



# SUBCOMMITTEE REPORT

## 2019-20 BUDGET

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CHAIR, ASSEMBLY BUDGET COMMITTEE

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## OVERVIEW

### The 2019-20 Assembly Budget Plan

The Assembly shares a broad, progressive vision with the Senate and Governor Newsom. That vision will animate this year's budget discussions.

Governor Newsom's January budget proposal presented a responsible, progressive vision for California's state finances. His plan reflected many of the Legislature's priorities, including those in the 2019-20 Assembly Budget Blueprint ("Funding Progress | Protecting Tomorrow"), which was released in early December. With the Governor's May Revision, the state's estimated discretionary resources (sometimes called the "General Fund surplus") grew to an astounding \$21 billion.

This plan represents the results of months of Assembly Budget Committee deliberations during early 2019. We thank the many members of the public who attended and spoke at our budget subcommittee hearings for their helpful input.

**Shared Priorities.** In this budget plan, the Assembly—while making modifications to some of the Governor's proposals—signals its agreement with many of the Governor's key budget priorities:

- **Budget Resiliency.** With the support of California's voters, the Legislature worked closely with Governor Brown to rebuild the state's budget after the recession. Voter-approved tax increases on high-income Californians and a rainy-day fund championed by Assembly Democrats put the state budget on a new, sustainable course, as did careful restraint in growing and restoring state-funded programs. Governor Newsom shares the Legislature's vision for nurturing a sustainable state budget that minimizes the "boom and bust" cycle that has hurt public programs in recent decades.
- **Early Childhood.** The Governor proposes significant new investments to expand California's early learning and care system, including increased full-day, full-year access to the State Preschool program. The Governor's goals parallel those of the Assembly's Blue Ribbon Commission on Early Childhood Education. Early care and education is a critical support for families and children moving out of poverty, helping children thrive and learn. Stable child care enables family members to work and obtain the training and education they need to move out of low-wage jobs.
- **Public Schools.** Under the Governor's budget, K-12 Proposition 98 funding grows to a record of over \$12,000 per student in 2019-20. With \$81 billion of state and local money going to schools and community colleges, the Governor's Proposition 98 funding level continues the progress California has made in rebuilding school funding since the

recession. Despite this funding growth, school and community college districts face significant cost pressures, including special education and employee pay and benefit costs. We noted these cost pressures in last year's Assembly Budget Blueprint. The Governor and both houses of the Legislature now are advancing major proposals to provide districts with extra assistance, such as relief to moderate future pension cost increases.

- **Higher Education.** The Governor proposes a healthy funding package for California public higher education segments: the California Community Colleges, California State University, and the University of California (UC). Included is an expansion of the California College Promise Program to cover the costs of waiving enrollment fees for first-time, full-time community college students in their first two years of college.
- **Health Care.** Last year, the Assembly's Select Committee on Health Care Delivery Systems and Universal Coverage completed its work, advancing various proposals to make health care coverage more affordable and accessible. In January, Governor Newsom made it clear he shares the Legislature's vision of improving health care access and affordability now, even as the state advances its planning for a future system that provides care for all. Importantly, the Governor proposed expanding full-scope Medi-Cal coverage to eligible young adults aged 19 through 25 regardless of immigration status—consistent with one of the key proposals in last year's Assembly Budget Plan. The Governor also has advanced proposals to subsidize more low and middle-income Californians purchasing plans through Covered California—another concept featured in last year's Assembly Budget Plan. The Governor shares the Legislature's goals of improving mental health, reproductive health, health care workforce development, and other programs.
- **Human Services.** The Governor's budget proposals reflect a shared goal with the Legislature of strengthening California's key human services programs. Building off last year's budget package, the Governor has proposed grant increases in the CalWORKs program, as the state moves toward raising CalWORKs families out of "deep poverty." The Governor proposes expanding home visiting services and, in his May Revision proposals, includes some increased funding for the state's services to individuals with developmental disabilities.
- **Housing and Homelessness.** Building off the work of the Legislature in recent years, the Governor proposes additional, significant investments to improve the affordability of housing in California and help communities address the homelessness crisis. His January budget plan included nearly \$8 billion across various state departments for affordable housing and homelessness programs.

- **Earned Income Tax Credit.** The Governor proposes a substantial expansion of the successful California Earned Income Tax Credit (CalEITC) Program, which helps supplement the resources of low-income working families. The Assembly is proud of its leading role in establishing and expanding CalEITC in recent years. We hope to work with the Governor and the Senate to keep expanding the program in the future.
- **Climate Change.** The Governor has proposed a \$1.2 billion portfolio of programs that address the range of approaches to combat climate change. This proposal builds on previous spending plans championed by the Assembly and continues California's leadership effort to fight climate change in transportation, natural resources, and healthy forests.
- **Transportation.** SB 1, the Road Repair and Accountability Act of 2017, generates approximately \$5 billion in revenue annually, allocated between state and local transportation projects and programs. With the increase in resources, Caltrans can continue to improve pavement, bridges, and other high-priority maintenance areas. The Governor and the Legislature share a commitment to successful SB 1 implementation. In addition, the Governor's 2019-20 budget proposes \$1.1 billion to repay all of the General Fund's outstanding recession-era loans back to transportation programs.
- **Promoting California's Values.** California resists the climate of fear and hate promoted by the Trump Administration, which threatens the standing of the United States around the world. The first bill signed by Governor Newsom in February (AB 72) was a budget bill that included \$5 million to help communities address shelter, transportation, health screening, and other costs resulting from the Trump Administration's shameful neglect of asylum seekers. Already, AB 72 funds have been put to work in San Diego County and Riverside County to promote a humane response for those seeking safety in our country.
- **Emergency Preparedness and Response.** AB 72 also included provisions highlighting California's response to recent disasters, including \$31 million to backfill property tax losses in several counties, with a multiyear commitment to communities in Butte County and Lake County. The bill bolstered resources of the state's 9-1-1 account, as California learns from the lessons of recent wildfires about the need to upgrade to Next Gen 9-1-1. Consistent with the requirements of last year's SB 901, the Governor has proposed \$200 million of Greenhouse Gas Reduction Fund in 2019-20 for forest thinning and forest health projects to reduce dead, dying, and overgrown vegetation—the beginning of a multiyear, \$1 billion investment agreed by the Legislature last year.

**The Assembly Budget Plan.** The Assembly’s 2019-20 Budget Plan funds initiatives in virtually all of the shared priority areas described above. As is always the case with state budget plans, our plan differs from the Governor’s in several ways:

- **More for Early Childhood Education.** The Assembly Budget Plan accepts the Governor’s proposals for State Preschool expansion and includes over \$350 million additional funding (ongoing) for expansion of available General Child Care and Alternative Payment slots, as well as increased funding for the Emergency Child Care Bridge Program for Foster Children and initial funding for ECE rate reform.
- **More for School District Cost Relief.** The Assembly Budget Plan replaces the Governor’s supplemental payment on the *state’s* portion of CalSTRS liabilities with a \$1.5 billion investment to provide more funds to help *school districts* address their rising costs. The Assembly plan uses this \$1.5 billion to pay down a portion of school and community college districts’ CalPERS classified employee pension liabilities, providing short-term and long-term cost relief in addition to the Governor’s bold \$3.15 billion proposal related to districts’ CalSTRS liabilities.
- **Financial Aid and Higher Education.** The Assembly Budget Plan includes a package of financial aid improvements intended to broaden eligibility for Cal Grants to more students—often from low-income households, with an average age of 27—who now are unable to secure awards through the competitive portion of that program. The plan also broadens Cal Grant eligibility for summer coursework and supports enrollment of 2,500 additional California undergraduate students and 1,000 graduate students at UC.
- **Sharper Focus on Restoring Recessionary Cuts.** In this time of surplus, we must keep making progress on putting the shameful legacy of the Great Recession behind us. In that spirit, the Assembly Budget Plan focuses on just some of the programs that have not yet been restored to pre-recession levels, including restoration of all optional Medi-Cal benefits, services for aging and developmental services populations, and various Medi-Cal rate cuts.
- **Building Reserves to Protect Vital Programs.** The Governor’s May Revision “sunsets” key investments in the In-Home Supportive Services (IHSS) Program and the Department of Developmental Services (DDS) at the end of 2021. The Assembly rejects this approach. Vital services for elderly and disabled Californians must not be funded in that way. Instead, responding to the Governor’s concerns about budget stability, our plan downsizes some of his optional state pension and debt payments to help build bigger budget reserves now. During the next downturn, those reserves can help sustain vital investments like those the Governor proposes to sunset. In making this proposal, the Assembly heeds the Legislative Analyst’s recent advice that “building reserves is the most reliable and effective method for preparing the budget for a downturn.” The Assembly

plan also creates the framework for a new account to help ensure the state has enough cash flow to respond effectively to natural disasters.

