the expansion of the Assisted Living Waiver program (May Revise).
- Approves an increase of \$755,000 General Fund in 2023-24, \$2,475,000 annually in 2024-25 and 2025-26, \$1,908,000 in 2026-27, and \$1,090,000 in 2027-28, and an increase of \$755,000 federal funds in 2023-24, \$2,475,000 annually in 2024-25 and



2025-26, \$1,907,000 in 2026-27, and \$1,090,000 in 2027-28 to support 11 positions to extend the Contingency Management Pilot (May Revise).

- Approves of increases of \$42.75 million in 2023-24, \$12.75 million annually in 2024-25 and 2025-26, and \$12,067,000 in 2026-27 Opioid Settlements Fund, which is \$15.25 million per year less than requested, to expand the distribution of naloxone through the Naloxone Distribution Project (NDP), and redirects the reduced funding to the Overdose Prevention and Harm Reduction Initiative within the California Department of Public Health (May Revise). Adopts provisional language that authorizes the backfilling of this \$61 million reduction in the NDP with future Opioid Settlement Fund dollars once they become available.
- Approves that item 4260-004-0942 be increased by \$650,000 and Item 4260-001-0890 be decreased by \$650,000 ongoing for a net-zero shift of expenditure reductions associated with Control Section 4.05 of the Budget Act of 2021 (May Revise).
- Approves \$20 million one-time (Mental Health Services Fund) to support behavioral health modernization efforts (May Revise), and rejects the related proposal to move the Mental Health Services Oversight and Accountability Commission to the California Health and Human Services Agency.
- Approves of \$10 million one-time (Mental Health Services Fund), in fiscal year 2023-24 for a 3<sup>rd</sup> party administrator to begin the development and implementation of the infrastructure for providers, billing, and claiming management for behavioral health services provided to students by school-linked providers as part of the Children and Youth Behavioral Health Initiative (May Revise).
- Approves an increase of \$15,209,000 one-time from the federal Community Mental Health Services Block Grant and an increase of \$5,848,000 one-time from the federal Substance Abuse Prevention and Treatment Block Grant to support mental health and substance use disorder services (May Revise).
- Adopts trailer bill that reauthorizes the renewal of the Managed Care Organization Provider Tax to support the Medi-Cal program and maintain a balanced budget (May Revise).
- Adopts trailer bill to implement rate increases and other improvements to the Medi-Cal program between 2025 and 2029, to be funded with MCO Tax revenue, that reflects the following plan:
  - Rate increases for primary care and specialty care -- \$1.65 billion annually
  - Emergency and Inpatient Services -- \$555 million annually

- Behavioral Health -- \$300 million annually
- Graduate Medical Education (University of California) -- \$75 million annually
- Medi-Cal Workforce Pool (Labor Management Committee) -- \$75 million annually
- Distressed Hospital Loan Program -- \$150 million one-time
- Small and Rural Hospital Relief for Seismic Assessment and Construction -- \$50 million one-time
- Approves of \$10 million one-time General Fund for the Department of Health Care Services Navigator program.
- Approves of \$40 million one-time General Fund for the CalAIM Providing Access and Transforming Health (PATH) program to build out Enhanced Care Management and Community Supports.
- Approves of an increase of \$4,497,000 General Fund, a decrease of \$87.5 million Mental Health Services Fund and an increase of \$104,062,000 federal funds, over five years, to reflect updated Behavioral Health CONNECT costs, formerly known as the California Behavioral Health Community-Based Continuum Demonstration (May Revise).
- Approves of replacing \$265 million General Fund with Mental Health Services Fund (MHSF) for 2023-24 and denies replacing an additional \$235 million General Fund with MHSF, proposed to be delayed one year, thereby leaving a one-year delay of this funding for the Behavioral Health Bridge Housing Program (May Revise).
- Approves \$50.5 million Mental Health Services Fund for CalHOPE (May Revise).
- Approves of \$15 million one-time (988 State Suicide and Behavioral Health Crisis Services Fund) to provide additional support to 988 Suicide and Crisis Lifeline centers and approves provisional language to provide contract exemption authority for administering or implementing federal grants that support the 988 centers (May Revise).
- Approves modified trailer bill to expand the Whole Child Model and mandate the enrollment of foster care children into managed care in single-plan counties (January Budget and May Revise).
- Adopts trailer bill to authorize Driving-Under-the-Influence Programs to offer services in virtual settings and authorize the Department of Health Care Services to issue

guidance and compliance standards for these programs in virtual settings (May Revise).

- Adopts trailer bill to shift reimbursement for specified long-term care facilities from an August to July rate year basis to a calendar rate year basis, effective January 1, 2024, to align with the managed care rate timeline as these facilities transition onto managed care (May Revise).
- Adopts trailer bill to extend the timeline of the Doula Stakeholder Workgroup to examine implementation of the doula benefit in the Medi-Cal program from April 1, 2022 through December 31, 2023, to April 1, 2023 through June 30, 2025, to align with implementation of the benefit one year later than originally anticipated (May Revise).
- Adopts trailer bill to extend the expenditure authority of the Medical Interpreter Pilot Project for a period of 12 months, from June 30, 2024, to June 30, 2025 (May Revise).
- Approves of provisional language to shift \$15 million one-time General Fund to Los Angeles County to plan and prepare to implement the Community Assistance, Recovery, and Empowerment Act, for a total of \$22.8 million between fiscal year 2022-23 and fiscal year 2023-24 (May Revise).
- Approves of extending the timeline for all programs in the Home and Community Based Services (HCBS) Spending Plan to the maximum time allowed by the federal government, with expenditures permitted through and until December 30, 2024, making corresponding changes to the provisional language (May Revise).
- Approves of \$11 million in 2023-24 and \$23 million General Fund in 2024-25 and ongoing for the Indian Health Program.
- Approves of \$6 million one-time General Fund for the distribution of fentanyl test strips through the Naloxone Distribution Program.
- Adopts trailer bill to delay the implementation of AB 1051 (Bennett, 2022), which addresses presumptive transfers of foster children between counties, from July 1, 2023 until July 1, 2024, to ensure that the counties, Department of Social Services, and Department of Health Care Services can fully implement CalAIM.
- Adopts Supplemental Report Language requesting the department to provide data on the California Community Transitions program.
- Adopts “clean-up” trailer bill language on the elimination of the Medi-Cal assets test.

- Approves approximately \$1 million General Fund and trailer bill for a temporary rate increase for Stand Alone Pediatric Subacute Facilities, to hold them harmless from increased federal funding ending with the end of the Public Health Emergency.

### **California Department of Public Health**

- Approves of increased expenditure authority of \$7.4 million in 2023-24, \$11.6 million in 2024-25, \$7 million in 2025-26, \$4.9 million in 2026-27, and \$3.9 million in 2027-28 and ongoing from the Infant Botulism Treatment and Prevention Fund to enable CDPH to meet manufacturing costs associated with the production of Lot 8 of its licensed orphan drug BabyBIG® (Human Botulism Immune Globulin), used for the treatment of infant botulism (Budget Change Proposal).
- Approves 3 positions and \$915,000 in 2023-24, and 3 positions and \$453,000 in 2024-25 and ongoing General Fund to implement AB 1797 (Akilah Weber, 2022) which increases the types of organizations and providers required to report immunizations to the CDPH registry (Budget Change Proposal).
- Approves of \$563,000 one-time General Fund in 2023-24 to implement AB 2436 (Bauer-Kahan, Cervantes, 2022) which upgrades the death certificate content in the California Integrated Vital Records System (Budget Change Proposal).
- Approves 4 positions and \$3.5 million in 2023-24, \$3.3 million in 2024-25 and 2025-26, and \$2.7 million in 2026-27 and ongoing from the Genetic Disease Testing Fund to expand newborn screening to include mucopolysaccharidosis type II and guanidinoacetate methyltransferase deficiency (Budget Change Proposal).
- Approves General Fund expenditure authority of \$260,000 in 2023-24, \$632,000 in 2024-25 and 2025-26, and \$316,000 in 2026-27 to establish and administer a three-year Childhood Drowning Data Collection Pilot Program per SB 855 (Newman, 2022) (Budget Change Proposal).
- Approves of proposed COVID-19 response expenditures for 2022-23, reflecting a \$614 million decrease in 2022-23 from the 2022 Budget Act appropriation of \$1,782,036,000.
- Approves of proposed COVID-19 response expenditures for 2023-24 of \$51.3 million, (Budget Change Proposal and May Revise update).
- Approves of \$900,000 General Fund in 2023-24, 2024-25, and 2025-26 to support security and translation services to optimize maintenance of the COVID-19 website (Budget Change Proposal).

- Approves of \$74.4 million General Fund one-time in 2023-24 for maintenance and operations of infectious diseases data systems related to the implementation of the SMARTER Plan (Budget Change Proposal).
- Approves of 1 position and \$615,000 in General Fund authority in 2023-24 and 2024-25, an additional 31 positions and \$5.5 million in expenditure authority from the Lead-Related Construction Fund in 2025-26, and \$5.2 million in 2026-27 and ongoing to implement SB 1076 (Archuleta, 2022) which establishes the Lead Renovation, Repair, and Painting Program (Budget Change Proposal), consistent with the May Revise updates.
- Approves of \$425,000 General Fund one-time in 2023-24 to implement AB 1704 (Chen, 2022) which establishes a new limited podiatric radiography permit (Budget Change Proposal).
- Approves 1 position and \$193,000 in 2023-24, \$290,000 in 2024-25 and 2025-26, \$380,000 in 2026-27, and \$193,000 in 2027-28 and ongoing General Fund to implement AB 2298 (Mayes, 2022), which requires CDPH to adopt regulations on the sanitation and safety of wave basins (Budget Change Proposal).
- Approves 1 position and \$357,000 in 2023-24, \$403,000 in 2024-25, \$335,000 in 2025-26 and \$193,000 in 2026-27 and ongoing General Fund to implement AB 351 (Christina Garcia, Robert Rivas, 2022), which requires CDPH to adopt rules and regulations prescribing the standards for human reduction chambers (Budget Change Proposal).
- Approves 9 positions and \$1.4 million General Fund ongoing to provide oversight and enforcement of AB 1632 (Akilah Weber, 2022) which guarantees access to restrooms for people with specified medical conditions (Budget Change Proposal).
- Approves 1 position and \$210,000 in 2023-24 and \$176,000 in 2024-25 and ongoing from the Clinical Laboratory Improvement Fund to implement SB 1267 (Pan, 2022) which creates a new licensure for Clinical Laboratory Geneticists and Clinical Reproductive Biologists (Budget Change Proposal).
- Approves of the AIDS Drug Assistance Program (ADAP) Estimate included in the May Revise, modified to reflect all actions in the final Budget Act.
- Approves of the Genetic Disease Screening Program Estimate included in the May Revise, modified to reflect all actions in the final Budget Act.
- Approves of the Women, Infants, and Children (WIC) Program Estimate included in the May Revise, modified to reflect all actions in the final Budget Act.



- Approves \$7.5 million in 2023-24, \$3.5 million in 2024-25, and \$1.5 million in 2025-26 and 2026-27 from the Opioid Settlements Fund, with provisional language extending encumbrance or expenditure authority through June 30, 2027, to support six one-time competitive grants to reduce fentanyl overdoses and use per the requirements of AB 2365 (Patterson, 2022), and two one-time competitive grants to support innovative approaches to make fentanyl test strips and naloxone more widely available (Budget Change Proposal).
- Adopts trailer bill to amend AB 2365 (Patterson, 2022) to make changes to the reporting requirements and timeline of a grant program to reduce fentanyl overdoses and use, and to specify CDPH as the entity responsible for implementing the grant program and required report.
- Approves the transfer of \$182,000 General Fund and 1.0 permanent AGPA position to CDPH from the Health and Human Services Agency to perform a retrospective analysis of the intersection of the COVID-19 pandemic and health disparities and equity, per the Equity Centered Programs Budget Change Proposal. Also approves of provisional language to require CDPH to provide possible strategies for pandemic readiness to the Legislature based on this analysis.
- Approves \$321,000 in 2023-24, 2024-25, and 2025-26 from the Licensing and Certification Program Fund to implement SB 107 (Wiener, 2022), which expands the Confidentiality of Medical Information Act by adding additional protections for a child receiving gender-affirming health care (Budget Change Proposal).
- Approves 2 positions and \$9.7 million in 2023-24, 2024-25, and 2025-26 and \$6.1 million in 2026-27 and ongoing from the Childhood Lead Poisoning Prevention Fund to provide services to children with blood lead levels that meet or exceed the Centers for Disease Control's updated Blood Lead Reference Value and to support new lead poisoning prevention activities (Spring Finance Letter Issue #315).
- Approves 2 positions and \$369,000 General Fund in 2023-24 and ongoing to implement AB 2238 (Luz Rivas, Eduardo Garcia, Cristina Garcia, 2022) to support the creation of a statewide extreme heat ranking system and development of a public communication plan for the extreme heat ranking system (Budget Change Proposal).
- Approves of the proposed reversion of \$25 million for public health regional climate planning, subject to potentially being restored via a trigger in January of 2024.
- Approves \$5 million in 2023-24, \$5 million in 2024-25, and \$3 million in 2025-26 from the Federal Health Facilities Citation Penalties Account to support projects benefitting nursing home residents, and also provisional language allowing for encumbrance or expenditure through June 30, 2027 (Budget Change Proposal).

- Adopts trailer bill to remove the cap on penalty fund revenue in the Federal Health Facilities Citation Penalties account that may be used to improve the quality of care and life for long-term care facility residents.
- Approves \$286,000 in 2023-24, 2024-25, and 2025-26 from the Licensing and Certification Program Fund to implement AB 1502 (Muratsuchi, 2022) which revises the license application, review, and approval process for skilled nursing facilities, specifically the applications for change of ownership and change of management (Budget Change Proposal).
- Approves a net-zero shift of \$939,000 in expenditure authority and 6 positions from the Licensing and Certification Program Fund to General Fund reimbursement authority (from the Department of Health Care Services) in 2023-24 and ongoing to align budget authority with the correct funding source (Spring Finance Letter Issue #318).
- Approves \$4 million General Fund in 2023-24 and ongoing to support the ongoing workload of the Staffing Audits Section for minimum staffing requirement audits of skilled nursing facilities (Spring Finance Letter Issue #319).
- Approves provisional language that authorizes the Department of Finance to augment expenditure authority to support quality improvement activities, upon review of a request from CDPH, from the Internal Departmental Quality Improvement Account, which collects revenue from penalties assessed on facilities (Spring Finance Letter).
- Approves 3.0 positions in 2023-24 and ongoing, and \$926,000 in 2023-24, \$759,000 in 2024-25, \$698,000 in 2025-26, and \$615,000 in 2026-27 and ongoing from the Licensing and Certification Program Fund to implement AB 2673 (Irwin, 2022), which extends the general moratorium on hospice licensure and increases CDPH's regulatory oversight over hospice services (Budget Change Proposal).
- Approves a reappropriation of \$1.2 million General Fund included in the 2022 Budget Act, and associated provisional language, to implement the regulation of Industrial Hemp (IH) products mandated in AB 45 (Aguiar-Curry, 2021) (Spring Finance Letter Issue #313).
- Adopts trailer bill to: 1) revise the denial, suspension, and revocation procedures associated with certain licenses and certifications authorized by CDPH's Radiologic Health Branch so that they are in alignment with the criteria used by the California Podiatric Medicine Board, Pharmacy Board, Physical Therapy Board, and CDPH's Clinical Laboratory Technologist and Nursing Assistant certification programs; and 2) expand the civil penalty authority included in the Radiologic Technology Act to cover

all statutory and regulatory violations related to medical radioactive material and X-ray machine use (Spring Finance Letter).

- Approves the Center for Health Care Quality (Licensing and Certification) May Revise Estimate, reflecting all changes included in the final 2023 Budget Act.
- Approves amendments to provisional language to augment the Information Technology, Data Science, and Informatics Framework for a 21st Century Public Health System by up to \$15,882,000 one-time, upon approval of enterprise planning and strategy documents (May Revise).
- Approves a \$50 million one-time General Fund reduction for 2023-24 and amendments to provisional language to reduce the amount provided for COVID-19 response (May Revise).
- Approves a General Fund increase of \$19,872,000 in 2023-24 and 2024-25, \$3.2 million in 2025-26, and \$928,000 in 2023-24 and 2024-25, and provisional language to restore limited-term investments for public health workforce training and development programs (May Revise).
- Approves General Fund increases of \$546,000 and 2 positions in 2023-24, \$6,000 in 2024-25, and \$621,000 and 1 position in 2025-26 and 2026-27, and a decreases of \$5,511,000 and 32 positions in 2025-26, \$5,188,000 in 2026-27, and \$41,000 and 1 position in 2027-28 and ongoing for the Lead Renovation, Repair, and Painting Program created by SB 1076 (Archuleta, Chapter 507, Statutes of 2022) (May Revise).
- Denies trailer bill language to make adjustments to the Lead Renovation, Repair, and Painting Program (SB 1076) and directs the administration to work with the SB 1076 author on the language (May Revise).
- Approves a \$27,000 one-time decrease in the Breast Cancer Research, Breast Cancer Fund (May Revise).
- Approves May Revision adjustments to Proposition 99 expenditures, including:
  - Item 4265-001-0231 be increased by \$3,407,000 one-time.
  - Item 4265-001-0234 be decreased by \$18,000 one-time.
  - Item 4265-001-0236 be decreased by \$57,000 one-time.
  - Item 4265-111-0231 be increased by \$1,899,000 one-time.

- Approves \$68,000 ongoing special funds to support increased program expenditures in the Vector-Borne Disease Section (May Revise).
- Approves a decrease of \$135,000 ongoing for state operations and an increase of \$135,000 ongoing for local assistance to increase support for community-based organizations performing domestic violence prevention activities (May Revise).
- Approves amendments to provisional language to specify the amounts associated with the reversion of Climate and Health Resilience Planning Grants (May Revise).
- Approves of \$61 million (\$15.25 million per year for 4 years) Opioid Settlements Fund and provisional language for operational expenses of harm reduction organizations through the Overdose Prevention and Harm Reduction Initiative.
- Approves of \$10 million one-time General Fund for Hepatitis C Virus Equity – Access to the Cure.
- Adopts placeholder trailer bill to establish the Health Equity and Racial Justice Fund, to collect funds to support community based organizations and initiatives that promote health equity and racial justice.

### **Department of State Hospitals**

- Approves \$1,038,000 General Fund for the working drawings phase to provide upgrades to the sewer collection system, installation of a screening system, and connection to the City of Atascadero's wastewater treatment system at Atascadero State Hospital (Budget Change Proposal).
- Approves \$1.9 million in General Fund in 2023-24 and ongoing to address ongoing increased costs due to the Department of General Services Statewide Surcharge to cover the costs of central services (Budget Change Proposal).
- Approves \$21.5 million General Fund and 40.2 positions in 2023-24, and \$22.3 million General Fund and 58.0 positions ongoing to complete remaining planning activities, complete the System Integrator procurement and initiate the activities needed for the transition into implementation of the Continuum Electronic Health Record System (Budget Change Proposal).
- Approves \$847,000 General Fund to support 5.5 positions, ongoing, that were included in the 2021 Budget Act with limited-term funding which expires in June 2023, to address the sustained increase in workload of court hearings at which DSH attorneys are required to appear and the sustained increase in workload of Public Records Act (PRA) requests to which DSH must respond (Budget Change Proposal).

- Approves \$1,863,000 General Fund for the working drawings phase of the Metropolitan State Hospital Central Utility Plant replacement (Budget Change Proposal).
- Approves \$536,000 General Fund for the working drawings phase of the Metropolitan State Hospital Fire Water Line Connection project to provide the capacity of water required for the fire sprinkler system to comply with current fire code requirements related to fire flow (Budget Change Proposal).
- Approves 7.0 positions in 2023-24 and ongoing and \$6.5 million in 2023-24, \$7.1 million in 2024-25, \$7.3 million in 2025-26, \$7.7 million in 2026-27 and \$8.3 million in 2027-28 and ongoing General Fund for the development and implementation of pipeline, recruitment, and retention initiatives to sustain and grow DSH's psychiatric workforce (Budget Change Proposal).
- Approves \$598,000 to support 2.0 permanent, full-time positions and contracted resources in 2023-24, and ongoing, to implement SB 1034 (Atkins, 2022), which requires: 1) DSH to convene, for each sexually violent predator patient approved for conditional release, a committee of specified county representatives to obtain relevant assistance and consultation regarding securing suitable housing; and 2) the committed person's county of domicile to petition the court only after specific tasks are completed and specified criteria has been met (Budget Change Proposal).
- Approves \$2.1 million General Fund and 15.0 positions in 2023-24 and ongoing to establish permanent resources for managing teleservices for patient visitation and court hearings (Budget Change Proposal).
- Adopts placeholder trailer bill to provide DSH access to necessary Criminal Offender Record Information (CORI) data to conduct research and evaluation to evaluate programs, policies, and services for individuals found IST on felony charges and other individuals committed to DSH with serious mental illnesses and engaged in the criminal justice system.
- Approves \$615,000 General Fund in 2023-24 to support 5.0 positions, included in the 2021 Budget Act, with limited-term funding which expires in June 2023, to continue processing invoices and payments from external medical providers containing Protected Health Information in compliance with the Health Insurance Portability and Accountability Act (HIPAA) (Spring Finance Letter Issue #60).
- Approves \$100,000 Federal Fund authority in 2023-24 and ongoing to support special education and vocational education programs at DSH that had previously been collected as reimbursement from the Department of Development Services (Spring Finance Letter Issue #62).

- Approves of a reappropriation of \$26,176,000 General Fund for the construction phase of the Coalinga State Hospital Hydronic Loop Replacement project (Spring Finance Letter Capital Outlay).
- Approves a decrease of \$3,193,000 in 2023-24 one-time to reflect Enhanced Treatment Program staffing delay to reflect unit activation delay due to delayed construction schedule (May Revise).
- Approves of decreasing reimbursements by \$27,419,000 ongoing to align county bed billing reimbursement authority with the current Lanterman-Petris-Short caseload (May Revise).
- Approves an increase of \$6,072,000 in 2023-24 ongoing and an increase of \$2,462,000 in 2022-23 to support the patient driven operating expenses and equipment, reflecting increased patient census projections (May Revise).
- Approves a decrease of \$9,216,000 in 2023-24 one-time and a decrease of \$19,724,000 in 2022-23 to reflect adjustments in COVID-19 infection control measures and practices (May Revise).
- Approves adding Item 4440-490 to reappropriate up to \$107,020,000 from the 2022 Budget Act to reflect updated implementation timelines across Incompetent to Stand Trial (IST) related programming, including Community Inpatient Facilities, Community Based Restoration, Diversion, Early Access and Stabilization Services, and Jail Based Competency Treatment. Extends the availability of these funds from June 30, 2023 to June 30, 2025. Approves five ongoing positions to support increased IST referrals. Approves the shift of \$129,473,000 from 2022-23 to 2025-26 to align the funding across fiscal years to better reflect anticipated expenditures based on program implementation plans. Approves \$1,543,000 be shifted to program 4400-Administration from 4430-Contracted Patient Services (May Revise).
- Approves of Item 4440-490 being added to reappropriate up to \$24 million from the 2018 Budget Act to allow counties time to expend the remaining balances of their pilot diversion program funding and meet their contracted number of individuals to be diverted under their contracts (May Revise).
- Approves of Item 4440-492 being added to reappropriate up to \$60,000 General Fund from the 2021 Budget Act and up to \$60,000 General Fund from the 2022 Budget Act to support the completion of the Napa Memorial Project. Extends the availability of these funds from June 30, 2022 and June 30, 2023 to June 30, 2024 (May Revise).

- Adopts placeholder trailer bill to reinstate provisions of SB 1223 which was in conflict with the 2022 budget health trailer bill and was signed by the Governor first (May Revise).
- Approves a one-time decrease of \$1,028,000 in 2022-23 for the Mission Based Review – Direct Care Nursing due to delays in hiring (May Revise).
- Approves a one-time decrease of \$4,766,000 in 2022-23 for the Mission Based Review – Protective Services due to delays in hiring (May Revise).
- Approves a one-time decrease of \$3,971,000 in 2022-23 for the Mission Based Review – Treatment Team and Primary Care due to delays in hiring (May Revise).
- Approves a one-time decrease of \$3,857,000 in 2022-23 for the Metropolitan Increase Secure Bed Capacity due to a miscalculation of projections at Governor’s Budget (May Revise).
- Approves a one-time decrease of \$2,946,000 in 2022-23 for the DSH Coalinga – Intermediate Care Facility Conversion for personnel services savings due to a two-month delay from fire suppression system repairs and subsequent regulatory approval (May Revise).
- Approves a one-time decrease of \$13,525,000 in 2022-23 for the CONREP-Non-SVP due to program activation adjustments (May Revise).
- Approves a decrease of \$8 million in 2022-23 to reflect unspent workers’ compensation funding previously authorized for COVID-19 related claims (May Revise).
- Approves provisional language that expresses legislative intent to prioritize the hiring or state civil service psychiatry staff over external contracted staff, and adopts Supplemental Report Language to require the department to provide data on the costs of contracted staff, vacancy rates, and other related data.

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

- Approves 2.0 permanent positions and \$435,000 Mental Health Services Fund in 2023-24 and ongoing, to create an Information Technology (IT) and Security unit to address increased IT and security workload (Budget Change Proposal).
- Approves of a reappropriation of up to \$2 million from the Mental Health Services Fund, originally appropriated in the 2019 Budget Act, for the Allcove Youth Drop-In Centers Program (Spring Finance Letter).

- Approves of a reappropriation of \$1,675,000 from the Mental Health Services Fund, originally appropriated through the 2019 Budget Act, for the Early Psychosis Intervention Plus Program (Spring Finance Letter).
- Approves of a reappropriation of \$16,499,000 from the Mental Health Services Fund, originally appropriated through the 2017, 2019 and 2020 Budget Acts, for the Mental Health Wellness Program, formerly known as the Triage Grant Program, to support hospital emergency psychiatric assessment, treatment and healing units (Spring Finance Letter).
- Approves of \$15 million in reimbursement authority from funding appropriated in the 2022 Budget Act to the Department of Health Care Services (DHCS) for the Children and Youth Behavioral Health Initiative's Evidence-Based Practices grant program, associated with an Inter-Agency Agreement between DHCS and the Commission.

### **Covered California (Health Benefit Exchange)**

- Adopts trailer bill and budget bill that:
  - Approves the 2022 reversion of \$304 million (2022 Budget Act) from the Health Care Affordability Reserve Fund (HCARF) leaving \$333.4 million in the reserve.
  - Shifts penalty collections revenue in 2023-24 and ongoing from the General Fund to the HCARF (\$361 million in 2023-24 and increasing based on forecasted penalty revenue).
  - Approves a \$600 million loan from the HCARF to the General Fund, to be repaid in 2025-26, leaving \$10 million in the Fund.
  - Approves \$82.5 million (HCARF) in 2023-24 and \$165 million (HCARF) annually thereafter for cost sharing.
- Approves \$350,000 General Fund in 2023-24 and ongoing to support the One-Dollar Premium Subsidy Program given an estimated 29,000 additional enrollees (Spring Finance Letter Issue #20).
- Approves up to \$2 million in Health Care Affordability Reserve Fund to provide health insurance coverage for striking workers.



## HUMAN SERVICES

### Department of Social Services

#### Food and Hunger

- Approves the California Food Assistance Program (CFAP) Expansion: Automation, Outreach, and Revised Timeline May Revision Request and continuation of work towards implementing the CFAP expansion for income-eligible individuals aged 55 years or older, regardless of their immigration status (this initiative is also called “Food For All”). The Governor’s Budget had previously indicated that the program may begin food benefits issuance in January 2027, instead of the planned January 2025 date. Automation is now anticipated to begin in July 2023 and food benefits issuance is now anticipated to begin in October 2025. The May Revision includes \$40 million General Fund for automation and outreach efforts.
- Approves the California Food Assistance Program (CFAP) Expansion Governor's January Budget Change Proposal, with \$3.3 million General Fund on-going and 18 permanent positions.
- Approves the Federal Reimbursement of Food Benefit Theft May Revision Request of \$42.9 million in federal financial participation for associated administration and automation activities related to the federal reimbursement of food benefit theft. The federal Consolidated Appropriation Act of 2023 mandated the federal reimbursement of Supplemental Nutrition Assistance Program food benefit theft.
- Approves the County CalFresh Administration Rebase May Revision request of \$406.5 million (\$159.5 million General Fund) to reflect a revised budgeting methodology for county CalFresh administration activities, pursuant to Chapter 537, Statutes of 2022 (AB 207). This methodology and appropriation update was highly anticipated for this May Revision to assure the needed level of funding to administer critical food benefits to low-income Californians.
- Approves the May Revision request of \$47 million (\$23.5 million General Fund) for Summer Electronic Benefit Transfer (EBT) Program outreach and automation costs to phase in this program for children who qualify for free or reduced-price school meals beginning summer 2024 and continuing in summer 2025. Additionally approves Trailer Bill Language requiring the California Department of Social Services (CDSS) to work in partnership with the State Department of Education (CDE) and share data to maximize participation in the Summer EBT benefit program.
- Approves \$9.9 million General Fund (\$500,000 for state operations costs and \$9.4 million for local assistance) one-time, with corresponding Trailer Bill Language, for the

CalFresh Fruit and Vegetable Pilot, extending the sunset and making other statutory modifications that align to this investment.

