

VOTE-ONLY AGENDA

ASSEMBLY BUDGET SUBCOMMITTEE No. 3 ON CLIMATE CRISIS, RESOURCES, ENERGY, AND TRANSPORTATION

ASSEMBLYMEMBER RICHARD BLOOM, CHAIR

WEDNESDAY, MAY 18, 2022

9:30AM – STATE CAPITOL, ROOM 437

VOTE-ONLY CALENDAR

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VOTE-ONLY ITEMS

3540 CALIFORNIA DEPARTMENT OF FORESTRY AND FIRE PROTECTION

VOTE-ONLY ISSUE 1: AGRICULTURAL LANDS: LIVESTOCK PRODUCERS: MANAGERIAL EMPLOYEES: LIVESTOCK PASS PROGRAM: DISASTER

The Governor's budget requests \$493,000 General Fund in 2022-23, \$181,000 General Fund in 2023-24, and 1.0 position for two years to implement the training curriculum for livestock producers eligible for the livestock pass program to comply with the requirements of Chapter 609, Statutes of 2021 (AB 1103). Additionally, CalFIRE requests a statutory change to delay the development of course plans from January 1, 2023 to July 1, 2024.

STAFF COMMENTS

This item was heard on February 2, 2022.

Since then the Administration has requested an alteration to this proposal: \$60,000 General Fund in 2022-23 for the curriculum development cadre and modified trailer bill language to change the effective date from January 1, 2023 to July 1, 2023.

The cost and time savings are a result of moving the instruction to in person instead of online.

Staff Recommendation: Approve \$60,000 General Fund in 2022-23 for the curriculum development cadre and modified trailer bill language to change the effective date from January 1, 2023 to July 1, 2023.

VOTE-ONLY ISSUE 2: COMMUNITY WILDFIRE PREPAREDNESS AND MITIGATION PACKAGE (AB 9, AB 642, SB 63)

The Governor's budget requests \$10.096 million General Fund in fiscal year 2022-23, \$8.398 million ongoing, and 29.0 positions to address the statutory requirements set forth by Chapter 225, Statutes of 2021 (AB 9), Chapter 375, Statutes of 2021 (AB 642), and Chapter 382, Statutes of 2021 (SB 63).

STAFF COMMENTS

This item was heard on February 2, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 3: OFFICE OF THE STATE FIRE MARSHAL, FIRE AND LIFE SAFETY DESIGNATED CAMPUS FIRE MARSHAL PROGRAM SFL

A Spring Finance Letter requests \$3.2 million reimbursement authority increase in 2022-23, \$2.8 million ongoing, and 12.0 positions to support the Office of the State Fire Marshal's (OSFM) workload associated with reviewing the University of California (UC) campus' adherence to the Designated Campus Fire Marshal (DCFM), Memorandum of Understanding (MOU) entered into as allowed by Health and Safety Code (HSC) section 13146.

The University of California would be responsible for paying these costs.

Staff Recommendation: Approve as budgeted.

3780 NATIVE AMERICAN HERITAGE COMMISSION
0500 GOVERNOR'S OFFICE
0650 OFFICE OF PLANNING AND RESEARCH

VOTE-ONLY ISSUE 4: ESTABLISHMENT AND TRANSFER OF GOVERNOR'S OFFICE OF TRIBAL AFFAIRS

The Governor's budget requests a net-zero transfer of \$115,000 Environmental License Plate Fund (ELPF) ongoing and \$441,000 General Fund ongoing and 3 positions from the Commission to establish the Office of Tribal Affairs within the Governor's Office, the net-zero transfer of \$450,000 ELPF through FY 2024-25 to the Governor's Office of Planning and Research to support the California Truth & Healing Council, and \$231,000 General Fund ongoing and 2 positions to comply with the requirements of AB-275 (Statutes of 2020) and the California Native American Graves Protection and Repatriation Act (CalNAGPRA).

STAFF COMMENTS

This item was heard on February 9, 2022.

Staff Recommendation: Approve as budgeted.

3540 DEPARTMENT OF FORESTRY AND FIRE PROTECTION
3790 DEPARTMENT OF PARKS AND RECREATION
3600 DEPARTMENT OF FISH AND WILDLIFE

VOTE-ONLY ISSUE 5: PEACE OFFICER AND LAW ENFORCEMENT LEGISLATIVE REQUIREMENTS – SB 2, SB 16, AB 26, AB 48, AB 481

The Governor’s budget requests \$13,431,000 General Fund in 2022-23, \$8,371,000 ongoing, 26 positions, and 14 vehicles to comply with peace officer and law enforcement requirements associated with Senate Bill (SB) 2, SB 16, Assembly Bill (AB) 26, AB 48, and AB 481. This includes:

- CalFire requests \$7.547 million in 2022-23, \$3.565 million ongoing, seven positions, and four vehicles to comply with SB 2, AB 481, and AB 48.
- Parks requests \$3.849 million in 2022-23, \$3.215 million ongoing, 13 positions, and seven vehicles to comply with SB 2 and SB 16.
- Fish and Wildlife requests \$2.035 million in 2022-23, \$1.591 million ongoing, six positions, and three vehicles to comply with SB 2, SB 16, and AB 26.

STAFF COMMENTS

This item was heard on February 9, 2022. This action does not include the request for the Governor’s Office of Emergency Services which was taken in Subcommittee number 5.

Staff Recommendation: Approve components of BCP that pertain to CalFire, DFW, and Parks.

3970 DEPARTMENT OF PARKS AND RECREATION

VOTE-ONLY ISSUE 6: STATE PARKS FUTURE CAPITAL INVESTMENT

The Governor’s budget requests \$50,000,000 General Fund transfer to the Natural Resources and Parks Preservation Fund for future capital outlay projects, subject to appropriation by the Legislature, potentially for acquisition, preliminary plans, working drawings, or construction to be appropriated in future budget change proposals.

STAFF COMMENTS

This item was heard on February 9, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 7: CALIFORNIA CULTURAL AND ART INSTALLATION IN PARKS PROGRAM

The Governor's budget requests \$50,000,000 General Fund transfer to the Natural Resources and Parks Preservation Fund for future capital outlay projects, subject to appropriation by the Legislature, potentially for acquisition, preliminary plans, working drawings, or construction to be appropriated in future budget change proposals.

STAFF COMMENTS

This item was heard on February 9, 2022.

Staff recommends: Approve Alternative #2 for \$25 million, reject the seven limited-term positions, and add a reporting requirement for Parks to report to the Legislature projects and activities that were ultimately funded. For each project/activity undertaken with the funds, the report shall include:

- Project name
- Grantee/project sponsor
- Amount of state funding provided
- Amount and source(s) of matching funds, if any
- Location of project or activity funded
- Description of the project or activity funded
- Specific outcomes achieved by each project or activity

The report to the Legislature shall be due by December 1, 2025.

Staff Recommendation: Approve \$25 million, with reporting requirement per staff comment.

VOTE-ONLY ISSUE 8: ALAMEDA-TESLA EXPANSION AREA PLANNING / STATEWIDE: OHV FEASIBILITY STUDIES FOR ACQUISITIONS

A Spring Finance Letter requests \$1,000,000 one-time from the State Park and Recreation Fund (via a prior year transfer from the General Fund per SB 155) and one limited-term position for the classification of and general plan for the 3,100 acres of the Alameda Tesla Expansion Area to determine the best management strategies and public use of the land. Additionally, the Department requests \$1,000,000 Off-Highway Vehicle Trust Fund (OHVTF) authority for feasibility studies related to acquisition of additional lands to support and/or expand off-highway vehicle (OHV) recreation.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 9: KINGS BEACH SRA: RECREATIONAL PIER REPLACEMENT AND SUPPORT BUILDINGS

A Spring Finance Letter requests \$805,000 in reimbursement authority for the preliminary plans phase of the Kings Beach State Recreation Area (SRA): Recreational Pier Replacement and Support buildings project in Placer County. This project will relocate the existing pier, construct a new support building for park operations, and provide access and recreational improvements, consistent with the 2018 General Plan. Design funds for this project will come from fully executed grant agreements between the Department and the California Tahoe Conservancy in the amount of \$650,000 and the Department and the State of California, Wildlife Conservation Board in the amount of \$700,000, for a total of \$1,350,000. The Department will seek additional grant funds for the construction phase of this project.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 10: LAKE OROVILLE SRA: GOLD FLAT CAMPGROUND UPGRADES

A Spring Finance Letter requests new appropriation in the amount of \$1,677,000 from the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Fund (Proposition 84) for the construction phase of the continuing Lake Oroville State Recreation Area (SRA): Gold Flat Campground Upgrades project. The Department also requests the reversion of the 2019 appropriation for \$1,299,000 from Proposition 84 for the construction phase of the continuing Lake Oroville SRA: Gold Flat Campground Upgrades project. This request is a net increase of \$378,000. This continuing project will upgrade aged and failing infrastructure by replacement of the outdated electrical and water distribution systems, installation of data conduit for future use, and overlay of campground roads and campsite spurs. The project will also construct accessible campsites and accessible paths of travel and accessibility upgrades to the existing combination building.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 11: LOCAL ASSISTANCE: STATEWIDE PARK PROGRAM AND URBAN PARKS INITIATIVE GRANTS

A Spring Finance Letter requests one-time funding of \$7,200,000 from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Proposition 40) for competitive grants under the Urban Parks Initiative Program and one-time funding of \$5,000,000 from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund (Proposition 84) for competitive grants under the Statewide Park Development and Community Revitalization Program. These programs provide grants to create new parks and recreational opportunities in underserved communities across California.

