

AGENDA
ASSEMBLY BUDGET SUBCOMMITTEE NO. 5
ON PUBLIC SAFETY

ASSEMBLYMEMBER SHIRLEY N. WEBER, PH.D., CHAIR

MONDAY, MAY 20, 2019
 2:30 P.M. – STATE CAPITOL, ROOM 437

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VOTE ONLY**8940 MILITARY DEPARTMENT**

VOTE-ONLY ISSUE 1: MAY REVISION: LATHROP-ROTH TRAINING COMPLEX-UTILITIES CONNECTION

The Governor's May Revision includes \$6.8 million one-time General Fund to connect and upgrade utility systems at the Lathrop-Roth Training Complex.

In 2016, as part of the closure of the Sharpe Army Depot in Lathrop, California, the California Army National Guard acquired a 64-acre piece of the base that is now the Lathrop Roth Training Complex. As part of the base closure process, however, the U.S. Army must stop providing utilities to tenants of the base from federally owned utilities infrastructure. The U.S. Army established a deadline for the California Army National Guard to switch from base utilities to city utilities by January 2020. Without access to public utilities, the Discovery Challenge Academy will not be able to operate. Upon completion of the connections proposed in this request, the City of Lathrop will be the new provider of the utilities for the Lathrop-Roth Training Complex.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 2: SFL CALIFORNIA JOB CHALLENGE ACADEMY AND DISCOVERY CHALLENGE ACADEMY

The Governor's spring proposal includes \$1 million General Fund, \$3 million Federal Trust Fund expenditure authority, and 27 positions to establish the California Job Challenge Academy at Joint Forces Training Base in Los Alamitos. The new program will serve 75 students per class cycle, or approximately 150 students annually.

Staff Recommendation: Approve funding as requested, but reclassify the recruiter position, and adopt placeholder budget bill reporting language that captures: (1) job placement in the field of study; (2) program completion rate; and, (3) rate on continued employment.

The Governor's spring proposal includes \$2.2 million (\$1.65 Federal Trust Fund and \$550,000 General Fund) in 2019-20 and \$2.18 million (\$1.64 Federal Trust Fund and \$545,000 General Fund) in 2020-21 and ongoing to expand the Discovery Challenge Academy in Lathrop, to serve an additional 50 students per class cycle, or 100 students annually.

Staff Recommendation: Approve the funding as requested but reclassify the recruiter position.

Staff Recommendation: Adopt Staff Recommendations.

5227 BOARD OF STATE AND COMMUNITY CORRECTIONS

VOTE-ONLY ISSUE 3: SFL: ASSISTANCE TO LOCAL CORRECTIONS AGENCIES FOR TRAINING

The Governor's Spring Finance Letter includes ongoing \$6.155 million for assistance to local corrections agencies participating in training provided through the Board of State and Community Corrections Standards and Training for Corrections Program.

Staff Recommendation: Reject the Proposal.

VOTE-ONLY ISSUE 4: VARIOUS MAY REVISION PROPOSALS: POST RELEASE COMMUNITY SUPERVISION POPULATION AND CAL VIP

The Governor's May Revision includes the following:

- \$2.983 million General Fund to adjust the amount provided to county probation departments to supervise individuals on Post Release Community Supervision.
- An increase of one time \$18 million General Fund to the California Violence Intervention and Prevention Program (CAL VIP), totaling \$27 million General Fund for 2019-20 and the Governor's Budget provides \$9 million General Fund ongoing thereafter.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 5: CAPITAL LEASING AGREEMENT TBL

The Governor's Budget includes a proposal to except the leasing of housing capacity to state agencies from a covenant requirement that counties are subject to.

Staff Recommendation: Adopt placeholder trailer bill language that modifies it to address the concerns of the specific agency (agencies) that require this new language.

0690 OFFICE OF EMERGENCY SERVICES

VOTE-ONLY ISSUE 6: BROADBAND COMMUNICATION AND 9-1-1 INTEGRATION AND TBL

The Governor's Budget includes \$1.003 million State Emergency Telephone Number Account and 6 positions beginning in 2019-20 to support the implementation and ongoing workload associated with emergency communications coordination and First Responder Network Authority broadband network services.

In addition, the Governor's Budget proposes a one-time \$50 million General Fund to address the current SETNA structural deficit. This proposal is accompanied by trailer bill language that modernizes the current fee structure which was first established in 1973 when the state only had landlines.

Staff Recommendation: Approve the proposal and adopt placeholder trailer bill language.

VOTE-ONLY ISSUE 7: EARLY EARTHQUAKE WARNING SYSTEM

The Governor's Budget includes an increased one-time \$16.3 million General Fund to support the complete build out of the Early Earthquake Warning System.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 8: MUTUAL AID

The Governor's Budget includes ongoing \$25 million General Fund for repositioning of existing OES and local government resources that are part of a statewide mutual aid system.

Staff Recommendation: Approve as budgeted and adopt placeholder budget bill language with reporting language on the activities funded from this appropriation.

VOTE-ONLY ISSUE 9: HUMAN TRAFFICKING

The Governor's Budget includes \$10 million General Fund on an ongoing basis to fund the Human Trafficking Victim Assistance Program.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 10: MAY REVISION: DISASTER PREPAREDNESS AND RESPONSE

The Governor's May Revision requests \$27.3 million General Fund (\$20 million of which is one-time) and \$874,000 Federal Trust Fund and 94 positions for various emergency and disaster-related purposes.