- **Health and Human Services (HHS) Investments.** The Governor proposes many significant HHS investments. The Assembly believes the state can afford to go further by expanding Medi-Cal to more aged and disabled Californians, expanding access to the CalWORKs program for working families by increasing the Earned Income Disregard, reforming that program's asset test, and investing in public health and housing assistance programs.
- **Housing and Homelessness.** Like the Governor's plan, the Assembly invests \$2.4 billion in one-time new funding for housing-related programs, including planning and production, tax credits, and efforts to respond to the homelessness crisis. The Assembly, however, continues to reject the Governor's proposal to tie certain housing grants to transportation funding.
- **Climate Change.** The Assembly builds on the Governor's plan to fight climate change with a \$1.4 billion package that continues the progress made to date, but increases investments for low carbon transportation, climate action and mitigation, and air toxic and criteria pollutant reduction.
- **MCO Tax Extension to Fund Existing Health Care Programs.** The Legislative Analyst advises us that the existing managed care organization (MCO) tax leverages federal Medicaid matching funds and that the Governor's lack of a proposal to extend this tax "has the effect of leaving money on the table." Building a resilient budget requires maximizing federal resources. Therefore, the Assembly Budget Plan would provide the state approval necessary to facilitate federal agreement with an MCO tax extension. That tax extension is assumed to generate net additional General Fund resources totaling \$858 million in 2019-20 and \$1.844 billion in each of the following fiscal years through at least 2022-23.
- **No Action on \$1.7 Billion "Tax Conformity" Proposal.** The Governor's proposal includes a major trailer bill proposal to change state tax law to conform with selected elements of the 2017 federal tax bill. This conformity proposal, among other changes, would reduce the ability of some with business income to benefit from certain losses on California tax returns. Information on the proposal has been evolving throughout the budget process. To date, there has been insufficient opportunity to scrutinize and build consensus on this proposal. Accordingly, this plan does not include the Governor's additional tax conformity revenues. The lack of such revenues is one reason for the Assembly's smaller, but still significant, \$600 million expansion of the CalEITC Program (compared to the Governor's \$800 million). Our CalEITC expansion does, however, extend the credit to those with Individual Tax Identification Numbers (ITINs). Without

prejudice to the Governor's proposals, his tax conformity plan is deferred for possible future legislative consideration.

- **9-1-1 Improvements.** The Assembly Budget Plan approves modernization of the state's antiquated 9-1-1 fee structure, in order to generate additional revenues needed to sustain the future Next Gen 9-1-1 system.

**Budget Architecture.** The Assembly Budget Plan reflects the Department of Finance's revenue and property tax projections—excluding revenues from the Governor's tax conformity plan and with a few other policy adjustments, such as our CalEITC action and longer extensions of the tampon and diaper tax exemptions. After 2019-20, however, the plan's multiyear budget framework incorporates the LAO's substantially lower projections of state health and human services costs (about \$2 billion less per year, on average, compared to the administration's estimates in 2020-21, 2021-22, and 2022-23). The extended MCO tax also keeps funding existing health care programs, preventing the loss of federal funds that would otherwise result.

The Assembly Budget Plan builds larger budget reserves in 2019-20 in order to help sustain vital investments, like those the Governor proposes to sunset in the IHSS and DDS programs at the end of 2021. The Governor's budget plan anticipates \$19.5 billion of total reserves at the end of 2019-20 (including a Proposition 98 reserve deposit), while the Assembly's plan includes around \$20.8 billion of reserves. (This is a preliminary estimate that will change when the Department of Finance formally "scores" this plan.)

To build bigger reserves in 2019-20, the Assembly downsizes the Governor's planned extra pension payments on the state government's share of CalPERS and CalSTRS liabilities. (The Assembly plan, however, still funds more debt payments than required by Proposition 2.) These actions—along with the reduction of some other one-time items proposed by the Governor—help fund our larger one-time investments in school district cost relief and other priorities.

The Assembly plan still acknowledges the importance of paying down the state's pension liabilities. Therefore, our multiyear framework assumes—subject to the availability of funds and future appropriations—future supplemental payments of \$1.8 billion on the state's CalSTRS liabilities between 2020-21 and 2022-23 (similar to the Governor's plan) and new supplemental payments totaling \$3.25 billion for the state's CalPERS liabilities during the period of 2018-19 through 2022-23. That level of CalPERS supplemental funding would exceed that proposed by the Governor during the same five-year period.

As shown in the rough comparison below, the Governor devotes more of the roughly \$21 billion General Fund surplus to one-time debt payments than the Assembly plan. The Assembly plan, however, devotes more to reserves and one-time school district pension cost relief. The Assembly plan also includes more one-time and ongoing programmatic investments. Prudently, both the Governor's proposal and the Assembly plan use around 80% of the surplus on one-time expenses and reserve deposits.

**Rough Estimates: How the Budget Plans Use the 2019-20 Discretionary Budget "Surplus"**

	<b>Governor's Proposal</b>	<b>Assembly Budget Plan</b>
Reserves	11%	20%
One-Time School District Pension Relief	15%	23%
Other, Mostly One-Time Debt Payments*	34%	9%
One-Time Programmatic Spending	24%	27%
Ongoing Spending	16%	20%
<b>Total</b>	<b>100%</b>	<b>100%</b>

\* In addition to these amounts, both plans include \$2.2 billion of non-discretionary debt payments required by Proposition 2.

The figure below summarizes the Assembly's 2019-20 General Fund budget package.

**Preliminary Scoring, 2019-20 Assembly Budget Plan**

*In Billions, General Fund (including Education Protection Account)*

	<b>2019-20</b>
Revenues & transfers (except BSA)	\$144.4
Transfer to BSA	-2.2
<b>Total revenues and transfers</b>	<b>142.2</b>
Prop. 98 General Fund*	55.9
Non-Prop. 98 spending (ongoing)	84.6
Non-Prop. 98 spending (one-time)**	7.1
<b>Total expenditures</b>	<b>147.6</b>
SFEU reserve balance	3.5
Safety Net Reserve balance	0.9
BSA balance	16.4
<b>Total reserves</b>	<b>20.8</b>
as % of expenditures	14.1%

\* Total state and local Prop. 98 funding is estimated at \$81.1 billion, with no deposit to the Prop. 98 school reserve required.

\*\* Rough estimate. Excludes one-time spending booked to 2018-19, such as supplemental payments of \$3.15 billion to CalSTRS for school districts & \$600 million to CalPERS state government plans.

Exact Assembly Plan scoring will vary based on the Department of Finance's formal scoring process, to be completed following full committee vote.

Assuming the Department of Finance's cautious baseline revenue estimates (which feature slow 2% annual revenue growth), an MCO tax extension through at least 2022-23, and the lower LAO HHS spending estimates, our plan is estimated to remain in balance through 2022-23, while making supplemental payments on the state's CalPERS and CalSTRS liabilities. The Legislative Analyst has advised us that the state would need between \$20 billion and \$40 billion in reserves "to avoid major spending reductions, tax increases, or cost shifts in a recession." Accordingly, our plan's reserves of over \$20 billion acknowledge the possibility of a future recession, which could start at any time.

***Future Legislative Action.*** The Assembly Budget Plan acknowledges future work to be completed on some key policy areas of shared interest with the Governor.

The following gubernatorial proposals are deferred for later action in the legislative policy bill process:

- Paid Family Leave expansion.
- Creation of a sustainable funding source for Safe and Affordable Drinking Water for 1 million Californians who lack it today.
- An individual health coverage mandate and subsidies for Covered California plans.

Bills already have been introduced by legislators on each of these topics, which creates an opportunity for thoughtful policymaking and dialogue.

After June 15, later bills will "clean up" items in the 2019-20 budget package and address any new budget issues related to the legislation listed above or even other bills. For example, one bill now on the Assembly floor would provide a funding source for new medical schools in the San Joaquin Valley and the Inland Empire.

Even as the Legislature passes an on-time, balanced budget by June 15, the work of crafting and modifying the state budget will continue to the conclusion of this year's legislative session and beyond.

# **Subcommittee No. 1 on Health and Human Services**

**Assemblymember Eloise Gómez Reyes, Acting Chair**

**Major features of the Subcommittee No. 1 Plan include:**

**Rejects the May Revision trigger cuts proposed for the In-Home Supportive Services and Developmental Services programs at December 31, 2021.** The basic needs of seniors and the disabled individuals should not be used as a budget reserve.

**Provides \$131.6 million General Fund (\$79.3 million ongoing) to Restore Recessionary Cuts.** In this time of surplus, the State must put the shameful legacy of the Great Recession behind us. The Assembly restores the following programs lost at that time:

- All optional Medi-Cal benefits;
- Services for Seniors and Developmental Services populations;
- Various Medi-Cal rate cuts; and
- Caregiver Resource Centers.

**Invests \$251.2 million (\$309 million ongoing) in Major Health and Human Services Programs.** The Governor's budget proposal makes many significant investments to expand health and human services in California. The Assembly believes the State can afford to go further and includes the following additional investments in our plan:

- Increase Medi-Cal eligibility for the Aged and Disabled population, including one-time funding for outreach;
- Expand Access to CalWORKs for working families, by increasing the Earned Income Disregard and implementing a reform to update the program's asset test;
- Allow the CalWORKs Homeless Assistance Program to be used within a more flexible, cumulative 16 days, helping more families avoid and recover from homelessness;
- Invest in public health programs, including STD, HIV, and Hepatitis C prevention, developing the Parkinson's registry, Alzheimer's and Sickle Cell research;
- Improve Foster Care placements and stability;
- Fund Bringing Families Home; and
- Fund Medi-Cal Interpreters.

**Defers action on the Health Care Mandates and Subsidies to the policy process.** This action reflects that the Legislature already is engaging in this conversation through existing policy bills on both issues.