- Approves the CalFresh Military Housing Allowance Disregard (Senate Bill [SB] 950) January Proposal.
- Approves the CalFresh Employment & Training (CalFresh E&T) Increased Engagement and Technical Performance Governor's Budget Change Proposal.
- Approves the CalFresh Federally Mandated Workloads Governor's Budget Change Proposal.
- Approves the CalFresh for College Students Act (SB 641) Governor's Budget Change Proposal, with Budget Bill Language requiring the workgroup established under subdivision (a) of Section 18901.14 of the Welfare and Institutions Code to identify possible data-sharing options for the purpose of identifying potentially CalFresh-eligible students and increasing enrollment of eligible students into CalFresh.
- Approves the CalFresh Oral Notice of Work Rules May Revision Request , with Supplemental Report Language requiring meetings between Legislative staff, client representatives, counties, anti-poverty/anti-hunger stakeholders, and the Administration to review implementation details toward understanding how the state is ensuring that the rules are being read only to the subset of CalFresh recipients to whom the federal rule applies, to avoid a chilling effect, and that this implementation is conducted in a trauma-informed manner, and is not biased, offensive, or berating to the recipient population impacted.
- Approves the Work Number Contract May Revision Request.
- Approves \$3 million General Fund for automation and other implementation costs necessary to implement the California Antihunger Response Program to provide food assistance to individuals who had their CalFresh benefits discontinued as the result of federal time limits.
- Approves \$915,000 General Fund for automation and other implementation costs necessary to initiate the CalFresh Minimum Nutrition Benefit Pilot Program to provide eligible households with a minimum monthly CalFresh benefit of \$50, and adopts Trailer Bill Language to achieve this.
- Approves \$3 million to General Fund continue the CalFresh Safe Drinking Water Pilot Program, and adopts Trailer Bill Language to achieve this.

**CalWORKs**

- Approves the May Revision request, revised from the Governor's Budget, of a projected 3.6 percent increase to CalWORKs Maximum Aid Payment (MAP) levels, effective October 1, 2023, with an estimated cost of \$111.2 million in 2023-24. These increased costs are funded entirely by the Child Poverty and Family Supplemental Support Subaccount of the 1991 Local Revenue Fund. MAP levels today remain for most families under 50 percent of the Federal Poverty Level, known as "deep poverty" when accounting for actual family size.
- Approves the CalWORKs AB 85 Maximum Aid Payment Increase May Revision Request as described above, with Trailer Bill Language removing parts of WIC 11450.027 that make the ten percent grant increase that took effect on October 1, 2022 short-term and subject to a cut on September 30, 2024. This change assures the \$500 million General Fund in continued CalWORKs grants support that would have otherwise been in jeopardy under current law. Additionally requires the display on grants against federal poverty levels to account for households where the Assistance Unit does not account for all the people in the family, which applies to 60 percent of CalWORKs households.
- Approves a reversion of \$288 million General Fund from the 2021-22 CalWORKs Single Allocation, which is \$8 million more than the Governor's May Revision reversion proposal.
- Approves the CalWORKs Federal Compliance and New Policy Support for Domestic Abuse Survivors Governor's Budget Change Proposal.
- Approves the CalWORKs: Pregnancy and Homeless Assistance (SB 1083) Governor's Budget Change Proposal.
- Rejects the CalWORKs Unrelated Adult Disclosure Requirements Governor's Budget Trailer Bill Language.
- Adopts the Home Visiting Program (HVP) Pregnancy Eligibility Alignment Governor's Budget Trailer Bill Language.
- Adopts the Reminder Notice for CalWORKs Redetermination Governor's Budget Trailer Bill Language.
- Adopts a modified version of the Guaranteed Income Pilot Program May Revision Governor's Trailer Bill Language requiring that the pilot's evaluation also include, to the extent feasible within existing resources and evaluation design, the applicability of the lessons learned from the pilot program for the state's CalWORKs program, with

the objective of reaching the goals of improved outcomes for families and children living in poverty.

- Adopts Supplemental Report Language requesting a comprehensive estimate on the cost to change the name of the CalWORKs program to CalFamilies, to be submitted to the Legislature as soon as is practicable, at a date to be agreed upon in the final language.
- Adopts Supplemental Report Language requesting sharing of information about the needs and barriers of CalWORKs recipients and program statistics, including reporting on the take-up rate vis a vis county poverty levels and child poverty levels, percentage of caseload without a high school diploma or GED, and estimated need for versus use of mental health services, substance abuse services, and domestic violence services. This language is adopted with the understanding that it will conform to what information CDSS can provide within existing resources.
- Approves the Victims of Abuse Waiver (AB 2277) January Proposal.
- Approves the CalWORKs Family Reunification Automation and County Administration Funding May Revision Request.

### **Housing and Homelessness**

- Approves the Housing and Homelessness Expanded Programs and Permanent Position Funding Governor's Budget Change Proposal.
- Adopts the Home Safe Program Technical Changes Governor's Budget Trailer Bill Language.
- Adopts the Housing and Disability Advocacy Program (HDAP) Technical Changes Governor's Budget Trailer Bill Language.
- Adopts a modified version of the Housing Investment Power and Duties Technical Changes Governor's Budget Trailer Bill Language, with more specific and comprehensive implementation reporting, including trend data, and provides a second allocation of \$10.5 million General Fund from the 2022 Budget Act funds for this same purpose to support Technical Assistance service contracts. A Governor's Trailer Bill proposal to also provide a second allocation of \$10.5 million General Fund for research and evaluation is deferred until the end of the legislative session to allow additional time to understand and consider the proposal.
- Adopts the Bringing Families Home Program Technical Changes Governor's Budget Trailer Bill Language.

**Anti-Hate, Humanitarian Services, and Equity**

- Approves the May Revision request of an additional \$10 million General Fund, for a new total of \$50 million to support services for victims and survivors of hate crimes and their families and facilitate hate crime prevention measures in consultation with the Commission on Asian and Pacific Islander American Affairs. Further augments this funding with \$30 million one-time General Fund, for a new total of \$80 million General Fund. Adopts corresponding Budget Bill Language to expand the purposes of the funds to statewide coalition building and for payment of a language differential for direct service professionals whose primary job responsibilities include communicating in a language or medium other than English.
- Approves the Rapid Response Program Augmentation May Revision Request for one-time \$150 million General Fund in 2023-24, with added Budget Bill Language, based on language adopted with prior appropriations for these purposes, requiring the department to provide quarterly written updates to the Legislature on expenditures made to support these services and supports, including partnerships with local providers, the remaining available funding, and the plan to expend the remaining funds. The humanitarian mission will continue to fund respite sheltering for migrants and support their safe passage through border regions.
- Approves \$5 million General Fund on a one-time basis for a three-year period, with expenditure authority through June 30, 2026, for the Opportunities for Youth program, serving Undocumented, Unaccompanied Minors (UUM). Of the total \$5 million General Fund, \$1.9 million is required for state operations to support various aspects of the program.
- Approves the Equity Programs Workload Rightsizing Governor's Budget Change Proposal.
- Adopts the Grant Option for Deaf Access Program Governor's Budget Trailer Bill Language.
- Adopts the Extension of Flexibility in Allocation and Award of Federal Refugee Resettlement Funds Governor's Budget Trailer Bill Language.
- Adopts the Immigration Legal Services Clean Up Governor's Budget Trailer Bill Language.

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

- Approves the May Revision request of \$146 million General Fund in 2023-24 and \$292 million ongoing for an additional, planned State Supplementary Program (SSP) increase of approximately 8.6 percent, effective January 1, 2024. Adopts the May Revision Governor's Trailer Bill Language.
- Adopts Trailer Bill Language to require a report by CDSS by February 1, 2024 that describes the process that would need to occur in order to switch the method the state uses to meet the federal maintenance of supplementary payment levels requirement for the State Supplementary Program for the Aged, Blind and Disabled from the current supplementary payment level method to the total expenditures method.

**In-Home Supportive Services (IHSS)**

- Approves the May Revision request of \$60.7 million (\$27.9 million General Fund) ongoing to increase access to authorized services and better serve the IHSS program's minor recipients and their families. Approves Trailer Bill Language for this proposal.
- Further modifies the Home and Community-Based Services (HCBS) Spending Plan timeline in the May Revision for programs administered by the Department of Social Services, such as the IHSS Career Pathways Program, extending the timeline for all programs in the HCBS Spending Plan to the maximum time allowed by the federal government, with expenditures permitted through and until December 31, 2024, making corresponding changes to the Budget Bill Language in Control Section 11.95.
- Approves the IHSS Phase-In of Undocumented Immigrants Age 50 Years and Above January Proposal.
- Approves the IHSS Permanent Backup Provider System Update January Proposal.
- Adopts the Adults: In-Home Supportive Services Wage Supplement Governor's Budget Trailer Bill Language.
- Approves \$1.5 million General Fund one-time, with corresponding Budget Bill Language, requiring the CDSS to analyze the costs and benefits of approaches that transition collective bargaining with In-Home Supportive Services providers from the current model to a statewide and/or regional model and to provide the analysis no later than January 1, 2025 to the committees on the state budget of the Assembly and Senate.

- Approves Trailer Bill Language permitting the potential penalty for a county that fails to reach a collective bargaining agreement for its IHSS program, and after a process specified in statute, to be increased from seven to ten percent.
- Adopts Supplemental Report Language on monitoring outcomes of Medi-Cal Redeterminations for IHSS consumers and providing this to the Legislature on a quarterly basis, beginning on a date to be specified in the language. The Legislature's intent is to maximize retention of full scope Medi-Cal for IHSS consumers subject to the resumption of Medi-Cal redeterminations.

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

- Approves \$1 million in 2023-24, \$200,000 in 2024-25, and \$18.8 million in 2025-26 and on-going, all General Fund, with corresponding Trailer Bill Language, to provide a housing supplement for foster youth in Supervised Independent Living Placements (SILPs).
- Approves the May Revision request of an additional \$163.7 million (\$83.4 million General Fund) for the Child Welfare Services-California Automated Response and Engagement System (CWS-CARES) Project, in alignment with Special Project Report 6, to support ongoing project development costs, and authority to access an additional \$36.6 million (\$18.3 million General Fund) should project activities accelerate. The CWS-CARES will replace the existing case management system to benefit state, local and tribal child welfare agencies and will align with state and federal requirements. Approves Budget Bill Language and Trailer Bill Language to facilitate oversight and accountability regarding CWS-CARES development. See more on this item under the "California Health and Human Services Agency" section.
- Approves the Adoption Facilitator Program Unit Governor's Budget Change Proposal, conforming a modified, related Trailer Bill Language proposal. The modified Trailer Bill Language prohibits adoption facilitators and creates an enforcement mechanism. Additionally approves provisional language on this issue requested at the May Revision.
- Approves the Foster Youth Bill of Rights Translation (AB 1735) Governor's Budget Change Proposal.
- Approves the Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) Implementation Date Change for Child and Family Teams Meetings for Child Maintenance Cases May Revision Request. The Legislature has expressed its desire to see trailer bill language associated with this proposal adopted prior to the implementation of this policy.

- Approves the Adoption and Foster Care Analysis and Reporting System (AFCARS) Compliance Penalties May Revision Request.
- Adopts the Children's: Children's Crisis Continuum Pilot Program Governor's Budget Trailer Bill Language.
- Adopts the Tribal Dependency Representation Program Revised Methodology May Revision Governor's Trailer Bill Language, and additionally adopts Trailer Bill Language to modify statute related to Tribally Approved Homes to enable more tribes to access funding in the current year.
- Adopts the Kin-GAP Program Alignment and Technical Clarifications May Revision Governor's Trailer Bill Language.
- Approves \$8 million General Fund one-time, with corresponding Budget Bill Language, for the Foster Family Agency (FFA) Bridge Funding.
- Adopts Supplemental Report Language regarding stakeholder and Legislative consultation on the timeline for implementation of the pending Level of Care permanent rate structure.

### **Community Care Licensing**

- Approves the Home Care Fund Stabilization Governor's Budget Change Proposal.
- Approves the Medical Foster Homes (AB 2119) Governor's Budget Change Proposal.
- Approves the Preventing Transfer Trauma During Facility Closure Governor's Budget Change Proposal.
- Approves the Reinforce the Caregiver Background Check System and Background Check Resources Governor's Budget Change Proposal, with \$900,000 General Fund, over a limited-year time span, and Budget Bill Language requiring quarterly updates to Legislative staff, including the Legislative Analyst's Office, on the status of the backlog, beginning August 1, 2023. Additionally approves \$4 million General Fund over four years for increased staff to reduce the background check backlog.
- Adopts a modified version of the Home Care Fund Stabilization Governor's Budget Trailer Bill Language, specifying reporting requirements to monitor the progress of the Home Care Program.
- Adopts the Community Care Licensing: Administrator Certification Section Training Updates May Revision Governor's Trailer Bill Language.



**Automation and Technology**

- Approves the CalSAWS Workload Resources Governor's Budget Change Proposal, with Supplemental Report Language regarding improved stakeholder engagement related to the California Statewide Automated Welfare System (CalSAWS) public-facing technology.
- Approves the CalSAWS Migration and Ongoing Support April 1 Budget Change Proposal.
- Approves the Statewide Verification Hub Staff and Technical Resources April 1 Budget Change Proposal.
- Approves the Governor's Budget proposals for \$50 million (\$17.1 million General Fund) in 2023-24, \$23 million (\$7.9 million General Fund) in 2024-25, and \$3.5 million (\$1.2 million General Fund) in 2025-26 for fraud mitigation and upgrades to enhanced security features for Electronic Benefit Transfer (EBT) to safeguard CalWORKs and CalFresh clients' access to benefits. To protect clients and prevent theft of EBT benefits, CDSS will pursue security upgrades and EBT card technology enhancements. California would be the first state in the nation to use these.
- Approves the May Revision request of \$25 million General Fund, available over two fiscal years, to develop a bi-directional interface between the California Statewide Automated Welfare System (CalSAWS) Interface and CWS-CARES that allows for data exchange necessary to make Title IV-E eligibility determinations.
- Approves the BenefitsCal Enhancements May Revision Request.

**Additional for CDSS**

- Approves the Contract Funds for Physical Accessibility Review of County Welfare Department (CWD) Offices January Proposal.
- Approves the Facility Management System (FMS) Project Planning Resources April 1 Budget Change Proposal.
- Approves the Promise Neighborhood State Operations Funding Shift April 1 Budget Change Proposal.
- Approves the May Revision Caseload Adjustments May Revision Request.
- Approves the 2023 Winter Storms May Revision Request.

- Approves the Safely Surrendered Baby and Special Olympics Funds Abolishment May Revision Request.
- Approves various reappropriations of 2021 and 2022 funds as proposed in the May Revision for the Department of Social Services programs, with an informal agreement with the department to receive updates on the status of expenditures and implementation for these programs with the January 10, 2024 Governor's Budget.
- Rejects the Safety Net Reserve Withdrawal May Revision Governor's Trailer Bill Language.

### **Department of Child Support Services**

- Approves the May Revision request for an implementation date of April 2024 for the Child Support Pass-Through to Formerly Assisted Families, with an informal agreement between the Legislature and the department to receive updates toward the April 2024 implementation date. Pursuant to existing law, implementation of this change is contingent upon completing necessary automation changes in the Child Support Enforcement System. The Department of Child Support Services states that the additional time is necessary due to a greater degree of system change complexity than previously anticipated. The revised implementation date results in approximately \$70 million of General Fund revenue in the May Revision.
- Approves the Cyber Security Governor's Budget Change Proposal.
- Approves the Local Child Support Agencies Administration Augmentation January Proposal.

### **Department of Developmental Services**

- Approves the Governor's Budget request of \$28.7 million (\$22.1 million General Fund) to expand safety net services to further support individuals with complex needs. Additional detail on related actions are below.
- Approves the STAR Home Staffing Adjustments and Intermediate Care Facility (ICF) Licensure Governor's Budget Proposal. Trailer bill language on this issue has been deferred until the end of the legislative session to allow additional time to understand and consider the proposal.
- Approves the Complex Needs Residential Program Governor's Budget Proposal. Trailer bill language on this issue has been deferred until the end of the legislative session to allow additional time to understand and consider the proposal.

- Approves \$102.1 million (\$68.5 million General Fund) to reduce the caseload ratios for children ages 0-5, which was a Governor's Budget Proposal.
- Approves the Rate Model Adjustment for Mileage Rate Governor's Budget Proposal.
- Approves the Trauma-Informed Care for Dually Served Youth in Foster Care Governor's Budget Proposal, with \$1.6 million (\$1.1 million General Fund) funding 15 additional regional center specialists.
- Approves the Fairview Warm Shutdown Governor's Budget Proposal.
- Approves the Delay of Preschool Inclusion Grants Governor's Budget Proposal. Approves the Governor's Budget request of a delay for two years, from 2022-23 to 2024-25, for the implementation of an annual \$10 million General Fund grant program to support preschool inclusion efforts such as facility modifications or staff training. The Budget maintains the grant program on an ongoing basis beginning in 2024-25.
- Approves the Autism Services Branch Budget Change Proposal, with \$1 million (\$826,000 General Fund) and Budget Bill Language that outlines reporting on outcomes and trend analysis to the Legislature on a regular, periodic basis.
- Approves the Disparities within the Developmental Services System (AB 1957) Budget Change Proposal, with action on the related trailer bill included on this list.
- Approves the Electronic Visit Verification Phase II Budget Change Proposal.
- Approves the Enhancements to Risk Management Data Collection and Tracking Budget Change Proposal, with Trailer Bill Language requiring the department to provide annual updates on special incident trends as part of quarterly legislative updates pursuant to WIC 4474.17.
- Approves the Information Security Office Support Budget Change Proposal.
- Approves the Protective Proceedings (AB 1663) Budget Change Proposal.
- Approves the Uniform Fiscal System Modernization (UFSM) and the Consumer Electronic Records Management System (CERMS) Project Planning Budget Change Proposal, with \$12.7 million (\$12.2 million General Fund) and Supplemental Report Language requiring the department to provide quarterly written updates to the Legislature on (1) project development, scope, goals and timelines, (2) engagement with stakeholders, including individuals and families served by the Regional Center system, (3) how the projects will work with the Regional Centers to prepare for any potential business process changes and resources they will need to incorporate the

new systems into their current operations, and (4) identified project risks and issues and plans to mitigate them to ensure development and implementation progression on time and within budget.

- Approves the Compliance with Federal Home and Community-Based Services Requirements April 1 Budget Change Proposal, with \$5.4 million (\$3.8 million General Fund).
- Approves the Headquarters Position Authority April 1 Budget Change Proposal.
- Approves the Information Security Office Support April 1 Budget Change Proposal.
- Approves the Porterville Developmental Center Facility Support April 1 Budget Change Proposal.
- Approves the State-Operated Facilities - Enhanced Federal Funding May Revision Request.
- Approves the May Revision request of \$18 million (\$10.8 million General Fund) to continue funding the Coordinated Family Support pilot program through June 2024, which is currently funded through the Home and Community-Based Services (HCBS) Spending Plan. The program is designed to assist adults living with their families in coordinating the receipt and delivery of multiple services, including generic services.
- Approves the May Revision request of \$15 million (\$8.5 million General Fund) beginning January 2024 to adjust Independent Living Services rate assumptions. Resources increase to an estimated ongoing \$60 million (\$34 million General Fund) beginning in 2024-25. Additionally adopts Budget Bill Language specifying that these funds are appropriated for the purpose of adjusting Independent Living Services rate model assumptions, by January 2024, to align the types of services provided with more equivalent occupations, such as teachers, social and human service assistants, and rehabilitation counselors.
- Approves the Regional Centers - Provisional Eligibility for Ages 0-2 May Revision Request, and adopts the related May Revision Trailer Bill Language.
- Approves the Regional Centers - Caseload and Utilization May Revision Request.
- Approves the Regional Centers - Enhanced Federal Funding May Revision Request.
- Approves the Regional Centers - Minimum Wage Adjustments May Revision Request with \$78.2 million (\$46.4 million General Fund).

- Approves the Section 11.95 HCBS Allocation - May Revision 2023 Adjustment, General Fund May Revision Request.
- Approves the Language Only Change Regarding General Fund Loan Authority Adjustment May Revision Request.
- Approves the Reappropriation - 2020-21 Community Placement Plan Funding May Revision Request, with Budget Bill Language requiring written reporting to the Legislature by April 1, 2024 and at least annually thereafter, through the full expenditure of these funds, on activities funded, including the use of any vendor or other contracted service, details on housing projects and units in development and completed, and impacts for persons served, including demographic and ethnic/racial breakdowns. These updates may be conveyed to Legislative staff as part of the quarterly briefings conducted by the department pursuant to Welfare and Institutions Code Section 4474.17.
- Approves the START Training May Revision Request.
- Further modifies the Home and Community-Based Services (HCBS) Spending Plan timeline in the May Revision for programs administered by the Department of Developmental Services, extending the timeline for all programs in the HCBS Spending Plan to the maximum time allowed by the federal government, with expenditures permitted through and until December 31, 2024, making corresponding changes to the Budget Bill Language in Control Section 11.95.
- Adopts the Adjusting Rate Models to Reflect Increases in the Minimum Wage Governor's Budget Trailer Bill Language. Additionally, adopts Trailer Bill Language clarifying implementation of quality incentives for DDS rate models and providing for a baseline rate of January 1, 2023 for all rate models, to assure that no provider risks a reduced rate below what was in place prior to the service model increases that started in the 2021-22 fiscal year.
- Adopts modified Technical Clean-up: HIPAA and Information Deidentification Governor's Budget Trailer Bill Language to add requirements for the department to aggregate the data on a regional basis and consult with stakeholders twice a year to review purchase of services data and identify barriers to equitable access to services and supports. Requires purchase of service data to be deidentified in a manner that maximizes transparency.
- Rejects the Extension of 10 incompetent to stand trial (IST) Waitlist Beds at Porterville Developmental Center Governor's Budget Trailer Bill Language, which was budgeted with \$4.9 million General Fund on a one-time basis.

- Modifies the Governor's Budget Trailer Bill Language regarding the Extension of 10 Crisis Beds at Canyon Springs Community Facility and extends the deadline for the prohibition of admission to Canyon Springs Community Facility from June 30, 2023 to June 30, 2024, or the opening of completed and licensed complex needs homes identified in the safety net plan and approved for development in the Budget Act of 2023.
- Adopts the Governor's May Revision Trailer Bill Language on Access to Generic Resources.
- Adopts a modified version of the Parental Participation Requirement in Applied Behavior Analysis (ABA) or Intensive Behavioral Intervention May Revision Governor's Trailer Bill Language to clarify that lack of parent participation cannot be a basis for denial or delay of ABA or intensive behavioral intervention services.
- Adopts a modified version of the Remote Individualized Family Service Plan (IFSP) and Individual Program Plan (IPP) Meetings May Revision Governor's Trailer Bill Language to allow for these remote meetings through the 2023-24 fiscal year, until June 30, 2024.
- Adopts the Rate Study Update - Family Home Agencies May Revision Governor's Trailer Bill Language.
- Approves a modified version of the May Revision request to continue the suspension of the Annual Family Program Fee and the Family Cost Participation Program extending the suspension through the 2023-24 fiscal year, until June 30, 2024. Prior to the 2022 Budget Act, both programs had been suspended during the COVID-19 Pandemic through department directive.
- Adopts the Cleanup: HCBS Final Rule Directive Authority Cross-Reference Correction May Revision Governor's Trailer Bill Language.
- Adopts a modified version of the Expanding Participant-Directed Services to Include Social Recreation and Camping Services May Revision Governor's Trailer Bill Language.
- Approves \$6.2 million General Fund to improve service access and equity for individuals with developmental disabilities by supporting the development of standard procedures, require reporting on intake timelines and outcomes at Regional Centers, and remove barriers that delay access to medical services. While the dollars were included in the Budget Act, the Trailer Bill Language here was deferred until the end of the legislative session to allow additional time to reach agreement on language.

- Defers the Regional Center Oversight - Directive Authority May Revision Governor's Trailer Bill Language, conforming to the above.
- Adopts the Federal Education Grant Funding Distribution May Revision Governor's Trailer Bill Language.

### **State Council on Developmental Disabilities**

- Approves the Reimbursement Authority Increase May Revision Request.
- Approves the Reappropriation of Federal Funds and Reimbursements May Revision Request.

### **Department of Rehabilitation**

- Approves the Disability Innovation Fund – California Subminimum Wage to Competitive Integrated Employment Project April 1 Budget Change Proposal.
- Approves the Additional Federal Fund Authority for Vocational Rehabilitation Program May Revision Budget Change Proposal.
- Approves Trailer Bill Language to eliminate the sunset for the Limited Examination and Appointment Program.

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

- Approves the California Arrearage Payment Program (CAPP) Reversion January Proposal and May Revision Adjustment requesting a \$549,358,000 reversion of energy utility arrearage funding that was appropriated in the 2022 Budget and is currently unspent. There is an informal agreement for the Administration to notify the Legislature on the ultimate amount of reverted funds once the process completes.
- Approves the Reappropriation of Greenhouse Gas Reduction Funds for Low-Income Weatherization Program in the May Revision, to allow additional time for full expenditure of these funds.
- Conforms to appropriations made in the Resources area for CSD programs. Please see that section for additional detail.

**California Department of Aging**

- Approves the Governor's Budget proposal to delay implementation of the Mello-Granlund Older Californians Act Modernization Pilot Program, with corresponding savings scored in the multi-year. This results in \$37.2 million annually across five years starting in 2022-23 for pilot programs supporting community-based services programs, senior nutrition support, family and caregiver supports, senior volunteer development, and/or aging in place. This reflects \$186 million General Fund spent over five years instead of across three years as originally planned in the 2022 Budget Act.
- Approves the Health Insurance Counseling and Advocacy Program (HICAP) Modernization Budget Change Proposal.
- Approves the Master Plan for Aging, Phase III – Infrastructure and Capacity Budget Change Proposal, with \$1.8 million General Fund and 10 positions, with Budget Bill Language that specifies how this Budget Change Proposal will manifest and further Equity goals in the Master Plan for Aging.
- Further modifies the Home and Community-Based Services (HCBS) Spending Plan timeline in the May Revision for programs administered by the California Department of Aging, extending the timeline for all programs in the HCBS Spending Plan, such as the Senior Nutrition Infrastructure Program, to the maximum time allowed by the federal government, with expenditures permitted through and until December 31, 2024, making corresponding changes to the Budget Bill Language in Control Section 11.95.
- Approves the Administrative Efficiencies for Area Agency on Aging Funding April 1 Budget Change Proposal.
- Approves the CalFresh Healthy Living Program Expansion April 1 Budget Change Proposal.
- Approves the Statewide No Wrong Door Feasibility Assessment April 1 Budget Change Proposal.
- Approves the Technical Clean-up April 1 Request for 4170-102-0942.
- Approves a modified version of the May Revision proposal on Advancing Older Adult Behavioral Health, with \$39.5 million over three years to continue Master Plan for Aging efforts to advance older adult behavioral health, including local grants for older adult behavioral health capacity building and the continued operation of the statewide



Older Adult Friendship Line. Includes Budget Bill Language requiring reporting on implementation until the funds are fully expended.

### **California Health and Human Services Agency**

- For programs impacted across the Agency, modifies the Home and Community-Based Services (HCBS) Spending Plan Changes May Revision Request by extending the timeline for all programs in the HCBS Spending Plan to the maximum time allowed by the federal government, with expenditures permitted through and until December 31, 2024, making corresponding changes to the Budget Bill Language in Control Section 11.95.
- Establishes an Employment First Office within the Agency with \$1 million General Fund in 2024-25 (Budget Year + 1) and on-going, reflecting an effective date of July 1, 2024 for this new office, and adopts Trailer Bill Language establishing the Employment First Office, specifying roles and responsibilities.
- Approves Trailer Bill Language for the Office of Systems Integration (OSI) name change to the Office of Technology and Solutions Integration as proposed in the Governor's Budget.
- Defers the Center for Data Insights and Innovation (CDII) - Data Exchange Framework Support Governor's Budget Trailer Bill Language to the policy process, without prejudice.
- Approves the Case Management Information and Payrolling System (CMIPS) Budget Change Proposal.
- Approves the Electronic Visit Verification Phase II Budget Change Proposal.
- Approves the Statewide Automated Welfare System (CalSAWS) Ongoing Support Budget Change Proposal, with Supplemental Report Language regarding improved stakeholder engagement related to the California Statewide Automated Welfare System (CalSAWS) public-facing technology.
- Approves the Office of the Agency Information Officer and Office of Systems Integration Enterprise Resources April 1 Budget Change Proposal.
- Approves the Employee Compensation Technical Program Adjustment April Finance Letter.
- Approves the May Revision request of an additional \$163.7 million (\$83.4 million General Fund) for the Child Welfare Services-California Automated Response and

Engagement System (CWS-CARES) Project, in alignment with Special Project Report 6, to support ongoing project development costs, and authority to access additional funds should project activities accelerate. Adopts modified Budget Bill Language to reference a definition of “verified satisfactory progress” that is detailed in corresponding Trailer Bill Language and increases the amount of project funding subject to Department of Finance’s approval and written notification to the Joint Legislative Budget Committee based on verification of satisfactory progress made on project development and implementation.