Staff Recommendation: Reject the \$711,000 General Fund and 6 positions associated with the Statewide Disaster Reserve Corps and reject 6 of the positions and associated funding related to Mission Tasking. Adopt budget bill language to require the Office of Emergency Services to report, along with the submission of the 2020-21 budget, on its use of funds for Mission Tasking provided in 2019-20. Approve the other proposed resources.

Staff Recommendation: Adopt the Staff Recommendation.

VOTE-ONLY ISSUE 11: MAY REVISION: PUBLIC SAFETY POWER SHUTDOWN

The Governor's Budget includes a one-time \$75 million General Fund investment to improve resiliency of the state's critical infrastructure in response to investor-owned utility-led Public Safety Power Shutdown actions, and to provide assistance to communities, where appropriate, as specific urgent needs are identified. This proposal will provide a flexible source of funding to facilitate immediate response to utility initiated power shutdowns.

Staff Recommendation: Approve the proposal and adopt provisional budget bill language requiring specified use of funds and reporting on the use of funds including what outcomes were achieved.

0250 JUDICIAL BRANCH

VOTE-ONLY ISSUE 12: PRE-TRIAL SERVICES FUNDING

The Governor's Budget includes one-time \$75 million General Fund to support pretrial services in eight to ten counties.

Staff Recommendation. Approve the funding and adopt budget bill and placeholder trailer bill language that includes the following:

- Provides funding for at least 10 courts.
- States the goals of the pilot project.
- Outlines the permissible use of funds.
- Allows for funding to go to pre-trial services agencies as defined.
- Collection of specified data and providing a report to the Legislature.

Staff Recommendation: Approve the Staff Recommendation.

VOTE-ONLY ISSUE 13: LITIGATION MANAGEMENT PROGRAM

The Governor's Budget includes an ongoing augmentation of \$5.6 million General Fund, beginning in 2019-20, to support the defense and indemnity of all judicial branch entities. The proposed amount consists of \$5.2 million to offset existing IMF support for the program and \$449,000 related to increased litigation costs.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 14: FI\$CAL STAFFING

The Governor's Budget includes \$952,000 General Fund and 6 positions in 2019-20, \$887,000 General Fund in 2020-21 and ongoing to support the use and administration of the Financial Information System for California (FI\$Cal). The resources will help avoid delays throughout the procurement process, including critical contract actions that may be materially delayed.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 15: VARIOUS JUDICIAL BRANCH BUDGET PROPOSALS

Implementation of Phoenix Roadmap. The Governor's Budget includes \$7.7 million General Fund and 4 positions in 2019-20, \$4.4 million in 2020-21, and \$3.9 million in 2021-22 and ongoing to maintain/upgrade the Phoenix enterprise resource management system. This proposal shifts \$3.2 million from Improvement Modernization Fund to the General Fund.

Case Management System Replacements. The Governor's Budget includes \$23.1 million General Fund in 2019-20, \$6.7 million in 2020-21, \$3.1 million in 2021-22, \$413,000 in 2022-23 and \$347,000 in 2023-24 to replace outdated legacy case management systems used by trial courts in the following counties: Amador, Colusa, Contra Costa, Lassen, Marin, Mariposa, Mono, Nevada, Shasta, and Solano. The systems will be replaced with a new, commercial, off-the-shelf case management system. This proposal includes ongoing \$347,000 General Fund and 2 positions.

Trial Court Maintenance Operations. The Governor's Budget includes ongoing \$20.1 million General Fund for the maintenance and operations of trial court facilities constructed since 2007.

Trial Court Security Systems and Equipment. The Governor's Budget includes an ongoing augmentation of \$6 million General Fund beginning 2019-20 to refresh, maintain, and replace security equipment and systems, which includes video surveillance, electronic access control, duress alarm and specialized systems.

Digitizing Court Records. The Governor's Budget includes a one-time augmentation of \$5.6 million General Fund and 1 position (\$176,000 ongoing) in 2019-20 to conduct phase one of a multi-phase program for digitizing mandatory court records for the Superior and Appellate Courts.

Data Analytics and Futures Commission IT Directives. The Governor's Budget includes one-time \$7.8 million General Fund and 7 positions in 2019-20 to the Judicial Council for evaluating and implementing a pilot program for new technology solutions, including intelligent chat, video remote hearings, natural language voice-to-text translation services and business intelligence/data analytics using identity management, with the plan of expanding these programs for availability to all judicial branch entities. Funding will be used for software, equipment, consulting services, and maintenance.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 16: MAY REVISION COURT OF APPEALS WORKLOAD

The Governor's May Revision includes \$5 million for the Courts of Appeal to address general operation cost increases, workload due to more complex litigation, new case duties related to recent law changes seeking retroactive decisions related to criminal justice reforms and changes, and voter approved initiatives requiring Courts of Appeal review.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 17: MAY REVISION: LEGAL AID FOR RENTERS IN LANDLORD TENANT DISPUTES

The Governor's May Revision includes one-time \$20 million General Fund to provide grants to non-profit legal service organizations to assist with rental disputes between landlords and tenants. It is also requested that provisional language be added to clarify that the full \$20 million must be spent on legal aid to rental disputes between landlords and tenants.

Staff Recommendation: Approve the proposal and adopt placeholder budget bill language.

VOTE-ONLY ISSUE 18: MAY REVISION: TRIAL COURT RESERVES

The Governor's May Revision includes trailer bill language to increase the cap on trial court reserves, from one percent to three percent.

Staff Recommendation: Approve the proposal.

VOTE-ONLY ISSUE 19: MAY REVISION: SUPERIOR COURT JUDGESHIPS AND TBL

The Governor's May Revision includes \$30.417 million to fund 25 new superior court judgeships and the associated complement positions. It is also requested that corresponding trailer bill language be amended and provisional language be added to clarify that the allocation of judgeships will be made by the Judicial Council upon completion of the Judicial Needs Assessment. There is also separate request for \$2.917 million for accompanying trial court security costs.