**Provides \$55.2 million (\$16.25 million ongoing) to address other key Subcommittee priorities and to address technical budget issues identified in hearings.**

## HEALTH

### California Health and Human Services Agency

- Approves \$6 million General Fund one-time to establish the Office of Healthy and Safe Communities within the Agency, under the direction of the Surgeon General.
- Approves \$500,000 ongoing (special fund) and placeholder trailer bill to establish a website, that rates and reviews long-term care institutions, within the Office of the Patient Advocate (OPA), to become a product and function of the OPA.
- Approves \$318,000 General Fund ongoing and 2 positions under the Surgeon General and placeholder trailer bill to annually report public health data to the Legislature that describes the state of the state's public health.

### California Health Facilities Financing Authority

- Approves placeholder budget bill language to extend timelines and increase flexibility for children's mental health crisis grants.

### Emergency Medical Services Authority

- Approves \$190,000 (\$98,000 General Fund) ongoing for increased administrative costs for contracted fiscal and personnel services, facilities, and utilities.
- Approves 1 position and \$141,000 General Fund annually to analyze ambulance patient offload time, as required by AB 2961.
- Approves \$177,000 General Fund one-time to add lead poisoning prevention to training for child care providers, as required by AB 2370.
- Approves \$152,000 General Fund annually to collect data on approvals or denials of EMT applications, per the requirements of AB 2293.
- Approves \$100,000 one-time special funds to revise the use of identification numbers, citizenship, or immigration status in reviewing EMT applicants, per SB 695.
- Approves 2 positions and \$303,000 General Fund annually for increased disaster medical services.

**Office of Statewide Health Planning and Development**

- Approves of \$750,000 one-time General Fund (from the Governor's proposed resources for mental health workforce) for the Mental Health Practitioner Fund for grants to former foster youth.
- Approves of \$2.65 million one-time General Fund (from the Governor's proposed resources for mental health workforce) for scholarships to primary care doctors in medical shortage areas to enroll in the U.C. Primary Care Psychiatric Fellowship Program.
- Approves of placeholder trailer bill to restore access to Public Use Files consistent with past interpretation of HIPPA.
- Approves of January Budget proposed \$50 million General Fund one-time for mental health workforce, including: \$750,000 one-time for the Mental Health Practitioner Education Fund, and \$2.65 million one-time for the UC Primary Care Psychiatric Fellowship Program.
- Approves \$35 million in Proposition 63 state administration, contingent on the availability of \$35 million in Proposition 63 county funds, for the 2020-2025 WET Plan.
- Approves of converting the 3-year appropriation of \$33.3 million General Fund per year to be ongoing, beginning 2020-21.

**Department of Managed Health Care**

- Approves 4 positions and \$2 million ongoing special fund to address increased workload related to medical surveys.
- Approves expenditure authority of \$1 million special fund to analyze and assess anti-competitive impacts of transactions or agreements, as required by AB 595.
- Approves 9 positions and \$1.7 million special fund ongoing to review all complaints submitted to DMHC by health care providers, as required by AB 2674.
- Approves 2 positions and \$2.2 million in BY and \$775,000 ongoing special fund to implement new contractual requirements if a health plan uses a Pharmacy Benefit Manager, as required by AB 315.

**Department of Health Care Services**

- Approves of the full-scope Medi-Cal expansion for young adults, regardless of immigration status, beginning January 1, 2020.
- Approves of \$124.9 million (\$62.4 million General Fund) ongoing and placeholder trailer bill to raise Medi-Cal eligibility to 138% of FPL for the Aged and Disabled program (individuals 65 and older).
- Approves of \$60 million (\$30 million GF) one-time and placeholder trailer bill for two years through counties to support health enrollment navigators.
- Adopts placeholder Supplemental Report Language that requests DHCS provide detailed cost and legal information on options for eliminating or minimizing the Medi-Cal assets test.
- Approves of Proposition 56-related placeholder trailer bill to require DHCS to: 1) submit a three-year State Plan Amendment to the federal government; and 2) collect technically unspent Proposition 56 funds from managed care plans.
- Approves of \$20 million General Fund one-time for Emergency Department behavioral health peer navigators and placeholder trailer bill.
- Approves of \$18 million General Fund in 2019-20, \$42.2 million General Fund ongoing, and trailer bill to restore all Medi-Cal optional benefits (including optical) beginning January 1, 2020.
- Approves trailer bill to eliminate the 2008 rate freezes on Intermediate Care Facilities-Developmental Disabled (ICF-DDs) and stand-alone pediatric subacutes.
- Approves trailer bill to eliminate the statutory cap of 80 percent of Medicare for clinical laboratory and Durable Medical Equipment rates.
- Approves \$80 million in Proposition 56 funding to increase the Medi-Cal rates for ICF-DDs, Stand-Alone Pediatric Subacute Facilities, Community-Based Adult Services, Non-Emergency Medical Transportation, Durable Medical Equipment (including breast pumps), and hospital-based pediatric physician services.
- Approves of \$14.3 million General Fund in 2019-20 and \$19.1 million General Fund ongoing, resulting in net General Fund savings, to continue the California Community Transitions Program.

- Approves of \$1.68 million in Proposition 63 state administration funds and trailer bill for counties to implement Mental Health First Aid training of teachers and others working with youth.
- Approves of \$1 million General Fund one-time to expand the Friday Night Live Program.
- Approves of \$5 million General Fund one-time to implement a medical interpreters pilot program.
- Approves of \$30 million General Fund one-time to expand information technology services statewide to all Caregiver Resource Centers.
- Approves of \$150,000 General Fund ongoing to fund an audiology liaison position within the California Children's Services (CCS) program.
- Approves placeholder trailer bill to establish a new reimbursement methodology for high-cost drugs.
- Approves placeholder trailer bill to make proposed reforms to the Program of All-Inclusive Care for the Elderly (PACE) Program statute.
- Approves of \$1 million General Fund one-time and placeholder trailer bill to require DHCS to conduct an actuarial study related to the creation of a state-run long-term care insurance program.
- Approves of modified placeholder trailer bill that increases (from the Governor's proposal) the redirection of realignment funds to the County Medical Services Program (CMSP) Board in out-years.
- Approves of January and May Revise Prop 56 proposals and adjustments with the following modifications: 1) Approves expenditure authority of \$500 million (\$50 million Proposition 56 funds and \$450 million federal funds) for family planning services in the Medi-Cal program and adopts placeholder trailer bill language to direct the family planning augmentation to evaluation and management office visits, procedures, education and counseling, and vaccinations, specific to, or related to, reproductive health and family planning; 2) approves General Fund, in place of Proposition 56 funds, for the optical optional benefits; 3) reduces funding for the Value Based Payments program by \$80 million; and 4) provides \$80 million in rate increases for the following provider types: a) ICF-DD; b) stand-alone pediatric subacute; c) CBAS; d) durable medical equipment; e) hospital-based physician services; and f) non-emergency medical transportation.

- Approves of \$100 million General Fund for Whole Person Care Programs to increase housing for homeless mentally ill individuals, and approves of \$20 million General Fund for counties without Whole Person Care Pilot Programs to provide similar services.
- Approves \$3.6 million Proposition 63 state administration funds over 3 years to support the warm line operated by the Mental Health Association of San Francisco.
- Approves \$21.5 million Proposition 64 Youth Account funds for competitive grants to develop and implement new youth programs on education, prevention and early intervention of substance use disorders.
- Approves of \$23 million Proposition 56 for Medi-Cal trauma screenings and \$60 million Prop 56 one-time for provider trainings on administering trauma screenings.

**Department of Public Health**

- Approves of \$3 million Proposition 63 state administration funds ongoing for technical assistance to counties, and \$5 million General Fund one-time for a competitive grant program, and placeholder trailer bill, on reducing mental health disparities.
- Approves \$15 million General Fund one-time to establish five new Centers of Excellence to provide care to adults with Sickle Cell Disease.
- Approves \$10 million General Fund one-time to create an Alzheimer's statewide public awareness campaign, and to pilot the Healthy Brain Initiative in 8 counties through competitive grants to test and evaluate community-clinical linkages.
- Approves \$5 million General Fund one-time for the California Care Corps to provide respite to people with Alzheimer's.
- Approves \$10 million General Fund ongoing, and trailer bill, to support the establishment and operation of the Parkinson's Disease Registry.
- Approves \$30 million General Fund ongoing, and trailer bill, to implement innovative STD, HIV, and HCV prevention strategies.
- Approves \$15.2 million General Fund one-time, and trailer bill, to fund peer navigators in harm reduction programs.
- Approves 2 positions and \$3 million General Fund ongoing including \$0.3 million for state operations and \$0.3 million one-time to administer the Governor's proposed task force.