STAFF COMMENTS

This item was heard at the May 11, 2022 hearing.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 12: MALIBU CREEK SP: NEW STOKES CREEK BRIDGE

A Spring Finance Letter requests a supplemental appropriation of \$79,000 from available bond funds from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund (Proposition 84, Public Resources Code 75063(a)) for the working drawings phase of the continuing Malibu Creek State Park (SP): New Stokes Creek Bridge project in Los Angeles County. This project will replace an existing, undersized arch culvert with a bridge to restore a secondary escape route for park visitors in the event of fire or other emergencies, reduce deferred maintenance costs and disruption to campers, and restore the creek to its natural configuration. This additional funding is necessary for the working drawings phase of this project due to increased design costs and additional natural resources permitting activities.

STAFF COMMENTS

This item was heard at the May 11, 2022 hearing.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 13: MOUNT DIABLO SP: VISITOR CENTER

A Spring Finance Letter requests \$90,000 in reimbursement authority from the State Parks and Recreation Fund for preliminary plans and working drawings phases of the Mount Diablo State Park (SP): Visitor Center. This new project includes replacing a small existing visitor center trailer with a larger visitor center, remodeling the existing restroom and site to meet accessibility standards, and constructing an outdoor interpretive pavilion. The Mount Diablo Interpretive Association (MDIA) has agreed to donate the design drawings and specifications for this project, subject to state review and approvals, and will collaborate with the Department to pay all state costs for design review, project management, and construction.

STAFF COMMENTS

This item was heard at the May 11, 2022 hearing.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 14: PISMO SB: ENTRANCE KIOSK REPLACEMENT

A Spring Finance Letter requests to shift the fund source for the Pismo SB: Entrance Kiosk Replacement project in San Luis Obispo County from the Off-Highway Vehicle Trust Fund to the General Fund, for a total of \$1,053,000 for the preliminary plans, working drawings and construction phase. This transfer is in response to recent Coastal Commission decisions impacting Oceano Dunes State Vehicular Recreation Area (SRVA) and will repay the Off-Highway Vehicle Trust Fund (OHVTF) for all costs incurred developing the project.

STAFF COMMENTS

This item was heard at the May 11, 2022 hearing.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 15: STATEWIDE: BUDGET PACKAGES / STUDIES

A Spring Finance Letter requests \$1,000,000 in spending authority from the Natural Resources and Parks Preservation Fund (NRPPF). The Department is currently evaluating its infrastructure needs and will utilize a selection process to identify capital outlay projects that will improve visitor experiences and build park resources and recreational opportunities fostering better connections with under-resourced communities and tackling barriers to park access. Once potential capital outlay projects are selected, these funds will be used to develop detailed scope and cost estimates for consideration by the Legislature through the annual budget process. Subsequent capital outlay appropriations will be proposed from these funds set aside in the NRPPF, as additional funding is needed for future phases. The funding for this project will come from \$1,000,000 in spending authority from the \$50,000,000 General Fund transfer to NRPPF included in the 2022-23 Governor's Budget for future capital outlay projects. Provisional language is requested making these funds available for encumbrance for two years, rather than one year, due to the timeframe needed to efficiently complete the studies.

STAFF COMMENTS

This item was heard at the May 11, 2022 hearing.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 16: TAMARACK WILDFIRE REPAIR

A Spring Finance Letter requests \$5,000,000 in one-time General Fund in fiscal year 2022-23 for the Tamarack Wildfire Repair project in Grover Hot Springs State Park (SP). The Department will replace and repair lost equipment, destroyed facilities, and trails back to pre-disaster condition.

STAFF COMMENTS

This item was heard at the May 11, 2022 hearing.

Staff Recommendation: Approve as budgeted.

3820 SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT COMMISSION

VOTE-ONLY ISSUE 17: REGULATORY COMPLIANCE SUPPORT

The Governor's budget requests two Environmental Scientist compliance staff positions to support the Commission's regulatory program funded from the Bay Fill Clean-up Fund.

STAFF COMMENTS

This item was heard on February 9, 2022.

The Bay Fill Clean-up fund cannot support the ongoing costs of this proposal, staff recommends substituting the fund with General Fund.

Staff Recommendation: Approve as budgeted, but replace with General Fund.

VOTE-ONLY ISSUE 18: HYBRID COMMISSION MEETINGS AND NEW COMPLIANT WEBSITE

A Spring Finance Letter requests \$195,000 General Fund in 2022-23, and \$125,000 General Fund ongoing to pay for: (1) costs associated with providing hybrid public meetings emanating physically from BCDC's leased office space (\$125,000 in FY22-23); and, (2) to create a new website to replace the Commission's out-of-compliance and unfixable current website (a \$70,000 one-time expenditure).

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

3480 DEPARTMENT OF CONSERVATION

VOTE-ONLY ISSUE 19: CALIFORNIA GEOLOGIC ENERGY MANAGEMENT DIVISION: MISSION TRANSFORMATION AND OVERSIGHT

The Governor's budget requests 51 permanent positions phased in over three years (17 in 2022-23, 34 in 2023-24, and 51 in 2024-25) and an appropriation increase of \$5.056 million in 2022-23, \$7.561 million in 2023-24, \$10.842 million in 2024-25 and \$10.617 ongoing from the Oil, Gas and Geothermal Administrative Fund to strengthen enforcement of existing laws and regulations, limit the state's financial liability, improve public transparency, and implement chaptered legislation.

STAFF COMMENTS

This item was heard on February 9, 2022. Given CalGEM's recent growth and challenges hiring a retaining staff, staff recommends approving the first year request for 17 positions, but rejecting future year increases in order for the division to come back next year and update the Legislature on improvements on inspections.

Staff Recommendation: Approve requested funding and positions for 2022-23; reject requested outyear funding and positions.

8570 DEPARTMENT OF FOOD AND AGRICULTURE

VOTE-ONLY ISSUE 20: FARM TO SCHOOL PROGRAM

The Governor's budget requests \$32,855,000 General Fund and 16 permanent positions in 2022-23, \$2,881,000 in 2023-24, and \$2,876,000 in 2024-25 and ongoing to expand the California Farm to School Incubator Grant Program and to establish regional California Farm to School Network support within the Office of Farm to Fork.

STAFF COMMENTS

This item was heard on March 2, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 21: CENTER FOR ANALYTICAL CHEMISTRY BUILDING B REPURPOSING

A Spring Finance Letter requests \$3,151,000 General Fund in Fiscal Year 2022-23 to carry out repurposing of the Center for Analytical Chemistry's (CAC) Building B facility per the Department of General Services' study report. The Building B facility houses the Environmental Safety and Regulatory Analysis laboratories which are in critical need of a facility repurposing, providing for safe and dedicated office spaces for staff and optimum performance of scientific equipment used in analytical work. Funding for all phases of the project is being requested as it is estimated construction will begin in 2022-23.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 22: EMERGING THREATS INFORMATION DATA MANAGEMENT SYSTEM

A Spring Finance Letter requests \$1,954,000 in 2022-23 (\$1,231,000 General Fund and \$723,000 Food and Agriculture Fund) and \$904,000 in 2023-24 (\$570,000 General Fund and \$334,000 Food and Agriculture Fund) to complete the planning activities required by the Department of Technology Project Approval Lifecycle to replace the existing legacy Emerging Threats Information Data Management System. This system supports CDFA's Animal Health and Food Safety Services Division, the lead state organization for protecting consumers, livestock, and California's economy from catastrophic animal diseases, food safety and other health or agricultural related issues.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 23: EXTENSION OF INVASIVE SHOT HOLE BORER FUNDING

A Spring Finance Letter requests an extension of the liquidation period from June 30, 2022, to June 30, 2024, to complete the Invasive Shot Hole Borer (ISHB) research and outreach activities necessary to create a comprehensive strategy to control ISHB. These activities are needed to develop essential components of an evolving regional Integrated Pest Management program.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 24: FARM TO COMMUNITY FOOD HUB GRANT PROGRAM

A Spring Finance Letter requests 3 positions beginning in 2022-23 and budget bill language to allow CDFA to expend the \$15 million appropriated for the Farm to Community Food Hub Grant Program by the Budget Act of 2021 (Chapter 240, Statutes of 2021, SB 170) for support or local assistance until June 30, 2028. These funds will support the Farm to Community Food Hub Grant Program operations, including the 3 positions, to implement the requirements associated with Assembly Bill (AB) 1009 (Chapter 608, Statutes of 2021).

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 25: INFORMATION TECHNOLOGY SECURITY REMEDIATION AND SUSTAINABILITY

A Spring Finance Letter requests \$2,942,000 General Fund and \$544,000 special funds and one permanent position in 2022-23, \$2,455,000 General Fund and \$540,000 special funds in 2023-24, and \$1,030,000 General Fund and \$540,000 special funds in 2024-25 and ongoing to manage, implement, and maintain mitigation efforts to resolve high-risk information technology security findings, "true up" its personal services and operating expense and equipment costs, and fund two existing authorized positions within CDFA's Office of Information Technology Services.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 26: TECHNICAL CORRECTION

A Spring Finance Letter requests a technical correction in a cross reference in the budget bill to read:

Amend Provision 2 of Item 8570-001-6088 as follows: “2. The funds appropriated in Schedule (2) shall be available as follows: (a) \$50,000 shall be available consistent with subdivision (b) of Section 80134 of the Public Resources Code. (b) \$100,000 shall be available consistent with subdivision (b) of Section ~~81047~~ 80147 of the Public Resources Code.”

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

0971 CALIFORNIA ALTERNATIVE ENERGY & ADVANCED TRANSPORTATION FINANCING AUTHORITY (CAEATFA)

VOTE-ONLY ISSUE 27: EXTENDED ADMINISTRATION OF THE CA HUB FOR ENERGY EFFICIENCY FINANCING PILOT PROGRAMS AND USE OF THE PLATFORM FOR NON-RATEPAYER FUNDED PROGRAMS

The Governor’s budget requests additional reimbursement and expenditure authority in the amount of \$27.4 million for FY 2022/23 and available through FY 2026/27 to: (1) continue to appropriately carry out its functions as the administrator of the California Hub for Energy Efficiency Financing (CHEEF) programs on behalf of the California Public Utilities Commission (CPUC); and, (2) allow for the incorporation of non-ratepayer funds to expand the reach of the programs. To support the continued administration, scaling and expansion of the CHEEF programs, CAEATFA requests authority to hire five (5) new permanent staff positions: one (1) Staff Services Manager I, three (3) Associate Governmental Program Analysts (AGPAs), and one (1) Office Technician (OT).