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

VOTE-ONLY ISSUE 20: MAY REVISION: LANGUAGE ACCESS EXPANSION IN CALIFORNIA COURTS

The Governor's May Revision includes \$9.564 million to enable the continuation of interpreter services for civil matters and to cover increased costs in criminal cases. The Judicial Council adopted a comprehensive Strategic Plan for Language Access in the California Courts in 2015, following a United States Department of Justice Investigations that identified an unmet federal Civil Rights Act for interpreter services to be provided free of charge in all court proceedings.

Staff Recommendation: Approve the proposal and adopt placeholder trailer bill language.

VOTE-ONLY ISSUE 21: MAY REVISION: DEPENDENCY COUNSEL TITLE IV-E FUNDING

The Governor's May Revision proposal includes \$1.5 million General Fund and 7.5 positions for administrative costs associated with the increase in reimbursements of \$33.955 million to enable the Judicial Council to claim reimbursable court-appointed dependency counsel costs. The recent federal Families First Prevention Services Act expanded the list of eligible Title IV-E reimbursable costs associated with court-appointed dependency counsel. The Judicial Council will be utilizing these newly available federal funds through reimbursements from the Department of Social Services.

Staff Recommendation: Approve as Budgeted.

5225 CALIFORNIA DEPARTMENT OF CORRECTIONS AND REHABILITATION**VOTE-ONLY ISSUE 22: DIVISION OF JUVENILE JUSTICE AND MAY REVISION PROPOSALS**

The Governor's Budget proposes to shift the Division of Juvenile Justice away from the California Department of Corrections and Rehabilitation and into the Health and Human Services Agency.

Staff Recommendation:

1. Approve the proposal and adopt trailer bill language that does the following:
 - Creates an advisory body convened by the Director of the Division of Juvenile Justice (later known as the Director of the Department of Youth and Community Restoration) and the Secretary of the Health and Human Services Agency, on or before August 1, 2019, made up of experts and stakeholders to provide input and recommendations based on analysis of research and data on related to: (1) the transfer of the Division of Juvenile Justice; and, (2) policies, programs, and best practices that promote a commitment to improving youth outcomes, reduce youth detention, and reduce recidivism. The advisory body shall select two-chairs from their membership and will be re-selected every two years. The advisory body shall be diverse in membership and include the following individuals:
 - Two representatives of the Chief Probation Officers.
 - One non-custody labor representative.
 - Two medical professionals with expertise in trauma responsive and therapeutic care of children and young adults.
 - One social worker.
 - One behavioral health expert.
 - One mental health expert.
 - Two youth advocates with expertise and knowledge of the juvenile justice system, best practices, and effective, age-appropriate interventions.
 - One youth directly impacted by the juvenile justice system.
 - One family member directly impacted by the juvenile justice system.
 - One community-based youth service provider.
 - Recommendations and input from the advisory body may be offered by the advisory body or requested by the Director, Secretary, or Legislature. The advisory body shall provide their input and recommendations to the Legislature on an annual basis beginning February 1, 2020, and annually thereafter.
 - Require the promulgation of regulations that establish a system of collecting and reporting data regarding the safety and care of youth committed to the Department of Youth and Community Restoration.

2. Approve the following Governor's May Revision Proposals:

- \$1.2 million General Fund and 8.8 positions in 2019-20, and \$1.8 million General Fund and 12.0 positions in 2020-2021 and ongoing to transition the Division of Juvenile Justice from the California Department of Corrections and Rehabilitation and establish a new department under the California Health and Human Services Agency. The resources will also be used to reorganize and revise the Division of Juvenile Justice's training academy curriculum and to begin offering the training academy in Stockton.
- \$344,000 General fund and 2.4 positions beginning in fiscal year 2019-20 and ongoing. The proposal also includes 2.0 ongoing positions for the California Conservation Corps and \$1,085,000 one-time General Fund in 2019-20 and \$581,000 ongoing General Fund beginning in 2020-21, which includes \$876,000 in 2019-20 and \$376,000 ongoing for certified local conservation corps. Requested resources will support the implementation of the DJJ Apprenticeship Conservation Corps pilot program to present DJJ youth with skill-building and job-readiness opportunities that will provide pathways to conservation careers upon returning to their communities.

Staff Recommendation: Approve the Staff Recommendation.

VOTE-ONLY ISSUE 23: PROPOSITION 57 NOTIFICATION

Proposition 57 provided CDCR with the authority to reduce the terms of incarcerated individuals by awarding credits for good behavior or participation in rehabilitation programs. CDCR makes credit changes through the regulatory process, making it difficult for the Legislature to become aware of the changes in a timely manner.

Staff Recommendation: Adopt placeholder trailer bill language requiring CDCR to submit a report to the Legislature when the department proposes regulatory changes that would affect inmate credit earning.

**VOTE-ONLY ISSUE 24: MASTER PLAN FOR RENOVATION/REPLACEMENT OF ORIGINAL PRISONS--
STUDY**

The Governor's Budget proposes to extend the reversion date of \$5.41 million General Fund provided in 2016 to complete a study of the prisons constructed prior to 1980, from June 30, 2019 to June 20, 2020, due to a delay in the completion of the report and to allow for sufficient time to process final invoices and close out the consultant contract.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 25: PRISON MAINTENANCE FUNDING METHODOLOGY

The Governor's Budget includes an augmentation of \$18.5 million General Fund in 2019-20, \$37.1 million General Fund in 2020-21, and \$55.6 million General Fund 2021-22 and ongoing for total of \$88.9 million annually. The proposed formula multiplies the total square footage of CDCR's institutions of 40.4 million square feet by a base rate of \$2.20 for contracts, fees, and supplies which comes to a total of \$88,999,220.