- Approves \$7.5 million General Fund ongoing to expand the Black Infant Health (BIH) program, reflecting May Revise which includes an additional \$12 million in DHCS reimbursements for Medi-Cal eligible activities in the BIH and the California Perinatal Equity Initiative.
- Approves 13 positions and \$23 million General Fund ongoing to expand the California Home Visiting Program (CHVP), add new home visiting models and focus on low-income, young mothers, reflecting the May Revise which includes an additional \$22.9 million in DHCS reimbursements for Medi-Cal eligible activities in the CHVP.
- Approves \$17.2 million in 2019-20, \$38.2 million in 2020-21, and \$57.3 million in 2021-22 (special fund) for a new 3-year contract with LA County reflecting new LA County workload and a pay-for-performance contract model.
- Approves \$973,000 ongoing (special fund) to shift health facility program flexibility application workload from 13 district offices and four LA County offices to one new centralized headquarters unit.
- Approves 9 positions and \$1.2 million ongoing (special fund) to review, approve, and monitor applications from new online and distance learning nurse assistant training programs, as required by AB 2850.
- Approves \$2 million General Fund to be made ongoing for STD prevention by local health jurisdictions.
- Approves 21 positions and \$3.4 million ongoing (special fund) to meet new processing timelines for facility licensing applications, as required by AB 2798.
- Approves \$40 million General Fund one-time for infectious disease control funding for local health jurisdictions with placeholder budget bill language to: 1) clarify that the full \$40 million is available, for four years, in 2019-20; 2) require DPH to consult with counties in determining allocation of the funds; 3) reduce state operations funding to 10% (\$4 million); and 4) designate \$1 million for tribal communities.
- Approves \$12 million in Proposition 64 Youth Account funds to provide cannabis public education and surveillance.

### **Department of State Hospitals**

- Approves 5.5 positions and \$767,000 General Fund for 2 years to address the increase in court hearings for DSH attorneys and increase in Public Records Act requests.

- Approves 1 position, \$3.3 million General Fund ongoing, and placeholder trailer bill to implement a new and uniform wage structure for DSH's Vocational Rehabilitation Program.
- Approves 43 position and \$8.1 million in 2019-20 and a total of 94.6 positions and \$36.3 million, including \$18.1 million ongoing General Fund for staff for: 1) court evaluations, reports, and testimony; 2) forensic case management and data tracking; 3) neuropsychological evaluations; and 4) cognitive remediation therapy pilot program.
- Approves 379.5 positions and \$45 million General Fund, phased in over 3 years, to support the 24-hour nursing care services workload, consistent with the Clinical Staffing Study.
- Approves 8 positions and \$2.6 million General Fund ongoing to support the development and implementation of a psychiatric residency program and expand resources for nursing recruitment.
- Approves \$2.2 million General Fund in 2019-20 to plan the implementation of Pharmacy Modernization.
- Approves 3 positions and \$5.8 million General Fund, for three years, to continue operating the Police Academy at its current, expanded capacity on an ongoing basis, and trailer bill to require an annual report from DSH on the status of the Hospital Police Officers workforce.
- Approves 53 positions and \$9.4 million General Fund over 3 years to expand the use of telepsychiatry by adding clinical oversight and supervision, telepsychiatry coordinators, and sufficient information technology.
- Approves \$5.7 million General Fund in 2019-20 and \$11.6 million General Fund in 2020-21 and ongoing to expand its continuum of care for Conditional Release Program (CONREP) patients by establishing a step-down program to serve Mentally Disordered Offenders and Not Guilty by Reason of Insanity commitments preparing for conditional release from state hospitals. Also approves expansion of a contract with Sylmar Health and Rehabilitation Center by 4 beds.

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

- Approves Proposition 63 state administration funding for the following: 1) \$20 million one-time, and placeholder trailer bill, for Early Psychosis grants; 2) \$5 million one-time for technical assistance to counties; 3) \$2.75 million ongoing, beginning 2020-21, for the Innovation Incubator; 4) \$670,000 ongoing for refugee advocacy contracts; 5) \$600,000 to implement SB 1004; and 6) \$15 million ongoing, and placeholder trailer bill, for incentive grants to counties.

- Approves \$2 million ongoing Proposition 63 state administration funds for data collection and analysis.
- Approves placeholder trailer bill to extend the timelines for counties to complete innovation projects.
- Approves \$285,000 for 2 years to support the Commission's Innovation Incubator work.

**California Health Benefits Exchange**

- Approves and sets aside funding in Item 9901 for disposition in future legislation related to health care subsidies and defers trailer bill on subsidies and individual mandate penalties to the policy bill process without prejudice towards the Governor's proposals.
- Approves trailer bill to authorize single premium invoices, and to revise the actuarial value of high deductible bronze plans to conform to federal law.

**Franchise Tax Board**

- Approves the individual mandate Budget Change Proposal with budget bill language making resources contingent on passage of statutory authority to enforce mandate penalties.

## HUMAN SERVICES

### Health and Human Services Agency

- Approves \$747,000 in limited-term resources for the Governor's May Revision proposal to resource State Verification Hub Activities.
- Defers to and conforms with action in Subcommittee No. 5 to adopt placeholder TBL to create an on-going advisory body to inform and guide the creation and development of the new Department of Youth and Community Restoration.
- Approves the Governor's Spring Finance Letter on Statewide Automated Welfare System (SAWS) Consolidation, providing \$136,000 in limited-term resources.
- Approves the Governor's Spring Finance Letter on Medi-Cal Eligibility Data System Modernization (MEDS Mod) Project Multi -Departmental Team, providing \$18.65 million in one-time resources with placeholder Budget Bill Language to ensure that the Legislature will be able to evaluate the complete project plan, including Phase II activities, after the project proposal completes the Project Approval Lifecycle and before on-going funding is approved.
- Approves the Spring Finance Letter on Electronic Visit Verification (EVV) Phase II Planning, with \$2.44 million in federal funds as one-time resources.
- Approves the Spring Finance Letter on California Healthcare Eligibility and Retention System (CALHEERS) Integrator Contract Transition Activities, with \$17.63 million in one-time resources.

### California Department of Aging

- Approves the Governor's Budget Change Proposal on Community-Based Adult Services (CBAS), requesting four positions to ensure that CBAS provider recertification is occurring within the statutorily required timeframe, and that these providers are complying with new federal rules. Provides \$324,000 General Fund (\$751,000 total funds) for this purpose.
- Approves the Federal Title III Funding Augmentation, which requests that Item 4170-001-0890 be increased by \$897,000 and 7 positions, and Item 4170-101-0890 be increased by \$16,583,000, to provide the necessary authority to expend additional awarded federal Title III funds for the Nutrition, Long-Term Care Ombudsman, and Supportive Services programs. The additional local assistance federal funds are primarily for the Nutrition

program, and the 7 positions will address critical oversight, compliance, and business needs across the Department of Aging.

- Approves the Medicare Improvements for Patients and Providers Act (MIPPA) Expenditure Authority Provisional Language, which amends Provision 2 of Item 4170-101-0890 to allow for the timely expenditure of one-time federal MIPPA grant funding. The MIPPA grant is used to provide outreach and application assistance via local Area Agencies on Aging to seniors who may be eligible for the Low-Income Subsidy and the Medicare Savings Program.
- Approves the Governor's Spring Finance Letter on Supplemental Security Income (SSI) Cash-Out Reversal Implementation via Area Agencies on Aging.
- Approves the Governor's May Revision Proposal that Item 4170-102-0942 be increased by \$1 million to provide additional one-time funding to local Long-Term Care Ombudsman programs, pursuant to Provisions 1 and 4 of Item 4265-002-0942, Budget Act of 2018.
- Approves \$4.2 M GF in 2019-20 and \$5.2 M GF in 2020-21 and on-going for the Long-Term Care Ombudsman Program, with placeholder trailer bill language to require quarterly visits to Skilled Nursing Facilities and Residential Care Facilities for the Elderly.
- Approves \$20 M GF one-time for the Senior Nutrition Program, with extended encumbrance in BBL, to allow for multi-year use of funds for program infrastructure needs, to address known waiting lists, and additional service expansion with the remaining funds, with periodic updates to the Legislature starting Jan. 10, 2020.
- Approves \$25 M GF one-time for a rate increase for the Multipurpose Senior Services Program (MSSP) across three years.

### **California Senior Legislature**

- Approves \$300,000 GF for on-going support for the CA Senior Legislature (CSL) for staffing and office equipment and other expenses to support the CSL.

### **Department of Rehabilitation**

- Approves the Governor's Budget Change Proposal on Mission-Based Review for Vocational Rehabilitation and Traumatic Brain Injury (TBI) Programs, providing \$6.2 million General Fund for these purposes.
- Approves placeholder trailer bill language to remove the sunset for the Traumatic Brain Injury program, aligning with the Governor's proposal for on-going GF support for TBI.

- Approves the Governor's Spring Finance Letter on Supplemental Security Income (SSI) Cash-Out Reversal Implementation via the Independent Living Centers and provides \$2.5 million General Fund for this purpose.

### **Department of Developmental Services**

- Approves the Governor's Budget Change Proposal on Proposed Federal Claims Reimbursement Information Technology (IT) System DDS at \$12 million (\$11.8 million GF) in each of 2020-21 and 2021-22 for a new IT system that would allow DDS to more efficiently submit claims to the federal government to ensure receipt of federal funding for Medicaid-eligible services.
- Approves the Governor's Budget Change Proposal on Contracting for On-Site Vendors Assessment, which funds DDS to work with a contractor to conduct approximately 1,100 on-site assessments to validate self-assessment information provided in a provider survey. This relates to meeting new federal requirements under the Home- and Community-Based Services Medicaid Waiver by March 2022. Provides \$1.8 million General Fund (\$3 million total funds) for this purpose.
- Approves the Governor's Budget Change Proposal on Electronic Visit Verification (EVV) Requests six permanent positions, two-year limited-term funding equivalent to 7.5 positions, and a one-time increase of \$24.3 million (\$2.7 million GF) for DSS, with a corresponding increase of \$22.2 million in the Office of Systems Integration (OSI) spending authority for implementation of the federally mandated EVV solution and enhancements to improve case management and reporting functionality in the CMIPS.
- Approves the Governor's Budget Change Proposal on State Administrative Review and Data Analysis Requests permanent extension of the three-year limited term funding needed to meet the State Administrative Review (SAR) needs in the Appeals and Administrative Review Unit (AARU) and data request needs in the Research and Data Analysis Unit (RDAU). These funds, which have been repurposed over time given policy changes, will support one Associate Governmental Program Analyst and one Research Analyst. Provides \$235,000 General Fund for this purpose.
- Approves the Governor's Budget Change Proposal on Implementation of Expansion of CalFresh Benefit to SSI/SSP Recipients, which request two-year limited term funding for 11 total positions to address limited programmatic and administrative workload due to the expansion of CalFresh benefits to a possible 370,000 new households. The positions will support the increase in required county monitoring, case reviews, policy guidance, fiscal oversight, and automation, minimizing the risks of federal sanctions or litigation. Provides \$711,000 General Fund (\$782,000 total funds) for this purpose.