STAFF COMMENTS

This item was heard on March 9, 2022.

Staff Recommendation: Approve as budgeted.

3360 CALIFORNIA ENERGY COMMISSION

VOTE-ONLY ISSUE 28: ASSESSING FIRM ZERO-CARBON RESOURCES TO SUPPORT GRID RELIABILITY (SB 423)

The Governor's budget requests \$780,000 and 3.0 permanent positions to develop the report to be submitted to the legislature on zero-carbon resources by December 31, 2023 and to conduct ongoing analysis for the Integrated Energy Policy Report (IEPR) as required by Chapter 243, Statutes of 2021 (SB 423). This includes \$780,000 from the Energy Resource Programs Account (ERPA) in 2022-23 to develop the report to the legislature, and \$594,000 in 2023-24 and annually thereafter to generate subsequent analyses for IEPR.

STAFF COMMENTS

This item was heard on March 9, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 29: BUILDING ELECTRIFICATION AND ELECTRIC VEHICLE CHARGING WEBSITE (SB 68)

The Governor's budget requests \$150,000 annually from the Energy Resources Programs Account (Fund 0465) and 1.0 permanent position to implement the requirements of Chapter 720, Statutes of 2021 (Senate Bill 68), which directs the CEC to post guidance on its website to help stakeholders overcome barriers to electrifying existing buildings and installing electric vehicle (EV) charging equipment to existing buildings.

STAFF COMMENTS

This item was heard on March 9, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 30: FUEL CELL ELECTRIC VEHICLE FUELING INFRASTRUCTURE AND FUEL PRODUCTION: STATEWIDE ASSESSMENT (SB 643)

The Governor's budget requests \$150,000 annually from the Alternative and Renewable Fuel and Vehicle Technology Fund (Fund 3117) and 1.0 permanent position to implement the requirements of Chapter 646, Statutes of 2021 (SB 643) to prepare in consultation with the California Air Resources Board (CARB), the California Public Utilities Commission (CPUC), and other specified state agencies, a statewide assessment of the fuel cell electric vehicle (FCEV) infrastructure, fuel production, and distribution needed to meet California's zero-emission truck, bus, and off-road vehicle goals as set in Executive Order N-79-20, as well as any CARB regulation that requires or allows zero-emission heavy-duty and off-road vehicles.

STAFF COMMENTS

This item was heard on March 16, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 31: IMPLEMENTATION OF CHARGING INFRASTRUCTURE WORKFORCE ANALYSIS (SB 589)

The Governor's budget requests \$113,000 annually from the Alternative and Renewable Fuel and Vehicle Technology Fund (Fund 3117) and 0.8 permanent position to implement the requirements of Chapter 732, Statutes of 2021 (SB 589).

STAFF COMMENTS

This item was heard on March 16, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 32: ENERGY RESOURCES PROGRAMS ACCOUNT (ERPA) STRUCTURAL DEFICIT RELIEF TRAILER BILL LANGUAGE (SFL)

A Spring Finance Letter requests statutory changes to address the structural deficit in the Energy Resources Programs Account (ERPA). The trailer bill would raise the statutory cap on the ERPA surcharge, tie the statutory cap to the Consumer Price Index, and extend the surcharge to behind-the-meter electricity consumption.

STAFF COMMENTS

This item was heard at the May 4, 2022 hearing. While staff appreciates the Administration's commitment to addressing the structural deficit in the fund, there is still time before the fund will be in the red. In the meantime, energy demand may increase, resolving the deficit. Alternatively, staff recommends the Administration pursue this proposal as a stand-alone bill next year, so stakeholders can more appropriately vet the new fee structure on behind the meter generation.

Staff Recommendation: Reject.

8660 CALIFORNIA PUBLIC UTILITIES COMMISSION

VOTE-ONLY ISSUE 33: ADMINISTRATIVE LAW JUDGE DIVISION MANAGEMENT AND PROCEEDING SUPPORT

The Governor's budget requests \$1,223,000 ongoing from various special funds (Distributed Administration) for eight (8.0) permanent positions to address deficiencies in management resources and proceeding support for the Administrative Law Judge (ALJ) Division.

STAFF COMMENTS

This item was heard on March 9, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 34: AUTHORIZATION FOR PERMANENT FUNDING OF KEY LIMITED-TERM POSITIONS IN SUPPORT OF ENERGY POLICY STATUTES

The Governor's budget requests position authority and \$4,124,000 ongoing funding from the Public Utilities Commission Utilities Reimbursement Account (Fund 0462) to convert 19.5 existing limited-term to permanent positions to continue implementing numerous statutes concerning microgrids, bioenergy, energy efficiency, and storage including interconnection of storage.

STAFF COMMENTS

This item was heard on March 9, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 35: BIOENERGY MARKET ADJUSTING TARIFF PROGRAM: COMMUNITY CHOICE AGGREGATORS (AB 843)

The Governor's budget requests \$865,000 limited-term funding from the Public Utilities Commission Utilities Reimbursement Account for four (4.0) three-year fulltime temporary positions to implement new work resulting from Chapter 234, Statutes of 2021 (AB 843).

STAFF COMMENTS

This item was heard on March 9, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 36: BROADBAND INFRASTRUCTURE DEPLOYMENT (AB 41)

The Governor's budget requests \$159,000 ongoing for one (1.0) new permanent fulltime position; \$105,000 one-time funding in 2022-23 for computer hardware, software, and training; and \$30,000 ongoing starting in 2023-24 from the Public Utilities Commission Utilities Reimbursement Account to develop, implement, and administer the new requirements mandated by Chapter 659, Statutes of 2021, AB 41.

STAFF COMMENTS

This item was heard on March 9, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 37: CALIFORNIA LIFELINE – STATE OPERATIONS AND LOCAL ASSISTANCE ESTIMATE

The Governor's budget requests \$371,354,000 for fiscal year 2022-23 from the Universal LifeLine Telephone Service Trust Administrative Committee Fund (0471) to provide low-income California households with basic, high-quality wireless and wireline services at affordable rates in accordance with the Public Utilities Code section 871 et seq.

STAFF COMMENTS

This item was heard on March 9, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 38: COMMUNICATION: UNIVERSAL SERVICE: LIFELINE PROGRAM (AB 74)

The Governor's budget requests \$171,000 from the Universal Lifeline Telephone Services Trust for one (1.0) two-year full-time temporary position to implement Chapter 410, Statutes of 2021 (Assembly Bill 74) by modifying the California LifeLine (Program) application and recertification process to minimize barriers for customers to apply to the Program and recertify eligibility. Also requested are one-time funding of \$309,000 for Third-Party Administrator system changes and two-year funding of \$196,000 per year for outreach and communication efforts.

STAFF COMMENTS

This item was heard on March 9, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 39: COMMUNICATIONS LICENSING AND COMPLIANCE SECTION PERMANENT POSITION AUTHORITY

The Governor's budget requests permanent position authority and \$286,00 for fiscal year 2022-23 and \$284,000 ongoing funding from the Public Utilities Commission Utilities Reimbursement Account (Fund 0462) to convert two (2.0) temporary blanket positions to permanent in the CPUC Licensing and Compliance Section (L&C).

STAFF COMMENTS

This item was heard on March 9, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 40: COMMUNICATIONS: BROADBAND SERVICES: CALIFORNIA ADVANCED SERVICES FUND (AB 14)

The Governor's budget requests \$564,000 ongoing from the Public Utilities Commission Utilities Reimbursement Account and the California Advanced Services Fund for three (3.0) three-year full-time temporary positions to develop, implement, and administer program changes to the California Advanced Services Fund (CASF), the Deaf and Disabled Telecommunications Program (DDTP), and surcharges, as mandated by Chapter 658, Statutes of 2021 (AB 14), in addition to one-time costs of \$1,950,000 for the Telecommunications User Fee Filing System (TUFFS) and \$1,250,000 for the Program Claims Management System (PCMS), as well as \$382,000 ongoing for contracts, equipment, and cloud subscriptions.

STAFF COMMENTS

This item was heard on March 9, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 41: COMMUNICATIONS: CALIFORNIA ADVANCED SERVICES FUND (SB 4)

The Governor's budget requests \$1.25 million for six (6.0) three-year temporary positions; and \$2.55 million per year for three years, \$30,000 one-time, and \$10,000 per year for two subsequent years for consultant services, training, and licenses from the California Advanced Services Fund (Fund 3141) to implement Chapter 671, Statutes 2021 (Senate Bill (SB) 4). The legislation makes numerous changes to the California Advanced Services Fund (CASF) program and extends the program to December 31, 2032.

STAFF COMMENTS

This item was heard on March 9, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 42: DIGITAL INFRASTRUCTURE AND VIDEO COMPETITION ACT OF 2006: DEPLOYMENT DATA (SB 28)

The Governor's budget requests \$846,000 from the Public Utilities Commission Utilities Reimbursement Account (Fund 0462) for four (4.0) three-year temporary positions; as well as \$42,000 one-time and \$18,000 per year for two additional years for computer equipment, software, and training to implement the mandates of Chapter 673, Statutes of 2021 (Senate Bill (SB) 28). SB 28 makes changes to the Digital Infrastructure and Video Competition Act (DIVCA) affecting households reporting and customer service requirements.

STAFF COMMENTS

This item was heard on March 9, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 43: INFORMATION TECHNOLOGY SERVICES DIVISION—SECURITY ENHANCEMENTS

The Governor's budget requests \$1,858,000 from various special funds (Distributed Administration) for ten (10.0) new permanent full-time positions in the Information Security Office (ISO) to improve its cyber security posture; consolidate enterprise information technology security, risk, and compliance activities; achieve compliance with State Administrative Manual (SAM) 5300 requirements; and address issues identified by both the State Auditor and by Independent Security Assessments performed by the California Military Department and California Department of Technology's (CDT) Office of Information Security.