Staff Recommendation: Reject the proposal and adopt supplemental reporting language directing the department to submit: (1) a plan on how they will prevent the deferred maintenance backlog from growing; and, (2) a plan for how they would prioritize their additional funds for preventative maintenance if they are provided in the future.

VOTE-ONLY ISSUE 26: VALLEY STATE PRISON: ARSENIC REMOVAL WATER TREATMENT PLANT

The Governor's Budget includes \$1.51 million General Fund for the design and installation of an arsenic removal water treatment plant due to the increase in arsenic levels in the wells. This treatment plant will ensure compliance with the Environmental Protection Agency and State Water Resources Control Board drinking water quality standards.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 27: CALIFORNIA STATE PRISON, SACRAMENTO: NEW COGNITIVE BEHAVIORAL TREATMENT CLASSROOMS

The Governor's Budget includes \$491,000 General Fund to design and construct three classrooms to support Cognitive Behavioral Treatment programs.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 28: SAN QUENTIN STATE PRISON: COGNITIVE BEHAVIORAL TREATMENT SPACE

The Governor's Budget includes \$484,000 General Fund to remodel Vocational Building 32 for Cognitive Behavioral Treatment programs.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 29: FOLSOM STATE PRISON: WATER STORAGE TANKS

The Governor's Budget includes \$9.63 million General Fund for the construction phase of constructing 2 new water storage tanks necessary to support building fire suppression requirements.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 30: PELICAN BAY STATE PRISON FACILITY D YARD

The Governor's Budget includes \$3.92 million General Fund for the construction of a yard in Pelican Bay State Prison's Facility D Security Housing Unit. This proposal seeks to revert the fiscal year 2018-19 appropriation in the amount of \$1.85 million and request this new appropriation based on new cost estimates.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 31: CONSOLIDATED LEGISLATIVE PROPOSALS AND MAY REVISION PROPOSAL

The Governor's Budget includes \$9 million General Fund and 42.5 positions in 2019-20 and \$8.3 million General Fund in 2020-21 and ongoing to comply with legal mandates in AB 2327, AB 2845, SB 960, SB 1421, and SB 1447. The May Revision provided adjustments in the number of positions for workload associated with SB 1421.

Staff Recommendation:

- Approve the proposed positions and funding related to the implementation of SB 1447, AB 2327, AB 2845, and SB 960.
- Regarding SB 1421: Approve 9.3 two-year limited term positions and adopt provisional budget bill language that directs the CDCR to report to the Legislature by January 1, 2020 and June 30, 2020 on their workload associated with SB 1421.

Staff Recommendation: Approve the Staff Recommendation.

VOTE-ONLY ISSUE 32: ALLOCATION FOR DEFERRED MAINTENANCE

The Governor's Budget includes a one-time augmentation of \$25 million General Fund in 2019-20 for deferred maintenance.

Staff Recommendation: Reject the Proposal.

VOTE-ONLY ISSUE 33: SUPPLEMENTAL REFORMS TO PAROLE CONSIDERATION

The Governor's Budget includes \$4.7 million General Fund and 12.5 positions in 2019-20, \$6.1 million General Fund and 12.5 positions in 2020-21, and \$1.9 million General Fund and 12.5 positions in 2021-22 and ongoing to complete workload related to a projected increase in parole hearings. Since 2011, BPH has scheduled between 4,000 and 5,300 parole hearings annually. Current projections indicate that BPH will need to schedule a total of 7,200 hearings in 2019-20 and 8,300 hearings in 2020-21.

Staff Recommendation:

Adopt placeholder trailer bill language that would:

- (1) Delay implementation of the structured decision-making framework for one year pending consideration of additional information on the framework by the Legislature;
- (2) Require the Board of Parole Hearings (BPH) to provide a copy of the final proposed framework for legislative review and report information on its development, implementation, use, and evaluation;
- (3) Adjust the duties and increase the numbers of parole commissioners and deputy commissioners as necessary for BPH to accomplish its hearing workload in 2019-20. Adopt placeholder budget bill language that would allow the Director of Finance to augment BPH's budget (with 30 day notification to the Joint Legislative Budget Committee) as necessary for BPH to accomplish its 2019-20 workload.

Staff Recommendation: Adopt the Staff Recommendation.

VOTE-ONLY ISSUE 34: FIRE ALARM REPLACEMENT AND FIRE SUPPRESSION REPAIR

The Governor's Budget includes \$4.5 million General Fund in 2019-20, and \$54.5 million in 2020-21 to replace fire alarm systems and repair fire suppression systems at Mule Creek State Prison, R.J. Donovan Correctional Facility, and California State Prison Sacramento.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 35: FLEET ASSET MANAGEMENT

The Governor's Budget includes \$24 million General Fund and 4 positions in 2019-20 and ongoing to establish a 7-year schedule for critical fleet assets. CDCR developed a fleet replacement tool to track the age and condition of its fleet eligible for replacement per DGS' replacement thresholds. CDCR will redirect \$8 million from the Division of Adult Institutions to be combined with this request for a total of \$32 million.

Staff Recommendation: Reject the 4 positions and associated funding with these positions and approve the remaining funding for 2019-20 only.