- Approves the Governor’s Spring Finance Letter on Foster Youth: Trauma-Informed Systems of Care.
- Approves the Governor’s May Revision proposal on Relocation to the Clifford L. Allenby Building, with revised, placeholder BBL that requires DDS to follow basic contracting rules.
- Approves the Governor’s May Revision proposal on Porterville Stabilization Training Assistance and Reintegration Facilities.
- Approves the Governor’s May Revision proposal on Early Start Co-Payments, with placeholder TBL, and a \$1 million General Fund augmentation for this purpose.
- Approves the Governor’s May Revision proposal on Family Home Agency Oversight.
- Approves the Governor’s May Revision amounts related to provider rates, but as an across the board provider rate increase, on-going (rejecting the Governor’s May Revision “sunset” for these costs at 12/31/21), and with placeholder TBL to require the Administration to go through a process toward incorporating a budget and policy proposal for phased-in rate reform as part of the Jan. 10, 2020 Governor’s Budget.
- Approves the Governor’s funding of \$2.5 million General Fund for Best Buddies.
- Approves the Governor’s May Revision proposal on TBL regarding Enhanced Behavioral Supports Homes Sunset Extension.
- Takes no action on the Governor’s proposal regarding Regional Center Accountability, Oversight, and Monitoring, which places this into Conference to allow more time for consideration and stakeholder feedback.
- Approves DRC’s revised trailer bill language proposals on Increased Oversight of IMD Admissions; List of Agreed Upon Services; Posting of Guidelines, Protocols, and Assessment Tools; Enhanced Access to Clients’ Rights Advocates; Minimize Risk of Restraint in Community Crisis Homes; and language to ensure that the state implements the new HCBS rules consistent with federal requirements, all as placeholder TBL.
- Approves the Governor’s Budget Change Proposal on Headquarters Restructure and Reorganization, with BBL indicating the goals for system improvement intended with these resources and citing the state law section to be added with placeholder TBL regarding key indicators.

- Approves the Governor's trailer bill language proposal on Community Crisis Homes for Children as placeholder, with no-cost changes as suggested by Disability Rights California.
- Approves the Governor's trailer bill language proposal on Specialized Caseload Ratio for Individuals with Complex Needs, with no-cost changes as suggested by Disability Rights California.
- Repeals the Uniform Holiday Schedule (UHS) policy, which prohibits regional centers from paying service providers on 14 set holidays per year, but on an on-going basis (rejecting the Governor's May Revision "sunset" for these costs at 12/31/21), with placeholder TBL that repeals this section of code.
- Repeals the Half Day Billing (HDB) policy by approving \$1.6 M GF on-going to repeal the Half Day Billing cut starting July 1, 2019 and approve placeholder TBL to repeal statute accordingly. The policy requires that providers bill for a half day of service if a consumer's attendance is less than 65 percent of the declared and approved day program.
- Restores social recreation and camp benefits, educational services for children ages 3 to 17 and nonmedical therapies, with \$14.8 M GF on-going to restore the benefit starting July 1, 2019 and approve placeholder TBL to effectuate this change.
- Approve \$5 M GF one-time for Regional Center Safety Net Supports for IDD with Severe Mental Illness, with placeholder TBL.
- Approves placeholder TBL to codify DDS Quarterly Briefings, and specify that it will cover rates, Safety Net, Headquarters changes and staffing increases, disparities identification and improvement.
- Approves Governor's Budget proposal on Crisis and Safety Net Services.
- Approves placeholder TBL to require a new Safety Net Plan by January 10, 2020 in consultation with the Developmental Services Task Force, Legislative Analyst's Office, Legislative Staff, and other stakeholders Require New Safety Net Plan by January 10, 2020.

### **Department of Social Services**

- Modifies the Governor's Proposal on CalWORKs grant levels, with placeholder TBL, to raise grants to 50 percent of the Federal Poverty Level for assistance units (AUs) of one, and as high as possible, but evenly, for all other AUs, toward the goal of ending deep

poverty for all AUs+1, accounting for child-only AUs (55% of the caseload), per the 2018 Budget agreement.

- Adopts placeholder TBL to ensure that the historical cuts to the In-Home Supportive Services (IHSS) program are repealed from state law. Reaffirms the commitment to not execute historical cuts that affect IHSS consumers and providers by rejecting the Governor's MR proposal on "sunsets" for on-going costs for programs serving California's most vulnerable people.
- Approves \$2 M GF one-time for the Inland Congregations United for Change (ICUC), with placeholder BBL on use of the funds.
- Approves placeholder TBL to codify of prior EVV BBL on consumer protections, with no cost.
- Approves placeholder Supplemental Report Language (SRL) on oversight and implementation reporting/updates on expansion of the CalFresh benefit to SSI/SSP Recipients, with no cost.
- Approves specified components of the Governor's proposal to address obsolete reports for the Department of Social Services.
- Codifies the intent of Cal-OAR pursuant to the lessons learned from CalWORKs 2.0, with no cost.
- Approves placeholder TBL to raise the storage and transportation rate to 15% for local food banks.
- Approves the Governor's May Revision proposal for Foster Parent Recruitment, Retention, and Support.
- Approves the Governor's May Revision proposal for Dependency Counsel Title IV-E Funding.
- Approves the Governor's May Revision proposal for IHSS Public Authority Administration funding.
- Approves the Governor's May Revision proposal for IHSS Electronic Visit Verification County Administration Funding, with placeholder TBL to track actual county costs and workload.

- Approves the Governor’s May Revision proposal for Rapid Response Funding, but conforms to the movement of the \$20 M Rapid Response Fund from DOF to DSS, pursuant to action already taken in Sub. 4.
- Approves \$5 M GF one-time in additional dollars for Rapid Response, with placeholder TBL regarding allowable uses.
- Approves \$4.7 M GF one-time to establish a California Immigrant Justice Fellowship, with placeholder TBL.
- Approves the Governor’s May Revision proposal for CalWORKs Single Allocation Employment Services Budget Methodology Changes, but rejects the MR BBL proposal, and instead adopting placeholder TBL that allows for the separation of the Child Care component from the Single Allocation starting in 2020-21, delaying it by one year.
- Adopts placeholder TBL recognizing costs per case (10 hours) and casework metrics related to the CalWORKs Single Allocation.
- Approves the Governor’s May Revision proposal for CalWORKs Outcomes and Accountability Review County Administration.
- Approves the Governor’s May Revision proposal for Placement Prior to Approval, with placeholder TBL that provides for good cause for up to 365 days if the delay in RFA approval is found to be neither the fault of the county nor the family, providing \$4.177 M GF to assist with any costs associated with this allowance.
- Approves the Governor’s May Revision proposal for County Work Number Contract.
- Approves the Governor’s MR Proposal for Revised CalWORKs Home Visiting Assumptions, with placeholder TBL to (1) recognize the permanent nature of the Home Visiting program and (2) eliminate the first-time parent priority, simplifying access to the service to all CalWORKs families with children under age two, to the extent resources allow, as the program phases in implementation over time.
- Approve placeholder SRL on implementation and demographics of home visiting program.
- Approves the Governor’s May Revision proposal for Decreased Temporary Assistance for Needy Families (TANF) Funding for Cal Grants.
- Approves the Governor’s May Revision proposal for One-time County Administration Funding for the Expanded CalFresh Population, but rejecting the MR BBL proposal, and

adopting placeholder TBL to require the state to track county costs and workload associated with this initiative to inform future budgeting.