STAFF COMMENTS

This item was heard on March 9, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 44: PHYSICAL AND CYBER SECURITY SECTION

The Governor's budget requests \$638,000 from the Public Utilities Commission Utilities Reimbursement Account (Fund 0462) for three permanent positions to augment the capabilities of a CPUC safety and cybersecurity utility regulatory group in response to significant increases in global cyber threats and attacks, and in support of Chapter 327, Statutes of 2009 (SB 17).

STAFF COMMENTS

This item was heard on March 9, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 45: STRENGTHEN INTERNAL OPERATIONS CORE

The Governor's budget requests \$1,696,000 from various special funds (Distributed Administration) for position authority and funding to convert eight (8.0) existing full-time blanket positions, one (1.0) existing full-time intermittent position, and one (1.0) existing full-time temporary position to permanent to strengthen its internal operations core and improve support, oversight, and reporting of the Accounting Services Section, Human Resources Division, and Legal Division.

STAFF COMMENTS

This item was heard on March 9, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 46: TRANSPORTATION LICENSING AND ENFORCEMENT BRANCH

The Governor's budget requests \$2,264,000 from the Public Utilities Commission Transportation Reimbursement Account (Fund 0461) including \$1,482,000 for fiscal year 2022-23 and \$1,473,000 ongoing for eight (8.0) new permanent positions, and position authority and funding to convert one (1.0) existing full-time blanket position to a permanent position; \$673,000 one-time funding for contracts and equipment; and \$109,000 for fiscal year 2022-23 and ongoing for subscription licensing costs for the Consumer Protection and Enforcement Division transportation branch.

STAFF COMMENTS

This item was heard on March 9, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 47: WATER AND SEWER SYSTEM CORPORATIONS: CONSOLIDATION OF SERVICE (AB 1250)

The Governor's budget requests \$2,796,000 from the Public Utilities Commission Utilities Reimbursement Account (Fund 0462) for five (5.0) new permanent positions and nine (9.0) three-year full-time temporary positions to address an increasing number of utility applications and advice letters requesting consolidations of small community water systems and small state water systems under the expedited processes mandated by Chapter 713, Statutes of 2021 (Assembly Bill (AB) 1250).

STAFF COMMENTS

This item was heard on March 9, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 48: ADMINISTRATIVE LAW JUDGE DIVISION INTERVENOR COMPENSATION PROGRAM SUPPORT

A Spring Finance Letter requests \$866,000 per year for fiscal years 2022-23 and 2023-24, and \$596,000 ongoing effective 2024-25 from various special funds for three (3.0) new permanent full-time positions, two (2.0) two-year full-time temporary positions, and position authority to convert one (1.0) existing full-time blanket to a permanent position. Additionally, the CPUC requests 0.75 position authority as a net-zero augmentation to convert an existing 0.25 full-time equivalent (FTE) position to 1.0 FTE position in the Administrative Law Judge Division to strengthen the administration of the Intervenor Compensation program and compensate intervenors in a timely and efficient manner in compliance with statutory deadlines.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 49: CENTRALIZED ENTERPRISE GEOGRAPHICAL INFORMATION SYSTEMS AND DATA ANALYTICS ENVIRONMENT

A Spring Finance Letter requests one-time budget increase in the amount of \$1,452,000 for fiscal year 2022-23 and ongoing costs of \$1,178,000 to provide licensing and infrastructure to implement enhanced enterprise Geographical Information Systems (GIS) and data analytics capabilities for the CPUC's public purpose programs, service quality activities, and policy support (including federal policy activities), and to respond to the CPUC's need for data and maps of utility services and infrastructure to inform its work. The funding comes from various CPUC special funds.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 50: CPUC ENTERPRISE SOLUTIONS ONGOING MAINTENANCE AND SUPPORT COSTS

A Spring Finance Letter requests \$5,824,000 for fiscal year 2022-23 and \$6,115,000 ongoing from various special funds for ongoing maintenance and support costs of enterprise-wide information technology (IT) solutions and tools implemented in recent years. These funds will support CPUC projects and efforts so that legacy systems can be upgraded and/or replaced, new systems created to address new and evolving CPUC business needs, and the overall health of the IT environment improved while meeting the CPUC's mission and objectives.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 51: SUMMER RELIABILITY AND GENERATION AUDITS, AND PUBLIC SAFETY POWER SHUTOFF OVERSIGHT

A Spring Finance Letter requests \$1,892,000 ongoing for seven (7.0) new permanent positions and \$200,000 per year for three years for consultant services from the Public Utilities Commission Utilities Reimbursement Account (Fund 0462). These resources are necessary to address an increased workload associated with the management of electric generation audits, establishing a real-time and ongoing generation monitoring program, and strengthening the CPUC's ability to address increasing complexities of investor-owned utility wildfire operations and Public Safety Power Shutoffs (PSPS) compliance oversight.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 52: HUMAN RESOURCES: HUMAN CAPITAL MANAGEMENT (HCM) SYSTEM

A Spring Finance Letter requests \$1,960,000 in 2022-23 and \$200,000 ongoing from various special funds to procure, implement, and license the Human Capital Management (HCM) system to increase CPUC Human Resources Division (HRD) staff efficiency and provide greater timeliness and accuracy, while supporting related human resources (HR) data initiatives.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

3900 CALIFORNIA AIR RESOURCES BOARD

VOTE-ONLY ISSUE 53: OPERATIONALIZING RACIAL EQUITY WITHIN CALIFORNIA AIR RESOURCES BOARD PROGRAMS, PLANS, AND PRACTICES

The Governor's budget requests \$1,847,000 Air Pollution Control Fund (APCF), 4.0 permanent positions in Fiscal Year (FY) 2022-23, and \$1,843,000 APCF ongoing to advance racial equity efforts, with an initial focus on research, incentive programs, regulations, air quality planning, and climate change.

STAFF COMMENTS

This item was heard on March 16, 2022. CalEPA and CARB have multiple programs and organizations within the agency to address racial equity issues. It is questionable whether creating additional, stand alone offices and programs is the most effective way of integrating racial equity into the work of CalEPA organizations. Perhaps the Administration can come back next year with a more holistic approach that weaves racial equity issues into existing programs, actions, and organizations.

Staff Recommendation: Reject.

VOTE-ONLY ISSUE 54: OIL AND GAS ENFORCEMENT AND COMMUNITY PROTECTION

A Spring Finance Letter requests \$677,000 ongoing from the Oil Gas and Geothermal Administrative Fund and 3 permanent positions. Additionally, CARB requests \$685,000 ongoing from the Air Pollution Control Fund and 3 permanent positions. This request includes \$10,000 in ongoing contract funds to form a new initiative focused on providing oversight to air districts on ensuring compliance to minimize emissions from the oil and gas industry. This work will help protect disadvantaged communities by supporting compliance with federal air quality attainment standards and California's greenhouse gas goals for this sector and more broadly. Three positions, including one Staff Air Pollution Specialist, one Air Resources Engineer, and one Air Pollution Specialist, will focus exclusively on oil and gas extraction facilities in California. The other three staff, including one Air Resources Supervisor-I, one Air Resources Engineer, and one Air Pollution Specialist will focus on oil and gas importation, refining, and distribution facilities.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 55: CERTIFICATION AND COMPLIANCE FUND EXPENDITURE AUTHORITY

A Spring Finance Letter requests to shift existing positions and authority to the Certification and Compliance Fund (CCF). This request will shift existing positions in various divisions starting in Fiscal Year (FY) 2022-23. This includes certification and compliance activities through the Mobile Source Certification and Compliance (MSCC) programs that are currently funded through the Air Pollution Control Fund.

STAFF COMMENTS

This item was heard on April 27, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 56: IMPLEMENTATION AND ENFORCEMENT OF THE CARGO TANK VAPOR RECOVERY PROGRAM

A Spring Finance Letter requests one-time authority to spend \$1,225,000 on enforcement equipment and IT system development to be funded by Cargo Tank Certification Fees that are currently collected and deposited into the Air Pollution Control Fund (APCF) for the Cargo Tank Vapor Recovery Program (CTVRP) and \$196,000 in annual indirect costs as agreed upon by the Department of Finance and the U.S. Environmental Protection Agency under Code of Federal Regulations, title 2, part 200, effective FY 2022-23. Additionally, CARB requests \$524,000 for 3.0 permanent ongoing positions. CARB also requests an annual ongoing amount of \$350,000 for enforcement equipment and IT maintenance costs effective FY 2023-24. These resources will enable CARB to meet the requirements set forth in Health and Safety Code section 41962, ensuring compliance of the Certification of Vapor Recovery Systems on Cargo Tanks Regulation (Cal. Code of Regs., Tit. 17, § 94014) and keeping the program revenue neutral.

STAFF COMMENTS

This item was heard at the April 27, 2022 hearing.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 57: LOW CARBON FUEL STANDARD REGISTRATION AND REPORTING TOOL

A Spring Finance Letter requests a one-time incremental increase of \$5,500,000 from the Cost of Implementation (COI) Fund phased-in over four years (through FY 2025-26), for technical and administrative services for coordinated implementation of the Low Carbon Fuel Standard (LCFS). CARB will procure these services using applicable state contracting requirements. This request will provide secure registration, reporting and credit exchange services for the LCFS among participating entities.