VOTE-ONLY ISSUE 36: SFL: CONTRACT MEDICAL AUGMENTATION

The Spring Finance Letter proposes an augmentation of \$61.9 million for the California Correctional Health Care Services' contract medical services.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 37: COUNCIL ON CRIMINAL JUSTICE AND BEHAVIORAL HEALTH RESEARCH UNIT

The Governor's Budget includes \$497,000 General Fund and four positions in fiscal year 2019-20 and ongoing, and \$300,000 General Fund in 2019-20 for one-time contract funding, to expand the research capacity of the Council on Criminal Justice and Behavioral Health.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 38: MEDICAL CLASSIFICATION MODEL UPDATES

The Governor's May Revision proposal includes 102.4 positions and \$27.9 million General Fund beginning in 2019/20 to the California Correctional Health Care Services (CCHCS) to provide increased staffing levels for direct patient care and ancillary health care operations throughout California's prison system.

Staff Recommendation: Approve as budgeted and adopt budget bill language to require that the Administration continue to use the medical classification model established prior to 2019-20 to make adjustments to staffing levels in future budget years. The budget bill would also direct the Administration to report data that would allow the Legislature to reassess the staffing levels necessary to meet the medical needs of the inmate population.

Staff Recommendation: Approve the Staff Recommendation.

VOTE-ONLY ISSUE 39: MAY REVISION: INTEGRATED SUBSTANCE USE DISORDER TREATMENT PROGRAM

The Governor's May Revision proposal includes a proposal for \$71.3 million General Fund and 280.2 positions in 2019-20, \$161.9 million General Fund and an additional 150.8 positions in 2020-21 (for a total of 431.0 positions ongoing), and \$164.8 million General Fund in 2021-22 and ongoing for the Integrated Substance Use Disorder Treatment Program (ISUDTP).

Staff Comment and Recommendation: This proposal is critical in addressing the issue of overdoses and the deaths connected to these overdoses in the state's prison system. The state has a duty and obligation to provide a constitutional level of care for the individuals in their custody—it is also under a court order to do so. The data indicates that an intervention must take place in order to curb the number of overdoses, and eventually (hopefully) prevent any more deaths as a result of overdoses. Staff also notes that the number of overdoses of individuals once they leave the state prisons is also staggering. According to studies, within two weeks of release, individuals released from incarceration are 42 times more likely to die from an overdose than the general population. This point is emphasized to stress the importance of not only the treatment that people receive while incarcerated, but the "warm hand off" that is critical for the person to continue their treatment goals upon release. In addition, staff notes that efforts to reduce the presence and availability of drugs in the prisons should be considered in any substance use disorder treatment plan. In the 2018 Budget, the Legislature provided funding for a drug and contraband interdiction pilot at one of the state prisons, which is still ongoing.

Staff also notes that CDCR has had significant challenges in implementing large scale proposals in a relatively short period of time. Due to the complexity of running the largest prison system in the nation that is currently under various court orders, the Department has attempted to meet various deadlines and project completions. While some of their efforts have been successful,

again, due to the complexity of making such large scale changes, they have faced demanding challenges that have caused them to fall critically short of meeting laudable goals. Some examples are highlighted below:

- The California Health Care Facility in Stockton, the state's flagship medical facility, was recently given an "inadequate" rating and the audit cited there were severe problems in providing adequate care and that doctors' care had "regressed significantly." The state had invested \$820 million in building this facility 6 years ago to centralize the treatment of sick and mentally ill people. This recent 2019 audit found that in one case, a doctor ordered an emergency X-ray but never informed the on-call physician to check the X-ray and the inmate died five hours later. Patients often did not receive their medications either in a timely manner or in a correct manner. Most recently, the prison had a fatal outbreak of Legionnaires' disease, a severe form of pneumonia, where at least one inmate died.
- In 2012, Chapter 42, Statutes of 2012, authorized the use of \$900.4 million in existing lease revenue authority to support the design and construction of various Health Care Facility Improvement Projects (HCFIP), which are renovations and expansions of treatment spaces at most prisons in order to improve access to medical care. To expedite this process, a separate project approval process was created that was more streamlined than the existing process. To date, only 4 out of the 31 prison sites have been completed and the lease revenue bond expenditure/authority has ballooned by nearly \$240 million dollars over the original amount and an additional \$135 million in General Fund dollars (including 2019-20 proposals) will be allocated. It is unknown at this time, what additional lease revenue authority and General Fund will be needed to complete all of the prison sites.

These first example highlights the dangers to inmates when a facility and program is not operated in a manner that ensures that the goals of the program are met consistently. The second example shows the budgetary consequences of large scale projects that require so much in additional resources because of inadequate planning and faulty decision-making.

Finally, the breadth of infrastructure and planning needed by county partners to ensure the success of the continuity of treatment services is generally unknown at this time. Counties across the state, are varied in their ability to provide transitional services to this population. One would have hoped that counties could indeed meet the goals of this program in the short timeline of the proposal, but the information before the Subcommittee is inconclusive at best and indicates significant gaps. Without this warm hand off, the person may not overdose while in treatment in prison, but becomes vulnerable upon release.

As such, staff makes the following recommendations in order to begin the process of helping inmates receive the treatment they need in a manner that will help the department and Legislature course correct, address gaps, and provide sufficient resources and staffing:

- Provide \$16 million General Fund in 2019-20 and \$48 million in 2020-21 and 2021-22 to implement an ISUDT program in seven facilities for three years beginning in 2019-20. The seven prisons shall include the three facilities that are currently piloting MAT

programs (the Substance Abuse Treatment Facility (SATF) in Corcoran, the California Institution for Men in Chino, and the California Institution for Women in Corona) and will include a continuation of the drug interdiction pilot at SATF through 2021-22. The remaining four facilities shall be those with the highest number of overdoses in 2017 and 2018, excluding the three facilities with existing pilots.