- Approves the Governor's May Revision proposal for CalWORKs Stage One 12-Month Eligibility, with placeholder TBL. There are concerns with the construction of the TBL. This issue will go to Conference where stakeholder and Member feedback can be taken into further consideration.
- Approves the Governor's May Revision proposal for Cal-Learn Case Management Standards Change.
- Approves the Governor's May Revision proposal for Special Olympics Additional Funding.
- Approves the Governor's May Revision proposal for IHSS: Maintenance-of-Effort Increased Costs and approve the Governor's related, revised TBL as placeholder, with a change in date to July 1, 2019 in Sections 12306.16 (d) and 12306.16 (d)(2)(A).
- Approves \$25 M GF one-time to continue and expand the Bringing Families Home (BFH) program for child-welfare involved families experiencing or at risk of homelessness, with BBL to allow for extended encumbrance. Adopt placeholder TBL with revisions to the statute governing BFH.
- Approves the Governor's May Revision proposal Budget Bill Language related to reappropriation of the last remaining dollars of BFH funds approved in the 2016 Budget.
- Approves the Governor's May Revision proposal for Budget Bill Language related to Expansion of Immigration-Related Services, California Statewide Automated Welfare System Augmentation, CalWORKs Housing Support Program Reappropriation, and Cash Disbursement Authority.
- Approves the Governor's May Revision trailer bill proposal related to SB 726 Electronic Benefit Transfer (EBT) Terminology Change from Expunge to Discharge & Delayed Automation Timeline.
- Approves the Governor's May Revision trailer bill proposal related to Cal Fresh SSI Cash-Out, using TBL approved on May 8 by the Subcommittee, and adding aspects of the Administration's draft that align with intent of that prior action, to acknowledge permanent, on-going nature of the Supplemental Nutrition Benefit (SNB) and Transitional Nutrition Benefit (TNB), equivalence with SSI as entitlements, and creating equity for Cash Assistance Program for Immigrants (CAPI) payments.

- Approves the Governor's augmentation for the Housing Disability Advocacy Program (HDAP) of \$25 million General Fund, on-going. Approves the Governor's related TBL as placeholder, without widening purpose of HDAP in such a way as diminishes the focus of the original intent when enacted.
- Approves the Governor's May Revision trailer bill proposal related to the Continuum of Care Reform (CCR) Contracts as placeholder.
- Approves the Governor's May Revision trailer bill proposal related to the Kinship Guardianship Assistance Payment Program (Kin-GAP) Beginning Date of Aid.
- Approves the Governor's May Revision trailer bill proposal related to Refugee Services, Wilson-Fish Change.
- Approves placeholder TBL to allow for the use of the proposed reduced inflation factor for the IHSS MOE to incent local collective bargaining for IHSS.
- Approves \$2.1 M GF one-time Proposal on Adult Protective Services (APS) and Public Administrator/Guardian/Conservator Training.
- Approves the proposal to Increase the CalWORKs Earned Income Disregard to align with changes in the state minimum wage, providing \$6.41 M GF for 2019-20 and placeholder TBL to make the changes in the Income Reporting Threshold and Earned Income Disregard, to begin June 1, 2020, with \$71.8 M GF cost in 2020-21, \$82.1 M GF in 2021-22, and \$92 M GF in 2022-23.
- Adopts placeholder SRL to ask HHSA, DSS, DOF, and the LAO to assist with providing information on restoration of the 60 month time clock for CalWORKs. SRL will require a meeting with the RAND consultants upon delivery of the final report, with a meeting no later than September 1, 2019. Discussion will include cost estimates and policy implications of restoration of the 60 months, with state statutory changes needed to effectuate this change, for consideration in the 2020 budget process.
- Approves \$7.5 M GF for 2019-20 and placeholder TBL to make the changes to remove the asset test for CalWORKs, to begin in 2019-20, with \$28.4 M GF cost in 2020-21, \$30.5 M GF in 2021-22, and on-going.
- Approves \$14.6 M GF for 2019-20 and placeholder TBL to remove the 16-day consecutive requirement in the CalWORKs Homeless Assistance Program, allowing for use of the 16 days in a year-long period, to begin in 2019-20, with \$27.6 M GF cost in 2020-21 and on-going.

- Adopts placeholder SRL to require periodic in-person updates with legislative staff on federal approvals or denials of state tools to maintain access to food for ABAWDs, and how consumers and counties are faring under newly imposed employment and training requirements.
- Approves the Governor's Proposal on Emergency Food and Food Bank Capacity.
- Approves \$5.5 M GF one-time for the Youth and Family Civic Engagement Initiative, with placeholder BBL to specify the recipient organizations, the Dolores Huerta Foundation and the Martin Luther King Jr. Freedom Center, and the purpose of the funds.
- Creates a Family Urgent Response System (FURS), approving \$15 M GF for 2019-20 and \$30 M GF for 2020-21 and on-going, with placeholder TBL.
- Adopts placeholder TBL to track actual expenditures associated with the Child and Adolescent Needs Assessment (CANS) implementation.
- Provides \$8 million General Fund on-going to expand the Transitional Housing Placement Plus Program (THP-Plus) to reduce homelessness for former foster youth, with placeholder TBL.
- Approves \$6.9 M GF to provide for a one-time California Necessities Index (CNI)-based Cost of Living Adjustment (COLA) for the Foster Family Agency rate, noting that Welfare and Institutions Code Section 11463 (c)(1)(D) states intent to establish an ongoing payment structure no later than January 1, 2020.
- Approves \$8.25 M GF on-going to create a Child Welfare Public Health Nursing Early Intervention Program in Los Angeles County, with placeholder TBL.
- Provides \$0.9 GF one-time to fund CalFresh Disaster Functionality Automation in SAWS.
- Approves an advocacy proposal for reporting language related to quality applicant and client experience in SAWS development as placeholder TBL, with no cost.
- Approves placeholder TBL on Group Home Extensions pursuant to the Continuum of Care Reform (CCR) effort.
- Approves the Governor's Budget Change Proposal for CalFresh and Nutrition Branch, Policy Bureau requests on-going federal funds authority for six positions to form a new Employment and Training (E&T) unit to meet federal compliance and performance goals for current programs and to serve CalFresh clients' needs for employment and training opportunities. Provides \$928,000 federal funds for this purpose.

- Approves the Governor's Budget Change Technical Proposal on County MOU Support: Trauma Informed Systems of Care per AB 2083 (Cooley). This BCP requests two positions and \$413,000 in 2019-20 (\$207,000 GF) and \$292,000 on-going to assist counties with the development and implementation of multiple Memoranda of Understanding (MOU) and participate in county interagency leadership teams and placement committees as required by AB 2083 (Cooley), Chapter 815, Statutes of 2018. Provides \$207,000 General Fund (\$413,000 total funds) for this purpose.
- Approves the Governor's Budget Change Proposal Tech on Continuum of Care Reform (CCR) Compliance Requests \$4.54 million (\$3.1 million GF) in 2019-20 and 2021-21 for 34 limited-term positions to address additional workload and compliance requirements associated with the CCR. Previously approved positions will expire on June 30, 2019 and these positions are requested to be extended through 2021-22.
- Approves the Governor's Budget Change Proposal on the Office of Foster Care Ombudsperson Foster Child Complaint Investigation, funding limited-term two-year resources to address an increased caseload backlog associated with the investigation of complaints about child welfare and foster care. Provides \$407,000 General Fund (\$894,000 total funds) for this purpose.
- Approves the Governor's Budget Change Proposal on State-Tribal-County Engagement and Indian Child Welfare Act Compliance, funding limited-term two-year resources to address workload associated with new state and federal regulations and to support counties with technical assistance and specialized training. Provides \$392,000 General Fund (\$797,000 total funds) for this purpose.
- Approves the Governor's Budget Change Technical Proposal on Child Well-Being Waiver Project, extending limited-term resources for the phase-down of the Child Well-Being Waiver Project. Funding will also be used for the project evaluation contract that was funded, but not previously executed. Provides \$454,000 General Fund (\$1.6 million total funds) for this purpose.
- Approves the Governor's Budget Change Proposal Technical BCP for AB 2967 on Ensuring Foster Youth Have Access to Vital Documents Provides resources to implement AB 2967, which requires a county welfare agency to verify the eligibility of an applicant requesting a free copy of their birth certificate, based on the qualification of being a current or former foster youth. Provides \$560,000 General Fund (\$1.22 million total funds) for this purpose.
- Approves the Governor's Budget Change Proposal for Community Care Licensing, Data Migration for Legacy Systems, providing contract funds and two three-year limited-term positions to support data migration from the information technology systems that serve

the CCL Division. One position will be in CCL and the other at the Information Services Division. Provides \$2.744 million General Fund for this purpose.

- Approves the Governor's Budget Change Proposal on Reducing Law Enforcement Contacts for Children's Residential Facilities, funding three two-year limited-term positions to strengthen the effort to curb usage of law enforcement in the management of behaviors for youth placed in residential facilities. Provides \$341,000 special funds for this purpose.
- Approves the Governor's Budget Change Proposal to implement AB 605 (Mullin), Chapter 574, Statutes of 2018, which requires the CCL to adopt regulations by Jan. 2, 2021 that would create a childcare center license with individual program components that service infant, toddler, preschool, and school age children. Provides \$142,000 General Fund for this purpose.
- Approves the Governor's Budget Change Proposal to implement AB 2455 (Kalra, Chapter 917, Statutes of 2018), which requires CCL, after July 1, 2019, to share, upon a labor organization's request, the name, phone number, and cell phone number, if available, of each newly registered or renewed Home Care Aide, who has not opted-out of sharing this information. DSS needs to plan, develop, and monitor an opt-out and opt-in process, revise regulations, and provide notification, instructions, and training on the new requirements, forms, and processes. Provides \$300,000 General Fund for this purpose.
- Approves the Governor's Budget Change Proposal to Strengthen Program Infrastructure, funding three permanent positions and the extension of \$1.92 M temporary Technical Assistance Fund (TAF) through 2020-21, to address workload associated with Adult and Senior Care Residential Facility license application processing and a backlog of complaint investigations in the Children's Residential Program. Provides \$188,000 General Fund (\$2.482 million total funds) for this purpose.
- Approves the Governor's Budget Change Proposal for Immigration Initiatives and Legal Services State Support, providing 6.0 permanent positions to support increased workload associated with additional funding for immigration services.
- Approves the Governor's Budget Change Proposal on Sustaining IT Services for Essential Department Resources, funding 8.0 permanent positions to be funded within existing budgeted resources, utilizing \$1 M in ongoing contract savings.
- Approves the Governor's Budget Change Proposal for the EBT Fruit and Vegetable Pilot State Support, funding two-year limited-term funding for state support staff to implement and monitor the CalFresh Fruit and Vegetable Electronic Benefit Transfer (EBT) Pilot Program.