- Approves the May Revision request for Short-Term General Fund Loan Authority for Cashflow April 1 and associated Trailer Bill Language.
- Additional actions for the California Health and Human Services Agency are included in the Health section of this Floor Report.

### **Safety Net Reserve**

- Rejects the May Revision proposal to withdraw \$450 million from the Safety Net Reserve.

**TK-12 EDUCATION AND EARLY CHILDHOOD EDUCATION****TK-12 Public Education:**

- Provides a total Proposition 98 General Fund funding level of \$110.6 billion in 2021-22, \$107.4 billion in 2022-23, and \$108.3 billion in 2023-24.
- Provides \$597 million above the Test One guarantee level in 2023-24 for Universal Transitional Kindergarten enrollment growth, and fully funds quality UTK standards launching in the 2025-26 school year for 10:1 class ratios, teachers, and classroom aides.
- Increases the projected Proposition 98 “Rainy Day” fund (PSSSA) to \$10.829 billion through the Budget year. The current Rainy Day fund balance continues to trigger the statutory 10% cap on local school district reserves, and would reach the state constitutional cap.
- Provides an increase of \$3.4 billion in Proposition 98 funding for the Local Control Funding Formula (LCFF), reflecting Universal Transitional Kindergarten (UTK) enrollment and an 8.22% percent cost-of-living adjustment (COLA) in 2023-24. Total Budget Year LCFF is estimated at \$79.8 billion.
- Reduces the one-time surplus available for the Arts, Music, and Instruction Materials Block Grant by \$200 million.
- Delays \$1.2 billion of the one-time surplus available in the current year for the Learning Recovery Emergency Block Grant, for planned restoration over the 2024-25, 2025-26, and 2026-27 fiscal years.
- Delays the one-time surplus for the un-awarded Electric School Bus competitive grant programs from the 2021-22 budget year by a total of \$1 billion to the 2024-25 and 2025-26 Budget Years.
- Delays the one-time surplus for the un-awarded Inclusive Early Education competitive grant programs from the 2020-21 budget year by a total of \$162 million to the 2024-25 and 2025-26 Budget Years.
- Implements the voter-approved Arts and Music in Schools Act funding, \$933 million General Fund in the 2023-24 Budget. Adopts implementation trailer bill language.
- Authorizes a new, ongoing \$300 million LCFF equity multiplier and LCAP accountability system changes, to target low-performing student groups. Provides \$2

million for an associated System of Support proposal. Amends the May Revision proposal to allocate Equity Multiplier funds based on a school site's Socio-Economic Disparity rate and Non-Stability Factor, as defined.

- Provides \$556.298 million for an 8.22 percent COLA to statutorily-required TK-12 programs.
- Provides \$2.0 billion in additional General Fund support for school facilities after the exhaustion of bond funds for new construction and modernization.
- Provides \$762 million to expand Universal Transitional Kindergarten (UTK) access including:
  - \$597 million General Fund to “rebench” the Proposition 98 guarantee for an estimated 42,000 new universal TK enrollments in 2023-24.
  - \$165 million Proposition 98 to maintain decreased UTK ratios at 1:12, adults to children. Adopts a 1:10 ratio beginning 2025-26.
  - Allows early Transitional Kindergarten enrollment at 1:10 ratio, in the Budget Year.
  - Sunrises UTK increased lead teacher quality standards in 2025-26.
  - Maintains the state's 2025-26 goal for full UTK implementation.
- Maintains \$4 billion in on-going Proposition 98 funding for the Expanded Learning Opportunity Program (ELOP) for after school and summer options for all students. Provides May Revision encumbrance flexibility and modifies ELOP reporting to Community Care Licensing and Resource & Referral agencies.
- Delays \$550 million in 2023-24 State Preschool, Transitional Kindergarten, Full Day Kindergarten facility funding to the 2024-25 Budget.
- Authorizes major new funding formula and \$80 million ongoing for County Offices of Education court and alternative schools. Amends the May Revision proposal to create new standards for court school intake and transition plans, higher education offerings, and data reporting.
- Authorizes \$100,000 base increase to County Offices of Education for Differentiated Assistance.
- Increases California's early literacy initiative:

- \$250 million one-time Proposition 98 funding for Literacy Coaches.
- \$1 million one-time General Fund for a state Literacy Roadmap.
- \$1 million for reading screening assessments and new mandate.
- Increases the CalNEW program with \$1.9 million in on-going Proposition 98 funding.
- Appropriates a \$110 million increase in the 2022-23 Budget Year, and \$154 million increase in the 2023-24 Budget Year, to cover the full costs of California's universal meal program.
- Provides \$1 million to address opioid overdoses in middle and high schools, and provides LEA access to resources from the State Opioid Settlement.
- Increases the California College Guidance Initiative by \$2 million in ongoing Proposition 98 funding.
- Increases the K-12 High Speed Network funding by \$3.8 million in ongoing Proposition 98 funding.
- Provides \$119.6 million one-time federal funds for California's Multi-Tiered System of Support initiative on school climate and safety.
- Provides \$20 million one-time for extending the Bilingual Teacher Professional Development Program.
- Provides \$15 million one-time for commercial dishwashers in School Kitchens.
- Provides \$7 million one-time to support Restorative Justice best practice implementation.
- Provides \$3 million, one-time federal funds, to Save the Children for rural after school program support.
- Provides \$2 million, one-time to support the State School for the Deaf, Fremont.
- Reappropriates \$2 million for an Alternative Dispute Resource lead agency.
- Reappropriates \$552,000 for basic aid school districts impacted by the 2020 wildfires.
- Approves statutory reporting and evaluation changes for the Literacy Coaches & Reading Specialist program.

- Increases funding for the Golden State Teacher Grant Program with \$6 million one-time federal funds for special education teacher candidates in high need schools.
- Provides an additional \$1 million for a total of \$3 million to reflect an increase for the Los Angeles County Office of Education to contract with the Simon Wiesenthal Center to support professional development and leadership training for education professionals related to antibias education.
- Increases the Fiscal Crisis and Management Assistance Team (FCMAT) funding by \$750,000 for a new Chief Business Officer mentorship and professional development initiative, and baseline cost increases, and \$2.1 million ongoing for an increase for the California School Information Services division.
- Adopts statutory changes to Special Education funding, to extend a moratorium on new single-district Special Education Local Plan Areas, require funding pass-through minimums in the Budget Year, and require the Department of Education to post local fiscal documents.
- Adopts statutory changes to the Teacher Residency Grant Program, to require salaries or stipends, and extend service requirement deadlines.
- Adopts various May Revision educator credentialing flexibilities.
- Allows the California School Finance Authority (CSFA) to intercept local revenues for basic aid districts that would like to request Tax Revenue Anticipation Notes from CSFA.
- Amends Community School statute to clarify that DREAM schools qualify for funding.
- Approves various State Special Schools capital and planning expenditures.
- Approves various federal fund adjustments, consistent with fund availability for local assistance.
- Approves 45 new positions across various programs at the California Department of Education.
- Approves 10 new positions for the Office of Cradle to Career, in GovOps.

**Early Education and Child Care:**

- Provides a total of up to \$2.83 billion in one-time funds for child care reimbursement increases: \$1.673 billion from various federal and general fund sources one-time, and up to \$1.158 billion Proposition 98 one-time, through the 2024-25 fiscal year to increase all child care and preschool rates, subject to collective bargaining.
- Reduces family fees for childcare and preschool to 1% of total family income, for families making at least 75 percent of the state median income, beginning October 1, 2023, and appropriates \$78.4 million from non-Proposition 98 general fund and Proposition 98.
- Extends the hold harmless for all childcare and preschool programs through September 30, 2023.
- Adopts streamlined eligibility for the California State Preschool Program (CSPP) for three year olds, and four year olds newly eligible for Early Transitional Kindergarten.
- Streamlines childcare eligibility determination for families with variable work schedules.
- Adds CSPP and Expanded Learning Opportunities Program reporting to Community Care Licensing and Resource & Referral agencies.
- Provides the child care nutrition programs an 8.22 percent COLA.
- Provides \$1,870,000 one-time general fund and \$4 million one-time federal funds for the CalSPARK child care data system development.
- Authorizes the Department of Social Services to develop an Alternative Methodology for child care and preschool program reimbursement rate deliberation.
- Authorizes statutory changes to various child care programs for interagency transfers and provider reporting.
- Approves Universal Preschool Workgroup extension, and adds Expanded Learning standards recommendations.
- Approves 22 new positions across various child care-related programs at the California Department of Social Services.

## HIGHER EDUCATION

### University of California

- Provides \$215.5 million ongoing General Fund to support a 5% base increase, and includes language requiring a report on how funds were spent.
- Approves Governor's Budget proposal to provide \$30 million ongoing General Fund to continue the 5-year program to replace nonresident students with California students at the Berkeley, Los Angeles and San Diego campuses.
- Sets an enrollment target of 7,800 additional full-time equivalent students in 2023-24 and includes intent language that UC increase enrollment through 2026-27.
- Approves May Revise proposal to shift support for three capital outlay projects agreed to in the 2022 Budget Act to UC bonds, with the state providing funding for debt service. Provides \$33.3 million ongoing General Fund to cover debt service for campus expansion projects at Merced and Riverside and the Berkeley Clean Energy Campus Project.
- Rejects the Governor's Budget requirement for UCLA to participate in the Transfer Admissions Guarantee and Associate Degree for Transfer programs in order to receive state funding and defers transfer issue to the policy process.
- Shifts \$490 million in support for student housing projects from General Fund to UC bond funding. Provides \$33.5 million ongoing General Fund to cover debt service payments for these projects.
- Approves trailer bill language approving three joint UC and community college student housing projects: UC Merced and Merced College, UC Riverside and Riverside College, and UC Santa Cruz and Cabrillo College.
- Approves the May Revise proposal to provide \$5 million one-time General Fund to the UCLA Ralph J. Bunche Center for African-American Studies and includes intent language to provide \$3 million ongoing General Fund for the center beginning in 2024-25.
- Provides \$4 million one-time General Fund to support the Cal Bridge Initiative to improve faculty diversity.
- Provides a \$800,000 ongoing General Fund increase for student basic needs. Support will now be \$15.8 million ongoing General Fund.



- Provides \$1.5 million ongoing General Fund to support increased services for students with disabilities.
- Provides a \$1 million ongoing General Fund increase for mental health services for students. Support will now be \$21.3 million ongoing General Fund.
- Provides a \$200,000 ongoing General Fund increase for the Rapid Rehousing program. Support will now be \$3.7 million ongoing General Fund.
- Approves the Governor's Budget proposal to provide \$6.5 million ongoing General Fund to support debt service for the Medical School Project at the Riverside campus.
- Approves the May Revise proposal to provide \$2 million ongoing General Fund to support operational costs at the UC Riverside School of Medicine.
- Includes budget bill language to require campuses to report on how many campuses have data-sharing agreements with counties to improve student access to the Cal Fresh program, and what efforts are underway to enact such agreements.
- Provides \$7 million one-time General Fund to support the University of California, in partnership with the State Department of Public Health and the FIRESCOPE Cancer Prevention Subcommittee at the Office of Emergency Services (CalOES), to establish a fire service community based participatory research program examining bio-markers of carcinogenic exposure and effect in order to identify the biological mechanisms that cause cancer in firefighters and to reduce the incidence of cancer among California firefighters.
- Provides \$5 million one-time General Fund to support the UC Davis Equine Performance and Rehabilitation Center.
- Provides \$250,000 one-time General Fund for a study of oil and gas industry contraction on local services and jobs by UC Merced Labor Center.
- Provides \$6.87 million one-time General Fund to support the launch of a public database of police use of force and misconduct cases.
- Approves Governor's Budget changes to the funding timeline for the Institute for Immunology and Immunotherapy at UCLA by providing \$100 million one-time General Fund for the institute in 2022-23, \$100 million in 2023-24, and intent language to provide \$300 million in 2024-25.
- Approves May Revise adjustments to funding for breast cancer research and tobacco research based on revenue estimates.

- Adopts trailer bill language to extend a program to allow institutional aid for specified students who do not qualify for federal aid.
- Approves the May Revise proposal to shift \$4.8 million ongoing General Fund from UC's main appropriation to UC's Agriculture and Natural Resources Division.
- Approves a May Revise proposal to provide \$2 million one-time General Fund for the UC Global Entrepreneurs program.
- Amends funding for a UC San Diego capital outlay project authorized in the 2021 Budget Act. Funding will be for the UCSD Student Health, Mental Health and Well-Being Building.
- Approves the May Revise proposal to provide \$10.9 million ongoing General Fund to backfill revenue for the Proposition 56 graduate medical education program.

### **California State University**

- Provides \$227.3 million ongoing General Fund to support a 5% base increase, and includes language requiring a report on how funds were spent.
- Sets an enrollment target of 4,057 additional full-time equivalent students in 2023-24 and includes intent language that CSU increase enrollment by 9,866 students in 2024-25 and 10,161 in 2025-26.
- Provides \$99.7 million ongoing General Fund to support debt service costs related to the following capital projects:
  - The construction of the California State University, Bakersfield, Energy Innovation Center.
  - The infrastructure development of the San Diego State Brawley Center in Imperial Valley.
  - The construction of the California State University, Fullerton, Engineering and Computer Science Innovation Hub Project.
  - The expansion of the California State University, San Bernardino, Palm Desert Campus Project.
  - The construction of affordable student housing at California State University campuses authorized under the Higher Education Student Housing Grant Program.

- The infrastructure development and rebuilding efforts at Swanton Pacific Ranch, Polytechnic State University, San Luis Obispo.
- The infrastructure development and capital outlay projects associated with the transition of Humboldt State University into a polytechnic university.
- The construction of the Human Identification Laboratory at California State University, Chico.
- The capacity and infrastructure expansion for the Master of Science in Physician Assistant Program at California State University, San Bernardino.
- Approves trailer bill language approving student housing projects on the following campuses:
  - Sacramento State University
  - San Jose State University
  - Stanislaus State University
- Provides a \$1.3 million ongoing General Fund increase for student basic needs. Support is now \$26.3 million ongoing General Fund.
- Provides \$3 million one-time General Fund to support the Cal Fresh Outreach Research Hub at the Center for Healthy Communities at Chico State University.
- Provides \$800,000 ongoing General Fund increase for mental health services for students. Support is now \$15.8 million ongoing General Fund.
- Provides \$300,000 ongoing General Fund increase for the Rapid Rehousing program. Support is now \$6.8 million ongoing General Fund.
- Provides \$1 million ongoing General Fund to increases services for students with disabilities.
- Adopts budget bill language to require campuses to report on how many campuses have data-sharing agreements with counties to improve student access to the Cal Fresh program, and what efforts are underway to enact such agreements.
- Adopts budget bill language to make changes to the Project Rebound program, including to distribute funding to campuses based on program participation.

- Provides \$1 million one-time General Fund to improve and expand California State University's Title IX and Discrimination, Harassment and Retaliation (DHR) programs.
- Provides \$15 million one-time General Fund to support improvements to the Dominguez Hills campus.

### **California Community Colleges**

- Approves the May Revise proposal to provide \$678 million Proposition 98 General Fund to support an 8.22% cost-of-living adjustment for apportionments.
- Approves the May Revise proposal to provide \$95.5 million Proposition 98 General Fund to support an 8.22% cost-of-living adjustment for select categorical programs.
- Provides \$16.9 million Proposition 98 General Fund to support an 8.22% cost-of-living adjustment for basic needs centers, mental health services, rapid rehousing, NextUp, MESA, Puente, Umoja and veterans resource centers.
- Reduces 2022-23 funding for student retention and recruitment activities from \$150 million one-time Proposition 98 General Fund to \$94.6 million one-time Proposition 98 General Fund.
- Provides \$50 million one-time Proposition 98 General Fund for student retention and recruitment activities.
- Reduces funding for the 2022-23 deferred maintenance and instructional equipment program by \$494.3 million one-time Proposition 98 General Fund, leaving \$346.4 million.
- Rejects the May Revision proposal to reduce funding for the COVID 19 Block Grant.
- Approves trailer bill language to allow colleges to use remaining funds from the COVID 19 Block Grant, student retention and recruitment, and deferred maintenance and instructional equipment for any of these purposes. The amount available for these activities is about \$1.1 billion.
- Approves the Department of Finance Proposition 98 General Fund revenue estimates and the Legislative Analyst Office's property tax revenue estimates.
- Approves the May Revise proposal to provide \$26.4 million to support 0.5% Enrollment Growth.

- Provides \$78.5 million ongoing General Fund to support debt service for \$545.4 million in student housing projects in 2023-24 and 2024-25.
- Adopts trailer bill language to approve the following community college student housing projects: UC Merced and Merced College, UC Riverside and Riverside College, UC Santa Cruz and Cabrillo College, Cerritos College, College of the Redwoods, College of San Mateo, and San Diego City College.
- Approves the Governor's Budget proposal to provide \$14 million one-time Proposition 98 General Fund to support workforce training grants in collaboration with the California Department of Forestry and Fire Protection.
- Approves the Governor's Budget proposal to provide \$275,000 Proposition 98 General Fund, with \$200,000 ongoing, to develop the Chief Business Officer Mentorship Program.
- Provides \$10 million one-time Proposition 98 General Fund in each of next three years to support LGBTQ+ student support centers and includes budget bill language increasing the maximum amount allowed per district to \$900,000.
- Approves the May Revise proposal to provide \$2.5 million one-time Proposition 98 General Fund to support the East Los Angeles Community College Entrepreneurship and Innovation Center.
- Rejects the May Revise proposal to allow colleges to flexibly use funding for the Student Equity and Achievement Program, Financial Aid Administration and Student Mental Health services.
- Approves the May Revise proposal to expand the use of Strong Workforce program funding to support student grants for third-party certifications and work-based learning programs.
- Approves the May Revise proposals to adjust Education Protection Account, Property Tax Revenue, Student Fee Revenue, Apprenticeship, Financial Aid Administration, Student Success Completion Grant and Perkins Grant programs to reflect revised estimates.
- Approves the May Revise proposal to provide \$4.3 million one-time Proposition 98 General Fund to support the Equal Employment Opportunity Program.
- Provides \$500,000 one-time Proposition 98 General Fund to review outcomes and costs associated with online courses and programs, and develop recommendations for the state and system to ensure an appropriate mix of online and in-person

programs and courses, and that online programs and courses are designed to support student success and equitable outcomes.

- Adopts trailer bill language to allow students who serve on the Board of Governors to receive \$4,000 in financial assistance each semester from the Chancellor's Office.
- Amends budget bill language to allow county juvenile halls, in addition to state prisons, to be eligible for online textbook funding.
- Adopts trailer bill language to implement recommendations made by the State Auditor to improve colleges' use of funding to increase full-time faculty, and to further implement equal employment opportunity practices.
- Adopts trailer bill language to require campuses to report on how many campuses have data-sharing agreements with counties to improve student access to the Cal Fresh program, and what efforts are underway to enact such agreements.
- Approves May Revise proposal to support two new capital outlay projects and three continuing projects using bond funds.
- Approves trailer bill language to provide former foster youth with expanded financial aid to cover the total cost of attendance through the Student Success and Completion Grant program.
- Provides \$60 million Proposition 98 General Fund in 2024-25 and each year through the 2028-29 fiscal year to expand nursing programs and Bachelor of Science in nursing partnerships to grow, educate, and maintain the next generation of registered nurses through the community college system, subject to future legislation.

### **Student Housing Revolving Loan Fund**

- Provides \$200 million one-time General Fund for the Student Housing Revolving Loan Fund and includes intent language to provide \$300 million each year through 2028-29. Of this funding, 75% will be available for university projects, while 25% will be available for community college projects. Also includes trailer bill language that would allow a shift in unused funds toward a segment with higher demand.

### **California Student Aid Commission**

- Approves the Governor's Budget proposal to provide \$227 million one-time General Fund for the Middle Class Scholarship program and assumes \$289 million one-time General Fund in 2024-25.

- Adopts placeholder trailer bill language to exclude emergency aid and institutional merit aid from Middle Class Scholarship calculation.
- Provides \$5.2 million ongoing General Fund and adopts trailer bill language to cover the total cost of attendance for former foster youth at UC and CSU through the Middle Class Scholarship program.
- Approves the Governor's Budget proposal to provide \$1.4 million General Fund, with \$469,000 ongoing, and two positions to support cybersecurity activities.
- Approves the Governor's Budget proposal to provide \$241,000 ongoing General Fund to support one human resources position.
- Approves the May Revise proposal to eliminate the Golden State Education and Training Program.
- Approves the May Revise proposal to allow the Cal Grant level for students attending private, non-profit institutions to remain at \$9,358.
- Approves the May Revise proposal to provide \$397,000 ongoing General Fund and 4 positions to support CSAC operations.
- Approves the May Revise proposal to provide \$103,000 ongoing General Fund to support the Cash for College program.
- Approves the May Revise proposals to adjust Cal Grant, Law Enforcement Personnel Dependents Scholarship Award, Chafee Foster Youth Program, Individuals with Disabilities Education Act, Middle Class Scholarship, and GI Bill Award Program to reflect updated caseload estimates.
- Approves the May Revise proposal to adopt trailer bill language requiring Cal Grant participating institutions to use 2020 cohort default rates in determining eligibility.
- Approves the May Revise proposal to provide \$451,000 for the Public Interest Attorney Loan Repayment Program, and provides \$216,000 and one position to support the program.
- Approves placeholder trailer bill language to extend the Cal Grant deadline by one month in 2024 if the federal Free Application for Federal Student Aid (FAFSA) is not available by Oct. 1, 2023.

**Scholarshare Investment Board**

- Rejects Governor's Budget proposal to provide \$1 million one-time General Fund to support marketing efforts for the CalKIDS college savings account program. Instead provides \$8 million in unspent program funds to support a statewide marketing and outreach campaign.
- Approves Governor's Budget proposal to use program savings to increase newborn incentive payments in the CalKIDS college savings account program from \$25 to \$100.
- Approves May Revision proposal to provide \$158,000 ongoing General Fund and one position to increase support for CalKIDS program.
- Approves May Revise proposal to reduce funding by \$30 million General Fund to reflect revised participation estimates.
- Approves May Revise proposal to adjust funding in the program to support staff benefit costs.

**California State Library**

- Approves Governor's Budget proposal to delay \$100 million one-time General Fund to support library infrastructure projects in 2023-24, and instead provides \$33 million in 2024-25, 2025-26 and 2026-27. Also approves reappropriation of unspent funds and allows more flexibility in local matching requirements.
- Approves Governor's Budget proposal to provide \$462,000 ongoing General Fund to support and expand the Witkin State Law Library.
- Approves Governor's Budget proposal to provide \$597,000 General Fund, \$357,000 of which is ongoing, to expand the California History Room Special Collections.
- Approves Governor's Budget proposal to provide \$168,000 ongoing General Fund to support a State Library Audit Program.
- Approves a change in reporting date for the Lunch at the Library program and requires libraries to identify learning outcomes.
- Approves a change in the California Newspaper Projects program to support multiple projects.



**UC College of the Law, San Francisco**

- Approves Governor's Budget proposal to provide \$2.2 million ongoing General Fund to support a 3% base increase.
- Approves Governor's Budget proposal to provide \$3 million over three years to continue supporting a campus safety program.

## ENVIRONMENTAL PROTECTION

### State Water Resources Control Board

- Appropriates \$4.8 million General Fund in 2023-24 and 2024-25 to support the State Water Board's oversight roles for basins deemed inadequate, as required by the Sustainable Groundwater Management Act (SGMA).
- Adopts trailer bill language on establishing fees for recycled water.
- Adopt a 3 year encumbrance extension for the 2019 Oxnard Wastewater Treatment plant allocation.

### Department of Pesticide Regulation

- Allocates \$1.9 million Department of Pesticide Regulation Fund and \$1.4 million ongoing to improve and streamline the Department's registration and reevaluation processes, identify alternatives to high-risk fumigants, and lead strategic collaborations with stakeholders and agency partners to develop plans and programs to support implementation of sustainable pest management in agricultural, urban, and wildland settings.

### Department of Toxic Substances Control

- Provides \$67.3 million from the Lead-Acid Battery Cleanup Fund over two years, including \$40.4 million in 2023-24 and \$26.9 million in 2024-25, to clean up 6,425 parkways surrounding the former Exide Technologies facility identified with high levels of lead and/or other metals.
- Adopts loans from the following funds to address temporary projected shortfalls from fee reforms, which will be paid back over three years if not sooner:
  - A budgetary loan of \$100 million from the Beverage Container Recycling Fund to the General Fund
  - A budgetary loan of \$40 million from the Beverage Container Recycling Fund to the Hazardous Control Waste Account
  - A \$15 million loan from its Toxic Substances Control Account
- Adopts Environmental Justice Forum Per Diem Trailer Bill.
- Approves \$7.0 million General Fund over five fiscal years; \$1.2 million in 2023-24, \$1.7 million in 2024-25, \$1.5 million in 2025-26, \$1.2 million in 2026-27, and \$1.4

million in 2027-28 for United States Environmental Protection Agency-mandated removal and remedial action to continue characterization of the Stringfellow Superfund Hazardous Waste Site.

### **California Air Resources Board**

- Approves \$629,000 for three years from the Greenhouse Gas Reduction Fund (GGRF) for 3.0 temporary positions to undertake statutorily required duties providing policy and technical support to agencies administering ten new California Climate Investments programs established through the 2022 Budget Act along with other duties regarding the oversight and administration of California Climate Investments.
- Approves 9 temporary, three year positions, to implement SB 905 from the Cost of Implementation Account, with budget bill language.
- Authorizes 3.0 permanent positions and \$451,000 in 2023-24 and on-going from the Cost of Implementation Account (COIA) to address the growing workload of the Low Carbon Fuel Standard (LCFS) program.

### **CalRecycle**

- Reduces Composting Opportunities by \$4.8 million General Fund in 2021-22, or 38 percent.
- Eliminates the recycling feasibility grant, \$2 million General Fund in 2021-22 and \$13 million in 2022-23.
- Reduces the Recycling Market Development Zone Loan Program by 9 percent with \$4.5 million General Fund in 2022-23.
- Approves \$2 million from various special funds for a statewide zero waste plan with budget bill language.
- Adopts Pharmaceutical and Sharps Stewardship Fund Trailer Bill.

**CLIMATE CHANGE**

**Restores the following proposed reductions in the 2023-2024 Fiscal Year on top of the January Budget and May Revision:**

- Restores \$29 million to the Museum Grant Program at the California Natural Resources Agency.
- Restores \$10 million to the Recreational Trails and Greenways Program at the California Natural Resources Agency
- Restores \$50 million for Salton Sea Restoration at the California Natural Resources Agency.
- Restores \$25 million for Urban Greening at the California Natural Resources Agency.
- Restores \$50 million for AB 617 Implementation, Planning, and Incentives at the California Air Resources Board, for a total of \$300 million.
- Restores \$15 million for the Farm to Community Food Hubs Program at the Department of Food and Agriculture.
- Restores \$8.9 million for the Healthy Refrigeration Grant Program at the Department of Food and Agriculture.
- Restores \$5.8 million for the Urban Agriculture Program at the Department of Food and Agriculture.
- Restores \$4.7 million for the New and Beginning Farm Training Program at the Department of Food and Agriculture.
- Restores \$23.5 million for local conservation corps through the California Conservation Corp.
- Restores \$35.085 million for the Extreme Heat and Community Resilience Program at the Office of Planning and Research with budget bill language on reporting.
- Restores \$25 million for PFAS Cleanup at the State Water Resources Control Board.
- Restores \$32 million for Recycled Water at the State Water Resources Control Board.
- Restores \$54 million for the Statewide Parks Program at the Department of Parks and Recreation.
- Restores \$5 million for monitoring and research at CalFIRE.