- Adopt budget bill allowing the administration to augment the amount provided for the pilot by no more than 20 percent with prior notification to the Joint Legislative Budget Committee.
- Adopt trailer bill language to require semi-annual reports from the California Department of Corrections and Rehabilitation (CDCR) and the California Correctional Health Care Services (CCHCS). These reports shall provide: (1) updates on the program's implementation and costs; (2) a summary of cognitive behavioral therapy oversight and fidelity assessments; and, (3) the effect of the program on substance use in the facilities, inmate health, and reentry outcomes.
- Require CDCR to contract for an independent evaluation of the program which shall be provided to CDCR, CCHCS, and the Legislature no later than January 2022.

Staff Recommendation: Approve the Staff Recommendations.

VOTE-ONLY ISSUE 40: MAY REVISION: JANITORIAL SERVICES

The Governor's May Revision proposal includes an augmentation of \$6.117 million General Fund to provide ongoing contractual janitorial services at the California Health Care Facility.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 41: COUNCIL ON CRIMINAL JUSTICE AND BEHAVIORAL HEALTH (CCJBH) REAPPROPRIATION

The May Revision includes a one-time reappropriation of \$415,000 MHPA funds for 2019-20 for CCJBH. The 2018 Budget Act provided CCJBH with an ongoing allocation of \$795,000 in MHPA funds (on-going) to support one position at \$125,000 and \$670,000 for stakeholder consumer contracts for individuals with mental illness who are involved in the criminal justice system. With a one-time \$415,000 reappropriation in FY 2019-20 CCJBH can award roughly \$1,100,000 in contracts (\$670,000 approved last year plus the \$415,000 requested this year) for individuals and organizations that represent (or advocate for) the programs and priorities of individuals (or families and children and youth) who are formerly incarcerated and living with mental health challenges.

Staff Recommendation: Approve as Budgeted.

0820 DEPARTMENT OF JUSTICE

VOTE-ONLY ISSUE 42: DNA IDENTIFICATION FUND REVENUE BACKFILL

The Governor's Budget includes \$25 million (\$15 million GF and \$10 million redirecting existing General Fund and backfilling expenditures with Fingerprint Fees) to the Bureau of Forensic Services. BFS operates 10 regional crime labs and its scientists collect, analyze, interpret, and compare physical evidence, and provide reports and expert testimony. BFS used to be funded by the GF until the DNA Identification Fund was created, which has experienced a decline.

Staff Recommendation: Approve the proposal and adopt placeholder supplemental report language (SRL) requiring the Department of Justice (DOJ) assess the following:

- How DOJ currently provides services to state and local governmental agencies.
- How DOJ's provision of services compares to those provided by local governments or other facilities.
- Provide an analysis and recommendations regarding the possibility of charging of fees for services provided by the DOJ.
- What operational or other changes would be needed to operate within the revenues available in the DNA Identification Fund or other non-General Fund sources.

Staff Recommendation: Approve the Staff Recommendation.

VOTE-ONLY ISSUE 43: FORENSIC LABORATORY EQUIPMENT REFRESH

The Governor's Budget includes \$5.8 million in ongoing GF to replace inoperative, outdated equipment for the Bureau of Forensic Services Criminalistics Laboratory System which provides forensic laboratory support and analysis to cover 500 local law enforcement agencies.

Staff Recommendation. Approve \$2.6 million on a one-time basis and adopt placeholder trailer bill language that requires DOJ to report to the Legislature on the development of a detailed eight-year plan for ongoing replacement of equipment.

Staff Recommendation: Approve the Staff Recommendation.

VOTE-ONLY ISSUE 44: BUREAU OF FIREARMS WORKLOAD

The Governor's Budget includes \$6.88 million DROS authority in 2019-20 and 63 positions (a combination of new positions, converting temporary positions to permanent positions, and positions with authority but no funding) in the DOJ's Bureau of Firearms, and \$6.41 million DROS authority in 2020-21 and ongoing to maintain time-sensitive firearms workloads. The positions would be placed in the Background Clearance Unit, Phone Resolution Unit, DROS Quality Assurance Team, Reporting and Quality Assurance Section, and Armed Prohibited Persons Section.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 45: ARMED PROHIBITED PERSONS SYSTEMS INVESTIGATIONS AND SPRING FINANCE LETTER ADJUSTMENT

The Governor's Budget includes \$5.6 million (\$16.9 million General Fund minus \$11.3 million Dealer Record of Sale (DROS)) and 26 positions in 2019-20, and \$4.7 million (\$16 million General Fund minus 11.3 million DROS) in 2020-21 and ongoing.

The Spring Finance Letter requests that Item 0820-001-0001 be increased by \$575,000 and Item 0820-001-0032 be decreased by \$575,000 to reflect an adjustment to the funding proposed in the Governor's Budget for APPS. This adjustment makes APPS entirely funded by the General Fund.

Staff Recommendation: Provide \$11.875 million to shift all existing support for APPS investigation teams to the General Fund and make corresponding reductions to the DROS Special Account and the Firearm Safety and Enforcement Special Fund (FS&E). Continue to provide the DROS Section with \$12.113 million in support, but with \$5.334 million from the FS&E Special Fund and the remaining \$6.779 million from the DROS Special Account. Adopt placeholder trailer bill language to require reporting on APPS investigation team workload.

Staff Recommendation: Approve the Staff Recommendation.