STAFF COMMENTS

This item was heard at the April 27, 2022 hearing.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 58: TRANSPORT REFRIGERATION UNIT PROGRAM IMPLEMENTATION AND ENFORCEMENT

A Spring Finance Letter requests \$596,000 Motor Vehicle Account for 6.0 permanent positions in Fiscal Year 2022-23, \$1.1 million Motor Vehicle Account and \$1.1 million Certification and Compliance Fund for 13.0 permanent positions in 2023-24, and \$2.75 million ongoing Certification and Compliance for 3.0 permanent positions in 2024-25. These resources would be used to implement and enforce the requirements of the proposed amendments to the “Airborne Toxic Control Measure for In-Use Diesel-Fueled Transport Refrigeration Units (TRU) and TRU Generator Sets, and Facilities Where TRUs Operate” (Cal. Code Regs., tit. 13, section 2477), hereafter referred to as the “Proposed Amendments,” and support multiple state policies and plans directing CARB to achieve additional diesel emission reductions and to protect public health, particularly in disadvantaged communities. The Proposed Amendments introduce a new fee requirement, with new fees collected to be deposited into CCF. Beginning January 1, 2024, CCF would fully fund this proposal on an ongoing basis and temporary funding from MVA would no longer be needed.

STAFF COMMENTS

This item was heard at the April 27, 2022 hearing.

Staff Recommendation: Approve as budgeted.

3980 OFFICE OF ENVIRONMENTAL HEALTH HAZARD ASSESSMENT

VOTE-ONLY ISSUE 59: ADVANCING RACIAL EQUITY AND ENVIRONMENTAL JUSTICE IN OEHHA'S SCIENTIFIC ACTIVITIES

The Governor's budget requests \$565,000 General Fund and 2.0 positions (including \$90,000 in contracts) in Fiscal Year 2022-23 and ongoing to create a new racial equity and environmental justice program. The program would formulate strategies and policies to advance racial equity in all of OEHHA's scientific activities, including quantitative risk-assessment methods.

STAFF COMMENTS

This item was heard on March 23, 2022.

Staff Recommendation: Approve as budgeted.

3090 BALDWIN HILLS CONSERVANCY

VOTE-ONLY ISSUE 60: BALDWIN HILLS CONSERVANCY REIMBURSEMENT AUTHORITY

A Spring Finance Letter Requests \$1,000,000 in ongoing reimbursement authority from the General Fund to allow for the receipt of grants. Currently, the Conservancy has no reimbursement authority available, which limits its ability to leverage funding for partnerships with agencies and non-profit organizations.

STAFF COMMENTS

This item was heard on April 27, 2022.

Staff Recommendation: Approve as budgeted.

3720 CALIFORNIA COASTAL COMMISSION

VOTE-ONLY ISSUE 61: RESOURCES FOR ATTORNEYS' FEES

A Spring Finance Letter requests \$120,000 from the General Fund for one-time funding to pay for outside counsel to represent it in four consolidated cases for which the Attorney General's Office is unable to represent it due to a potential conflict of interest with the California Department of Parks and Recreation. The funding is necessary to allow the Coastal Commission to defend itself in this litigation.

STAFF COMMENTS

This item was heard on April 27, 2022.

Staff Recommendation: Approve as budgeted.

VARIOUS

VOTE-ONLY ISSUE 62: SUPPORT FOR RELATIVITY DOCUMENT REVIEW SOFTWARE

A Spring Finance Letter requests \$2.324 million baseline funding and 12 permanent positions to provide resources necessary to adequately maintain and use the Relativity program in responding to litigation requirements and California Public Records Act (PRA) requests. Proper maintenance and resourcing will avoid the risk of costly litigation regarding the production of relevant documents. This covers: The Department of Water Resources (DWR), California Coastal Commission (CCC), Department of Fish and Wildlife (DFW), Department of Conservation (DOC), Office of Energy Infrastructure Safety (OEIS), California Tahoe Conservancy (CTC) and the California Energy Commission (CEC).

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 63: NATURAL RESOURCES AGENCY BOND AND TECHNICAL PROPOSALS

A Spring Finance Letter includes requests for appropriations and reappropriations from various bonds, reversions, reversions with associated new appropriations, and other non-bond technical adjustments to continue implementation of existing authorized programs.

The list of projects can be found on the Assembly Budget Sub. 3 website.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 64: CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY TECHNICAL ADJUSTMENTS

A Spring Finance Letter requests various reappropriations, technical, and baseline adjustments to continue implementation of previously authorized programs.

The list of projects can be found on the Assembly Budget Sub. 3 website.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

3885 DELTA STEWARDSHIP COUNCIL

VOTE-ONLY ISSUE 65: HUMAN RESOURCES CAPACITY IMPROVEMENT

A Spring Finance Letter requests 1.0 permanent position in the 2022-2023 fiscal year (FY), with no additional funding required, to support the capacity improvements in the Council's Human Resources (HR) office. The Council is in the process of transitioning from an inter-agency agreement with the Department of Forestry and Fire Protection (CalFire) for HR services to provide HR services in-house with Council staff.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

3600 DEPARTMENT OF FISH AND WILDLIFE

VOTE-ONLY ISSUE 66: AUTOMATED LICENSE DATA SYSTEM CONTRACT INCREASE

A Spring Finance Letter requests funding of \$831,000 General Fund in Fiscal Year (FY) 2022-23, \$833,000 in FY 2023-24, \$834,000 in FY 2024-25, \$974,000 in FY 2025-26, and \$1.05 million in FY 2026-27 and ongoing for the increased cost of the agreement between the Department's Data and Technology Division and Aspira. Aspira provides the necessary maintenance, development, and support to keep the Automated License Data System (ALDS) operational.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 67: DEDICATED FISH AND GAME PRESERVATION FUND REALIGNMENT AND TRAILER BILL

A Spring Finance Letter proposes trailer bill language that would extend the sunset date of the Steelhead Report and Restoration Card from January 1, 2023 to January 1, 2028. In addition, the Department requests various adjustments to the Fish and Game Preservation Fund's (FGPF) dedicated accounts resulting in an increase of \$2.45 million in Fiscal Year (FY) 2022-23, \$86,000 in FY 2023-24, and \$56,000 in FY 2024-25 and ongoing. These adjustments align the accounts' expenditure authority with revenues and help the Department maintain stability, structural balance, and workload for the fund.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve the BCP; and in lieu of the proposed sunset extension date of January 1, 2028 in the TBL, approve a shorter extension for the sunset date to January 1, 2025.

VOTE-ONLY ISSUE 68: WILDLIFE WAYSTATION EMERGENCY RESPONSE

A Spring Finance Letter requests one-time funding of \$1.08 million General Fund in Fiscal Year (FY) 2022-23 to fund the necessary contracts (payroll services, armed guards, water delivery, portable toilets, etc.) associated with the Wildlife Waystation Sanctuary (WW). The additional resources are needed to care for and rehome the remaining exotic animals to complete the Department's original emergency operation.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

3830 SAN JOAQUIN RIVER CONSERVANCY

VOTE-ONLY ISSUE 69: SAN JOAQUIN RIVER CONSERVANCY WORKLOAD SUPPORT

A Spring Finance Letter requests ongoing position authority for three positions from the General Fund. These positions will implement projects funded by a \$15 million General Fund appropriation included in the 2021 Budget Act.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

3760 STATE COASTAL CONSERVANCY

VOTE-ONLY ISSUE 70: ESTABLISHMENT OF TWO POSITIONS FOR THE GREAT REDWOOD TRAIL PROJECT

A Spring Finance Letter requests the establishment of two permanent full-time positions to implement the Great Redwood Trail Project pursuant to Chapter 423, Statutes of 2021 (SB 69). These positions will be funded through an appropriation included in the 2021 Budget to aid in the planning and reuse of the assets of the North Coast Rail Authority.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 71: NEW REIMBURSEMENT AUTHORITY

A Spring Finance Letter requests \$40 million in increased reimbursement authority for fiscal year 2022-23 and \$20 million in increased reimbursement authority in 2023-24 to receive and disburse grant funds. The grants will provide funding for the protection and restoration of coastal and ocean resources related to the effects of sea level rise and other impacts of climate change.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

**3860 DEPARTMENT OF WATER RESOURCES
3940 STATE WATER RESOURCES CONTROL BOARD**

VOTE-ONLY ISSUE 72: DROUGHT PLANNING FOR NONTRANSIENT NONCOMMUNITY WATER SYSTEMS (SB 552)

A Spring Finance Letter requests \$1.8m ongoing funding (\$1.1m General Fund and \$675,000 from the Safe Drinking Water Account Fund) and 5.0 permanent positions to support Chapter 245, Statutes of 2021 (Senate Bill 552), the Drought Resilient Communities Act of 2021.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

3125 CALIFORNIA TAHOE CONSERVANCY

VOTE-ONLY ISSUE 73: FOREST PROGRAM MANAGEMENT

A Spring Finance Letter requests \$1 million ongoing increase in reimbursement authority, and a \$1 million ongoing increase in Federal Trust Fund authority, along with one position to support recently awarded state and federal grants. The additional resources will increase the pace and scale of forest restoration work in the region to reduce risks associated with catastrophic wildfires, drought, and climate change.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

3960 DEPARTMENT OF TOXIC SUBSTANCES CONTROL

VOTE-ONLY ISSUE 74: SANTA SUSANA FIELD LABORATORY CLEANUP TEAM

A Spring Finance Letter requests 14.0 permanent positions, \$2.1 million Hazardous Waste Control Account (HWCA), and \$1 million Federal Trust Fund (FTF) in 2022-23 and annually thereafter to establish and support the Santa Susana Field Laboratory (SSFL) Cleanup Implementation Team. The cost of the positions will be funded through cost recovery from the three responsible parties for the Santa Susana Field Laboratory [i.e., the United States Department of Energy (DOE), the National Aeronautics and Space Administration (NASA), and the Boeing Company (Boeing)].