- Approves the Governor's Budget Change Proposal for the Appeals Case Management System (ACMS) Permanent Maintenance and Operations Support.
- Approves the Governor's trailer bill language on Work Incentive Nutritional Supplement (WINS) as placeholder.
- Approves the Governor's trailer bill language on California Newcomer Education and Well-Being Project (CalNEW) as placeholder.
- Approves the Governor's trailer bill language on Elimination of References to Decommissioned Statewide Fingerprint Imaging System (SFIS) as placeholder.
- Approves the Governor's trailer bill language on Eliminating Fingerprint Licensing Fee Exemption as placeholder.
- Adopts placeholder SRL to request that the major HHS automation projects summarize and communicate, beginning with the Jan. 10, 2020 Governor's Budget, and at least annually thereafter, how current project developments are meeting the technical and non-technical recommendations of the State Hub Roadmap.
- Adopts placeholder TBL to codify oversight language for the Continuum of Care Reform (CCR), with no cost.
- Approves the Governor's Spring Finance Letter on Increased Inspections of Child Care Centers and Family Care Homes, funding the 138 new permanent positions with placeholder TBL to require these annual inspections.
- Approves the Governor's Spring Finance Letter on Housing and Homelessness Programs.
- Approves the Governor's Spring Finance Letter on Fiscal Monitoring and Oversight of County Operations.

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

- Approves the Governor's trailer bill language on continuing the suspension of child support performance incentives, which have been suspended since 2002-03. The two additional years of suspension will allow the Department to evaluate the effectiveness of a new proposed incentive process that is part of the Governor's proposal for LCSA funding.

- Approves the Governor's trailer bill language on Federal Deficit Reduction Act (FDRA) Mandatory Fee Increase Aligns state statute with federal law, effective October 1, 2019, that increases the annual FDRA mandatory fee from \$25 to \$25 and the disbursement threshold from \$500 to \$550.
- Approves the Governor's Budget Change Proposal on Voluntary Parentage Establishment Program Implements AB 2684 (Bloom), Chapter 876, Statutes of 2018 that revises the procedures for establishing and challenging parentage, ensuring that parents and children are treated the same, whether the children are born to same-sex or opposite sex couples, effective Jan. 1, 2020. Provides \$199,000 General Fund (\$596,000 total funds) for this purpose.
- Provides an augmentation, equivalent to the amount proposed by the Governor, to meet a methodology agreed upon by DCSS and the Child Support Directors Association, to increase casework and staffing levels, support call centers, and provide performance incentives in the out years. Adopts placeholder TBL to adopt an interim methodology for 2019-20, with a stakeholder process and specific considerations toward the development of an on-going methodology to be proposed with the Jan. 10, 2020 Governor's Budget. TBL will be revised to additionally include a prohibition against privatization of the services associated with the new methodology.
- Approves the Governor's May Revision trailer bill proposal for Item 5175-101-0890 be increased by \$2,636,000 and Item 5175-101-8004 be decreased by \$2,636,000 to reflect revised forecasts of child support collections.

# **Subcommittee No. 2 on Education Finance**

**Assemblymember Kevin McCarty, Chair**

## K-12 EDUCATION

Subcommittee 2 took a number of actions to expand early education programs, increase funding for schools, and improve access and affordability in higher education.

**Early Childhood Education.** The Subcommittee plan for early education adopts the Governor's proposals for State Preschool expansion and includes over \$350 million additional ongoing funding for expansion of available General Child Care and Alternative Payment slots, as well as increased funding for the Emergency Child Care Bridge Program for Foster Children and initial funding for ECE reimbursement rate reform.

**K-12 Education.** The Subcommittee plan includes additional investments for schools, including \$1.5 billion to pay down a portion of school and community college districts' CalPERS classified employee pension liabilities (in addition to the Governor's \$3.15 billion proposal related to districts' CalSTRS liabilities), an additional \$372 million in ongoing funding above the Governor's proposal for the Local Control Funding Formula and allocates \$593 million in ongoing funding for special education equalization and special education preschool.

**University of California and California State University.** The Subcommittee provided an increase of \$245.5 ongoing and \$281.4 million one-time to the UC budget. This funding supports enrollment growth of 2,500 undergraduate students and 1,000 graduate students, increased student mental health, housing and basic needs services, and \$188 million for deferred maintenance and seismic retrofit projects. The subcommittee provided an increase of \$312 million ongoing and \$294.7 million one-time to the CSU budget. This funding supports enrollment growth of 7,295 undergraduate students, increased mental health, housing and basic needs services, an expansion of the Project Rebound program for formerly incarcerated students, and nearly \$250 million for deferred maintenance projects.

**California Community Colleges.** The Subcommittee approved the plan to provide a second year of free tuition to all first-time, full-time students. Actions also included capping performance funding at 10% of the overall funding formula, reducing spending on the online college, supporting an increase of full time faculty, part-time faculty office hours, and supporting augmentations for the Puente and Umoja programs, as well as for veterans resource centers.

**Financial aid.** The Subcommittee increased the number of competitive Cal Grant awards to 70,000 annually, created a summer Cal Grant program to allow Cal Grants students to take two years of summer school, created a new state work-study program for students ineligible for federal work-study, and created the Golden State Teacher Grant Program, which provides grants to teachers seeking certification in areas in which there is a teacher shortage.

**Proposition 98**

The Assembly plan includes an overall Proposition 98 funding level of \$81.1 billion in 2019-20, \$78.1 billion in 2018-19 and \$75.6 billion in 2017-18. The plan includes the same Proposition 98 funding levels as the Governor’s May Revision in 2017-18 through 2019-20. The Assembly’s expected budget plan does not adopt the Governor’s tax conformity proposals generating \$1.7 billion of net new revenue in 2019-20. However, the Assembly plan appropriates more than the Proposition 98 minimum guarantee to match the Governor’s proposed funding level for Proposition 98 in 2019-20. As a result of lower General Fund revenues compared to the Governor’s proposal, the Assembly plan does not require a deposit into the Proposition 98 Reserve.

<b>Comparing Proposition 98 Funding Under May Revision and Assembly Plan</b> <i>(In Millions)</i>			
	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>
<b>May Revision</b>			
Minimum guarantee	\$75,459	\$78,146	\$81,069
<b>Proposed Funding</b>	<b>\$75,576</b>	<b>\$78,146</b>	<b>\$81,069</b>
K-14 programs	75,576	78,146	80,680
Reserve deposit	—	—	389
<b>Assembly Plan</b>			
Minimum guarantee	\$75,459	\$78,146	\$80,403
<b>Proposed Funding</b>	<b>\$75,576</b>	<b>\$78,146</b>	<b>\$81,069</b>
K-14 programs	75,576	78,146	81,069
Reserve deposit	—	—	—

Source: Legislative Analyst’s Office

**Proposition 98 Certification and True-Up Process**

The 2018-19 budget made changes to the Proposition 98 certification process. Specifically, these changes: 1) created a new process for annual certifications of the Proposition 98 minimum guarantee, 2) increased certainty around the payment of future certification settlements, 3) created a new cost allocation schedule in order to provide the state with additional budgetary flexibility, 4) provided a continuous appropriation of the LCFF COLA and 5) certified the minimum guarantee for the prior years 2009-10 through 2016-17. (These changes could be repealed if pending litigation is successful.)

The Assembly plan maintains the certification and true-up process created in the 2018-19 budget and rejects the Governor's proposal to eliminate the cost allocation schedule and prohibit the state from making any downward adjustments to the Proposition 98 funding level once a fiscal year is over. This action will maintain the Legislature's discretion to make these decisions through the budget process each year.

### **Department of Education**

- Approves the Governor's January and May Revision proposals to provide a total of \$3.15 billion non-Proposition 98 General Fund for CalSTRS to make payments on behalf of employers (local educational agencies). Additionally, provides \$1.5 billion in one-time non-Proposition 98 General Fund for CalPERS to make payments on behalf of employers. Specifically, \$350 million is provided to pay down employer contributions rates in 2019-20 and 2020-21 (\$175 million each year) and \$1.15 billion is paid toward the employer's long term unfunded liability.
- Includes \$2.3 billion in ongoing Proposition 98 for a 3.88 percent COLA for the Local Control Funding Formula (LCFF) for school districts and charter schools, \$372 million above the Governor's May Revision. Approves the Governor's proposed funding level for the LCFF for county offices of education.
- Adopts the following Legislative intent related to the LCFF: It is the intent of the Legislature that, as of the 2020–21 fiscal year, the new, aspirational LCFF grade span adjusted base grants would be equal to the following amounts to meet the national average per-pupil funding level:
  - \$12,194 for kindergarten and grades 1 to 3
  - \$12,377 for grades 4 to 6
  - \$12,745 for grades 7 to 8
  - \$14,768 for grades 9 to 12
- Approves the Governor's proposed trailer bill language to cap the continuous appropriation of COLA for LCFF in future years if the COLA for LCFF and other K-14 programs exceeds growth in the minimum guarantee and adjusts the COLA for programs outside the LCFF by a like amount.
- Rejects the Governor's proposal to provide \$695.6 million in ongoing funding for Special Education Concentration Grants. Instead provides a total of \$593 million in ongoing Proposition 98 funding for special education. Of this amount, \$333 million is provided for equalizing special education funding rates to the 90<sup>th</sup> percentile and \$260 million is provided to add an estimate of preschool ADA to the AB 602 funding formula. This funding would be sufficient to add four year olds to the AB 602 formula, with the intent to provide additional funding in future years to include funding for both three and four year olds.