VOTE-ONLY ISSUE 46: SEX OFFENDER REGISTRATION

The Governor's Budget includes \$17.2 million General Fund and 37 positions in 2019-20, \$15.68 million General Fund in 2020-21, and \$13.16 million in 2021-23 to implement SB 384. SB 384 requires the DOJ's California Sex Offender Registry to transition from a lifetime registration system to a tier-based system for periods of 10 years, 20 years, and life beginning January 1, 2021. Youth will be required to register as a sex offender for a minimum of either five or ten years as specified. SB 384 also authorized annual resubmissions of petitions for termination for each tier two offender and resubmission every one to five years for each tier one offender as determined by the courts. Tier two offenders are eligible for early termination after ten years.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 47: JUSTICE HUMAN RESOURCES

The Governor's Budget includes \$2.15 million (\$669,000 GF and \$1.5 million Special Fund) in 2019-20, \$2.3 million (\$713,000 GF and \$1.6 million Special Fund) in 2020-21, and \$659,000 (\$204,000 GF and \$455,000 Special Fund) in 2021-22 and ongoing for DOJ to develop/implement a cloud-based, secure software solution that will create a centralized employee information repository.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 48: CALIFORNIA STATE AUDITOR REPORT: HATE CRIMES IN CALIFORNIA

The Governor's Budget includes \$797,000 GF and 5 positions in 2019-20, \$693,000 in 2020-21 and ongoing to address recommendations identified in 2018 California State Auditor Report on Hate Crimes. Recommendations related to training and auditing law enforcement agencies are new responsibilities.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 49: SB 746, SB 1100, AB 1872, AB 1968

The Governor's Budget includes \$5.22 million Dealers' Record of Sale spending authority and 10 positions in 2019-20, \$2.69 million in 2020-21, and \$1.74 million in 2021-22 and ongoing to the Department of Justice to meet the mandates of SB 746, SB 1100, AB 1872, and AB 1968.

Staff Recommendation:

SB 746: Approve the proposed resources.

SB 1100: Approve Dealers' Record of Sale Special Account authority of \$350,000 one-time.

AB 1872: Reject all proposed resources.

AB 1968: Approve permanent augmentation of two positions and Dealers' Record of Sale Special Account authority of \$663,000 in 2019-20, \$333,000 in 2020-21, and \$238,000 ongoing.

Staff Recommendation: Approve the Staff Recommendation

VOTE-ONLY ISSUE 50: SUBSEQUENT ARREST NOTIFICATION

The Governor's Budget includes \$1.18 million Fingerprint Fees Account and 6 positions in 2019-20 and \$742,000 in 2020-21, and ongoing to implement AB 2461, which requires notification of criminal history information to various agencies including the Department of Social Services and the Medical Board of California.

Staff Recommendation: Approve five positions and \$831,000 Fingerprint Fees Account in 2019-20, and ongoing \$742,000 Fingerprint Fees Account.

VOTE-ONLY ISSUE 51: PEACE OFFICERS RELEASE OF RECORDS

The Governor's Budget includes \$477,000 GF and 3 positions in 2019-20 and \$442,000 GF 2020-21 and ongoing to the DOJ to implement SB 1421, which requires DOJ to make personnel records of peace/custodial officers available under the Public Records Act when they involve allegations, investigations, or findings of certain specified types of conduct.

Staff Recommendation: Approve one position and \$155,000 General Fund in 2019-20 and ongoing with placeholder budget bill language specifying that the expenditure of allocation is contingent on the DOJ implementing SB 1421 on a pro rata basis.

VOTE-ONLY ISSUE 52: CRIMINAL LAW: DNA COLLECTION OF MINORS

The Governor's Budget includes \$149,000 GF in 2019-20, \$136,000 GF in 2020-21 and ongoing to the DOJ to implement AB 1584 which prohibits law enforcement from collecting a buccal DNA swab or any biological sample from a minor without first obtaining written consent of the minor and approval of the minor's consent from a parent, legal guardian, or attorney.

Staff Recommendation: Reject the Proposal.

VOTE-ONLY ISSUE 53: SEXUAL ASSAULT INVESTIGATIONS EVIDENCE KITS

The Governor's Budget includes one-time \$194,000 GF in 2019-20 to the DOJ to implement AB 3118 which requires all law enforcement agencies, medical facilities, crime laboratories, and any other facilities that receive, maintain, store, or preserve sexual assault evidence kits to conduct an audit of all untested sexual assault kits in their possession and report their data to the DOJ.

Staff Recommendation: Reject the Proposal.

VOTE-ONLY ISSUE 54: MAJOR LEAGUE SPORTS RAFFLE PROGRAM AND TBL

The Governor's Budget includes \$1.26 million Major League Sporting Event Raffle Fund and 5 positions in 2019-20, \$1.15 million in 2020-21, 2021-22, and 2022-23, and \$609,000 in 2023-24 to provide regulation of the Major League Sports Raffle Program as authorized by AB 888 which extends the sunset date of this program from December 31, 2018 to January 1, 2024, increases the fee amounts that can be assessed to registrants, and makes changes to the raffle reporting requirements by eligible organizations.

Staff Recommendation:

- Provide one full-time auditor (\$72,500), one legal secretary (\$31,000), one Deputy Attorney General (\$139,000), and 1 part-time special agent (\$44,500) and associated staff benefits through the sunset of this program.
- Approve operating expenses and equipment as specified in the budget proposal.
- Adopt placeholder trailer bill language.

Staff Recommendation: Approve the Staff Recommendation.