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

3860 DEPARTMENT OF WATER RESOURCES

VOTE-ONLY ISSUE 75: CENTRAL VALLEY FLOOD PROTECTION BOARD DATABASE MANAGEMENT

A Spring Finance Letter requests \$160,000 ongoing General Fund to make ongoing improvements to the Database Management Program. The improvements will generate accurate and up to date permitting and enforcement data for the application functions. In addition, the improvements will convert thousands of historical paper records into a digital format allowing for time-saving research and application processing. Both functions will keep the database running and up to date, creating improved efficiencies for day-to-day work. The Board requests \$60,000 to compensate DWR staff for the improvement work and \$100,000 for the database improvements.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 76: SALTON SEA REIMBURSEMENT AUTHORITY: PROTECT AND ENHANCE NATURAL SYSTEMS

A Spring Finance Letter requests \$145.5 million in State Reimbursement Authority and \$5.2 million in federal Reimbursement Authority for the Salton Sea Projects over a period of four years. These Salton Sea Management Program projects continue to support the California Water Resilience Portfolio (Action 17), to “Protect and Enhance Natural Systems” and are specifically designed to minimize air pollution and restore habitat at the Salton Sea. DWR will be reimbursed from funds that have already by appropriated to the California Natural Resources Agency (CNRA) Proposition 68, Department of Fish and Wildlife (DFW) Proposition 84, and the Wildlife Conservation Board (WCB) Proposition 50. The resources will be used to continue construction of 7,500 acres of habitat conservation and dust mitigation projects, over a period of 4 years.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 77: CALIFORNIA WATER COMMISSION: WATER STORAGE INVESTMENT PROGRAM SUPPORT

A Spring Finance Letter requests 3 permanent positions for the Water Storage Investment Program (WSIP). These positions would increase efficiency and better position the Commission to manage the WSIP. The program's funding is continuously appropriated from Proposition 1.

STAFF COMMENTS

This item was heard on May 11, 2022.

Staff Recommendation: Approve as budgeted.

3960 DEPARTMENT OF TOXIC SUBSTANCES CONTROL

VOTE-ONLY ISSUE 78: LEAD ACID BATTERY FEE CLEAN- UP TRAILER BILL

Staff recommends adopting trailer bill language to clean up Health and Safety Code Section 25215.2 to ensure the statutorily required notice to consumers regarding the Lead Acid Battery Fee reflects the true cost of the fee which was raised from \$1 to \$2 by AB 142 (C. Garcia, Statutes of 2019) and takes effect April 1, 2022.

STAFF COMMENTS

This item was heard at the March 23, 2022 hearing.

Staff Recommendation: Approve trailer bill language.

3970 DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY

VOTE-ONLY ISSUE 79: AB 1201 CLEAN UP TRAILER BILL

Staff recommends adopting trailer bill language to clarify legislative intent pursuant to an adopted letter to the journal on AB 1201 (Ting, Statutes of 2021) to amend Public Resources Code Section 42357(g)(1)(B) as follows:

“(B) On and after January 1, 2026, is an allowable agricultural organic input under the requirements of the United States Department of Agriculture National Organic Program. By January 1, 2024, the department, through a public stakeholder process, shall determine whether, for purposes of this section, it would be feasible to separate the collection of products in order to recover organic waste that is suitable for use in organic agricultural applications from the collection of products not suitable for use in organic agricultural applications. If the department determines that such bifurcation is feasible and would enable efficient processing by solid waste processing facilities, the department shall adopt regulations on or before January 1, 2026, to establish a bifurcated ~~approach~~, **approach to product labeling**, and products that are not collected for the purpose of recovering organic waste that is suitable for use in organic agricultural applications shall comply with the department’s regulations and are not subject to the requirements of this subparagraph. The director may grant a five-year extension for complying with this requirement if either of the following apply:”

STAFF COMMENTS

This item was referenced at the March 23, 2022 hearing.

Staff Recommendation: Approve trailer bill language.

3790 DEPARTMENT OF PARKS AND RECREATION

VOTE-ONLY ISSUE 80: PARK ENCUMBRANCE AND LIQUIDATION EXTENSIONS

Staff recommends adopting 33 encumbrance and liquidation extensions for local park projects.

The list of projects can be found on the Assembly Budget Sub. 3 website.

STAFF COMMENTS

This item was heard at the May 11, 2022 hearing.

Staff Recommendation: Approve.

2660 CALIFORNIA DEPARTMENT OF TRANSPORTATION

VOTE-ONLY ISSUE 81: FI\$CAL ONBOARDING PLANNING

Through a Spring Finance Letter, the Governor's budget requests a one-time increase of \$1,609,000 from the State Highway Account to support 10 administrative services positions in the Division of Accounting and Division of Information Technology for Caltrans. These resources will support the increased workload for preliminary planning activities required in preparation for Caltrans on-boarding to the FI\$Cal System.

BACKGROUND

Caltrans implemented a commercial off-the-shelf enterprise resource planning system, CGI Advantage v3.7, in July 2010. As a result of this approved enterprise financial management system effort, Caltrans was deferred from the System with the understanding that Caltrans would seek approval from the Department of FISCAL (FI\$Cal) when Caltrans needed to upgrade its software.

FI\$Cal conducted a functional business fit/gap analysis in May 2020 and issued its conclusion in October 2020. Although the fit/gap analysis identified gaps between the System and Caltrans' business needs, FI\$Cal informed Caltrans in February 2021 that it believes the gaps could be mitigated and Caltrans would on-board to the System.

STAFF COMMENTS

This item was heard at the May 11, 2022, hearing, there were no concerns.

Staff Recommendation: Adopt Spring Finance Letter.

VOTE-ONLY ISSUE 82: AUDITS AND INVESTIGATIONS WORKLOAD TRANSFER

Through a Spring Finance Letter, the Governor's budget includes the net zero transfer of 6 positions and \$868,000 from the Independent Office of Audits and Investigations (IOAI) to the Caltrans Administration Program to reestablish an Internal Audits Office within the Administration Program.

BACKGROUND

The Road Repair and Accountability Act of 2017 (SB 1) established the IOAI led by an Inspector General. The IOAI has authority to exercise all responsibilities for maintaining a full scope, independent, and objective audit and investigation program. To provide staff and resources for this new office, Caltrans transferred 48 existing permanent positions from the Administration Program to IOAI and established 10 new permanent positions within IOAI, for a total of 58 positions. Caltrans requested and received \$9,500,000 in State Highway Account funds and redirected \$8,752,000 from various programs.

Prior to the passage of SB 1, Caltrans had a Division of Audits and Investigations within the Administration Program which met the internal audits needs of Caltrans. Caltrans previously moved the entire Division of Audits and Investigations to the newly formed IOAI, under the Inspector General, as required by SB 1.

STAFF COMMENTS

This item was heard at the May 11, 2022, hearing, there were no concerns.

Staff Recommendation: Adopt Spring Finance Letter.

2720 CALIFORNIA HIGHWAY PATROL

VOTE-ONLY ISSUE 83: EMERGENCY 911 AND DISPATCH AUDIO LOGGING SYSTEM REPLACEMENT

Through a Spring Finance letter, the Governor's budget includes \$21 million over six fiscal years (\$7.949 million in 2022-23, \$6.166 million in 2023-24, \$1.945 million in 2024-25, \$2.003 million in 2025-26, \$2.063 million in 2026-27, and \$0.874 million in 2027-28) from the Motor Vehicle Account to replace obsolete 9-1-1 and public safety radio communications audio logging systems currently in use at the CHP's 24 communications centers. The request includes a disaster recovery system to meet continuity of operations requirements.

BACKGROUND

The CHP is responsible for 24 Communication Centers (CCs) throughout the state. The 24 CCs serve the public and allied agencies statewide as primary public safety answering points, responding to 9-1-1 emergency calls and radio transmissions. All CCs are equipped with a primary-redundant audio logging system to capture 9-1-1 and mission critical telephone calls and radio transmissions between CHP dispatchers/operators, the public, CHP field personnel, and allied agencies.

California Penal Code Section 13730 requires each law enforcement agency to have a system to record domestic violence-related calls for assistance made to the Department, including whether weapons are involved, or the incident involved strangulation or suffocation. The use of a 9-1-1 and public safety radio communications audio logging recording system which captures every call, irrespective of the number dialed (emergency vs non-emergency), ensures adherence to this statute.

The current audio logging systems were procured beginning in 2014-15. The useful life expectancy of these systems is five to seven years. The current system is at its end-of-life, and end-of-support as of December 31, 2023, at which time the vendor will cease to support the current system.

Additionally, the Administration has indicated that the existing 9-1-1 and public safety radio communications audio logging system does not meet the required disaster recovery standards set forth by the Department and its Information Security Office. The proposed replacement system is likely to have increased functionality and allow the CHP to better manage its audio logs for investigation and evidentiary purposes. The replacement audio logging system will also meet the CHP's disaster recovery requirements.

STAFF COMMENTS

This item was heard at the May 11, 2022, hearing, there were no concerns.

Staff Recommendation: Adopt Spring Finance Letter.

VOTE-ONLY ISSUE 84: SANTA ANA CAPITAL OUTLAY AND TRAILER BILL LANGUAGE

Through a Spring Finance Letter, the California Highway Patrol (CHP) requests trailer bill language to allow the Santa Ana Area Office Replacement project to proceed as a Build to Suit Lease.

BACKGROUND

This project was originally funded in 2017 but was suspended in 2019 as constraints within the Motor Vehicle Account precluded using that fund for California Highway Patrol (CHP) area office projects.

This request will restore the authority and allow the project to resume. The current 7,983 square-foot Santa Ana Area office was opened in 1968 and has 128 staff assigned. Since the facility's opening, numerous changes have occurred which have rendered the facility ineffective for operational needs. These changes include additional staff resources as well as new space requirements arising from new CHP policies and legislative requirements. Further, based on a structural evaluation performed by the Department of General Services in 2009, this building has a rating of six on the seven-point seismic scale, indicating a significant risk of major damage in a severe earthquake.

STAFF COMMENTS

This item was heard at the May 11, 2022, hearing, there were no concerns.

Staff Recommendation: Adopt Spring Finance Letter and placeholder trailer bill language.

VOTE-ONLY ISSUE 85: RESOURCES AND OFFICE SPACE FOR CAPITOL ANNEX AND SWING SPACE

The budget includes \$18.529 million in 2022-23, \$12.927 million in 2023-24, \$9.963 million in 2024-25, and \$7.002 million in 2025-26, all from the Motor Vehicle Account, for the protection and security of the new State Capitol Swing Space and the new State Capitol Annex.