- Restores \$50 million for dam safety at the Department of Water Resources, and moves the full \$100 million to 2023.
- Restores \$20 million for fine scale vegetation mapping at the Department of Fish and Wildlife.
- Restores \$25 million for Regional Climate Resilience at the Office of Planning and Research.
- Restores \$44 million for various watershed resilience programs.
- Restores \$107 million for equitable building Decarbonization with \$20 million to the California Air Resources Board and \$87 million to the Energy Commission.
- Restores \$378.2 million for various coastal protection programs.

**Invests in the following new areas on top of the January Budget and May Revision:**

- Provides \$40 million for Plastic Market Development Payments at CalRecycle.
- Funds \$25 million to reduce lead in schools through testing, filters, and faucet replacements at the State Water Resources Control Board contingent on enactment of AB 249 (Holden).
- Provides \$500,000 to expand the San Francisco bottle bank program at CalRecycle.
- Appropriates \$15,000 to continue the California Monitoring Program for Salmon at the Department of Fish and Wildlife.
- Funds \$35 million for the California Nutrition Incentive Program at the Department of Food and Agriculture.
- Funds \$5 million for Organics Transition at the Department of Food and Agriculture.
- Reappropriates \$17 million for fish screens in Monterey County that was accidentally reverted at the Department of Fish and Wildlife.
- Adopts budget bill language and trailer bill language to allow water agencies to access \$606 million of unspent funds for water arrearages at the State Water Resources Control Board and reverts \$200 million that was appropriation to Community Services Development for this purpose.
- Funds \$10 million for the Museum of Latin American Art through the California Natural Resources Agency.

- Funds \$7 million for the Dolores Huerta Peace and Justice Cultural Center through the California Natural Resources Agency.
- Provides \$9.5 million for an Intertidal Biodiversity DNA Barcode Library to the Ocean Protection Council.
- Funds \$75 million for FARMER at the Air Resources Board.
- Allocates \$25 million for the Enteric Fermentation Incentive Program at the Department of Food and Agriculture.
- Appropriates \$10 million for Building Energy Benchmarking Program at the Energy Commission.
- Appropriates \$10 million for Technical Assistance for Federal Tax Credits at the Energy Commission.
- Funds \$2.3 million for a Zero Emission Jobs Roadmap at the Office of Planning and Research.

Adopts the following overarching actions:

- Rejects Control Section 3.94 General Fund Trigger Restoration for all items related to climate, natural resources, environmental protection, and energy.
- Rejects Control Section 15.14 (c) authorizing the Department of Finance to spend Greenhouse Gas Reduction Funds.
- Adopts trailer bill language to amend AB 1279 to streamline LAO reporting requirements.

**Approves the following cuts as proposed by the Governor:**

- Salton Sea Restoration- \$119 million of \$220 million.
- Community Resilience Centers- \$160 million of \$170 million.
- Transformative Climate Communities- \$205 million of \$400 million.
- Regional Climate Resilience- \$200 million of \$250 million.
- Urban Greening- \$175 million of \$250 million.
- Statewide Parks Program- \$182.6 million of \$380 million.
- Sustainable Groundwater Management Act- \$60 million of \$353 million.

- Multi Benefit Land Repurposing- \$20 million of \$110 million.
- PFAS Cleanup- \$45 million.
- Recycled Water- \$278 million.
- Extreme Heat and Community Resilience Program- \$39.915 million
- Explore the Coast- \$1 million of \$14 million.
- Invasive Species Council- \$5 million of \$10 million.
- Recreational Trails and Greenways- \$25 million of \$35 million.
- Delays \$250 million for watershed resilience to 2024-25.
- Decreases State Water Efficiency and Enhancement Program funding by \$40 million General Fund in 2022-23, or 25 percent at the Department of Food and Agriculture.
- Cuts \$15 million General Fund in 2021-22 for aqueduct solar panels.
- Eliminates funding for water refilling stations at schools, which was previously agreed to at \$5 million General Fund in 2022-23 for the State Water Resources Control Board.
- Reduces \$24.5 million General Fund for the Delta Salinity Barrier at the Department of Water Resources.
- Reverts \$25 million General Fund for the Landflex program at the Department of Water Resources.
- Research Agriculture Greenhouse Gas Emission reductions- \$4.7 million of \$10 million.
- Sustainable Agricultural Lands Conservation Program- \$25 million elimination.
- Climate Smart Land Management Program- \$4 million of \$20 million.
- Reduces the Protecting Fish and Wildlife from Changing Climate allocation by \$35 million General Fund in 2023-24, or 10 percent.
- Reduces State Conservancy Nature-Based Solutions funding by \$100 million General Fund in 2023-24.
- Eliminates funding for the San Francisco Bay Wetlands, which was \$10.4 million General Fund in 2022-23.

- Cuts \$177 million for various coastal protection and sea level rise programs over multiple years.
- Reduces \$6 million for Natural Community Conservation Program Planning and Land Acquisition at the Department of Fish and Wildlife.

### **Zero Emission Vehicles**

- Adopts trailer bill language to repeal the Air Resource's Boards regulations on credit card readers on EV charging stations and moves future authority to the Energy Commission.
- Reduces 2023 ZEV spending from \$1,111 billion in 2023 to \$847 million with \$1.4 billion in 2024, \$1.4 billion in 2025, and \$906 million in 2026, for a package total of \$10.085 billion over multiple years. The 2023 allocations consist of:
  - \$80 million for Clean Cars 4 All & Other Equity Projects at CARB.
  - \$100 million for Equitable At-home Charging at CEC.
  - \$165 million for drayage trucks and infrastructure at CARB and CEC.
  - \$220 million for transit buses and infrastructure at CalSTA.
  - \$145 million for Clean Trucks, Buses and Off-Road Equipment infrastructure at CEC.
  - \$60 million for Community-Based Plans, Projects and Support / Sustainable Community Strategies at CARB and CalSTA.
  - \$77 million of federal funds at CalSTA.

### **Drought/Water Resilience**

- Appropriates \$75 million to support local flood control projects.
- Allocates \$25 million for potential additional disaster relief and response costs in this fiscal year to address immediate impacts.
- Restores \$40 million for the San Joaquin Floodplain restoration.
- Adopts \$25 million General Fund set aside for future disaster relief.
- Allocates \$135.5 million General Fund over two years to support local agencies working to reduce urban flood risk.



- Adopts \$40.6 million General Fund for ongoing Delta levee projects that reduce risk of levee failure and flooding, provide habitat benefits, and reduce the risk of saltwater intrusion contaminating water supplies.
- Provides \$25 million General Fund to support projects that will reduce the risk of flooding for Central Valley communities while contributing to ecosystem restoration and agricultural sustainability.
- Approves \$4.7 million Waste Discharge Permit Fund in 2023-24, and \$5.7 million Waste Discharge Permit Fund and \$408,000 Safe Drinking Water Account ongoing to support planning and permitting for projects that produce new water supplies.
- Allocates \$31.5 million General Fund one-time in 2023-24 to continue development of the Updating Water Rights Data for California Project to enhance California's water management capabilities.
- Appropriates \$7 million General Fund over four years to implement Chapter 679, Statutes of 2022, (SB 1157), which established a new foundation for long-term improvements in water conservation and drought planning to adapt to climate change and the resulting longer and more intense droughts. This approach is based on water use efficiency standards for certain categories of water use, including indoor residential water use.
- Provides \$4.9 million General Fund over five years for San Joaquin River Basin Groundwater Recharge: Water Availability Analysis and Technical Assistance.
- Provides \$26.7 million General Fund over two years to begin reactivation of historical stream gages, consistent with the SB 19 Stream Gaging Prioritization Plan.
- Additional items can be found under CalOES and Go-Biz.
- Rejects trailer bill language to codify an executive order on groundwater recharge and repeal a sunset on streamlining efforts related to water projects.
- Provides \$2 million (one-time General Fund) in 2022-23 and \$1.3 million ongoing and five permanent positions at the Department of Fish and Wildlife to establish two new programs to support the management of fish and wildlife, recreational opportunities, and Tribal partnerships before and after removal of the Klamath Dam.
- Adopts trailer bill language for the Dam Safety program.
- Adopts trailer bill language to increase fees for the Division of Safety of Dams and tie annual increases to inflation.

**Department of Parks**

- Rejects trailer bill language to address the structural deficit in the Harbors and Watercraft Revolving Fund by increasing fees on boats.
- Reverts \$110 million from the Natural Resources and Parks Perseveration Fund to the General Fund. This reversion includes \$95 million for future phases of the California Indian Heritage Center project and \$15 million for unspecified future capital outlay projects.
- Appropriates \$5.8 million one-time and \$3.3 million ongoing General Fund to establish and open Dos Rios Ranch as a new state park and create recreation opportunities and park access to historically underserved communities in the Central Valley. Funds initially appropriated for the acquisition of a new state park in the 2020 Budget Act will be used for planning and acquisition costs.
- Adopts trailer bill language to allow a contract extension of up to 30 years at Old Town San Diego State Park.
- Approves various capital outlay projects.
- Rejects \$5 million for Border Field SP: Monument Mesa Day Use and Interpretive Area and reverts funds to the General Fund.
- Allows \$3,000,000 in reimbursement authority, four positions, and four vehicles in fiscal years 2023-24, 2024-25 and 2025-26 from the State Parks and Recreation Fund to manage the open space park lands within the Sonoma Developmental Center.

**Natural Resources Agency**

- Appropriates \$2.1 million General Fund for renovations of the Museum of Tolerance to enhance diversity training for education and criminal justice professionals.
- Adopts \$792,000 General Fund in 2023-24 and 2024-25 and \$432,000 General Fund ongoing to implement the requirements of Chapter 349, Statutes of 2022 (AB 2278). Of this amount, CNRA requests 2 permanent positions and \$432,000 in 2023-2024 and ongoing, and the Ocean Protection Council requests funding for two limited-term positions, totaling \$360,000 of the request in 2023-24 and 2024-25. This funding request will support prioritization of certain 30x30 implementation actions as established by AB 2278 and annual reporting on the progress toward achieving the 30x30 goal.

- Approves \$500,000 General Fund in 2023-24 and ongoing to update the California Climate Adaptation Strategy as required by Chapter 338, Statutes of 2022 (AB 1384).
- Authorizes 5 permanent positions to be funded from savings within the baseline budget, various reimbursement agreements, and administrative allowances from recent investments that have significantly increased the size of the agency.
- Funds \$433,000 General Fund in 2023-24 and 2024-25, \$183,000 General Fund in 2025-26 and ongoing, and one permanent position, and for the Native American Heritage Commission \$75,000 General Fund in 2023-24 and 2024-25 to implement the requirements of Chapter 479, Statutes of 2022 (AB 2022).
- Adopts \$3.52 million one-time General Fund in 2023-24, \$4.1 million ongoing Cost of Implementation Account, and \$873,000 ongoing General Fund and 16 permanent positions to implement AB 1757 (Chapter 341, Statutes of 2022).

### **Wildfires/ Department of Forestry Fire Protection**

- Cuts \$10 million General Fund in 2022-23 and \$15 million in 2023-24 for the Stewardship of State Owned Lands, about 8 percent.
- Cuts \$30 million for Urban Forestry.
- Reduces \$15 million General Fund in 2023-24 for workforce training, which is partially offset by a shift of \$14 million to Proposition 98 for similar purposes.
- Approves \$116 million for July-December firefighters.
- Approves \$645,000 for the study phase of a new training center with specified study criteria, but rejects acquisition funding.
- Approve \$8.9 million in 2023-24 and \$8.6 million annually through 2027-28 for leasing and operating two temporary facilities and rejects ongoing positions for a new training center.
- Approves \$4,548,000 General Fund for the working drawings phase of the Growlersburg Conservation Camp: Replace Facility project, to replace the existing facility, located in El Dorado County.

### **Department of Conservation**

- Adopts SB 1295 cleanup trailer bill language and all budget change proposals.

- Approves thirteen (13.0) permanent positions for the California Geologic Energy Management Division (CalGEM) to perform increased workload associated with its mandated responsibilities to carry out the California Environmental Quality Act (CEQA).

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

- Adopts the Western Joshua Tree Conservation Act trailer bill and adopts \$5 million for environmental organizations to participate in conservation efforts.
- Adopts budget bill language 2022 wetlands appropriation to allow up to \$2 million for non-lethal beaver removal.

### **Tahoe Conservancy**

- Approves 2 positions for forest management workload support.

### **California Conservation Corps**

- Approves position authority for 5 positions.
- Rejects cuts to local corps of \$23.5 million.

### **Colorado River Board**

- Adopts the Colorado River Board Fiscal Services Support budget change proposal.

### **State Lands Commission**

- Approves \$3,660,000 one-time General Fund for the Platform Holly Caretaker Program.

### **Santa Monica Mountains Conservancy**

- Increases spending authority of its Santa Monica Mountains Conservancy Fund be increased from \$200,000 to \$1.5 million to allow the Conservancy to process the Regional Forest and Fire Capacity Program grant it has been awarded and to pass the funding through to its sub-grantees to effectuate the award.

### **Department of Food and Agriculture**

- Rejects AB 1499 trailer bill language and instead appropriates \$2.5 million ongoing General Fund to retain existing fairs staffing.

**ENERGY**

- Adopts \$100 million General Fund for the Clean Energy Reliability Investment Plan (CERIP):
  - \$32 million for Department of Water Resources for a central procurement function.
  - \$11 million for Go-Biz for permitting and interconnection best practices support.
  - \$4 million for the Energy Commission to do transmission planning.
  - \$1 million for the Energy Commission for administration overhead.
  - \$19 million for the Energy Commission for the Demand Side Grid Support program.
  - \$33 million for the Public Utilities Commission to subsidize community solar under AB 2316 (Ward, 2022).
- Rejects the Modification to User Fee Statutes trailer bill.
- Adopts trailer bill to reimburse utilities for another year of energy imports
- Adopts \$100 million fund shift from the Distributed Electricity Backup Assets Program to energy imports for summer 2023.
- Adopts trailer bill language for SB 1020 cleanup.
- Rejects trailer bill language to address the Energy Resources Program Account (ERPA) structural deficit to raise the statutory cap on the ERPA surcharge, tie the statutory cap to the Consumer Price Index, and extend the surcharge to apply to behind-the-meter electricity ratepayers.
- Reverts \$549.4 million in California Emergency Relief Funds in 2022-23 to the General Fund, based on updated savings figures from the California Arrearage Payment Program due to actual applications received and approved for funding.
- Approves funds to implement SB x1-2 including:
  - \$5.9 million General Fund (instead of ERPA) and 14 positions on an ongoing basis for the CEC to collect new data, analyze and track trends in the petroleum supply chain and pricing, produce required reports, and establish a new oversight division, which will collectively help maintain a reliable supply of affordable and safe transportation fuels in California. Additionally, the Commission will redirect 10

existing positions internally to support the new Division of Petroleum Market Oversight.

- \$1 million one-time Cost of Implementation Account for the California Air Resources Board to support development of the Transportation Fuels Transition Plan.
- \$286,000 Occupational Safety and Health Fund and 1 position for the Department of Industrial Relations to support analysis on managing refinery turnaround and maintenance schedules to prevent price spikes.
- Adopts SB x1-2 cleanup trailer bill.
- Approves a reduction of \$230 million from the Self-Generation Incentive Program (SGIP) at the California Public Utilities Commission and reduces an additional \$350 million in 2023 which is delayed to \$125 million in 2024 and \$225 million in 2025 with budget bill language allowing a reservation list.
- Adopts trailer bill language to limit SGIP to low income customers when funded by General Fund.

### **California Energy Commission**

- Delays \$150 million in the current year and the budget year to 2026-27 for the Climate Innovation Program at the CEC.
- Reduces the Long Duration Energy Storage Program at the California Energy Commission (CEC) by \$50 million General Fund, or 13 percent.
- Decreases the Carbon Removal Program at the CEC by \$25 million, a 25 percent reduction.
- Decreases the Transmission Financing Program at the California Infrastructure Bank by \$25 million in 2023-2024, or 10 percent.
- Cuts the Low Global Warming Pollutant Refrigerants program at the Air Resources Board by \$20 million, or 50 percent.
- Reduces the Food Production Investment Program at the CEC by \$10 million in 2022-2023, or 13 percent.
- Cuts the Industrial Grid Support and Decarbonization Program at the CEC by \$10 million in 2022-23, or 10 percent.

- Delays \$370 million of funds in the current year and the budget year to future years for the Equitable Building Decarbonization Program at the CEC. Eliminates \$87 million in 2025-26, or 9 percent of the multi-year total.
- Adopts trailer bill language on raises for Commissioners at the Energy Commission.

**Office of Energy Infrastructure Safety**

- Adopts placeholder trailer bill language on operational efficiencies.
- Approves the following budget change proposals: Office of Energy Infrastructure Safety - Continued Implementation, Electricity: Expedited Utility Distribution Infrastructure Undergrounding Program (SB 884), Office of Energy Infrastructure Safety - Information Technology Transition Services and Support, and Office of Energy Infrastructure Safety - Human Resources and Procurement Services.

## TRANSPORTATION

### California State Transportation Agency

#### *Transit Relief*

- Provides \$5.1 billion for transit across 2023-24, 2024-25, 2025-26 and 2026-27. (\$410 million in 2023-24, \$230 million in each 2024-25, 2025-26 and 2026-27).
  - Restores the \$4 Billion General Fund to CalSTA across 2023-24 and 2024-25 for the Transportation and Intercity Rail Capital Program.
  - Provides an additional \$1.1 billion to CalSTA across 2023-24, 2024-25, 2025-26, and 2026-27 Transit Zero Emission Vehicle (ZEV) Bus and Infrastructure funding from the Greenhouse Gas Reduction Fund.
  - Provides both programs 100 percent flexibility for capital and operations expenses and is contingent on meeting specified accountability provisions.

#### *Transit Accountability*

- Requires CalSTA to develop and administer an accountability program for the distribution of funds from the Zero-Emission Transit Capital Program and Transit and Intercity Rail Capital Program (General Fund).
- Requires a regional transportation planning agency to submit a regional short-term financial plan to CalSTA, in order to receive moneys from these funding sources.
- Requires a regional transportation planning agency to submit a long-term financial plan by June 26, 2026. A regional transportation planning agency is ineligible to receive future grants under the Transit and Intercity Rail Capital Program in the 2026–27 fiscal year, or any subsequent fiscal years, unless CalSTA approves their long-term financial plan.

#### *Transit Statutory Relief*

- Extends trailer bill language to continue COVID-19 relief programs previously authorized by the Legislature and creates a task force to examine the ways to improve transit and increase ridership in the long term, including reforming the transportation development act.

#### *Other Provisions*

- Approves \$600 million over three years for the Port and Freight Infrastructure Program



scheduled for 2023-24 and the May Revision proposal to reduce a portion of the General Fund scheduled to be provided to the Port and Freight Infrastructure Program in 2023-24 by \$150 million and to backfill the decrease with an equal amount from State Highway Account (SHA).

- Extends the encumbrance period for the Port of Oakland until June 30, 2027, and available for liquidation until June 30, 2030.
- Adopts 3.0 positions and \$1.3 million (special funds) in 2023-24, and ongoing to meet the new IT security standards outlined in the Cal-Secure roadmap.

### **Department of Transportation**

- Adopts the following elements of the Governor's Transportation Infrastructure Package:
  - Approve proposed fund shifts for Climate Adaptation Program;
  - Approves the proposed delay to the Grade Separations Program.
  - Rejects the proposed reduction to the Active Transportation Program and maintains funding at \$500 million consistent with the 2022 Budget Act.
- Adopts one-time increase of \$422,000 in operating expenses (State Highway Account) to complete Project Approval Lifecycle Stage 4 for the Enterprise Data Governance Technology Solutions project.
- Provides 11 positions and resources totaling \$5.812 million in 2023-24, for Transportation System Network Replacement (TSNR) Year 3 project costs.
- Approves Alternative 2 in the Budget Change Proposal which includes 9 limited-term positions, \$1,900,000 in Personal Services, and \$700,000 in Operating Expenses for a total of \$2,600,000 in 2023-24 and \$2,600,000 in 2024-25 for Traffic Operations to implement LPI traffic signal timing pursuant to AB 2264. Approves 1 permanent position starting in 2023-24 at a cost of \$198,000 combined PS and OE annually and \$610,000 in Operating Expenses after limited-term positions expire in 2025-26).
- Approves \$224,000 (\$119,000 State Highway Account, \$105,000 Public Transportation Account) for one limited-term position for three years and \$300,000 (\$159,000 State Highway Account, \$141,000 Public Transportation Account) for a one-time consultant contract to implement the provisions of SB 1121 (Chapter 508, Statutes of 2022) relating to the development of a State and local transportation system needs assessment.

- Approves the biennial zero-based-budget (ZBB) for Project Initiation Documents (PIDs) that requests a total of 420 positions and \$81 million (\$77.3 million in personal services and \$3.8 million in operating expenses) for each fiscal year to develop, review, and approve PIDs. This request represents a net increase of 50 positions, equating to a total increase of \$8.9 million, compared to the funding provided in the 2021-22 Budget.
- Includes a three-year, limited-term (General Fund) increase of \$5,802,000 for 30 positions and 7 two-year, limited-term positions (Solutions Team to support statewide efforts addressing homelessness within the highway system right-of-way. Adopts trailer bill language that requires Caltrans to report on an evaluation of the outcomes of the Encampment Coordinator Team.
- Approves \$20.6 million (State Highway Account) on a two-year limited-term basis for the removal of statewide hazardous material from encampments statewide.
- Adopts 38 positions and \$48.4 million on a four-year, limited-term basis from the State Highway Account to continue and expand the HM-4 Safety Pilot Program.
- Includes \$4.4 million from the State Highway Account and 23.5 positions for administration support to address increased workload requirements commensurate with departmental program growth.
- Approves \$3.4 million from the State Highway Account and 17 positions on an ongoing basis to support increased legal workload and establish a legal office in the Central Valley.
- Provides \$1.3 million and 9 permanent positions (3 for Public Affairs and 6 for Legislative Affairs) to process and respond to state-mandated California Public Record Act (CPRA) requests and legislative bill analysis workload.
- Approves \$1,340,000 for 8 permanent full-time positions to implement the new Transportation Wildlife Connectivity Remediation Program created by Assembly Bill (AB) 2344 (Chapter 964, Statutes of 2022, Friedman).
- Adopt trailer bill language that limits Caltrans from charging self-help counties with countywide sales tax measures dedicated to transportation improvements more than 10 percent for administration indirect cost recovery.
- Adopts \$39.1 million and 143 Full Time Equivalents (FTEs) for the Capital Outlay Support (COS) Program for 2023-24. The resources requested considers budget year needs within the context of a five-year workload projection. The COS Program budget is growing to meet the needs and deliver projects required to achieve program

commitments of Senate Bill 1 (SB 1), Asset Management, Infrastructure Investment and Jobs Act (IIJA), and the Middle-Mile Broadband Network Program.

- Provides \$6,637,000, which includes \$3,750,000 in personnel services (PS) for twenty-seven (27) positions, and operating expenses of \$2,887,000 of which \$2,650,000 is for professional consulting services. These resources will support the increased workload for Caltrans on-boarding to the FI\$Cal system.

### **California Transportation Commission**

- Approves \$224,000 (\$119,000 State Highway Account, \$105,000 Public Transportation Account) for one limited-term position for three years and \$300,000 (\$159,000 State Highway Account, \$141,000 Public Transportation Account) for a one-time consultant contract to implement the provisions of SB 1121 (Chapter 508, Statutes of 2022) relating to the development of a State and local transportation system needs assessment.
- Adopts trailer bill language that includes \$200,000 from various transportation funds (\$75,000 from the State Highway Account and \$125,000 from the Public Transportation Account) and associated statutory changes to authorize a per diem for serving on an advisory committee of the Commission.
- Adopts \$200,000 (\$94,000 from the State Highway Account and \$106,000 from the Public Transportation Account) to secure a contract for legal services, including but not limited to the Commission's role as a Responsible Agency pursuant to the California Environmental Quality Act.

### **Department of Motor Vehicles**

- Adopts \$4.5 million and three temporary positions in 2023-24 for personnel and contracted resources from the General Fund to continue DMV's planning and implementation activities to comply with Chapter 314, Statutes of 2021 (AB 796, Berman).
- Reappropriates \$30,016,000 of previously approved Motor Vehicle Account funding for DMV to continue the DXP project, the comprehensive modernization of DMV's IT systems. DMV required potential vendors to conduct extensive testing before awarding the contract, causing a delay in the encumbrance of funding.
- Reappropriates \$6,580,000 of previously approved Motor Vehicle Account funding for DMV to continue planning and project activities for the federally-mandated Commercial Driver Licensing Information System.
- Reverts \$93,070,000 of DMV's multi-year General Fund appropriation for REAL ID

workload and other operational improvements, given the shift of the federal REAL ID enforcement date from May 2023 to May 2024.

- Adopts placeholder trailer bill language to increase the mobile driver license pilot program testing population cap from 0.5 percent of licensed drivers to 5 percent. The pilot program creates a mobile application for California driver licenses so that a customer can use it in place of a physical card.
- Adopts Capital Outlay Proposals for DMV as follows:
  - \$2,458,000 from the General Fund for the performance criteria phase of the El Centro Field Office Replacement project.
  - \$17,314,000 from the Public Buildings Construction Fund (to replace existing current year authority of \$11,415,000 from the General Fund) for the construction phase of the Delano Field Office Replacement project.
  - \$21,962,000 from the Public Buildings Construction Fund (to replace existing current year authority of \$20,928,000 from the General Fund) for the construction phase of the Inglewood: Field Office Replacement project.
  - \$41,654,000 from the Public Buildings Construction Fund for the design-build phase of the San Francisco: Field Office Replacement project.
- Adopts \$50,000 in 2023-24, \$2.3 million in 2024-25, \$515,000 in 2025-26, \$540,000 in 2026-27, and \$566,000 in 2027-28 and ongoing for a new leased Banning Field Office.
- Approves \$4.4 million in 2023-24, \$1.1 million in 2024-25, \$1.1 million in 2025-26, \$1.2 million in 2026-27, and \$1.2 million in 2027-28, and ongoing to relocate the DMV San Francisco Driver Safety/Occupational Licensing (DS/OL) Office and consolidate with the Brisbane Investigations Office.
- Adopts \$6.9 million in 2023-24, \$2.3 million in 2024-25, \$2.4 million in 2025-26, and \$837,443 in 2026-27 for a temporary field office swing space facility near San Francisco.
- Includes \$3.4 million (Motor Vehicle Account) in 2023-24 and a reappropriation of \$395,000 to continue establishing a department-wide Enterprise Content Management (ECM) System. This project will allow the DMV to consolidate document resources by maintaining a centralized repository that integrates with existing systems. The ECM solution will also streamline business processes while increasing data security.

- Reappropriates \$513,000 (General Fund) originally appropriated in the 2022 Budget Act, for the working drawing phase of the Elevator Modernization project for the DMV Headquarters Campus in Sacramento. The reappropriation is necessary as budget bill language intended to provide an additional year to encumber working drawings.

### **California Highway Patrol**

- Approves 11 positions and \$9.8 million in 2023-24, \$9.9 million in 2024-25, and \$4.9 million in 2025-26 and ongoing from the Motor Vehicle Account to extend the Wireless Mobile Video/Audio Recording System (WMVARS) project and implement the Body-Worn Camera (BWC) statewide.
- Adopts one position and \$1.1 million ongoing from the Motor Vehicle Account for the ongoing operation costs of the Fleet Telematics System.
- Includes \$402,000 permanent funding from the Motor Vehicle Account, for two existing Information Technology Specialist II positions for privacy and risk management.
- Approves \$1.068 million in 2023-24, and ongoing augmentation of \$1.018 million beginning in 2024-25, from the Motor Vehicle Account for five positions to meet the demands of increased workload in the Office of Legal Affairs.
- Adopts the following capital outlay proposals:
  - \$500,000 from the General Fund for Statewide Planning and Site Identification.
  - \$10,963,000 from the General Fund for the performance criteria phase of the Redding, Los Banos, Porterville, Antelope Valley, and Barstow Area Office Replacement projects.
  - \$85,631,000 from the Public Buildings Construction Fund for the design-build phase of the Gold Run and Humboldt Area Office Replacement projects.
  - \$201,369,000 from the Public Buildings Construction Fund (to replace existing current year authority of \$184,320,000 from the General Fund) for the design-build phase of the Quincy, Baldwin Park, and Santa Fe Area Office Replacement projects.
  - \$7,407,000 from the Public Buildings Construction Fund for the design-build phase of the San Bernardino Area Office Replacement project.

**Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun**

- Adopts \$1,139,000 in 2023-24 and \$316,000 in 2024- 25 from the Board of Pilot Commissioners Special Fund to begin planning efforts for an information technology project to digitize existing business processes and records.