VOTE-ONLY ISSUE 55: MAY REVISION: CONTROLLED SUBSTANCE UTILIZATION REVIEW AND EVALUATION SYSTEM

The Governor's May Revision includes requests for reimbursement authority for the following mandates:

- \$474,000 in FY 2019-20 and 2020-21 to support the Controlled Substance Utilization Review and Evaluation System (CURES) Program to meet the mandates associated with Senate Bill (SB) 482.
- Permanent position authority for 1.0 position and reimbursement authority of \$1.179 million in FY 2019-20, \$200,000 in FY 2020-21, \$191,000 in FY 2021-22 and ongoing to meet the mandates outlined in Assembly Bill (AB) 149 and AB 1753.
- Position authority of 3.0 positions and reimbursement authority of \$1.017 million in FY 2019-20 and \$402,000 in FY 2020-21 and ongoing to meet the mandates outlined in Chapter 478, Statutes of 2018 (AB 1751).

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 56: MAY REVISION: PAYMENT OF SETTLEMENTS AND JUDGEMENT

The Governor's May Revision includes \$2.069 million to pay for five settlements related to the Reproductive Freedom, Accountability, Comprehensive Care, and Transparency Act. It is also requested that provision language be added to clarify that these funds are for these specific settlement and judgment costs.

Staff Recommendation: Approve as Budgeted.

VOTE-ONLY ISSUE 57: MAY REVISION: CARDROOM AND THIRD PARTY PROVIDER WORKLOAD

The Governor's May Revision proposal includes a permanent Gambling Control Fund augmentation of \$4.399 million in FY 2019-20 and ongoing to retain 32.0 existing positions necessary to continue reducing the backlog and maintaining the ongoing workload associated with California cardroom and third-party providers of proposition player services (TPPPPS) license applicants. The provisional language below is also requested to allow the Bureau of Gambling Control's budget to be adjusted based on workload needs:

The Department of Finance may augment or reduce the amount in Schedule (2) of this item based on workload changes related to the processing of license applications, renewals, and background investigations for cardrooms and third-party providers. The Director of Finance shall not approve any augmentation or reduction unless the approval is made in writing to the Chairperson of the Joint Legislative Budget Committee not later than 30 days prior to the effective date of the approval, or not sooner than whatever lesser time the chairperson of the joint committee, or his or her designee, may determine.

According to the State Auditor's Report that was released on May 16, 2019, it states:

- Our review of 23 gaming license applications found that the bureau regularly exceeded the statutory time frame of 180 days for completing its review of applications. Although the bureau cited a lack of available resources as a factor in the delays, we question its efficiency given that temporary funding it received from the Legislature for 32 additional positions has more than doubled its licensing staff since fiscal year 2015–16. The temporary funding is set to expire in June 2019, yet the bureau has not sufficiently demonstrated what an appropriate permanent staffing level would be. In fact, despite its increased staffing, the bureau still has a backlog of almost 1,000 applications, likely in part because its productivity has diminished since it hired its new staff. In contrast, the commission complied with its separate regulatory time frame of 120 days when it approved applications at its regular licensing meetings. However, its practice of holding evidentiary hearings to deny license applications—an approach the commission explained it implemented to conform to the Gambling Act—contributed to significant delays and use of extra staff resources in its handling of such applications.
- The bureau and the commission have established regulatory fees that do not align with the actual costs that they incur when performing oversight activities. These fees—which applicants and gaming business owners pay—raise questions about the legality and fairness of the current fee structure. In part, because some of the fees are higher than necessary, the balance in the Gambling Fund has doubled over the past five years, and it is projected to increase to \$97 million by June 2020. If the balance reaches this amount, it will represent a surplus of more than five times the combined annual operating expenditures of the bureau and commission. This excessive surplus has enabled the bureau to engage in inconsistent billing and time-management practices. Specifically, the bureau's billing processes have resulted in many applicants' not paying for the actual costs of their background investigations. Further, bureau licensing staff have reported

spending the majority of their time on activities that may not be productive or even directly related to license applications.

The Auditor makes the following recommendations regarding the Bureau of Gambling Control:

1. To ensure that it approaches its backlog strategically and that it is accountable for its use of resources, the bureau should establish a formal plan by November 2019 for completing its review of the remaining pending applications.
2. To ensure that it fairly charges applicants for the costs of their background investigations, the bureau should establish and implement policies by July 2019 that require staff to properly and equitably report and bill the time they spend conducting such investigations.

Staff Recommendation: Approve funding on two-year limited term positions beginning in 2019-20 and adopt the Auditor's recommendations regarding the Bureau of Gambling Control listed in the agenda.

VOTE-ONLY ISSUE 58: CONTROL SECTION 5

The Governor's Budget includes language to allow the Department of Finance (DOF) to adjust any appropriation to reimburse the Department of Justice (DOJ) for legal services provided to client agencies. This was included in anticipation of DOJ modifying its billing rate structure (such as increasing its hourly billing rates) to ensure it sufficiently recovered its costs for providing legal services.

The Legislative Analyst's Office makes the following recommendation:

- The Legislature should modify this language to: (1) require DOJ to submit a report detailing its new billing rate structure and demonstrating how the new structure ensures its costs of providing legal services is covered, no later than 30 days before DOF begins the process of making any augmentations; (2) require DOF to provide a 30 day notification to the Joint Legislative Budget Committee before any adjustments are made; and, (3) require DOF to submit an annual report to summarize all augmentations that were made under the authority of this language.

Staff Recommendation: Adopt the LAO recommendation.

This agenda and other publications are available on the Assembly Budget Committee's website at: <https://abgt.assembly.ca.gov/sub5hearingagendas>. You may contact the Committee at (916) 319-2099. This agenda was prepared by Jennifer Kim.