BACKGROUND

Government Code section 14615(b) states the CHP has “jurisdiction over those matters related to the security of state officers, property, and occupants of state property.” As such, the CHP, Capitol Protection Section (CPS) is the primary law enforcement agency tasked with the protection of the State Capitol, Annex, State Capitol Swing Space, Capitol Park, the Legislative Office Building, and all other state buildings in the downtown Sacramento area.

Currently, the CHP’s CPS location houses both CPS and the CHP’s Dignitary Protection Section (DPS). The facility is approximately 14,791 square feet and costs approximately \$300,000 annually. They have been located at this facility since 1995.

The Department of General Services (DGS) conducted a review of the spacing requirements for CPS and DPS, along with the required additional CHP staffing necessary for the protection of the Capitol, Annex, and other state buildings in the downtown Sacramento area. It was determined that a new facility would need to be at least 44,781 square feet to accommodate the current and additional staffing.

The CHP has located an available facility that would accommodate the space requirements for the additional staffing. The facility is located in the metropolitan Sacramento area and satisfies the CHP requirements with 47,514 square feet. It would cost the CHP an estimated \$2.877 million in the first year, or an increase of approximately \$2.577 million. CHP has indicated that this larger facility is necessary to house the staff and equipment needed to secure both the Capitol and the new Swing Space. Currently CHP is basing staff for Capitol and Swing Space security at both the existing CPS office and CHP headquarters.

Additionally, this request includes 10 additional uniformed positions to provide management and administration of CPS and related duties in and around the Capitol and Swing Space.

STAFF COMMENTS

Staff has no concerns with this proposal.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 86: HIGHWAY VIOLENCE TASK FORCE

The Governor's budget proposes one-time funding from the General Fund of \$4.034 million in 2022-23, \$3.314 million in 2023-24 and \$3.314 million in 2024-25, to address violent crime occurring on state highways through a Highway Violence Task Force.

BACKGROUND

The primary mission of CHP is to ensure safety and enforce traffic laws on state highways and county roads in unincorporated areas. When a violent crime occurs on state highways, CHP officers in the near vicinity—who generally are on road patrol duty—get called to the scene. These officers often become the primary investigators of the crime that occurred, and lead in collecting evidence, investigating criminal offenses, and submitting associated reports. If the investigating officer needs additional support or resources, or if the investigation requires in-depth or lengthy examination to complete, CHP's Investigative Services Unit can provide investigative support, depending on the circumstances. In response to the rising incidence of highway shootings, CHP has recently established the Highway Violence Task Force, aiming to deter highway violence and bolster investigative resources.

In recent years, the number of shootings occurring on state highways has increased. According to CHP, the number of highway shootings increased from 210 in 2019 to 471 in 2021. Shootings have increased in all CHP geographic divisions across the state, except the Northern division, which is a relatively rural area. (The operations of CHP are divided across eight geographic divisions throughout the state.) In 2021, CHP began collecting statewide data on other forms of violent crime on the state highway system, such as non-shooting homicides and thrown objects. CHP reported 355 of these types of crimes in 2021.

STAFF COMMENTS

This item was heard on March 30, 2022. Staff recommends including Supplemental Reporting language that would require CHP to report by January 1, 2024, on the numbers and locations of highway shootings, the associated factors in these shootings, as well as the outcomes of the investigatory resources (such as the number of arrests, training provided, and the benefits of requested software and equipment).

Staff Recommendation: Approve as budgeted and adopt Supplement Reporting language.

VOTE-ONLY ISSUE 87: COMBATING ORGANIZED RETAIL THEFT

The Governor's budget includes \$6 million General Fund annually through 2024-25, \$10.5 million in 2025-26, and \$15 million in 2026-27 and ongoing for the CHP to expand and make permanent its Organized Retail Crime Taskforce. The resources for the CHP is part of a larger request to combat organized retail theft. This Subcommittee will focus on the CHP funding.

BACKGROUND

In 2019, the state established three CHP Organized Retail Crime Task Forces (ORCTFs) that operate in the greater Bay Area and portions of Southern California. These three task forces are currently supported with \$5.6 million General Fund annually, which is scheduled to expire in 2026-27. The Governor's budget proposes \$6 million annually through 2024-25 (increasing to \$10.5 million in 2025-26 and \$15 million in 2026-27 and ongoing) for CHP to make the three existing ORCTFs permanent and establish two new permanent ORCTFs in the Fresno and Sacramento areas. Due to CHP's high officer vacancy rate, the proposal assumes that these new task forces will be operated by existing officers working overtime for at least three years. After that time, the new ORCTFs would be operated using dedicated staff rather than overtime.

As CHP's organized retail crime program has evolved over the past two years, investigators have routinely identified a nexus to criminal organizations involved in human trafficking, drug trafficking, weapons violations, and vehicle theft. By specifically addressing organized retail crime groups, ORCTFs will bring stability to a fragile atmosphere.

CHP will use these funds to expand operations into the Valley and Central Divisions, purchase equipment and investigative technology, and support travel and training expenses.

In conjunction with the DOJ and allied law enforcement agencies, the CHP will deliver criminal investigative leadership and support when conducting and/or assisting with related criminal investigations. Examples of support include, but are not limited to, providing/coordinating investigative leads, sharing of criminal intelligence, trend analysis, training other law enforcement personnel, conducting follow up investigations, and collecting/preserving evidence.

STAFF COMMENTS

This issue was heard at the March 30, 2022, hearing. The resources will expand the program created in 2019 to include the Valley and Central Divisions to continue to combat retail theft.

Staff Recommendation: Approve as budgeted.

2660 CALIFORNIA TRANSPORTATION COMMISSION**VOTE-ONLY ISSUE 88: TRANSPORTATION EQUITY WORKLOAD**

Through a Spring Finance Letter, the Governor's budget includes an increase in its budgetary authority in the amount of \$218,000 (\$116,000 State Highway Account and \$102,000 Public Transportation Account) for one full-time permanent position to respond to increased workload focused on transportation equity.

BACKGROUND

In response to strong state and federal policy direction around increasing equity in transportation policy, the Commission has embraced a substantial increase in its workload associated with improving transportation equity and community engagement practices and outcomes throughout California.

With limited existing resources, the Commission began implementation of these five new permanent work streams in 2020–2021.

According to the Administration, to meet the demands of this new workload, a single Supervising Transportation Planner position would perform the essential duties of leading and managing these five new and ongoing work streams including the following:

- Lead the implementation, update, and continuous refinement of the Racial Equity Statement and associated activities.
- Lead the formation and operations of the Equity Advisory Roundtable including managing membership, coordinating and facilitating all meetings, leading policy discussions and supporting the development of Roundtable recommendations to the Commission.
- Co-Lead the Statewide Equity Listening Sessions with Caltrans and the California State Transportation Agency.
- Lead the Formation and Operation of an Interagency Equity Advisory Committee. Manage permanent committee operations including coordinating meetings, setting policy agendas and topics, facilitating complex interagency policy discussions, and supporting the development of recommendations to the Commission, Caltrans, and the California State Transportation Agency on statewide equity initiatives for transportation plans and funding programs.
- Updating Project Funding Guidelines to Ensure Equitable Outcomes. Serve as the transportation equity subject matter expert at the Commission to support policy development for all Commission administered transportation funding programs including but not limited to: the Statewide Transportation Improvement Program, the State Highway Operations and Protection Program, the Solutions for Congested Corridors Program, the Trade Corridor Enhancement Program, and the Local Partnership Program.

STAFF COMMENTS

This item was heard at the May 11, 2022, hearing, there were no concerns.

Staff Recommendation: Adopt Spring Finance Letter.

VOTE-ONLY ISSUE 89: IMPLEMENTATION OF SB 671 – CLEAN FREIGHT CORRIDOR EFFICIENCY ASSESSMENT

The Governor's budget includes an increase in the CTC's budgetary authority in the amount of \$320,000 for two limited-term positions for three years and \$450,000 for a one-time consultant contract to implement the provisions of SB 671 (Chapter 769, Statutes of 2021) relating to the development of the Clean Freight Corridor Efficiency Assessment.

BACKGROUND

SB 671 (Gonzalez, Chapter 769, Statutes of 2021) establishes the Clean Freight Corridor Efficiency Assessment (Assessment), to be developed by the Commission in coordination with other state agencies. This bill codifies parts of the Commission's Trade Corridor Enhancement Program (TCEP) guidelines that deem eligible for funding projects that employ advanced and innovative technology to improve the flow of freight and environmental and community mitigation of freight movement impacts.

STAFF COMMENTS

This item was heard at the March 30, 2022, hearing. At that hearing, the Subcommittee discussed the importance of funding legislative proposals consistent with the scoping of the legislation as it moved through the policy process. For this reason, staff recommends increasing the funding for CTC to the original estimate of \$900,000 in one-time resources would allow the CTC to expand the scope of its work and result in a higher-quality final report consistent with legislative intent.

Staff Recommendation: Approve \$900,000 in 2022-23 and \$320,000 for 2023-24 and 2024-25.

2740 DEPARTMENT OF MOTOR VEHICLES

VOTE-ONLY ISSUE 90: CAPITAL OUTLAY PROPOSALS

The Governor's Budget includes a number of capital outlay proposals for the Department of Motor Vehicles.