## GENERAL GOVERNMENT

### Business, Consumer Services and Housing Agency

- Provides the \$1.1 billion investment in 2023-24 and intent language for additional funding 2024-25 for the Homeless Housing, Assistance and Prevention Program (HHAPP) to provide jurisdictions with flexible funding to address homelessness issues. *(Note: additional funds come from moving bonus round funding up sooner.)*
- Adopts trailer bill language for the Rounds 5 program, including Regional Homeless Action Plans that includes specific metrics and action items by region, and reprogramming prior bonus rounds 3 and 4 in an expedited manner. Includes intent language to transition the HHAPP grant program and other grant programs from the Interagency Council on Homelessness to the Department of Housing and Community Development.
- Includes \$731,000 in 2023-24, and \$223,000 in 2024-25, and ongoing and one position to address the current and anticipated ongoing workload stemming from an increase in oversight and strategic coordination required to support existing Agency programs along with significant growth in the data and cyber-security domain.
- Adopts two positions and \$339,000 (General Fund) in 2023-24, two positions and \$323,000 (General Fund) in 2024-25, and ongoing to implement the provisions required by SB 914 (Chapter 665, Statutes of 2022) for the California Interagency Council on Homelessness (Cal-ICH).
- Adopts trailer bill language for Cal-ICH's Advisory Committees and working groups.

### Department of Housing and Community Development

- Builds on the General Fund investments programmed during the 2022 Budget Act by adding an additional \$100 million for the Multi-Family Housing Program and restores \$50 million for CalHOME program in 2023-24; and restores \$50 million for the Accessory Dwelling Unit Program and \$200 million for the California Dream for All in 2022-23.

<b>Housing and Homelessness General Fund Investments for the 2023 Budget Act</b>	
<b>Program</b>	<b>2023-24</b>
<b><i>Housing and Community Development</i></b>	
Infill Infrastructure Grant Program	225
Foreclosure Prevention and Preservation	82.5
Portfolio Reinvestment Program	100
Adaptive Reuse	250
CalHome	50
MultiFamily Housing Program	325
State Excess Sites Development	75
Transitional Housing Program	43
Manufactured Housing Opportunity and Revitalization Program	75
Veteran Housing and Homeless Prevention Program	50
Housing Navigators Program	14
<b><i>California Interagency Council on Homelessness</i></b>	
Homeless Housing, Assistance and Prevention Program*	1,100
Encampment Resolution Grants	400
Subtotals	1,500
<b><i>California Tax Credit Allocation Committee</i></b>	
State Low Income Housing Tax Credit Program	500
<b>Total</b>	<b>3,290</b>
<i>*Additional funding is due to the advancement of Bonus Rounds 3 and 4.</i>	
<i>**\$200 M for California Dream for All and \$50 million for Accessory Dwelling Units funding were restored for the 2022 Budget Act and those restorations are not reflected in this table.</i>	

- Includes the establishment of the Employee Housing Regulation Fund (Fund 3425) and position authority for 10 positions in 2023-24, and ongoing for field operations to address critical health and safety conditions within Mobilehome Parks, Special Occupancy Parks, Employee Housing (EH) facilities, and for mobilehome and manufactured housing occupants statewide. Adopts trailer bill language to create the Employee Housing Regulation Fund.
- Provides position authority for one District Representative I (DR I) in 2023-24, and ongoing to complete statutorily required in-plant inspections of Factory-Built Housing (FBH) manufacturers.



- Includes position authority for four positions in 2023-24, and ongoing in the Registration and Titling Program to maintain compliance with Health and Safety Code section 18075 to provide an orderly and economical transfer of registrations and titles for manufactured homes, mobilehomes, and commercial modulars.
- Approves a mix of resources (General Fund and Special Fund) as modified by Spring Finance Letter to implement workload resources for various legislative proposals enacted in 2022. These workload resources are for the following bills: AB 1654: Low-Income Housing: Insurance Tax: Credits Farmworker Housing; AB 1738: Building Standards: Installation of Electric Vehicle Charging Stations: Existing Buildings: AB 1978: Department of Housing and Community Development: Powers; AB 2011: Affordable Housing and High Road Jobs Act; AB 2234: Planning and zoning: Housing: Post Entitlement Phase Permits; AB 2483: Housing for Individuals Experiencing Homelessness; AB 2653: Planning and Zoning Law: Housing Elements; SB 6: Local Planning: Housing: Commercial Zones; SB 649: Local Governments: Affordable Housing: Local Tenant Preference; SB 869: Housing: Mobilehome Parks: Recreational Vehicles Parks: Manager Training; SB 948: Housing Finance Programs: Development Reserves; and SB 1307: Department of Housing and Community Development: Mobilehome Parks Act: Special Occupancy Parks Act.
- Approves additional General Fund augmentation in 2023-24, and ongoing for administrative support for the passage of the bills listed above.
- Adopts an augmentation of a Federal Trust Fund of \$231.2 million in 2023-24, and 20 positions in 2023-24, and ongoing. Resources will manage and oversee the distribution of the Community Development Block Grant – Disaster Recovery (CDBG-DR) funds allocated to California to support long-term recovery efforts following the 2020 wildfires. Additionally, this includes provisional language to provide an extended encumbrance period and to allow the transfer of funding for state operations.
- Adopts a reversion of \$17.5 million (General Fund) of the unexpended balance of the Downtown Rebound Program from the 2000 Budget Act. The funds were originally provided for adaptive reuse of commercial and industrial structures.
- Provides \$82.5 million for the Foreclosure Intervention Housing Prevention Program with the intent to allocate \$85 million for 2024-25, \$100 million for 25-26, and \$62.5 million for 206-27.
- Adopts trailer bill language to require HCD instead of Department of Finance to report on prohousing jurisdictions.
- Adopts trailer bill language on excess sites local government matching grants program to remove the statutory expenditure deadlines and the sunset of the reporting deadline

allowing the program to be continuously appropriated; and modifies language to align with SB 561 and removes any sequencing concerns with the bill.

- Adopts trailer bill language to address drafting errors in the Infill Infrastructure Grant Program of 2019 in AB 157 (2022).
- Adopts trailer bill language to update definition of rural area in the Low Income Housing to be consistent with federal definition. Rejects the language that would open the Joe Serna Jr. Farmworker Housing Grant Program to allow for-profit developers to apply for the program.
- Approves the encumbrance period from June 30, 2023, to June 30, 2024, to allow HCD to complete administrative close-out activities in the Federal Emergency Rental Assistance Program.
- Adopts trailer bill language to separate the California Housing Finance Agency (CalHFA) budget from the HCD budget.
- Reappropriates funds for the County of Los Angeles for the LAC+USC General Hospital Reuse Project.
- Provides \$2 million one-time funding for qualified immigrant rights organizations to provide immigrant individuals with consistent, comprehensive support when entering a public shelter.
- Provides clarifications to AB 6 ( Middle Class Housing Act of 2022) and AB 2011 (Affordable Housing and High Road Jobs Act of 2022) as follows:
  - Requires the exempted parcel or parcels to be subject to an ordinance that allow for development by right for a local agency to reallocate the residential density from an exempt parcel.
  - Clarifies the procedures established by AB 2011 (Wicks, Chapter 647, Statutes of 2022) for local governments to exempt specified parcels from provision of the law in a manner that results in no net loss of development capacity in the jurisdiction.
- Adopts trailer bill language to create an exemption from the Surplus Land Act (SLA) for land acquired by a local agency that will make at least 25 percent of any housing development affordable, provided that the parcels are subject to a locally adopted plan and legal restrictions that predate significant amendments to the Surplus Land Act that took effect in 2020.

**Civil Rights Department**

- Approves \$602,000 (General Fund) and four permanent positions in 2023-2024, as well as \$595,000 (General Fund) in 2024-25, and ongoing for the purpose of processing additional housing source of income discrimination complaints associated with SB 329, (Mitchell, Ch. 600, Stats. 2019).
- Approves legislative resources for the following bills: SB 649: Affordable Housing Local Tenant Preference; AB 2188: Cannabis Discrimination in Employment; AB 1041 and AB 1949: Leave from Work Laws; AB 2448 Pilot Program Business Discrimination and Harassment of Customers; and SB 1162: Reporting Pay.
- Rejects proposal to permanently transfer funding and spending authority from Program 1500 Department of Justice Legal Services to Program 1490 Administration of Civil Rights Law.
- Approves two positions and \$441,000 (General Fund) ongoing to assist with the department's administrative workload including internal audits, and diversity and equity efforts.
- Approves name change from Fair Employment and Housing Council to the Civil Rights Council.
- Increases by \$375,000 annually in 2023-24, 2024-25, and 2025-26, to utilize a federal grant to support and expand the CA vs. Hate Hotline.

**Governor's Office of Business and Economic Development (GO-Biz)**

- Includes \$1.5 million one-time General Fund to relaunch Made in California Program and trailer bill language. The Made in California Program aims to support in-state manufacturing by increasing consumer awareness of in-state production.
- Provides \$120 million for a third year of the California Competes grant program.
- Includes 7.0 positions and \$955,000 ongoing to support the increased workload for the Administrative Services Division.
- Provides resources for the California Business Investment Services (CalBIS) including 6.0 positions and \$740,000 ongoing (General Fund) to address increased workload and preserve the team's ability to maintain current service levels effectively.
- Includes \$327,000 ongoing (General Fund) and 2 positions to address increased workload for the International Affairs and Trade Unit resulting from the State Trade

Expansion Program (STEP) and from an increasing number of businesses seeking assistance from the Unit.

- Provides \$391,000 ongoing (General Fund) and 3.0 positions to implement AB 2019 (Chapter 730, Statutes of 2022) at the California Office of Small Business Advocate (CalOSBA).
- Approves 4.0 positions and \$764,000 (Air Pollution Control Fund) in 2023- 24 through 2027-28, and \$534,000 in 2028-29 and ongoing (Air Pollution Control Fund) to address increased workload, implement SB 1251 (Chapter 372, Statutes of 2022), contract with outside specialists to conduct market research and stakeholder engagement, and support a ZEV Equity Advocate position established in SB 1251. Additionally adopts placeholder reporting language.
- Approves \$25.3 million (one-time) to be spent over five years, for CalOSBA to provide technical assistance to small businesses applying for State Small Business Credit Initiative capital programs; adopts provisional language to allow the funds to be available for encumbrance or expenditure until June 30, 2028.
- Provides \$350,000 one-time to allow CalOSBA to administer a federal grant, in coordination with the California Academy for Economic Development, for the Outsmart Disaster Program. This program is a statewide awareness campaign focused on providing California businesses and communities with the resources they need to adequately prepare for and recover from all types of disasters and business interruptions.
- Provides \$20 million for the Small Agricultural Business Relief Grant administered by CalOSBA for grants for flood relief to be combined with grants for drought relief.
- Adopts May Revision proposal to reduce the Local Government Sustainability Fund Program to \$50 million.
- Provides \$50 million for the City of Fresno to support the City's Public Infrastructure Plan and includes intent language to provide an additional \$100 million in 2024-25 and \$100 million in 25-26.
- Reappropriates the Immigrant Integration and Economic Development Grants by up to \$2 million from the 2022 Budget Act for competitive grants to service providers to develop export training programs aimed at underserved business owners; and extends the encumbrance or expenditure until June 30, 2025.
- Adopts trailer bill language to extend the sunset dates for several grant programs administered by CalOSBA to allow additional time to award grants and for program

closeout activities.

- Reverts an unexpended balance of \$142 million of the California Small Business COVID-19 Relief Grant Program in the 2021 Budget Act, as a result of lower revenue projections.
- Provides \$10 million one-time for the Local Economic Development Plan efforts pursuant to SB 846 (Chapter 239, Statutes of 2022).

## **GO-Biz and Franchise Tax Board**

### *California Film & Television Tax Credit Program 4.0*

- Allows for a new California Film & Television tax credit (Motion Picture Credit 4.0) for taxable years 2025 to 2030 at \$330 million per year and expands the program to include refundability.
- Applies diversity workplans created in the Soundstage tax credit to Motion Picture Credit 4.0 with modifications.
- Expands the Career Pathways Training program to provide more opportunities for Californians to enter the CA Film & Television union workforce.
- Increases staffing at the California Film Commission (CFC) to include two positions to address diversity, equity, inclusion, and workforce.
- Expands the California Film Commission board to include a diversity, equity and inclusion expert employed in the motion picture industry.
- Increases staffing at the California Film Commission to include two positions to address diversity, equity, inclusion, and workforce.
- Adds set safety provisions as a pilot to Program 4.0.
- Adopts trailer bill language to address technical changes to the Soundstage Tax credit and Program 3.0.
- Approves resources for the Franchise Tax Board to ready its systems to issue refundable credits into the future and provides specific resources to implement the CA Film & Television tax credit.

**Franchise Tax Board**

- Includes \$2,199,000 (General Fund) and \$33,000 (special funds) in 2023-24, and 2024-25; \$99,000 (General Fund) and \$2,000 (special funds) in 2025-26, and ongoing, for the Franchise Tax Board (FTB) to replace two high-speed print systems and software that FTB uses to print FTB's notices, bills, and correspondence.
- Adopts \$135 million (General Fund) and the full time equivalent of 41.0 permanent positions, and 31.0 limited-term positions for the FTB for the third-year implementation of the Enterprise Data to Revenue (EDR2) project, which is the second phase of the Tax System Modernization (TSM) plan.
- Includes \$4.9 million (General Fund) and \$96,000 special funds for 29.0 permanent positions in 2023-24; and \$4.6 million (General Fund) and \$91,000 (special funds) in 2024-25, and ongoing for FTB to maintain and improve its existing mission- critical applications and return-processing technology support services.
- Adopts 2.5 million [\$2.4 million (General Fund) and \$100,000 in (special funds)] for 13 positions for 2023-24 and \$2.4 million [\$2.3 million (General Fund) and \$100,000 (special funds)] for 13 positions in 2024-25 and ongoing to enable the FTB to engage in critical and essential services related to revenue estimating, budgeting, legislative analysis, project oversight, procurement, talent management and ensure compliance with Equal Employment Opportunity Laws.
- Approves \$1,791,000 and 3 positions ongoing; Item 7730-001-0044 be increased by \$5,000 ongoing; Item 7730-001-0064 be increased by \$10,000 ongoing; and Item 7730-001-0242 be increased by \$20,000 ongoing to replace obsolete legacy and custom-coded IT programs with an updated management platform that will be able to integrate and share data with other departmental systems.
- Provides \$1,777,000 and 2 positions ongoing; Item 7730-001-0044 be increased by \$6,000 ongoing; Item 7730-001-0064 be increased by \$9,000 ongoing; and Item 7730-001-0242 be increased by \$20,000 ongoing to add privileged access management and multi-Factor authentication capabilities to improve security for the Franchise Tax Board's (FTB) public website.
- Adopts \$1,805,000 ongoing; Item 7730-001-0044 be increased by \$5,000 ongoing; Item 7730-001-0064 be increased by \$9,000 ongoing; and Item 7730-001-0242 be increased by \$13,000 ongoing for the increased costs of licensing and support subscriptions for FTB's existing mainframe software.
- Includes \$2,738,000 (General Fund) for 19 positions and funding to upgrade 95 positions for 2023-24, \$2,563,000 (General Fund) for 19 positions and funding for

upgraded positions in 2024-25 and ongoing to enable the department to effectively conduct business with taxpayers and tax practitioners, interact in ways that are fast and efficient for them and provide information allowing taxpayers to meet their tax filing and payment obligations. These resources and position upgrades will enhance customer service levels on personal service contact center channels including phone, chat, and correspondence.

- Adopts trailer bill language for data sharing between FTB and the Department of Health Care Services.
- Adopts trailer bill language to move the due date of the Tax Expenditure Report (provided by the Department of Finance to the Legislature) from September 15th of each year, to November 1, 2024. Adopts trailer bill language to require the report to continue to be submitted on an annual basis.
- Adopts trailer bill language that the income from an incomplete gift nongrantor trust would be included in the income of the grantor, as if the trust was a grantor trust, except when the fiduciary of a trust where 90 percent of beneficiaries are charitable organizations elects to be taxed as a resident nongrantor trust commencing in 2023 taxable year. This proposal mitigates a tax strategy which allows California residents to transfer assets into out-of-state incomplete non-grantor trust and potentially avoid state taxation.
- Adopts trailer bill language to expand the New Employment Credit for the semiconductor business, electric airplane manufacturing, lithium production, and lithium battery manufacturing as well as eliminates the geographic restrictions of the state's existing New Employment Credit.
- Adopts trailer bill language to address wildfire settlements for the 2020 Zogg Fire and the 2019 Kincade Fire.

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

- Provides \$8.9 million in 2023-24 and 2024-25 from a variety of fund sources for the Centralized Revenue Opportunity System at CDTFA. Of this, \$5.3 million is for contract services for maintenance and operations, \$2.75 million is for the GenTax Software License and \$850,000 is for operating expenses and equipment.
- Includes permanent funding of \$2.5 million in 2023-24, and ongoing from the Department of Tax and Fee Administration Subaccount, Tobacco Law Enforcement Account, CA Healthcare, Research and Prevention Tobacco Tax Act of 2016 to fund 16 of 19 positions originally redirected in 2020-21.

- Includes \$249,000 in 2023-24, \$145,000 in 2024-25, and \$144,000 in 2025-26, and ongoing from the Lithium Extraction Excise Tax Fund for the implementation and administration of the new Lithium Extraction Excise Tax Program (LET) that was established in Chapter 63, of the Statutes of 2022 (SB 125).
- Adopts \$661,000 and 2.5 positions in 2023-24, \$617,000 and 2.5 positions in 2024-25 and ongoing, from the new 988 State Suicide and Behavioral Health Crisis Services Fund for the California Department of Tax and Fee Administration (CDTFA) to address the workload associated with AB 988 Mental Health: 988 Suicide and Crisis Lifeline that was established in Chapter 747, of the Statutes of 2022 (AB 988) and for the ongoing administration of the 911 Surcharge Act.

### **Franchise Tax Board, Board of Equalization, and California Department of Tax and Fee Administration**

- Rejects the deletion of Provision 1 in budget bill language, which requires all three agencies to get the approval of the Director of Finance before redirecting a position responsible for or engaged in direct auditing or collection activities to another unit.

### **Office of Tax Appeals**

- Provides \$435,000 ongoing (General Fund) and permanent position authority for two positions in the Hearings Section of the Legal Division to fulfill requirements set forth in SB 189 (Chapter 48, Statutes of 2022) and address additional workload at the Office of Tax Appeals (OTA).
- Adopts trailer bill language to provide the Office of Tax Appeals (OTA) with a narrow exemption from the Office of Administrative Law (OAL) rulemaking approval process to ensure that OTA's precedential decisions do not require OAL approval.

### **Department of Financial Protection and Innovation**

- Adopts an increase in expenditure authority of \$1.3 million (Financial Protection Fund) in 2023-24 and \$1.2 million in 2024-25 and ongoing, and 5.0 positions for the Department of Financial Protection and Innovation (DFPI) to implement the provisions of AB 676 (Holden), Chapter 728, Statutes of 2022.
- Provides an increase in expenditure authority of \$1.7 million in 2023-24, and \$1.6 million in 2024-25, and ongoing from a variety of fund sources and 9.0 positions to augment information technology (IT) staff to meet the department's increased system development workload and to align the Information Technology Office's (ITO) project methodology with the state's recommendations.
- Adopts eight positions and \$1,839,000 in 2023-24, and \$1,753,000 ongoing to



address growth in loan volume and licensee locations, additional examination hours necessary to comply with pandemic anti-foreclosure efforts, and changes to federal regulations that drive state-level workload associated with carrying out the California Residential Mortgage Lending Act (CRMLA).

- Approves 5 positions and \$1,127,000 in 2023- 24 and \$1,072,000 ongoing to address growth in licensee locations and consumer funds managed, expand internet escrow services, reduce examination backlog, and assist in carrying out the statutory requirements of the California Escrow Law.

### **Commission on State Mandates**

- Approves the funded and unfunded mandates consistent with the Governor's January budget as adjusted in April and May.

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

- Approves three positions in 2023-24 and 2024-25 to allow the Commission to continue to support the implementation of medication abortion readiness by public university student health centers and to collect specified information from the public universities and submit an annual report to the Legislature until December 31, 2026, as prescribed by Chapter 740, Statutes of 2019 (SB 24). These positions were first established as part of the 2020 Budget Act and are funded by the continuously appropriated College Student Health Center Sexual and Reproductive Health Preparation Fund.
- Reappropriates 8820-101-0001 to provide an additional year of encumbrance availability to award the grant to Sac County Commission on Status of Women and Girls in 2023-24.
- Provides \$1 million for continued support of the Women's Recovery Response Program.

### **Government Operations Agency**

- Provides \$2 million for four leadership initiatives including Hispanas Organized for Political Equality, Native American Leadership initiatives, Asian Pacific American Leadership Foundation, and Inland Empire Community Foundation Black Equity

### **Agricultural Relations Board**

- Allocates \$658,000 in 2023-24 and ongoing from the Labor and Workforce Development Fund for 4 positions to continue the Farmworker Outreach Program which aims to create broader adoption, compliance, and enforcement of California's labor laws in the agricultural industry.

- Appropriates \$454,000 and ongoing from the General Fund for 1 Information Technology Specialist as well as contract funds for IT security services and support to meet Cal-Secure cybersecurity requirements.
- Provides \$1,113,000 in 2023-24 and ongoing from the General Fund for 6 positions to address increased workload generated by the passage of AB 2183 (Stone, Chapter 673, Statutes of 2022). AB 2183 provides two additional pathways for agricultural workers to select a union representative: through mail-in ballots (referred to as a labor-peace election) or “cardcheck” (referred to as non-labor peace election).
- Adopts trailer bill language to eliminate the option to conduct union elections using mail-in ballots. Retains the option to conduct union elections via the “card-check” system, referred to as a Majority Support Petition. Limits the number of card-check / Majority Support Petition elections that result in the certification of a labor organization to 75 certifications.

### **Department of Alcohol and Beverage Control**

- Allocates \$2,801,000 in 2023-24 and \$3,235,000 in 2024-25 and ongoing from the Alcohol Beverage Control Fund for 19 positions to provide administrative support to the Department of Alcoholic Beverage Control's licensing, enforcement and education programs.
- Rejects a transfer of \$48.5 million remaining General Fund previously appropriated for license renewal fee relief during the COVID-19 pandemic to the Alcohol Beverage Control Fund. Instead, authorizes the Department of finance to transfer up to \$20,500,000 General Fund to the Alcohol Beverage Control Fund if revenues to support the special fund are insufficient.

### **Commission on Asian and Pacific Islander American Affairs**

- Allocates \$149,000 in 2023-24 and ongoing from the General Fund for 1 position at the Commission that will focus interagency state collaboration, engagement with API stakeholders and address health access issues.

### **California Arts Council**

- Reduces the cultural district program funding appropriated in 2022-23 by \$20 million. The Budget Act of 2022 provided \$30 million one-time General Fund to expand and support the 14 existing cultural districts throughout California.
- Provides a technical adjustment to the budget bill to shift reversions from the statewide control section to the applicable department budget.

- Allocates \$1,000,000 one-time General Fund in 2023-24 to create a strategic plan for California's creative economy and adopts trailer bill language to implement the proposal.
- Provide \$1,000,000 per year for three years from the General Fund to support the Actors' Gang theater arts program in California correctional facilities.

### **California Workforce Development Board**

- Restores \$20,000,000 General Fund (\$10 million in 2023-24 and \$10 million in 2024-25) for the California Youth Leadership Program.
- Allocates \$374,000 one-time General Fund to develop a plan to measure training outcomes and implement SB 755 (Roth, Chapter 815, Statutes of 2022). SB 755 requires CWDB and the Employment Development Department to collaboratively create a plan to measure and report on training-related job placement outcomes for individuals receiving job training services provided through the workforce system, including all job training services funded by Title I of the Workforce Innovation and Opportunity Act (WIOA) and through grants administered by CWDB, regardless of the source of the funding.
- Appropriates a \$5,334,000 increase in Federal Trust Fund authority to expand the Prison to Employment Initiative to federal prisons through the Federal First Step Act Grant Initiative.
- Includes a technical adjustment to the budget bill to shift reversions from the statewide control section to the applicable department budget.
- Approves a \$5,000,000 one-time General Fund in 2023-24 for the Breaking Barriers to Employment grant program at the California Workforce Development Board.
- Authorizes \$5,000,000 one-time General Fund in 2023-24 to provide workforce development support to cities and counties that end conditional use permit for immigration detention centers. Adopts budget bill language to implement the program.

### **Cannabis Control Appeals Board**

- Allocates \$9,207,000 from the Cannabis Control Fund spread over three years to support the Cannabis Control Appeals Panel operations.

**Department of Cannabis Control**

- Allocates \$264,000 in 2023-24, and \$256,000 in 2024-25 and ongoing from the Cannabis Control Fund for 1 position to fulfill workload associated with SB 1326 (Caballero, Chapter 396, Statutes of 2022). SB 1326 authorizes the Governor to enter into an agreement with one or more other states authorizing interstate commercial cannabis activity (either medicinal, or adult-use, or both) under specific conditions.
- Appropriates \$155,000 in 2023-24 and \$147,000 in 2024-25 and ongoing from the Cannabis Control Fund to implement AB 1885 (Kalra, Chapter 389, Statutes of 2022). AB 1885 expanded regulatory statutes on medicinal and adult-use cannabis products to include the control and regulation of the cultivation, distribution, transport, storage, manufacturing, processing, and sale of cannabis products intended for use on, or consumption by, animals. AB 1885 specifically mandates the Department to promulgate regulations for pet standards by July 1, 2025.
- Approves \$3,995,000 in 2023-24, \$2,344,000 in 2024-25, \$2,358,000 in 2025-26, \$2,373,000 in 2026-27, and \$2,388,000 in 2027-28 and ongoing from the Cannabis Control Fund to support Information Technology Operations at the Department and to establish a central California district office in Fresno.
- Rejects language that would authorize the Department of Finance to augment funding should it be determined that additional resources be necessary to implement the Medicinal and Adult-Use Cannabis Regulation and Safety Act.
- Adopts trailer bill language that would update fingerprinting requirements and other related information for criminal history information checks to comply with new federal requirements set by the Federal Bureau of Investigation.

**Capital Outlay Statewide Planning and Studies Funding**

- Allocates \$2,000,000 General Fund in capital outlay statewide planning and studies funding to be allocated by the Department of Finance to state agencies to develop design and cost information for new projects.

**Department of Consumer Affairs**

- Board of Accountancy: Allocates \$162,000 in 2023-24 and \$154,000 in 2024-25 and ongoing from the Accountancy Fund to support 1 analyst position to initiate, complete, and promulgate regulatory packages.

- Appropriates \$6,019,000 in 2023-24 and \$2,538,000 in 2024-25 and ongoing from various special funds to continue implementation and maintenance of Business Modernization Cohort 1 and 2 information technology efforts.
- Cemetery and Funeral Bureau: Approves \$119,000 in 2023-24 and \$111,000 in 2024-25 and ongoing for 1 position to provide workload support in the Bureau's Field and Audit units.
- Authorizes \$219,000 in 2023-24 and ongoing in various special funds for 2 positions to address staff deficiencies at the DCA Business Services Office mailroom.
- Funds \$1.2 million in 2023-24 and \$1.1 million in 2024-25 and ongoing for 8 positions to assist with implementing legislation impacting the Bureau of Security and Investigative Services, the Board of Naturopathic Medicine, the Bureau of Postprivate Postsecondary Education, the Board of Psychology, and the Board of Pharmacy.
- Medical Board of California: Grants \$223,000 in 2023-24 and \$299,000 in 2024-25 from the Special Deposit Fund to support ongoing evaluation of the Licensed Physicians and Dentists from Mexico Pilot Program.
- Includes \$3,738,000 in 2023-24 and ongoing from various special funds to support increased costs incurred through the Office of Administrative Hearings.
- Provides \$1,150,000 in 2023-24 and ongoing from various special funds for 7 positions to conduct business analytics, organizational change management activities, and support DCA's executive office.
- Physical Therapy Board: Allocates \$267,000 in 2023-24 and \$251,000 in 2024-25 and ongoing from the Physical Therapy Fund for 2 staff analysts to expedite processing license applications.
- Appropriates \$1,788,000 in 2023-24 and ongoing from various special funds to continue support for 8 positions supporting the Department's Regulations Unit.
- Speech-Language Pathology and Audiology and Hearing Aid Dispensers Board: Approves \$252,000 in 2023-24 and \$236,000 in 2024-25 and ongoing from the Speech-Language Pathology and Audiology and Hearing Aid Dispensers Fund for 2 positions to address licensing and examination workload and continuing education audit workload.
- Veterinary Medical Board: Funds \$1,094,000 in 2023-24 and ongoing from the Veterinary Medical Board Contingent Fund for 7 positions in the Board's Enforcement Unit.

- Includes budget bill language making a net-zero technical correction to the Department of Consumer Affairs' internal administrative costs (pro rata) to correct an error to the indirect distributed cost of the Physical Therapy Board of California and the California Acupuncture Board.

### **Employment Development Department**

- Withdraws \$20 million (\$10 million in 2023-24 and \$10 million in 2024-25) for the Emergency Medical Technician Training at the Employment Development Department.
- Withdraws \$750,000,000 allocated in the Budget Act of 2022 to pay down a portion of the federal unemployment insurance debt.
- Eliminates \$500,000,000 provided in the Budget Act of 2022 to offset insurance tax rates on small businesses.
- Provides a \$306 million loan from the Unemployment Compensation Disability Fund to the General Fund to support the state's payment of the UI loan interest payment. Adopts budget bill language to implement the loan conditions.
- Allocates \$5,102,000 in 2023-24 and 2024-25, then \$2,979,000 in 2025-26 and ongoing, split evenly between the Unemployment Compensation Disability Fund and the EDD Contingent Fund, to provide both permanent and temporary positions to support cash management, accounts receivable and payable, general ledger, financial reporting, procurement, and bank reconciliation operations at EDD.
- Appropriates \$3,346,000 in 2023-24 and ongoing, split evenly between the Employment Development Department Contingent Fund and the Unemployment Compensation Disability Fund, to renew and continue licensing tools used by the Department's Cybersecurity Division. The tools assist with scanning, identifying, and responding to cyber vulnerabilities and threats, escalating and reporting security incidents and data breaches, as well as tracking and responding to federal and state audits and compliance reports.
- Approves \$15,440,000 (\$6,344,000 General Fund) in 2023-24, \$14,419,000 (\$1,677,000 General Fund) in 2024-25, and \$8,613,000 in 2025-26 and ongoing to fund the implementation of direct deposit option for benefits.
- Authorizes \$197,983,000 in 2023-24, split between the General Fund and the Unemployment Compensation Disability Fund, to continue the Department's multi-year modernization overhaul, known as EDDNext.

- Extends EDDNext 2022 funding encumbrance period to June 30, 2024.
- Extends encumbrance period from June 30, 2024 to June 30, 2025 for EDDNext 2023 Funding and provide the Department with additional time for contract procurements that were delayed by additional planning activities and reprioritization of projects.
- Funds \$4,201,000 in 2023-24 and 2024-25 from the Unemployment Compensation Disability Fund to implement statutory changes in SB 951 (Durazo, Chapter 878, Statutes of 2022). SB 951 provides a schedule to revise the formulas determining the weekly amounts for Disability Insurance and Paid Family Leave benefits.
- Includes a technical adjustment to the budget bill to shift reversions from the statewide control section to the applicable department budget.
- Increases the Federal Unemployment Fund by \$1,754,795,000 ongoing to align with updated forecast benefit payments
- Increases the Unemployment Compensation Disability Fund by \$660,809,000 ongoing to align with updated State Disability Insurance program benefit payment estimates.
- Provides for various funding adjustments to align Workforce Innovation and Opportunity Act (WIOA) authority with estimated federal allocations.
- Existing law requires EDD to submit to the Legislature in May and October of each year a report on the status of the Unemployment Fund and the Unemployment Compensation Disability Fund. Adopts trailer bill language would revise the report submission date to January and May of each year.
- Adopts trailer bill to address a chaptering out issue that occurred during the 2022 legislative session. This trailer bill restores changes in legislation signed into law, AB 2342 (Cervantes), Chapter 568, Statutes of 2022 that was subsequently chaptered out by AB 156 (Committee on Budget), Chapter 569, Statutes of 2022.

### **Exposition Park**

- Allocates \$50,000 in 2023-24 and \$25,000 in 2024-25 and ongoing from the Expo Park Improvement Fund to assess the California African American Museum's current accessibility and provide recommendations for improving ADA compliance. Efforts will include providing closed captions and audio description features for all media on view in the museum.

- Appropriates \$208,000 in 2023-24 and ongoing from the General Fund to fund a 10% salary increase from the current Bargaining Union 5 contract and continue the interagency agreement between Exposition Park and the California High Patrol for personnel and public safety support.
- Approves an additional \$100,000 in 2023-24 and ongoing from the Exposition Park Improvement Fund to support electronic payment fees.
- Authorizes an increase in the California Science Center's baseline budget by \$723,000 in 2023-24 and ongoing from the General Fund to reflect the new state's minimum wage.
- Adopts trailer bill language to provide the Science Center with the ability to request augmentation of its operating budget, upon written notification to the Joint Legislative Budget Committee, to mitigate the impact of any future state minimum wage ordinances, subject to approval by the Department of Finance.
- Funds \$1,100,000 in 2023-24 from the Exposition Park Improvement Fund to create project working drawings that would implement a parkwide surveillance system at Exposition Park.
- Includes \$800,000 in 2023-24 ongoing from the Exposition Park Improvement Fund to provide parking services and revenue collection services.
- Decreases funding for Exposition Park's California Science Center Phase III (Samuel Oschin Air and Space Center) by \$2,430,000 to reflect that the facility has not yet been certified as available for occupancy and that debt service cannot begin.
- Provides \$1,337,000 in 2023-24 and \$818,000 in 2024-25 from the Exposition Park Improvement Fund for 3 positions that will support the start-up of Exposition Park's Samuel Oschin Air and Space Center, scheduled to open in Spring 2025.
- Allocates \$152,000 in 2023-24 and \$160,000 in 2024-25 and ongoing from the Exposition Park Improvement Fund for 1 position that will oversee operations and administration management, including supervision of administrative, operations, and events personnel.
- Appropriates \$135,000 in 2023-24 and \$141,000 in 2024-25 and ongoing from the Exposition Park Improvement Fund for 1 position that will provide constituent and stakeholder management, manage digital engagement and social media, and prepare Exposition Park for an increase in events and activities related to the 2026 World Cup and 2028 Summer Olympic and Paralympic Games.



- Reappropriates \$1,950,000 one-time General Fund to provide additional time to expend funds and comply with Assembly Bill 483 (Jones-Sawyer, Chapter 411, Statutes of 2021). AB 483 granted peace officer status to security officers appointed by the Exposition Park Manager and clarified the training requirements for those peace officers.
- Approves \$14,051,100 Public Buildings Construction Fund to fund the performance criteria phase to build an underground parking structure with a public park on its top-deck, and requires the Department of General Services to consult with the California Workforce Development Board to negotiate a Project Labor Agreement and Community Workforce Agreement related to the project.
- Adopts trailer bill language to authorize the establishment of nongovernmental trusts (foundations) for the California African American Museum and Exposition Park, and allows these foundations to perform specified actions related to fundraising. Additionally requires the Department of Finance, on or before January 10, 2024, and annually thereafter, to submit a report relating to the foundations to the Legislature and Legislative Analyst's Office.

#### **Fair Political Practice Commission**

- Allocates \$170,000 in 2023-24 and \$163,000 in 2024-25 and ongoing from the General Fund for 1 position to implement, interpret, and enforce workload associated with SB 1360 (Umberg, Chapter 887, Statutes of 2022). Existing law requires political advertisements to include specified disclosure statements that identify the name of the campaign committee paying for the advertisement and the top contributors to that committee. SB 1360 changes the text and formatting of required disclosures on petitions and electronic media and video campaign advertisements, requires disclosures on electronic media advertisements about top contributors funding the advertisement, and changes existing rules and standards for what is required for proper advertisement disclosures.
- Appropriates \$298,000 in 2023-24 and \$284,000 in 2024-25 and ongoing from the General Fund for 2 positions to implement, interpret, conduct outreach and education, and enforce the provisions of SB 746 (Skinner, Chapter 876, Statutes of 2022). SB 746 requires a business entity to submit a report to SOS following any calendar year in which the business entity uses its products or services to alter online search results to emphasize or deemphasize materials containing express advocacy or to target online advertisements without full and adequate consideration and for political purposes. The bill specifies the contents of the report and requires business entities subject to these requirements to maintain detailed accounts and records necessary to prepare the report.

- Approves \$468,000 in 2023-24 and \$447,000 in 2024-25 and ongoing from the General Fund for 3 positions to implement, interpret, educate, and enforce the increased workload associated with the provisions of SB 1439 (Glazer, Chapter 848, Statutes of 2022). Existing law prohibits an officer of an agency from accepting, soliciting, or directing a contribution of more than \$250 from any party, participant, or a party or participant's agent, while a proceeding involving a license, permit, or other entitlement for use is pending before the agency and for three months following the date a final decision is rendered in the proceeding, if the officer knows or has reasons to know that the participant has financial interest. SB 1439 applies the existing campaign contribution prohibition for state and local agencies to local elected agencies, such as city councils and boards of supervisors, and expands the timeframe prohibiting specific contributions following an official's action from three months to 12 months.
- Authorizes \$425,000 in 2023-24 and \$404,000 in 2024-25 and ongoing from the General Fund for 3 positions to implement, interpret, and perform outreach and education on workload associated with the provisions of SB 459 (Allen, Chapter 873, Statutes of 2022). SB 459 requires lobbyists, lobbying firms, and lobbyist employers to include new information in their quarterly periodic reports that identifies each bill or administrative action subject to lobbying activity, the respective position advocated for, and each bill or administrative action for which issue lobbying advertisements were issued.
- Funds \$127,000 in 2023-24 and \$120,000 in 2024-25 and ongoing from the General Fund for 1 position to implement the provisions of SB 2172 (Cervantes, Chapter 328, Statutes of 2022). AB 2172 authorizes a person required to file a report or statement with the SOS in a paper format to file the report or statement by email or other digital means prescribed by the SOS instead, subject to specified requirements.
- Grants \$455,000 in 2023-24 and \$421,000 in 2024 -25 and ongoing from the General Fund for 3 positions to develop, administer and expand the new Political Reform Education Program. Existing law directs the Commission to develop a program as soon as feasible, to allow for the education of a person who commits a minor violation of the Political Reform Act of 1974, as specified. The Political Reform Education Program ("PREP") is the new pilot educational program created by the FPCC in response to this mandate.
- Includes \$284,000 in 2023-24 and \$270,000 in 2024-25 and ongoing from the General Fund for 2 positions to implement SB 794 (Glazer, Chapter 816, Statutes of 2022). SB 794 allows a committee that receives a contribution in excess of specified limits to return the contribution, or a portion of that contribution, without the contribution violating those limits, provided that the committee returns or attributes the amount in excess within 14 days of receipt.

**California Gambling Control Commission**

- Allocates a one-time transfer of \$6,005,000 from the Gambling Control Fund to the Indian Gaming Special Distribution Fund to reimburse fees and deposits previously collected and deposited into the Gambling Control Fund from Tribal Vendors.

**Department of General Services**

- Reverts \$88.6 million General Fund for deferred maintenance and direct digital control projects included in the 2021-22 and 2022-23 budgets.
- Allocates \$481,000 in 2023-24 and ongoing from the Service Revolving Fund for 3 positions to implement SB 1422 (Hertzberg, Chapter 310, Statutes of 2022) which enables the Procurement Division to consolidate the needs of multiple state agencies for the installation, and/or purchase of carpet, resilient flooring, synthetic turf, or lighting fixtures.
- Appropriates \$1,000,000 one-time General Fund to expand affordable housing development and adaptive reuse opportunities, per AB 2592 (McCarty, Chapter 439, Statutes of 2022). AB 2592 requires DGS to prepare a streamlined plan to transition underutilized multistory state buildings into all types of housing, including, but not limited to, rental or ownership housing opportunities, and report this plan to the Legislature by January 1, 2024.
- Approves \$596,000 in 2023-24 and \$535,000 in 2024-25 and 2025-26 from the Building Standards Administration Special Revolving Fund for 2 positions to meet legislative mandates enacted by AB 209, AB 1738, AB 2075, AB 2232, AB 2446, AB 2863 (Chapters 251, 687, 346, 777, 352, and 809 of the Statutes of 2022, respectively). These new statutes require the California Building Standards Commission to research, develop, and propose for adoption building standards for a variety of green initiatives, including consider for adoption specified refrigerant reference standards, EV charging standards for both new construction and existing buildings, uptime reporting for EV charging stations funded by state initiatives, standards for carbon dioxide monitor and minimum ventilation rates, framework for embodied carbon in construction materials, bicycle parking standards that are independent of vehicle parking spaces, barriers to building electrification, and EV charging best practices.
- Authorizes \$5,000,000 General Fund and \$609,000 Service Revolving Fund, split over three years, to implement SB 1020 (Laird, Chapter 361, Statutes of 2022) and deploy clean energy at state facilities and manage the transition to 100 percent renewable energy at all state facilities.

- Approves \$35,400,000 General Fund and \$2,916,000 Service Revolving Fund, split over three years, to upgrade the Direct Digital Control systems in buildings managed by DGS to improve operations and energy efficiency.
- Adopts budget bill language stating that if specific maintenance projects that the Legislature approves are ultimately less costly than proposed, the unused funds would return to the General Fund. Additionally requires the Department of General Services to provide a report to the Legislature with a plan for adjusting its building rental rates to fully incorporate maintenance needs at buildings owned and managed by the Department of General Services.
- Funds \$2,008,000 in 2023-24 and ongoing from the Service Revolving Fund and 12 positions to support increased demand for statewide emergency management functions and departmental services specific to statewide emergency planning, fiscal, and procurement services.
- Grants \$2,463,000 in 2023-24 and \$2,173,000 in 2024-25 and ongoing from the Service Revolving Fund and 12 positions to enable DGS to comply with existing Cal-Secure requirements of cybersecurity, privacy and data governance.
- Includes \$20,400,000 in 2023-24 from the General Fund address critical fire, life, and safety issues relating to fire alarm systems.
- Provides \$22,401,000 in 2023-24 and \$29,867,000 in 2024-25 and ongoing from the Service Revolving Fund and 149 positions to manage, operate, and maintain the new Richards Boulevard Office Complex and the Joe Serna Jr. California Environmental Protection Agency building.
- Allocates 2 permanent positions in 2023-24 and ongoing for existing workload related to building maintenance program for buildings owned and operated by DGS. These positions will be absorbed within existing expenditure authority.
- Appropriates \$650,000 in 2023-24 and ongoing and a three year limited-term extension of \$11.45 million in authority from the from the Service Revolving Fund for Peace Officer Certification Hearings workload created by SB 2 (Bradford, Chapter 409, Statutes of 2021) and Cannabis Administrative Hearings Workload.
- Approves \$654,000 in 2023-24 and ongoing from the Service Revolving Fund and 4 positions to support fleet sustainability initiatives by continuing to establish green fleet policies, ensure state departments' compliance with these policies, and provide mandatory reporting on the results of these policies.

- Authorizes \$395,000 in 2023-24 and ongoing from the Service Revolving Fund and 6 positions to support human resources administrative services and to bring technical, analytical, and professional staffing.
- Funds 636,000 in 2023-24 and ongoing from the Service Revolving Fund and 2 positions to manage growing workload associated with legal support for real estate matters and supervisory work over the entire range of legal issues handled by DGS attorneys.
- Grants \$1,257,000 in 2023-24 and ongoing from the Service Revolving Fund to lease and operate a new warehouse facility located in West Sacramento and accommodate storage needs for the Office of State Publishing.
- Includes \$11,700,000 in 2023-24, 2024-25 and 2025-26 from the General Fund, for a total of \$35,100,000 over three years, to support Five-Year Zero Emission Vehicles Infrastructure Investment Plan continue performing installations of electric vehicle service equipment at state-owned and leased facilities to meet California's clean transportation and greenhouse gas goals.
- Provides \$3,510,000 in 2023-24 and ongoing from the Service Revolving Fund and 21 positions to continue efforts of increasing diversity and inclusiveness in state contracting programs across all state departments through the Office of Small Business and Disabled Veteran Business Enterprise Services and the Statewide Supplier Diversity Program.
- Allocates \$2,216,000 from the Service Revolving Fund, \$224,000 in Reimbursement authority, and 2 positions in 2023-24 and ongoing to implement, maintain, and operate a statewide eMarketplace solution.
- Appropriates \$842,000 in 2023-24 and ongoing from the Service Revolving Fund to continue support 4 positions and workload associated with the Statewide Pharmaceutical Program's California Pharmaceutical Collaborative.
- Approves \$320,000 in 2023-24 and ongoing from the Service Revolving Fund for 2 positions to begin staffing the Small Business and Disabled Veteran Business Enterprise program.
- Authorizes \$1,100,000 from the Property Acquisition Law Money Account in 2023-24 and ongoing to allow DGS to lease excess state property to affordable housing developers for the development of affordable housing.
- Adopts trailer bill language that would allow DGS to deposit net proceeds from real property disposition (sale, lease, exchange) into the Property Acquisition Law Money

Account for the purposes of maintaining an operating reserve sufficient to continue redeveloping excess state properties as affordable housing.

- Funds \$795,000 in 2023-24 and ongoing from the Service Revolving Fund and 3 positions to address new project management workload associated with the California Military Department and California Highway Patrol.
- Includes \$772,000 in 2023-24 and ongoing from the Service Revolving Fund and 4 positions to address increase in workload to support the requirements of AB 661 (Bennett, Chapter 517, Statutes of 2022) and SB 674 (Durazo, Chapter 875, Statutes of 2022). AB 661 requires CalRecycle and the Department of General Services to update the list of recycled products subject to Public Contract Code. SB 674 requires the Department of General Services, in collaboration with the Labor and Workforce Development Agency, to develop and establish policies, develop contract requirements for high road job standards, and review and analyze contractor reports to determine compliance to contract requirements for high road job standards annually.
- Funds \$402,000,000 through lease-revenue bonds to pay a portion of expenditures for the design-build phase of the new Richards Boulevard Office Complex project.
- Allocates \$162,000 in 2023-24 and ongoing from the Service Revolving Fund to implement AB 2974 (Committee on Jobs, Economic Development, and the Economy, Chapter 600, Statutes of 2022), which requires state agencies and departments to set 25 percent small business participation goals and report DGS small business participation on contracts funded by the Federal Infrastructure Investment and Jobs Act.
- Appropriates \$516,000 in 2023-24 and \$316,000 in 2024-25 and ongoing from the General Fund and 1 position to implement SB 561 (Dodd, Chapter 446, Statutes of 2022) and AB 2233 (Quirk-Silva, Chapter 438, Statutes of 2022). These bills codified into law Executive Order N-06-19, which requires DGS to review all state-owned property, identify excess properties that could be made available for affordable housing, develop an online inventory of excess sites, and issue requests for proposals for long-term ground leases for affordable housing development.
- Approves \$4,109,000 one time in 2023-24 from the General Fund as well as \$425,000 in 2023-24, \$325,000 in 2024-25, and \$162,000 in 2025-26 and ongoing from the Service Revolving Fund for 3 positions to support the implementation of AB 2019 (Petrie-Norris, Chapter 730, Statutes of 2022). AB 2019 requires DGS to conduct a statewide procurement and contracting disparity study to provide guidelines for outreach strategies, state government program development, and improvement to contracting policies. Additionally, state agencies are required to adopt an “Economic

Equity First” action plan and policy, including specified elements, designed to promote the participation of small businesses, including women, minority, and LGBTQ-owned businesses, in their contracts.

- Authorizes \$5,900,000 one-time in 2023-24 from the General Fund to address repairs caused by water intrusion at various locations throughout the Legislative Office Building in Sacramento.
- Funds \$558,000 in 2023-24 and \$380,000 in 2024-25 from the Service Revolving Fund to cover postage costs and meet new notification requirements related to the ScholarShare Investment Board’s California Kids Investment and Development Savings Program.
- Includes a net zero realignment of funding to support a reorganization of programmatic functions in order to achieve operational efficiencies in the areas of Risk and Insurance Management, Natural Gas Services, Business and Acquisition Services, Emergency Management, and Procurement.
- Provides \$1,050,000 in 2023-24 and \$600,000 in 2024-25 and 2025-26 to replace the Department’s legacy timesheet and project billing platform.
- Reappropriates \$3.9 million for repairs and maintenance for the Ronald M. George State Office Complex for encumbrance or expenditure until June 30, 2027.
- Includes a technical adjustment to the budget bill to shift reversions from the statewide control section to the applicable department budget.
- Provides \$2,500,000 General Fund each year for three years for the Department of General Services to implement the provisions of SB 1203 (Becker), Chapter 368, Statutes of 2022.
- Adopts trailer bill language to allow the Department of General Services to assist a political subdivision with delivery and installation of emergency sleeping cabins and related improvements, in prescribed cities and counties and if the political subdivision has declared a shelter crisis, among other requirements.
- Adopts trailer bill language that clarifying that the regular maintenance of the monument to the California Native people of the Sacramento, California region on the grounds of the State Capitol shall remain the responsibility of the Department of General Services.

**Government Operations Agency**

- Extends the encumbrance or expenditure availability of \$144,000 in Timber regulation and Forest Restoration Funds until June 30, 2024 to provide additional time for Gov Ops to disburse funds to the winners of the 2019 California Mass Timber Building Competition

**California Department of Human Resources**

- Allocates \$100,000 in 2023-24, and \$10,000 in 2024-25 in 2024-25 ongoing from the General Fund to implement AB 923 (Ramos, Chapter 475, Statutes of 2022), which requires CalHR to develop training by June 1, 2024, regarding the required elements of government-to-government consultations with California Native American Tribes. It also requires designated state officials to complete the training by January 1, 2025, and for officials appointed after that date to do so within six months of their appointment.
- Appropriates \$172,000 in 2023-24 from various funds, inclusive of \$65,000 from the General Fund, as well as \$165,000 in 2024-25 and ongoing from various funds, inclusive of \$63,000 from the General Fund, for a dedicated Privacy Officer to develop and manage the department's, policies, procedures, and compliance with California requirements on privacy laws and standards.
- Approves \$1,352,000 in 2023-24 from various funds, inclusive of \$994,000 from the General Fund, and \$563,000 in 2024-25 ongoing from various funds, inclusive of \$214,000 from the General Fund, to research and plan for the replacement of the CalHR Web Content Management System (CMS), and research, plan and develop an improved communication service to the public, state, and employees.
- Authorizes \$256,000 from the General Fund and \$172,000 from the Central Service Cost Recovery Fund, for a total of \$428,000 in 2023-24, as well as \$246,000 from the General Fund and \$166,000 from the Central Service Cost Recovery Fund, for a total of \$412,000 in 2024-25 and ongoing to provide workload support for CalHR's Personnel Management Division.
- Funds \$116,000 in Reimbursement authority in 2023-24 and ongoing and one position for CalHR's Medical and Psychological Screening Division.
- Grants \$25,000,000 of permanent reimbursement authority for CalHR to serve as a pass-through entity to receive automatically authorized deductions from state vendors that administer subsidized family child care programs to the child care providers exclusive representative/union as required by law.



- Extend the encumbrance or expenditure availability of \$1,697,000 General Fund in 2023-24 to enable CalHR to complete the Legal Accounting and Work Management System project approved in the Budget Act of 2022.
- Provides \$515,355,000 for employee compensation, which reflect increased employee compensation resulting from updated payroll information, updated health and dental rates, increased enrollment in health and dental plans, and a change in the health plan enrollment composition.
- Adopts trailer bill language that would provide the Department with flexibility to adjust retirement rates for excluded employees. Currently, changes to excluded employee retirement rates depend on the associated bargaining unit.
- Adopts trailer bill to amend the timeline for CalHR's statutory requirement to create and submit total compensation reports six months prior to the expiration of a Memorandum of Understanding (MOU) to instead occur biennially.
- Adopts trailer bill language that would change the State's current monthly payroll cycle to a uniform payroll cycle to allow implementation of a customary biweekly payroll cycle with the implementation of the California State Controller's Payroll System (CSPS) Project.

### **Department of Industrial Relations**

- Restores \$15 million funding for the Women in Construction Priority Unit at the Department of Industrial Relations.
- Restores \$25 million in 2023-24, paid from the Labor and Workforce Development Fund, for the COVID-19 Worker Outreach Program at the Department of Industrial Relations and renames the program the California Workplace Outreach Program.
- Withdraws \$40 million (\$20 million in 2023-24 and \$20 million in 2024-25) for the Apprenticeship Innovation Fund at the Department of Industrial Relations.
- Allocates \$12,561,000 one time in 2023-24 from the Occupational Safety and Health Fund to provide the Division of Safety and Health first year funding to develop a system that will meet federal and state-mandated requirements, consolidate information into a central database/repository, interface to other DIR systems, and automate manual processes across its units.
- Appropriates \$2,432,000 in 2023-24, \$4,547,000 in 2024-25, and \$4,378,000 in 2025-26 and ongoing from the State Public Works Enforcement Fund for 24 positions to implement AB 2143 (Carrillo, Chapter 774, Statutes of 2022). AB 2143 created a new

category of construction projects that will be subject to DIR's enforcement of prevailing wage requirements. The bill designates certain types of "net energy metering" electrical generation facility construction projects as "public works" after December 31, 2023."

- Approves \$21,123,000 one-time in 2023-24 from the Workers Compensation Administration Revolving Fund to continue funding the replacement of the Department's case management, claims benefit administration, and document storage system. This system is known as the Electronic Adjudication Management System (EAMS).
- Authorizes \$230,000 in 2023-24 and \$218,000 in 2024-25 and 2025-26 from the Labor Enforcement and Compliance Fund to implement AB 1601 (Akilah Weber, Chapter 752, Statutes of 2022). AB 1601 requires call center employers who intend to relocate their operations to a foreign country to notify specified entities, including the Employment Development Department, and affected call center employees 60 days prior to relocation, imposing various restrictions regarding eligibility for state grants, loans, and tax credits to those employers.
- Eliminates proposal to implement AB 257 (Holden, Chapter 246, Statutes of 2022). On January 24, 2023, the Secretary of State certified that a referendum qualified for the 2024 General Election challenging AB 257.
- Grants \$1,073,000 one time in 2023-24 from the Occupational Safety and Health Fund to implement AB 1643 (Rivas, Chapter 263, Statutes of 2022). AB 1643 requires the Labor and Workforce Development Agency to convene an advisory committee on or before July 1, 2023 to study the impact of heat on workers and businesses in the state. Extend the encumbrance period from June 30, 2024 to June 30, 2025 for the implementation of Chapter 263, Statutes of 2022 (AB 1643)
- Includes \$254,000 in 2023-24 and \$238,000 in 2024-25 ongoing from the Occupational Safety and Health Fund to implement AB 2068 (Haney, Chapter 485, Statutes of 2022). AB 2068 requires employers to post at worksites employee notices of citations and special orders issued and prepared by CalOSHA, translated into the top seven nonEnglish languages used by limited-English-proficient adults in California, as determined by the most recent American Community Survey by the United States Census Bureau, as well as Punjabi if that language is not otherwise included among the top seven.
- Provides \$1,197,000 in 2023-24, \$1,140,000 in 2024-25, \$1,400,000 in 2025-26, \$1,378,000 in 2026-27, and \$361,000 in 2027-28 and ongoing from the Occupational Safety and Health Fund to implement AB 2243 (Garcia, Chapter 778, Statutes of 2022). AB 2243 requires CalOSHA, before December 1, 2025, to submit to the

standards board a rulemaking proposal to consider revising the heat illness standard and wildfire smoke standard. Decreases the proposal by 4 positions in 2023-24 through 2026-27 to correct a technical error in the Heat Illness and Wildfire Smoke standards proposal included in the 2023-24 Governor's Budget.

- Allocates \$5.8 million in 2023-24 and \$5.4 million in 2024-25 and ongoing from the State Public Works Enforcement Fund to implement AB 2011 (Wicks, Chapter 647, Statutes of 2022), and SB 6 (Caballero, Chapter 659, Statutes of 2022). AB 2011, also known as the Affordable Housing and High Road Jobs Act of 2022, makes certain types of specified affordable, multifamily housing developments a "use by right," subject to only streamlined, ministerial review, when sited within an urban area and in a zone where office, retail, or parking are a principally permitted use. SB 6, also known as the Middle Class Housing Act of 2022, allows housing projects as an allowable use on parcels zoned for office, retail, or parking uses in urban areas.
- Adopts trailer bill language to clarify contractor registration requirements, establish penalties for violations the Acts, and provide DIR with the authority to establish and adjust annual registration and renewal fees, as specified.
- Appropriates \$376,000 in 2023-24 and \$348,000 in 2024-25 and ongoing from the State Public Works Enforcement Fund to implement SB 1295 (Limon, Chapter 844, Statutes of 2022). SB 1295 expands the universe of public works projects by deeming all work done and funded by the Oil, Gas, and Geothermal Administrative Fund and performed by outside contractors to be public work for which prevailing wages are required to be paid. The bill also requires the use of a skilled and trained workforce (apprentices) on such projects for work performed after January 1, 2028.
- Approves \$4,600,000 from the Labor and Workforce Development Fund and \$7,050,000 from the Labor and Enforcement Compliance Fund, for a total of \$11,650,000 in 2023-24; as well as \$6,478,000 from the Labor Enforcement and Compliance Fund in 2024-25 and ongoing to expand the Division of Labor Standards and Enforcement's outreach and investigation work, including supporting community resources, and to automate and improve existing processes.
- Provides \$2,000,000 in 2023-24 and ongoing from the Labor Enforcement and Compliance Fund for worker outreach as well as recruitment, hiring, and retention efforts to increase staffing levels at the Division of Labor Standards and Enforcement.
- Includes \$18,000,000 one-time from the Labor and Workforce Development Fund for a grant program for local public prosecutors and district attorneys to enforce state labor laws.