BACKGROUND

These capital outlay proposals include:

- \$833,000 from the General Fund (GF) to fund the preliminary plans phase (\$320,000) and the working drawing phase (\$513,000) with a two-year expiration date to complete an elevator modernization project for the DMV Headquarters (HQ) Campus in Sacramento.
- \$3,063,000 from the General Fund (GF) to fund the acquisition phase of the DMV El Centro/Brawley DMV Field Office Replacement/Commercial Drive Test Center project.
- \$1,224,000 in FY 2022-23, \$1,814,000 in FY 2023-24, and \$1,907,000 in FY 2024-25 and ongoing for a new leased Laguna Hills Field Office due to the loss of the lease at the current office.
- \$50,000 in Fiscal Year (FY) 2022-23, \$660,000 in FY 2023-24, and \$718,000 in FY 2024-25 and ongoing to consolidate and relocate the Vallejo Investigations District into one office.
- \$600,000 from the General Fund (GF) Account to perform advanced planning and identify suitable parcels to replace two field offices.

STAFF COMMENTS

This issue was heard at the May 4, 2022, hearing. There were no concerns with these proposals.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 91: ENTERPRISE CONTENT MANAGEMENT (ECM) PROJECT

This spring finance letter proposes to establish a department-wide Enterprise Content Management (ECM) System to consolidate document resources, maintain and manage a centralized repository along with applying a federated model to provide the ability to integrate multiple content repositories. The federated model will allow existing content repositories to migrate data gradually. The proposed solution will provide a single department-wide secure electronic platform for users, cohesive document resources, enhance information security, and reduce workflow processing time frames.

In 2022-23, \$802,000 will be immediately available for expenditure on July 1, 2022, and the remaining \$4.7 million appropriation will be available through provisional budget language contingent upon approval of the Stage Four Project Readiness/Approval. The costs in 2022-23 and beyond are estimated through the PAL process.

BACKGROUND

The DMV provides services to millions of California residents through 188 Field Offices (FO), 3 Contact Centers, 186 auto clubs (AC), and over 5,400 business partner (BP) locations throughout the state. The DMV is responsible for licensing the motor vehicle industry, vehicle registration (VR) and titling, and providing driver license and identification cards (DL/ID). Through these services, the DMV must maintain a systematic infrastructure to manage, control, store, and process external and internal customer documentation. The department takes measures to ensure business processes are streamlined from the initial capture of required information to document management and retention.

DMV proposes to implement an ECM system to consolidate document resources and manage a centralized repository. The expansion is necessary to continue to support content management systems efficiently as one application to streamline business processes. This will foster transparency, efficient record management, remove paper-based processes, and create a one stop repository for the department.

In addition, the department, as part of the ECM Project, will identify and allow for future innovations and updates to existing systems or repositories when they reach end of life. The legacy content management system software and hardware will be gradually retired and migrated to the proposed solution or other modernized content management software.

STAFF COMMENTS

This issue was heard at the May 4, 2022, hearing. There were no concerns with these proposals.

Staff Recommendation: Approve Spring Finance Letter.

VOTE-ONLY ISSUE 92: SUPPLY CHAIN RESILIENCE AND COMMERCIAL DRIVER'S LICENSES

DMV requests \$40 million (General Fund) to enhance California's capacity to issue Commercial Driver's Licenses. This funding includes \$34 million (\$3.5 million in 2022-23 and \$10 million annually through 2025-26) to fund leasing costs to establish dedicated commercial drive test centers in the Bay Area and Northern Los Angeles County. In addition, this proposal includes one-time funding of \$6 million in 2022-23 to fund overtime on Saturdays for Licensing Registration Examiners and necessary support staff which will be directed to offices throughout the state that have appointment wait times in excess of 30 days. It will also fund associated travel costs for staff and facilities expenses.

STAFF COMMENTS

This item was heard at the March 30, 2022, hearing. The DMV Commercial Driver's License is part of a larger proposal on Supply Chain Resilience. The resources outlined for DMV could help improve the wait times for commercial drive tests.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 93: LEGISLATIVE PROPOSALS

The Governor's budget includes several requests related to recently enacted legislation. This includes:

- **Heavy Duty Vehicle Inspections and Maintenance Program.** \$3.6 million in 2022-23, \$3.1 million in 2023-24, and \$2.6 million in 2024-25 Air Pollution Control Fund to continue implementation of SB 210 (Leyva), Chapter 298, Statutes of 2019. This legislation requires the California Air Resources Board (CARB) to adopt and implement a regulation for a Heavy-Duty Vehicle Inspection and Maintenance Program for non-gasoline motor vehicles with a gross vehicle weight rating of more than 14,000 pounds. This bill will require the DMV to withhold registration from vehicles who fail to establish emission compliance.
- **Voter Registration: California New Motor Voter Program.** \$1.4 million in one-time General Fund to implement Chapter 314, Statutes of 2021 (AB 796, Berman). AB 796 makes numerous changes to the California New Motor Voter Program including, but not limited to, modifying voter registration application acceptance dates, and requiring the department to establish a National Voter Registration Act (NVRA) coordinator. This bill makes additional specified provisions operative upon the completion of the Digital eXperience Platform (DXP) Project described in Item 2740-001-0044 of the Budget Bill of 2021, or on July 1, 2025, whichever is earlier.
- **Disabled Person Placards.** \$6.2 million in 2022-23, \$193,000 in 2023-24, \$1.8 million in 2024-25, \$193,000 in 2025-26, and \$1.7 million in 2026-27, all from the MVA, to continue implementation activities associated with Chapter 485, Statutes of 2017 (SB 611, Hill), which related to how the department handles disabled placards (DP).

This request includes trailer bill language to allow DP parking placard renewals to be completed through alternative customer service channels (i.e. virtual field office, etc.) and to add flexibility in the vital statistics verification required.

- **Automobile Dismantling: Taskforce.** \$414,000 in 2022-23, \$299,000 in 2023-24, and \$164,000 in 2024-25, all from the MVA, to implement Chapter 601, statutes of 2021 (SB 366, Umberg), which reinstates the seven-agency Vehicle Dismantling Industry Strike Team to investigate unlicensed and unregulated vehicle dismantling through January 1, 2025 and implements several recommendations from the Strike Team's 2020 report to the Legislature.

STAFF COMMENTS

The requested resources are necessary to implement enacted legislation and are consistent with fiscal estimates for the implementation of these bills.

Staff Recommendation: Approve as budgeted and adopt placeholder trailer bill language.

2740 CALIFORNIA STATE TRANSPORTATION AGENCY

VOTE-ONLY ISSUE 94: OFFICE OF TRAFFIC SAFETY PROGRAM PLANNING AND OUTREACH

Through a Spring Finance letter, the Governor's budget includes \$2,290,000 in state and federal funding authority for the budget year and \$1,650,000 in ongoing authority. This includes an increase in federal spending authority of \$1,610,000 and state transportation funds authority of \$180,000 to hire ten (10) new positions to expand the Office of Traffic Safety's (OTS) efforts to increase outreach to existing and prospective grantees.

BACKGROUND

The Highway Safety Program is a partnership between the National Highway Traffic Safety Administration (NHTSA) and California. The partnership was created when Congress passed the Highway Safety Act of 1966. OTS is designated by the Governor to receive federal traffic safety funds for coordinating California's highway safety programs. Each year the OTS develops a Highway Safety Plan (HSP) identifying the key highway safety problems in the state and the most effective countermeasures to address them.

The Administration has indicated that the requested funding is allocated as follows:

- Staffing—\$1,370,000 ongoing federal authority and \$80,000 ongoing state funding for ten new positions.
- IT security infrastructure—\$140,000 ongoing federal authority and \$60,000 ongoing state funding for upgrade maintenance.
- IT security equipment—\$100,000 one-time federal authority and \$40,000 state funding authority for procurement of IT security infrastructure upgrade equipment.
- Space reconfiguration—\$500,000 one-time state funding authority for space reconfiguration and new furniture to support new positions and hybrid workforce. Federal regulations do not allow federal funds to be used on space reconfiguration or furniture.

Where funding is shared, 71.32 percent is allocated from federal funds and 28.68 percent from state funding sources, per federal regulations, and is used to support planning and administration of the OTS grant program. The state portion of OTS funding is split between three sources with 60 percent from the State Highway Account, 20 percent from the Motor Vehicle Account, and 20 percent from the Public Transportation Account.

STAFF COMMENTS

The request is reasonable, staff has no concerns.

Staff Recommendation: Adopt Spring Finance Letter.

2660 DEPARTMENT OF TRANSPORTATION
2600 CALIFORNIA TRANSPORTATION COMMISSION
2740 DEPARTMENT OF MOTOR VEHICLES

VOTE-ONLY ISSUE 95: ROAD USAGE CHARGE PILOT (SB 339)

The California Department of Transportation (Caltrans) requests an augmentation of \$6,010,000 in State Highway Account (SHA) over two years and 6 two-year, limited-term positions to conduct the road charge revenue collection pilot authorized by Senate Bill 339 (Chapter 308, Statutes of 2001, Wiener).

Additionally, the Department of Motor Vehicles (DMV) requests \$171,000 SHA and one two-year, limited-term position and the California Transportation Commission (CTC) requests \$200,000 in one-time funding to support the pilot.

BACKGROUND

Senate Bill 339 (Wiener, Chapter 308, Statutes of 2021) was signed by the Governor on September 24, 2021 to continue the state's exploration into the feasibility of transportation revenue from a fee charged per mile of vehicle travel (a road charge). SB 339 directs CalSTA to implement a pilot that assesses two different mileage rate options and collects actual road charge revenue into state funds.

An interim report to the Legislature is due July 1, 2024, with the final report no later than December 31, 2026. The final report will evaluate the road charge collection effort and the potential of a road charge for sustainable and equitable transportation funding.

Caltrans estimates a group of 750 participants would be needed to provide a relevant research sample size that tests behavior choices and public opinion during the road charge collection process.

STAFF COMMENTS

At the March 30, 2022 hearing, the Subcommittee discussed the proposed funding for the CTC was significantly less than the original cost estimate for the implementation of the bill. Increasing the funding for CTC to the original estimate of \$450,000 in one-time resources would allow the CTC to expand the scope of its work and result consistent with legislative intent.

Staff Recommendation: Approve \$6,010,000 SHA over two years for Caltrans, \$171,000 SHA for DMV, and \$450,000 SHA for CTC.