- Provides \$3,000,000 General Fund for the Industrial Welfare Commission to convene industry-specific wage boards and adopt orders specific to wages, hours, and working conditions in such industries, provided that any such orders shall not include any standards that are less protective than existing state law.
- Authorizes \$5,010,000 in 2026-27 from the Workers Compensation Administration Revolving Fund to extend SB 1159 by one year per AB 1751 (Daly, Chapter 758, Statutes of 2022). SB 1159 (Hill, Chapter 85, Statutes of 2020) created three different rebuttable presumptions that consider an employee's COVID-19 illness or death, as an occupational injury and therefore eligible for workers' compensation benefits.
- Funds \$750,000 one time in 2023-24 from the Workers Compensation Administration Revolving Fund to upgrade the Workers' Compensation Information System.
- Includes a technical adjustment to the budget bill to shift reversions from the statewide control section to the applicable department budget.
- Includes \$286,000 in 2023-24 and \$272,000 in 2024-25 and ongoing from the Occupational Safety and Health Fund for 1 position at the Department of Industrial Relations to implement SBX1-2 (Skinner, Chapter 1, Statutes of 2023). SBX1-2 requires the development of regulations, the establishment of a maximum gross gasoline refining margin and enforcement of penalties, the collection of additional data from the transportation fuels industry, including refiners, and development of reports and an assessment and plan ensuring a reliable supply of affordable and safe transportation fuels in California.
- Provides \$35,000,000 from the Labor and Workforce Development Fund to administer the Domestic Worker Rights Education and Outreach Program. Adopts trailer bill to eliminate the July 1, 2024 inoperative and January 1, 2025 repeal dates on the provisions.

### **Labor and Workforce Development Agency**

- Allocates \$800,000 one time in 2023-24 from the General Fund to establish a panel that will commission a study pursuant to AB 2849 (Bonta, Chapter 808, Statutes of 2022) and engage with organized labor, worker cooperatives, and business stakeholder groups to assess the opportunities and challenges associated with the development and growth of high-road cooperative labor contractors.
- Appropriates \$234,000 from the General Fund and \$5,547,000 from various Special Funds, for a total of \$5,781,000 in 2023-24, as well as \$51,000 from the General Fund and \$1,171,000 from various Special Funds for a total of \$1,222,000 in 2024-25 to secure the goods and services needed to provision information technology equipment

required in the new LWDA building. The amounts include one-time equipment, maintenance, and contract services costs.

### **California Privacy Protection Agency**

- Allocates 7 positions in 2023-24 and ongoing to allow the Agency to start enforcement activities and continue to fulfill its statutory responsibilities. Uses existing ongoing \$10 million General Fund appropriation as provided in Proposition 24.
- Appropriates \$1.8 million General Fund and 7 positions in fiscal year 2023-24 and \$1.2 million in fiscal year 2024-25 and ongoing for cumulative cost-of-living adjustments, as well as conducting a public outreach and education campaign.
- Provides \$6,000,000 in General Fund current year savings to cover the costs of a media contract to perform qualitative and quantitative research, branding, website design, campaign strategy, media buy planning, print and digital design, and video and radio production.

### **Public Employees' Retirement System**

- Allocates \$8,471,978,000 for the statutorily required annual state contribution to CalPERS.
- Provides \$1,664,000,000 in Proposition 2 supplemental payment to further reduce the state's CalPERS unfunded liabilities and proposes trailer bill to implement the supplemental payment.
- Enacts the CalPERS operational budget for fiscal year 2023-24 as approved by the CalPERS Board of Administration.
- Includes \$592.9 million for state retirement contributions to the Judges' Retirement System.

### **Public Employment Relations Board**

- Allocates \$164,000 in 2023-24 and ongoing from the General Fund to comply with the California Department of Technology IT security requirements and for contracted IT support
- Provides \$22,000 General Fund in fiscal year 2023-24 and ongoing to provide a position upgrade within the California Public Employment Relations Board Division of Administrative Law.

**Secretary of State**

- Allocates \$64,000 in 2023-24 and ongoing from the General Fund to implement AB 1416 (Santiago, Chapter 751, Statutes of 2022). AB 1416 requires a ballot label for statewide measures, and, at the option of a county, the ballot label or similar description on the ballot of county, city, district, and school district measures, to include a listing of nonprofit organizations, businesses, or individuals taken from the signers or the text of ballot arguments printed in the voter information guide that support and oppose the measure.
- Appropriates \$399,000 in 2023-24, \$384,000 in 2024-25 and ongoing from the General Fund and 3 positions to plan, develop and implement the changes, and subsequently support the increased filing activity required by AB 2528 (Bigelow, Chapter 500, Statutes of 2022). AB 2528 requires any candidate or elected officer whose obligation is to file original reports or statements locally (i.e., City Council Members, School Board Members, etc.) to file a copy of those reports or statements online or electronically with the SOS if they have received campaign contributions to support their candidacy for office in an upcoming election that equal or exceed \$15,000.
- Approves \$3,076,000 in 2023-24 and \$1,776,000 annually thereafter from the General Fund for 11 positions to implement the provisions of AB 2841 (Low, Chapter 807, Statutes of 2022). The bill requires the clerk of the superior court of each county to notify the Secretary of State each month of findings made by the court regarding a person's competency to vote and the number of court proceedings related to the determination of a person's competency to vote, as specified.
- Authorizes \$1,590,000 in 2023-24 and \$1,535,000 annually thereafter from the General Fund for 11 elections-related positions that will maintain operation, access, and integrity of public services provided by the Secretary of State.
- Funds \$1,116,000 from the General Fund to meet a state match requirement under the Consolidated Appropriations Act of 2022 that would grant \$5,827,000 in federal funds from the U.S. Election Assistance Commission, for a total of \$6,993,000 in one-time funding in 2023-24, to improve the administration of elections for Federal office, including to enhance election technology and make election security improvements.
- Grants \$1,116,000 from the General Fund to meet a state match requirement under the Consolidated Appropriations Act of 2023 that would grant \$5,827,000 in federal funds from the U.S. Election Assistance Commission, for a total of \$6,993,000 in one-time funding in 2023-24, to improve the administration of elections for Federal office, including to enhance election technology and make election security improvements.

- Includes \$10,593,000 one-time funding in 2023-24 from the Federal Trust Fund cover the maintenance and operations vendor, data analysis, security assessment, Election Management Systems support and verification, data lines, security enhancements, and off-premises cloud costs for the VoteCal statewide voter registration system.
- Provides \$3,421,000 one-time funding in 2023-24 from the Federal Trust Fund to continue implementation of the statewide mandates of the Help America Vote Act of 2002.
- Allocates \$223,000 from the General Fund and \$469,000 from the Business Fees Fund, for a total of \$692,000 in 2023-24, as well as \$216,000 from the General Fund and \$456,000 from the Business Fees Fund, for a total of \$672,000 in 2024-25 and annually thereafter, to support increased workload in the Internal Audit Office.
- Appropriates \$3,607,000 in one-time funding in 2023-24 from the Business Fees Fund for 2 positions for planning resources for the Notary Automation Program system replacement.
- Approves \$1,493,000 in 2023-24 and \$861,000 annually thereafter from the General Fund to implement the provisions of SB 1131 (Newman, Chapter 554, Statutes of 2022), which expands the Safe at Home program eligibility to individuals who face threats of violence or violence or harassment from the public because of their work for a public entity. Approves a \$730,000 one-time reduction to withdraw the Improving Safe at Home Customer Service budget change proposal that was included in the Governor's Budget, which were duplicative of workload associated with the Governor's Budget proposal to implement SB 1131.
- Authorizes \$515,000 in 2023-24 and \$515,000 in 2024-25 from the Special Deposit Fund for staff needed to continue to implement and administer the provisions of SB 450 (Allen, Chapter 832, Statutes of 2016). SB 450 created a new election model, the Voter's Choice Act (VCA). Under the VCA model, a county is authorized to conduct any election as an all-mailed ballot election if certain conditions are satisfied, including conditions related to ballot drop-off locations, vote centers, and plans for the administration of all-mailed ballot elections."
- Funds \$3,488,000 from the Business Fees Fund in 2023-24, 2024-25, and 2025-26 to support the Business Programs Division.
- Grants \$6,923,000 one-time in 2023-24 from the General Fund to support the Cal-ACCESS Replacement System Project and replace the outdated CAL-ACCESS system for electronic reporting of campaign finance and lobbying activities mandated by the Political Reform Act.

- Includes \$7,696,000 in 2023-24 and ongoing from the Business Fees Fund for the Maintenance and Operations phase to support the California Business Connect systems.
- Provides \$437,000 (\$145,000 General Fund and \$292,000 Business Fees Fund) in 2023- 24 and \$427,000 (\$142,000 General Fund and \$285,000 Business Fees Fund) in 2024-25 and annually thereafter to support 2 new permanent positions to begin establishing an information security office and further assess needs upon the completion of a security assessment in compliance with the mandates of AB 2135 (Irwin, Chapter 773, Statutes of 2022)
- Allocates \$2,701,000 ongoing (\$1,324,000 Business Fees Fund and \$1,377,000 General Fund) to address funding deficiencies following the reclassification of positions.

### **State Controller**

- Appropriates \$2,454,000 annually in 2023-24 through 2025-26; including \$1,313,000 General Fund; \$791,000 Central Service Cost Recovery Fund; and \$350,000 Special Fund, and approves reductions of \$4,877,000 in 2026-27 and 2027-28 that are included in the Governor's Budget estimated cost proposal which reflected an expected contract term of five years for the renewal instead of only three years.
- Approves \$545,000 from the General Fund and \$379,000 from the Central Service Cost Recovery Fund, for a total of \$924,000 in 2023-24 and annually thereafter, to convert 6 temporary positions to permanent to ensure that all of SCO's financial reporting functions related to the Legacy system are successfully transitioned to FI\$Cal, including handling of departmental accounting information and processes while using FI\$Cal to produce annually and on-time the Annual Comprehensive Financial report, the Budgetary/Legal Basis Annual Report, and other reports.
- Authorizes \$1,920,000 from the General Fund and \$1,335,000 from the Central Service Cost Recovery Fund, for a total of \$3,255,000 in 2023-24, as well as \$1,912,000 from the General Fund and \$1,328,000 from the Central Service Cost Recovery Fund, for a total of \$3,240,000 in 2024-25 and annually thereafter, to provide 6 positions and provide for contract resources to support the maintenance and operations of the FI\$Cal Integrated Solution including providing support to the FI\$Cal departments.
- Funds \$318,000 in 2023-24 and \$295,000 annually thereafter from the Unclaimed Property Fund for 3 positions and to support implementation and operation of a Voluntary Compliance Program (VCP) pursuant to Chapter 282, Statutes of 2022 (Assembly Bill (AB) 2280).



- Reappropriates \$83.2 million in funding from the Budget Act of 2022 for the California State Payroll system future solution costs, subject to approval of the California Department of Technology's PAL Stage 4 and notification to the Joint Legislative Budget Committee. Approves an additional \$21.3M for project implementation. Provides \$16,800,000 for Department Agency Readiness Team activities. Adopts budget bill language to direct the State Controller's Office and the California Department of Human Resources to work with processing departments on identifying the additional departmental resources or staff needed to complete organizational change management activities.

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

- Provides \$3,939,928,373 for the statutorily required annual state contribution to CalSTRS.
- Includes \$17,348,000 in 2023-24 and annually thereafter from the Teachers' Retirement Fund for 56 positions to cover various technology services contracts.
- Provides \$87,173,000 one-time funding from the Teachers' Retirement Fund to continue implementation activities of CalSTRS' pension administration modernization effort, also known as the Pension Solution Project.

### **California Department of Technology**

- Reduces the balance of the Technology Modernization Fund by \$21 million and the Technology Stabilization Fund by \$17.5 million.
- Allocates \$840,000 in 2023-24 and \$660,000 in 2024-25 to provide professional and consulting services contracts that will be utilized to establish the Broadband Access Point Investment Acceleration Study Act of 2022.
- Appropriates \$1,316,000 General Fund for 2023-24 and ongoing to renew 5 positions and resources for the CA Design System to modernize web experiences and redesign the CA.gov web portal
- Provides \$3,054,000 General Fund for statewide strategic initiative's positions.
- Approves \$28,187,000 in conversion from the Technology Services Fund to the General Fund proposed to support statewide services, mandatory/oversight services, and internal indirect and administrative costs. Adopts budget bill language allowing the Department of Finance to provide an additional \$11,113,000 to support the

Department of Technology's cost recovery during its reassessment of the formal rate methodology and relevant policies and procedures for state data center services.

- Approves \$1,181,000 General Fund in 2023-24 and in 2024-25 to renew 2 positions and provide resources to continue developing and executing a Digital ID ecosystem, which would allow California residents to authenticate and verify their identity when accessing digital state services, and adopts budget bill language related to data minimization.
- Provides \$1,495,000 in 2023-24 and ongoing for CDT's Office of Information Security to support the workload implementation of AB 2135 and adopts trailer bill to further implement AB 2135 (Irwin, Chapter 773, Statutes of 2022). AB 2135 required specified state agencies state agencies to perform a comprehensive, independent security assessment every two years.
- Allocates \$2,960,000 General Fund in 2023-24 and \$1,926,000 General Fund in 2024-25 and ongoing to upgrade and subsequently maintain the State's Intrusion Detection and Intrusion Prevention Systems.
- Appropriates \$250,000 General Fund in 2023-24 to implement a Software as a Service (SaaS) security solution that will be available to all State Chief Information Security Officers (CISO), their staffs, and statewide security operations teams. The SaaS aims to improve the State's supply chain security and 3rd party risk validation methodology
- Rejects \$8,160,000 General Fund in 2023-24 and \$4,930,000 in 2024-25 to supplement revenue losses stemming from Departments migrating to vendor cloud-based services
- Authorizes \$2,490,000 General Fund in 2023-24 and ongoing to develop a state digital equity plan and obtain anticipated federal funding to develop, oversee and monitor the implementation of the State Digital Equity Plan.
- Funds \$700,000 2023-24 from the General Fund for personnel consulting cost to conduct solution development planning for the complete implementation of all Unified Integrated Risk Management (UIRM) components statewide.
- Grants a new federal expenditure item to provide for receipt and expenditure of federal grants by the Office of Broadband and Digital Literacy (OBDL).
- Extends the encumbrance or expenditure availability of \$4,002,000 Federal Trust Fund for the State Digital Equity Grant until June 30, 2024

- Appropriates \$16.6 million to the State Controller's Office for initiatives related to FI\$Cal, the Book of Record, and the Annual Comprehensive Financial Report. Adopts trailer bill language that revises reporting and implementation timelines for the transfer of state accounting book of record functions by the State Controller's Office to the FI\$Cal accounting system to conform to the new expected implementation date of July 1, 2026.
- Appropriates \$50 million Technology Services Revolving Fund to the Department of Technology for Vendor Hosted Subscription Services.

### **California Department of Veterans Affairs**

- Allocates \$1,426,000 in 2023-24 and \$1,368,000 annually thereafter from the General Fund for 10 positions that will support accounting, budgets, and human resources at the Department.
- Appropriates \$95,000 in 2023-24 and \$89,000 annually thereafter from the General Fund for 1 position that will support operational requirements at the California Central Coast Veterans Cemetery.
- Approves \$2,548,000 one time in 2023-24 from the General Fund to continue implementation of the long-term care electronic health record system in the Veterans Homes of California and Headquarters
- Authorizes \$3,030,000 in 2023-24 and \$2,953,000 annually thereafter from the General Fund for 15 positions to assist with clinical and operational initiatives in the Veterans Homes of California.
- Funds \$156,000 in 2023-24 and \$150,000 annually thereafter from the General Fund for 1 position to support the Minority and Underrepresented Veterans Division.
- Grants \$1,332,000 in 2023-24 and \$1,282,000 annually thereafter from the General Fund for 9 positions to staff the Veterans Services Division's three district offices.
- Includes \$1,000,000 one-time funding in 2023-24 from the General Fund to support contractor services to enhance digital communications in support of providing services and benefits to veterans of California through a content management system website.
- Includes \$156,000 in 2023-24 and \$150,000 annually thereafter for 1 position to support the Division for Women Veterans Unit.
- Provides \$15,857,000 in one-time funding in 2023-24 from the General Fund to begin the replacement of five roofs at the Veterans Home of California Yountville.

- Allocates \$356,000 in 2023-24, \$1,325,000 in 2024-25, \$1,298,000 in 2025-26, and \$1,194,000 in 2026-27 and ongoing from the General Fund and 12 positions to cover the initial staffing phase of the skilled nursing facility at the Veterans Homes of California Yountville.
- Reappropriates and extend liquidation period from June 30, 2023 to June 30, 2024 to complete the Rector Creek Instream Flow and Fish Condition Assessment Study. The 2018 Budget Act appropriated \$950,000 one-time General Fund to conduct the assessment study.
- Appropriates \$8,659,000 one-time General Fund to pay for legal settlement costs as a result of a recently settled lawsuit at the Veterans Home of California, Chula Vista.
- Approves \$21,950,000 one-time to upgrade the electrical infrastructure at the department's headquarters building. The electrical infrastructure is outdated and poses fire, life, and safety concerns.
- Authorizes two-year limited-term funding of \$25 million to maintain nursing operations at the veterans homes. Adopts budget bill language adding reporting requirements on the use of such funds.
- Provides \$535,000 in fiscal year 2023-24 and \$800,000 ongoing to fund an increase in costs for contracted fire prevention services for the Yountville Veterans Home.

**Broadband**

- Adopts the deferral of \$550 million Last Mile and \$400 million Loan Loss Reserve funding proposed by the Governor.
- Creates the new State Broadband Middle Mile fund in statute to allow for the continued operational support and lease of state middle mile investments.
- Includes trailer bill language to extend the PUC last mile program application deadlines until September, 2024.

**Local Government Financing**

- Provides \$33 million to reimburse local jurisdictions for Vehicle License Fee revenue shortfalls in Mono, Alpine, and San Mateo Counties.
- Adopts a May Revision Proposal to provide Sonoma County with \$632,000 one-time to backfill property tax losses due to the 2019 Kincadee wildfire.

**Office of Planning and Research**

- Approves \$4.3 million of ongoing funding, growing to \$9.3 million annually in 2026-27 to continue the California Action Corps at CalVolunteers.
- Approves \$78.1 million ongoing to continue the California Youth Jobs Corps at CalVolunteers, with provisional language to allow the use of the funds for AB 540 individuals.
- Approves \$5.3 million and 15 positions for Information Technology support for the Office of Planning and Research.
- Includes \$3,789,000 General Fund in 2023-24, and \$3,112,000 from 2024-25 through 2029-30 to support the new Racial Equity Commission as required by Executive Order N-16-22 and the Youth Empowerment Commission to meet statutory requirements enacted in Chapter 660, Statutes of 2021 (AB 46 (L Rivas)). Of the total amount, \$1,500,000 General Fund is a net-zero transfer from the Youth Empowerment Commission to the Office of Planning and Research. This request also includes trailer bill language to effectuate the transfer of the Youth Empowerment Commission to OPR.
- Adopts \$2,289,000 General Fund in 2023-24 and \$714,000 in 2024-25 and 2025-26 to support comprehensive update of General Plan Guidelines as a result of 150 enacted laws since 2017 and alignment with the State Housing, Equity and Climate priorities.
- Provides \$1,433,000 General Fund and 5.0 positions in 2023-24 and ongoing to respond to OPR's growing amount of legal and legislative workload with a dedicate staff unit for these purposes.
- Includes \$944,000 General Fund in 2023-24 and \$564,000 in 2024- 25 and 2025-26 to support the development and implementation of a statewide heat ranking system pursuant to Chapter 264, Statutes of 2022 (AB 2238 (L. Rivas)).
- Adds \$284,000 ongoing General Fund for 1.0 Tribal Liaison position. OPR must advise local governments on General Plans and Environmental Justice Elements, as described in Government Code 65302(h). Additionally, OPR should be coordinating with other State Government Agencies and Federal Agencies to better align State policies and funding programs, as described by Government Code 65040.12.
- Provides \$283,000 General Fund and 1.0 position in 2023-24, and ongoing to be the technical lead in maintaining the current California Environmental Quality Act document online processing system, provide planning resources for a system

redesign, and maintaining the new system.

- Includes \$188,000 General Fund and one position in 2023-24 and ongoing to develop and report on implementation progress of the California Climate Adaptation Strategy (Strategy) pursuant to Chapter 338, Statutes of 2022 (AB 1384(Gabriel))
- Provides a 2022 CEQANet Reappropriation for the CEQANet IT project to reflect the current pace of the project's development.
- Allows for funding first allocated in 2018 for the Transformative Climate Communities to be authorized for a longer period to allow grantees to expend awarded to them.
- Provides authority for California Environmental Quality Act (CEQA) Judicial Streamlining funding for 2022 to be available for a longer time to process CEQA streamlining exemptions reviews pursuant to SB 7.
- Adopts Trailer Bill Language clarifying that the Office does not need to go through a separate CEQA process if it contributing funding to a project outside of the Office that is going to reviewed by a CEQA process.
- Includes Trailer Bill language allowing Community Resilience Centers at the Office of Planning and Research to be eligible for the Advanced Pay Pilot.

### **Department of Finance**

- Approves \$3,800,000 (\$3,080,000 General Fund) and 9.0 ongoing positions to address vulnerabilities in Finance's Information Technology (IT).

### **Fi\$Cal**

- Adopts placeholder trailer bill language to adjust the Fi\$Cal project plan to the updated State Controller's Office plan to onboard book of record functions by July 1, 2026.
- Adopts reappropriation authority for funds provided to Fi\$Cal in 2022 related to the California State Payroll System costs.

### **Legislative Priorities**

- Includes \$750 million for local legislative priorities and \$7.5 million for associated state administrative costs.

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

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

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

- Provides \$14.4 billion (\$14. billion General Fund and \$374.6 million other funds) for CDCR in 2023-24, of which \$3.9 billion is for health care services.
- Projects the average daily incarcerated population for 2022-23 to be 95,560, a decrease of 0.6% since 2022 Fall projections. Spring projections indicate the population will decrease by another 2,678 individuals between 2022-23 and 2023-24 from 95,560 to 92,882. By 2025-26, the population is projected to decline to 89,946.
- Projects the average parolee population to be 37,322 in 2023-24 and the average daily parolee population is projected to be 39,646. The parole population is projected to decline to 36,061 by June 30, 2027.
- Adopts trailer bill that specifies the Legislature's intent to close prisons, requires CDCR to submit a preliminary assessment by August 15, 2023 and a final assessment by November 15, 2023 of its prison capacity, housing needs based on population projections, necessary operational capacity at each facility, and other information as specified.
- Provides \$21 million one-time General Fund for the RIGHT Grant 2.0 for community based organizations that provide prison programming.
- Adopts budget bill language to adjust the funding provided in the 2022 Budget Act for Community Reentry Centers to address operational needs.
- Includes a reduction of \$43.9 million General Fund and 257.1 positions, \$111,000 and 1.2 positions Inmate Welfare Fund in 2022-23; \$132.7 million General Fund and 779.1 positions, \$334,000 and 3.0 positions Inmate Welfare Fund in 2023-24; and \$133.1 million General Fund and 781.6 positions, \$334,000 and 3.0 positions Inmate Welfare Fund in 2024-25 and ongoing to reflect the closure of California Correctional Center.
- Includes a reduction of \$25.1 million General Fund and 110.6 positions, \$85,000 and 0.8 positions Inmate Welfare Fund in 2023-24 and \$126.4 million General Fund and 565.9 positions, and \$321,000 and 3.0 positions Inmate Welfare Fund in 2024-25 and ongoing to reflect the closure of the California City Correctional Facility.
- Includes a reduction of \$23.7 million General Fund and 1.0 position in 2023-24; \$3.2 million, a reduction of 1.0 position in 2024-25 and 2025-26; \$4.8 million General Fund

and 1.0 position in 2026-27; and \$4.9 million General Fund and 1.0 position in 2027-28 and ongoing associated with yard deactivations at 6 prisons.

- Includes \$360.9 million in Public Buildings Construction Fund for the demolition and construction to establish a new educational and vocational center at San Quentin State Prison by 2025.
- Provides \$20 million one-time General Fund to support the planning for the San Quentin Rehabilitation Center.
- Provides \$4.2 million General fund in 2023-24 and \$2.6 million ongoing to support Board of Parole hearing functions including resources to increase the flat rate for state appointed attorney feeds, add a Supervising Administrative Law Judge position, continues an attorney training and monitoring contract, and provides resources for the Board's IT system.
- Provides \$5.6 million in 2022-23 and \$28.8 million ongoing General Fund to implement Chapter 827, Statutes of 2022 (SB 1008) related to free voice calling.
- Provides \$87.7 million one-time General fund in 2023-24 and \$14.7 million ongoing for installation of fixed AVSS cameras at ten prisons.
- Provides \$1.5 million General Fund in 2023-24 and \$62 million one-time General Fund in 2024-25 for the RJ Donovan prison roof replacement.
- Provides \$91.8 million one-time General Fund in 2023-24 for COVID-19 related measures, including testing, personnel services, and medical registry costs.
- Provides \$15 million ongoing General Fund ongoing to continue the employee health program which was initiated during the COVID 19 pandemic with one-time federal funds specifically related to COVID-19.
- Includes a reduction of \$30.9 million General Fund annually over four years for COVID-19 Workers' Compensation costs to account for staff vacancy-related savings.
- Includes a reduction of \$30 million General Fund for deferred maintenance funding provided in the 2021 Budget Act.
- Provides \$11 million General Fund and 85 positions in 2023-24 and \$17.3 million and 144 positions beginning in 2024-25 to expand the use of tele-mental health in prisons.
- Provides one-time \$39.7 million General Fund to address a projected deficit in the budget for contract medical services in the near term and requires CDCR to develop



a refined methodology for budget contract medical services to account for patient acuity and increasing medical costs.

- Provides \$3.3 million one-time (\$200,000 General Fund and \$3.1 million reimbursement authority) in 2023-24 only to enable CDCR to develop an information technology system to support the Medi-Cal billing process in conjunction with the implementation of the statewide CalAIM Justice-Involved Initiative.
- Includes \$34.2 million in 2023-24 for the construction of an arsenic and manganese removal water treatment plant at Valley State Prison and at the adjacent Central California Women's Facility and a reappropriation of \$849,000 for the working drawings phase.
- Provides \$1.5 million one-time General Fund in 2023-24 to continue construction of two individual exercise yards adjacent to the Correctional Treatment Center at the California State Prison, Corcoran.
- Provides \$8.1 million General Fund in 2023-24, \$9.3 million in 2024-25, and \$7.8 million in 2025-26 to migrate CDCR's System Applications and Products (SAP) software to SAP's new system offering, S/4 HANA.
- Provides \$925,000 General Fund in 2023-24 continue with a project to build a new radio communications system at California State Prison, Corcoran.
- Provides \$2.8 million General Fund and 17.0 positions in 2023-2024 and ongoing to support the remedial measures associated with the Clark class action lawsuit at institutions with the highest populations of individuals with developmental disabilities.
- Provides \$500,000 General Fund and two positions in 2023-2024 and ongoing to support court-mandated remedial measures associated with the Clark and Armstrong class action lawsuits at institutions with the highest populations of incarcerated persons with disabilities.
- Provides \$3.7 million General Fund in 2023-24 and ongoing for Department of Justice Legal Services fees.
- Includes 11 positions and \$10.4 million General Fund in 2023-24 and \$7.6 million ongoing to continue to develop and implement the CDCR's comprehensive eDiscovery platform.
- Provides \$1.9 million General Fund in 2023-24 and 2024-25 to comply with Chapter 748, Statutes of 2022 (AB 1041).

- Provides 10.4 positions and \$2.3 million General Fund in 2023-24 and ongoing for the Division of Adult Parole Operations to process increased transfer investigation requests resulting from Chapter 826, Statutes of 2022 (Senate Bill 990).
- Provides \$10 million General Fund to complete construction of the remaining Health Care Facility Improvement Program (HCFIP) projects at 10 prisons and budget bill language to allow expenditure transfers between these projects.
- Provides \$26.8 million Inmate Welfare Fund authority in 2023-24 and ongoing to support increasing annual purchases for the incarcerated population and adopts budget bill language related to canteen price markups.
- Includes \$35 million in 2023-24 to correct fire suppression system deficiencies at Pelican Bay State Prison identified by the State Fire Marshal and an extension of the liquidation period for working drawings funding.
- Includes 11.5 positions and \$1.1 million General Fund in 2023-2024 and ongoing for implementation of Chapter 837, Statutes of 2022 (SB 1139) to address expanded health information requests.
- Reappropriates \$1.03 million General Fund from the 2020 Budget Act and \$268,000 General Fund from the 2021 Budget Act to enable CDCR to complete the purchase of fleet assets.
- Provides \$9.6 million General Fund and 16 positions in 2023-24, \$9.3 million and 16 positions in 2024-25, and \$2.9 million in 2025-26 and ongoing to adjust CDCR's process for handling allegations of staff misconduct.
- Includes 13.0 positions and \$3.9 million General Fund in 2023-24 and ongoing for suicide prevention programs through CDCR's statewide mental health program regional staffing.
- Realigns budget authority within CDCR programs and transfers \$8 million General Fund in 2023-24 and ongoing from CDCR to the California Arts Council to support the Arts in Corrections program.
- Provides \$2.2 million General Fund and 7.5 positions in 2023-2024 and ongoing to support implementation of the Integrated Gender Affirming Health Care Program and to deliver gender-affirming care to the incarcerated population for the transgender and gender diverse patients consistent with CDCR policy and Penal Code Sections 2605 and 2606.

- Approves the Joint Commission Accreditation proposal for 15.0 positions and \$3.2 million General Fund in 2023-24, 19.0 positions and \$3.8 million General Fund in 2024-25, 26.0 positions and \$4.3 million General Fund in 2025-26, 31.0 positions and \$5.1 million General Fund in 2026-27, and 38.0 positions and \$6.1 million General Fund in 2027-28 and ongoing.
- Provides \$1 million General Fund for a sexual assault response and prevention working group at CDCR.
- Provides \$522,000 ongoing General Fund and adopts trailer bill to implement the Family Dignity Act.

### **Youth Justice**

- Estimates 150 youth will remain at the time of DJJ's closure on June 30, 2023 and includes a net reduction of \$91.8 million (\$89.4 million General Fund and \$2.4 million other funds) and 590.2 positions in 2023-24, and a net reduction of \$98.9 million (\$96.1 million General Fund and \$2.8 million other funds) and 631.4 positions in 2024-25, and \$95.8 million (\$93 million General Fund and \$2.8 million other funds) in 2025-26 and ongoing associated with the closure of the Division of Juvenile Justice, and net-zero technical adjustments associated with temporary staffing for the Division of Juvenile Justice post-closure.
- Adopts budget bill to provided limited, temporary reporting on youth served in the county juvenile justice systems related to the realignment of the Division of Juvenile Justice.
- Adopts trailer bill to provide a technical clarification regarding Welfare Institutions Code 875 progress reviews, sight sound clarification, and inspections of camps, ranches, and secure youth track facilities.

### **Office of Inspector General**

- Provides \$117,000 in Fiscal Year 2023-2024 and ongoing and one position to support implementation of Chapter 821, Statutes of 2022 (SB 903) related to the California Rehabilitation Oversight Board.
- Provides technical adjustments to resources previously allocated for monitoring the staff complaint process at the Department of Corrections and Rehabilitation.

### **Commission on Judicial Performance**

- Includes \$189,000 General Fund and 1.0 position in 2023-24 and \$178,000 and 1.0 position ongoing for an Administrative Assistant to Counsel position that would assist

in processing the new complaints due to the increase in accepting online complaints in 2021.

### **Judicial Branch**

- Provides \$5 billion (\$3.1 billion General Fund and \$1.9 billion other funds) for Judicial Branch operations, of which \$2.9 billion will support trial court operations.
- Provides \$74.1 million ongoing General fund to support trial court operations which is in addition to augmentations provided in the 2021 and 2022 Budget Acts
- Provides \$55.5 million to implement the CARE Act, which includes costs for LA County's early implementation and doubling the hours of legal services for participants from 20 hours to 40 hours, growing to \$133 million ongoing beginning in 2025-26, and requires quarterly reporting from the first cohort of counties that are funded. Reappropriates \$1.75 million from the 2022 Budget Act for information technology improvements related to the implementation of the CARE Act.
- Includes \$20 million in 2023-24 and 2024-25 to restore funding for the Court Appointed Special Advocates Program which was proposed for reduction in the Governor's Budget.
- Provides \$19 million General Fund in 2023-24, \$17.5 million in 2024-25, and \$4.2 million ongoing to implement Chapter 326, Statutes of 2021 related to juror compensation.
- Provides \$105.14 million ongoing General Fund for support the Trial Court Trust Fund Backfill.
- Reduces \$20.65 million General fund in 2023-24 and \$30 million ongoing to reflect updated estimates for the Ability to Pay Program established in Chapter 57, Statutes of 2021, due to the associated revenue loss for courts being lower than expected. The total estimated backfill is \$26.4 million in 2023-24, and \$28.4 million ongoing.
- Reverts \$25 million General Fund provided in the 2021 Budget Act for the acquisition of the New Fort Ord Courthouse in Monterey County.
- Provides \$55.5 million in 2023-24, \$175.5 million in 2024-25, and \$174.5 million ongoing to backfill a projected shortfall in the State Court Facilities Construction Fund in order to maintain existing service levels.
- Provides \$5.97 million ongoing General Fund to support Judicial Branch Facilities Operations and Maintenance.

- Provides \$19.6 million ongoing General Fund for trial court employee health benefit and retirement costs.
- Provides \$3.8 million General and 2.0 positions in 2023-24, \$3.31 million positions in 2024-25, and \$1.97 million ongoing to comply with data collection requirements specified in SB 929 (Chapter 539, Statutes of 2022) relating to community mental health services
- Provides \$440,000 one-time General Fund for new signage to rename the Superior Court of Merced County's main courthouse as the Charles James Ogletree, Jr. Courthouse pursuant to Chapter 410, Statutes of 2022 (AB 2268).
- Provides \$200,000 from the Court Interpreters' Fund in 2023-24 through 2027-28 to address the shortage of qualified interpreters by providing trainings for near passers of the bilingual interpreting examination and budget bill language to authorize yearly adjustments to the expenditure authority.
- Provides \$838,000 General Fund and 3.0 positions in 2023-24, and \$1.6 million and 6.0 positions ongoing to implement new laws through rules of court and forms.
- Reduces the \$188 million one-time General fund included in the 2021 Budget Act for deferred maintenance by \$49.5 million in 2022-23.
- Provides \$2.7 million in 2023-24, and \$2.3 million in 2024-25 and 2025-26 from the Appellate Court Trust Fund for appellate workload and operations.
- Provides \$1.4 million from the Appellate Court Trust Fund in 2023-24 through 2025-26 and adopts trailer bill language for a three-year Appellate Court Security Pilot program.
- Extends the liquidation period of the funding provided to the Judicial Branch by Control Section 6.10 of the 2018 Budget Act for deferred maintenance projects, from June 30, 2023 to June 30, 2024.
- Approves for the following court projects with General Fund:
  - Nevada County: New Nevada City Courthouse: \$8.12 million for the acquisition phase.
  - San Bernardino County: Juvenile Dependency Courthouse Addition and Renovation: \$8.31 million for the construction phase.
  - Monterey County: Fort Ord Courthouse: \$153.04 million for the design-build phase.

- Court of Appeal: New Sixth Appellate District Courthouse: \$2.81 million for the performance criteria phase.
- Rejects the lease revenue bond conversion to General Fund proposals for the following court projects, leaving them to continue as lease revenue bond projects:
  - Imperial County: New El Centro: \$18.2 million
  - Sacramento County: New Sacramento Courthouse: \$17.05 million
  - Shasta County: \$54.14 million
- Includes reimbursement authority of \$5.9 million in 2023-24 and \$5.7 million in 2024-25 and 2025-26 to support an interagency agreement with the Board of State and Community Corrections to implement federal funds from the Byrne State Crisis Intervention Program.
- Reduces \$16.37 million ongoing General Fund backfill in accordance with updated revenue loss estimates related to the expansion of filing fee waivers in the 2022 Budget Act.
- Provides \$22,000 ongoing General Fund to revise the employee compensation adjustment to reflect recently approved salary increases for Staff Attorneys.
- Adjusts the trial court employee benefit item by a decrease of \$21.44 million ongoing General Fund to reflect updated health benefit and retirement rate changes for trial court employees.
- Extends the availability for pre-trial funding for counties which was appropriated in the 2021 and 2022 Budget Act.
- Corrects an error related to administrative costs for a legal service grant program for indigent individuals.
- Adopts trailer bill to delay the implementation of lactation rooms in courthouses by 2 years (AB 1576), eliminate the sunset dates for expiring civil filing fees, establishes the Access to Justice Commission in statute, and support for appellate court security.
- Provides \$250,000 ongoing General Fund to the Access to Justice Commission to support Loan Repayment Assistance Programs (LRAP) at legal aid organizations and allows LRAP to be a permissible use of funding provided through the Equal Access Fund.

- Allows the one-time resources provided for firearms relinquishment in civil proceedings in the 2022 Budget Act to also be made available for removal of firearms of prohibited persons in criminal court.
- Reappropriates \$6.8 million for the Court Interpreter Workforce pilot program.
- Provides ongoing backfill of \$1.2 million General Fund for the repeal of criminal administrative fees related to record sealing and post-conviction remedies pursuant to Penal Code Sections 1203.4, 1203.41, 1203.42, and 1203.45.
- Provides a total of \$8 million one-time General Fund to the Judicial Branch and the Office of State Public Defender to implement the Racial Justice Act in both capital and non-capital cases.

### **Department of Justice**

- Provides \$1.3 billion, including \$491.6 million General Fund, to support the Department of Justice, as part of the May Revision.
- Proposes a \$400 million budgetary loan from the Litigation Deposit Fund to the General Fund in 2023-24 to assist in addressing the state's budgetary shortfall and adopts trailer bill.
- Provides \$7.21 million General Fund and a reduction of \$5.8 million of Reimbursement Authority in 2023-24 and ongoing to maintain the Special Operations Unit Program.
- Provides \$1.11 million Unfair Competition Law Fund and 4.0 positions in 2023-24 and \$1.06 million and 4.0 positions in 2024-25 and ongoing to address current workloads in the Worker Rights and Fair Labor Section, to facilitate the required investigatory work associated with these cases.
- Includes \$1.9 million (\$702,000 General Fund and \$1.2 million various Special Funds) in 2023-24, increasing to \$4 million (\$1.5 million General Fund and \$2.5 million various Special Funds) in 2026-27 and ongoing for their eDiscovery and Review Platform to collect, store, and process electronic discovery information related to litigation.
- Provides a loan of \$4.3 million in 2023-24 and 2024-25 from the General Fund to the Ammunition Authorization Program Fund.
- Provides \$7.96 million (\$3.98 million Attorney General Antitrust Account and \$3.98 million Unfair Competition Law Fund) and 20.0 positions in 2023-24 and \$7.79 million (\$3.89 million Attorney General Antitrust Account and \$3.89 million Unfair Competition

Law Fund) and 20.0 positions ongoing to prosecute antitrust violations within the gas and oil, technology, and agricultural sectors

- Rejects the fee increase to maintain the Missing Persons DNA Program and provides \$1.46 million General Fund backfill for three years.
- Provides \$46.1 million General Fund beginning in 2023-24 for operational backfill and conforming expenditure authority for three years, and \$7.3 million and conforming expenditure authority one-time for equipment purchase and replacement in 2023-24.
- Provides \$7.5 million Dealers Record of Sale Account in 2023-24 and \$2.6 million ongoing thereafter for the Firearms Information Technology System Modernization Project.
- Provides \$1.38 million (\$973,000 General Fund and \$402,000 Legal Services Revolving Fund) and 4.0 positions in 2023-24 and \$1.34 million in 2024-25 and ongoing to address litigation workload related to housing production and planning through DOJ's Housing Strike Force.
- Provides \$3 million ongoing Unfair Competition Law Fund to expand the work of the Civil Law Section in the DOJ related to the enforcement of tenant protections.
- Reduces D-Cal funding provided in the 2017 Budget Act by \$3 million ongoing General Fund.
- Provides \$821,000 General Fund one-time in 2023-24 to refund the Indian Gaming Special Distribution Fund (SDF) and Gambling Control Fund (GCF) for illegal gambling enforcement activities that were improperly expensed to the SDF and GCF in 2019-20.
- Provides a net-zero transfer of \$13.83 million General Fund and 75 positions to establish the Office of General Counsel, including \$6.24 million General Fund and 19 positions from the Civil Law Division and \$7.59 million General Fund and 56 positions from the California Justice Information Services Division.
- Provides ongoing \$3.5 million Federal Trust Fund Expenditure Authority to allow the DOJ to fully expend anticipated federal grant awards within the Criminal Justice and Information Services Division.
- Provides \$1.3 million Gambling Control Fund in 2023-24 and \$1,266,000 in 2024-25 and ongoing to permanently support the workload in the Cardroom and Third Party Providers of Proposition Player Services sections.



- Provides \$1.81 million General Fund and 6.0 positions in 2023-24 and \$1,762,000 in 2024-25 and ongoing to implement a Police Practices Divisions pursuant to the requirements of Chapter 326, Statutes of 2020 (AB 1506).
- Shifts all eligible proposed General Fund expenditures to Dealers Record of Sales Special Account or Fingerprint Fees Account for the New Your State Rifle and Pistol Association v. Bruen Supreme Court ruling: \$4.98 million in 2023-24 and \$3.21 million in 2024-25 to process an anticipated increase in carry concealed weapon permit applications.
- Shifts all eligible General Fund to Dealer's Record of Sales Special Account spending and remaining expenditures from the General Fund for the following:
  - Microstamping and Law Enforcement Transfer (M-LET): \$1.46 million and 5 positions in 2023-24, \$1.42 million in 2024-25, \$1.41 million in 2025-26 and \$1.09 million ongoing for tracking and reporting individual Firearm Identification Numbers related to firearm sales.
  - Implementation of Various Firearm Related Legislation: \$5.7 million and 17.0 Positions in 2023-24, \$4.4 million in 2024- 25, and \$2.71 million in 2025-26 and ongoing to address increased workload associated with the implementation of SB 1384, AB 2552, AB 1621, AB 1594, AB 2156, and AB 228.
  - Firearm Compliance Section: \$342,000 and 3.0 positions in 2023-24 and \$307,000 and 3.0 positions in FY 2024-25 and ongoing for firearm workloads within the Compliance Support Section.
- Provides \$1.46 million General Fund and 5.0 positions in 2023-24 and \$1.12 million and 5.0 positions in 2024-25 and ongoing to support the workload requirements of Chapter 986, Statutes of 2022 (SB 863).
- Provides \$325,000 General Fund and 1.0 position in 2023-24 and \$317,000 and 1.0 position in 2024-25 and ongoing to support the workload requirements of Chapter 854, Statutes of 2022 (AB 655).
- Provides \$1.78 million Fingerprint Fees Account in 2023-24 and \$1.53 million in 2024-25 to meet the mandates outlined in Chapter 814, Statutes of 2022 (SB 731), and adopts trailer bill language.
- Provides \$2.18 million General Fund in 2023-24, \$2.11 million in 2024-25, and \$848,000 in 2025-26 and 2026-27 to support the workload requirements of Assembly Bill 256 (Chapter 739, Statutes of 2022).

- Provides \$817,000 General Fund and 4.0 positions in 2023-24, \$2.44 million and 12.0 positions in 2024-25, and \$2.37 million and 12.0 positions in 2025-26 and ongoing to implement the mandates of Chapter 806, Statutes of 2022 (AB 2778).
- Provides \$163,000 General Fund and 1.0 position in 2023-24 and \$154,000 in 2024-25 and ongoing to support the workload requirements pursuant to Chapter 642, Statutes of 2022 (AB 1837).
- Provides \$1.78 million General Fund in 2023-24 to implement the necessary system modifications to meet the mandates of Chapter 853, Statutes of 2017 (Senate Bill 179).
- Provides \$609,000 General Fund and 3.0 positions in 2023-24 and \$585,000 and 3.0 positions in 2024-25 and ongoing to support the workload requirements of Chapter 475, Statutes of 2022 (AB 923).
- Provides \$272,000 General Fund and 2.0 positions in 2023-24 and \$478,000 and 2.0 positions in 2024-25 and ongoing to support the implementation of Chapter 750, Statutes of 2021 (AB 1084).
- Provides \$888,000 General Fund and 4.0 positions in 2023-24, \$1,180,000 in 2024-25 and \$1,146,000 in FY 2025-26 and ongoing to support the workload requirements of Chapter 320, Statutes of 2022 (AB 2273) and requires an updated workload report. Provides one-time \$750,000 General Fund to establish a children's data workgroup convened by DOJ and adopts trailer bill.
- Provides \$1.74 million ongoing General Fund to continue processing sex offender tiering and termination workload and provide system support and maintenance pursuant to Chapter 541, Statutes of 2017 (Senate Bill 384).
- Provides \$673,000 General Fund and 3.0 positions in 2023-24, and \$646,000 and 3.0 positions in 2024-25 and ongoing to support the workload requirements of Chapter 269, Statutes of 2022 (AB 587).
- Provides \$325,000 General Fund and 1.0 position in 2023-24 and \$317,000 and 1.0 position in 2024-25 and ongoing to support the implementation of Chapter 555, Statutes of 2022 (AB 1287).
- Provides \$325,000 General Fund and 1.0 position in 2023-24 and \$317,000 and 1.0 position in 2024-25 and ongoing to support the implementation of Chapter 555, Statutes of 2022 (AB 1287).

- Includes \$340,000 General Fund and 2.0 positions in 2023-24 and \$389,000 in 2024-25 and ongoing to support the workload requirements of Chapter 700, Statutes of 2022 (AB 2879).
- Includes \$3 million General Fund in 2023-24 through 2026-27 to acquire external legal services to assist with ongoing litigation related to the state's pandemic tenant protections.
- Adopts trailer bill to change reporting date and frequency for AB 1356, adjust the report due date for the Armed Prohibited Persons System Report to March 15, beginning in 2024, and reporting requirements related to the Litigation Deposit Fund.
- Provides \$241,000 General Fund and 1.0 position in 2023-24 and \$231,000 and 1.0 position in 2024-25 and ongoing to meet the mandates outlined in Chapter 773, Statutes of 2022 (AB 2135).
- Includes \$779,000 General Fund and 3.0 positions in 2023-24 and \$755,000 in 2024-25 and ongoing to support the workload requirements of Chapter 857, Statutes of 2022 (SB 301).
- Provides \$253,000 General Fund and 1.0 position in 2023-24 and \$213,000 in 2024-25 and ongoing to make necessary information technology upgrades pursuant to Chapter 796, Statutes of 2022 (AB 2658).
- Includes \$3.18 million (\$1.65 Gambling Control Fines and Penalties Fund and \$1.52 million Indian Gaming Special Distribution Fund) in 2023-24 to continue the License 2000 System Replacement Project.
- Provides \$2.32 million one-time General Fund in 2023-24 for the payment of outstanding loans and unpaid interest related to the repealed Remote Caller Bingo Program.
- Provides \$531,000 General Fund for three years to establish an advisory council on improving interactions between law enforcement and individuals with intellectual and developmental disabilities.
- Provides one-time \$557,000 General Fund related to two firearm settlements, Miller, et al. v. Bonta, et al. and South Bay Rod & Gun Club, Inc., et al. v. Bonta, et al .

**Office of Emergency Services**

- Provides \$3.4 billion (\$871.7 million General Fund) and 1,877 positions for OES.

- Provides \$20 million one-time General Fund to Monterey County and one-time General Fund to Merced County to support the communities of Pajaro and Planada related to flood damage relief, for all residents and workers, regardless of documentation or citizenship status.
- Provides \$7 million each year beginning in 2023-24 for three years to support emergency services for victims of human trafficking
- Provides \$10 million General Fund in 2023-24 for Family Justice Centers statewide.
- Provides \$95 million one-time flood contingency set aside to support costs associated with the 2023 storms and requires notification to the Joint Legislative Budget Committee prior to the disbursement of funds.
- Preserves \$15 million one-time General Fund for the Multifamily Seismic Retrofit Matching Grant Program.
- Provides \$174.66 million lease revenue bond for the design-build phase of the Southern Region: Emergency Operations Center project which includes construction of a new office building, warehouse, communications tower, and helipad on 15 acres at the former Fairview Developmental Center
- Includes \$20 million General Fund in 2023-24 for the Non Profit Security Grant Program.
- Adopts trailer bill related to the California Emergency Relief Fund and adopts budget bill language to update the statewide strategic plan report.
- Includes 4 positions and \$23.84 million 988 State Suicide and Behavioral Health Crisis Services Fund in FY 2023-24 and ongoing (\$3.56 million state operations and \$20.28 million local assistance) to support activities required to implement Chapter 747 Statutes of 2022 (AB 988.), and shifts \$5.98 million current year funding from General Fund to 988 State Suicide and Behavioral Health Crisis Services Fund.
- Provides \$137.64 million (\$19.5 million state operations and \$118.15 million local assistance) in 2023-24, \$132.78 million (\$12.1 million state operations and \$120.68 million local assistance) in 2024-25, and \$91.44 million (\$6.2 million state operations and \$85.25 million local assistance) ongoing State Emergency Telephone Number Account to support the completion of the California Public Safety Microwave Network buildout, completion of the Next Generation 9-1-1 system, and the ongoing maintenance and support of these systems.
- Provides \$1.8 million General Fund for the construction phase of the Mather: Security

Checkpoint Enhancements project and reappropriates \$351,000 General Fund for the working drawings phase of the Mather: Security Checkpoint Enhancements project.

- Provides \$28.7 million General Fund ongoing and 17 positions for the California Cybersecurity Integration Center and budget bill language requiring reporting on activities.
- Realigns \$1 billion federal trust fund authority and the creation of a new local assistance Item of appropriation to realign federal emergency and grant funding.
- Provides \$531,000 General Fund in 2023-24 and \$280,000 in 2024-25 to implement Chapter 820, Statutes of 2022 (SB 892).
- Provides 55 permanent positions, funded within existing appropriation authority, to administer state and federal grants.
- Includes 37 positions, \$9.5 million (\$7.02 million Federal Trust Fund and \$2.47 million General Fund) in 2023-24, and \$9.12 million (\$6.74 million Federal Trust Fund and \$2.38 million General Fund) ongoing to support hazard mitigation and implement new federal programs.
- Reappropriates \$3 million General Fund with an encumbrance extension to June 30, 2024, for support costs identified in the State Operations Center modernization project
- Reappropriates of \$2.9 million General Fund with an encumbrance extension to June 30, 2025, for purchase of a specialized vehicle to provide a backup, mobile warning center.
- Provides \$951,000 General Fund and three ITS II positions from 2023-24 through 2026-27 for Cal-CSIC to plan, develop, and implement the database to meet the specific requirements of Chapter 498, Statutes of 2022 (AB 2355).
- Provides \$4.5 million one-time General Fund to continue daily COVID-19 testing protocols related to the State's SMARTER Plan.
- Includes \$400,000 in state operations and \$7.6 million in local assistance Federal Trust Fund authority to implement the new State and Local Cybersecurity Grant Program and adopts budget bill requiring reporting on grant outcomes.
- Provides eight positions, \$1.25 million Federal Trust Funds, and \$416,000 General Fund to implement the new Federal Emergency Management Agency Validate As You Go payment process.

- Provides \$951,000 General Fund and three ITS II positions from 2023-24 through 2026-27 for Cal-CSIC to plan, develop, and implement the database to meet the specific requirements of AB 2355.
- Provides \$43.26 million General Fund for five years beginning 2023-24 related to warehouse leasing and operations and adopts budget bill language directing OES to report on other storage options
- Provides \$4 million to support public education and outreach related to gun violence and domestic violence restraining orders in various languages and \$21 million General Fund to support a gun buyback program.
- Includes budget bill language related to state cost share of direct federal assistance.
- Provides 12 additional ongoing positions for distributed administration authority to be funded with distributed administration funding resulting from the required federal indirect cost allocations.
- Reappropriates up to \$1 million General Fund for emergency vehicles and provides that the funding will be available for encumbrance and expenditure until June 30, 2024.
- Reverts \$37 million General Fund from the 2022 Budget Act for the Warehousing Operations for Emergency Response Equipment and Supplies proposal.
- Provides \$500,000 one-time General Fund for the purchase of receiver boxes for the California Public Television Early Earthquake Warning System Pilot.
- Provides \$2.3 million one-time General Fund to extend the Sexual and Domestic Violence Prevention grant program.

### **Local Public Safety**

- Includes \$40 million General Fund for the Public Defense pilot in the Governor's Budget and restores the funding.
- Provides increased federal spending authority for the Federal Bipartisan Safer Communities Act.
- Proposes \$12 million one-time General Fund for grants to support local tribes to investigate cases of missing and murdered indigenous persons, building on the investment made in the 2022 Budget Act which included \$12 million General Fund over three years for this effort.

- Proposes \$20 million one-time General Fund for the Nonprofit Security Grant Program.
- Provides \$9.3 million General Fund in 2023-24 for Post Release Community Supervision.
- Reappropriates \$500,000 for the Medication Assisted Treatment Grant Program for encumbrance or expenditure through June 30, 2027.
- Provides that previously allocated resources in the 2022 Budget Act to be used for transitional housing services to youth returned to local custody following to closure of the Division of Juvenile Justice who are subsequently released by the juvenile court.
- Provides \$370,000 one-time General Fund to RAND Corporation to complete a three year recidivism study for the County Resentencing Pilot which was included in the 2021 Budget Act with District Attorney Offices in nine counties and extends the due date for the report.
- Provides \$5 million one-time General Fund to support the co-location of the pilot Mobile Assistance Community Responders Program (MACRO) with a fire station and first responders to support non-law enforcement responses to mental health crises.
- Provides \$5 million one-time General Fund to the Anti-Recidivism Coalition for a Southern California Reentry Hub building.
- Provides \$1 million to Uncommon Law for the Home After Harm program.
- Extends the period of time Youth Reinvestment Grant Cohort 2 grantees have to expend the grants they received to June 30, 2024 but maintains the final local evaluation reports shall be submitted by September 30, 2023, as originally required, with all available information.

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

- Provides \$4.5 million from the General Fund in 2023-24 and \$3.9 million ongoing to fund Office of Administrative Hearings costs associated with implementation of Senate Bill 2 (Chapter 409, Statutes of 2021) and adopts budget bill language to report on workload measures.
- Provides \$6.05 million General Fund in 2023-24 and \$5.28 million in 2024-25 and 2025-26 only for Department of Justice legal costs that will be incurred by the Commission on Peace Officer Standards and Training for the peace officer

decertification proceedings that will be heard before an administrative law judge pursuant to Chapter 409, Statutes of 2021 (SB 2).

- Adopts trailer bill related to Chapter 409, Statutes of 2021 (SB 2) related to the public records process and includes a sunset provision.

### **Office of State Public Defender**

- Provides \$280,000 ongoing General Fund and 2.0 positions ongoing to support efforts in recruitment and retention to improve staff diversity.
- Provides a total of \$8 million one-time General Fund to the Judicial Branch and the Office of State Public Defender to implement the Racial Justice Act in both capital and non-capital cases.

### **Victims Compensation Board**

- Provides \$877,000 Restitution Fund and 4.0 positions in 2023-24 and \$789,000 and 4.0 positions in 2024-25 and ongoing to implement and maintain increased cybersecurity capabilities

### **Military Department**

- Provides \$448,000 General Fund in 2023-24, and \$441,000 in 2024-25 and ongoing, and 3 positions to perform work order clerk duties and to oversee the sustainability objectives of the new headquarters building.
- Provides 12 positions and \$2 million (\$1.5 million Federal Trust Fund authority and \$500,000 General Fund) in 2023-24 and ongoing to administer the Youth Challenge Program expansion of 100 cadets in budget year to 200 cadets two years later at the Grizzly Youth Academy in Camp San Luis Obispo.
- Includes 4 positions and \$1.3 million Federal Trust Fund authority in 2023-24, and \$1.5 million in 2024-25 and ongoing, to establish and operate STARBASE programs at Porterville Military Academy and Camp San Luis Obispo. Includes an additional \$1 million Federal Trust Fund authority augmentation for unencumbered costs for reimbursements available until September 30, 2023.
- Makes adjustments to the state active duty pay to align the pay of state active duty employees to the pay of service members of similar grade in the federal armed forces.
- Provides 9 positions and \$1.48 million General Fund in 2023-24, and \$1.46 million annually thereafter, to support administrative services within the Military department's accounting section and budget areas.



- Provides 18 positions and an increase of \$2.48 million 2023-24 and \$2.34 million in 2024-25 and ongoing to provide 24/7 security at the California Military Department's new Consolidated Headquarters Complex.
- Provides \$2.5 million ongoing General Fund to establish the Army Facilities Agreement Program Income Fund and adopts trailer bill.
- Adopts trailer bill related to the dissolution of the Military Family Relief Fund.
- Provides \$1.15 million one-time General Fund for creek embankment repairs at Camp San Luis Obispo caused by winter storms in early 2023.