- Shifts \$150 million in ongoing Proposition 98 funding from the K-12 component of the Strong Workforce Program within the community college Chancellor's Office to the Career Technical Education (CTE) Incentive Grant program within the California Department of Education (CDE), for a total of \$300 million. Eliminates the K-12 Technical Assistance Providers within the Strong Workforce program and allows for CDE to use up to two percent of the grant funding to contract with county offices of education (COE) to provide technical assistance to grantees.
- Provides \$50 million in one-time Proposition 98 funding for the Low Performing Student Block Grant. This funding would build on the \$300 million in one-time funding provided in the 2018-19 budget. Modifies the allocation methodology to ensure the funding follows the student to the LEA they are attending at the time of the allocation.
- Rejects the Governor's proposal to use \$80.5 million in Proposition 64 funding for alternative payment child care vouchers. Instead dedicates \$80.5 million in Proposition 64 funding to increase rates for the After School Education and Safety (ASES) program. (The Assembly Early Education plan also provides \$163 million General Fund for alternative payment slots).
- Approves the Governor's May Revision proposal to provide a 3.26 percent COLA for certain categorical programs outside the LCFF, including Special Education, Child Nutrition, State Preschool, Youth in Foster Care, the Mandates Block Grant, American Indian Education Centers and the American Indian Early Childhood Education Program. Also provides a 3.26 percent COLA and makes ADA changes for county offices of education.
- Approves the Governor's May Revision proposal to provide \$34.8 million in one-time non-Proposition 98 funding for the Educator Workforce Investment Grant to provide competitive grants for professional learning opportunities for teachers and paraprofessionals. Grants would be allocated by the Department of Education and the California Collaborative for Educational Excellence to institutions of higher education or nonprofit organizations to provide training and resources for teachers around inclusive practices, social emotional learning, computer science and restorative practices.
- Approves the Governor's May Revision proposal to provide \$36 million in one-time Proposition 98 funding for an additional year of funding for the Classified School Employees Summer Assistance Program. Amend trailer bill language to allow additional funds to be available over three years, increase the minimum salary requirements, and make other technical changes.

- Approves the Governor’s May Revision proposal to dedicate \$15 million in one-time non-Proposition 98 funding for broadband infrastructure in schools. Requires the Department of Education to contract with the Corporation for Education Network Initiatives in California (CENIC) to administer the program and identify broadband connectivity solutions to the most poorly connected school sites.
- Approves the Governor’s May Revision proposal to provide \$13.8 million in ongoing federal funds for the 21st Century California School Leadership Academy, administered by the Department of Education and the California Collaborative for Educational Excellence (CCEE) to provide professional development for school administrators and other school leaders. Approves the May Revision proposal to dedicate \$150,000 in federal funds for one position for CDE and \$200,000 for the CCEE to administer the program.
- Approves the Governor’s May Revision proposal to provide \$10 million in one-time non-Proposition 98 General Fund for the Department of Education to transfer to the University of California for the California Subject Matter Projects. Adopts provisional language requiring the funding to be allocated to the nine projects as follows: \$1.75 million each for Writing, Reading and Literature, Mathematics, and Science, with the balance split equally among the remaining five projects.
- Defers to the policy process the Governor’s proposed trailer bill language related to charter school enrollment. The proposed trailer bill language would prohibit charter schools from discouraging students from enrolling in a charter school or encouraging students to disenroll from a charter school on the basis of academic performance or student characteristic, or from obtaining specified student information prior to enrollment. Also the proposed trailer bill language requires CDE to conduct a study on the feasibility of using student enrollment data from the California Longitudinal Pupil Assessment Data System to identify potential instances of practices that discourage students from enrolling in charter schools.
- Approves the Governor’s proposed funding level for CDE’s state operations, including:
  - \$1.778 million in ongoing non-Proposition 98 General Fund and 13 positions for increased workload associated with the expansion of early education programs.
  - \$279,000 in one-time General Fund for the Instructional Quality Commission to update content standards and curriculum frameworks for visual and performing arts and world languages and develop model curriculum in ethnic studies.
  - \$213,000 in one-time non-Proposition 98 General Fund to support the revision of the math curriculum framework.

- \$452,000 in ongoing General Fund for three positions to provide technical assistance to districts identified as having poor outcomes for students with disabilities on either the new School Dashboard or under a revised federal formula for monitoring district compliance with special education law.
- \$284,000 non-Proposition 98 General Fund and 2 positions to monitor SBE authorized charter schools in 2019-20 and 2020-21.
- \$207,000 in reimbursement authority to reflect increased student fees that will support CDE's costs associated with administering the California High School Proficiency Examination.
- \$138,000 in ongoing federal funding and one position to review, approve, and provide technical assistance regarding district plans for providing behavioral restraints to students in danger of harming themselves or others. (Pursuant to Chapter 998 of 2018 ([AB 2657, Weber]).
- \$275,000 in ongoing General Fund for two positions to support implementation of the Career Technical Education Incentive Grant Program, which was made ongoing pursuant to Chapter 32 of 2018 (AB 1808, Committee on Budget). Approves provisional language that specifies the availability of this funding is contingent upon the CDE fully supporting no fewer than 6 full-time regional agricultural supervisor positions in the Agricultural Education Unit of the Career and College Transition Division using federal Perkins V Act funding.
- \$271,000 in ongoing General Fund to make two temporary positions permanent to support the development and implementation of state and federal accountability systems.
- \$142,000 in ongoing General Fund for one position to provide technical assistance to county offices of education in developing and implementing local inter-agency plans for the care of foster youth, pursuant to Chapter 815 of 2018 (AB 2083, Cooley).
- \$105,000 in ongoing General Fund to provide one additional position to review the waivers districts submit when they experience a reduction in student attendance or loss of instructional days due to natural disasters or other emergencies.
- \$53,000 in one-time General Fund to develop best practices for reviewing and approving school safety plans and post these on CDE's website, pursuant to Chapter 806 of 2018 (AB 1747, Rodriguez).
- Rejects the Governor's May Revision proposal related to the federal McKinney-Vento Act funding. Instead provides \$480,000 in ongoing federal McKinney-Vento Act funding for three additional positions within CDE for homeless student coordinators.

- Provides \$2.177 million for the Fremont School for the Deaf middle school activity center project and reverts existing authority for the construction phase of the project.
- Approves the Governor's May Revision proposal to provide \$178,000 (\$154,000 ongoing) to support maintenance of the California School Dashboard and the School Accountability Report Card.
- Approves \$3.6 million in one-time Proposition 98 funding for Inglewood Unified School District and \$514,000 for Oakland Unified School district, pursuant to AB 1840 (Chapter 426, Statutes of 2018).
- Adopts trailer bill language to exempt a school district with average daily attendance of more than 400,000 from administrator to teacher ratio penalties (calculated pursuant to Education Code Section 41404) for the 2019-20 through 2021-22 fiscal years. Add language requiring annual reporting on the administrator to teacher ratio calculation for each year a school district receives a waiver under this provision, including historical information for past years and the school district's plan to meet the ratio requirements over time.
- Includes \$3 million in one-time Proposition 98 funding for the Breakfast After the Bell grant program.
- Approves \$2 million in Proposition 98 funding for instructional and operational costs in the 2019-20 fiscal year and to assist SoCal ROC in transitioning to a fee supported funding model.
- Approves the Governor's May Revision proposal to provide \$1 million in one-time non-Proposition 98 funding over four years for the State Board of Education to establish a Computer Science Coordinator. Transfers this funding to the CDE instead of the State Board of Education.
- Approves the proposed funding for the Governor's May Revision proposal to provide \$500,000 in one-time non-Proposition 98 funding to create a workgroup to increase the ability of schools to draw down federal funds for medically related special education services and improve transition of three-year olds with disabilities from regional centers to schools. Amends the provisional language and adopts placeholder trailer bill language to broaden the scope of the workgroup to include recommendations and best practices for drawing down federal funds for medical services for all students, including the Medi-care Early and Periodic Screening, Diagnosis, and Treatment program and improving collaboration between the Department of Education and the Department of Health Care Services.

- Approves the Governor’s proposed trailer bill language to extend the hold-harmless funding provisions to school districts and charter schools that experienced attendance losses as a result of the 2018 wildfires through 2020-21. Also approves the Governor’s proposal to backfill wildfire affected basic aid school districts for property tax losses in 2018-19 and 2019-20.
- Approves the Governor’s proposed trailer bill language to backfill Special Education programs for 2018-19 and 2019-20 to the extent that property tax revenues from Redevelopment Agency dissolution is not sufficient to cover the appropriation in the 2018 and 2019 Budget Acts for Special Education.
- Approves the Governor’s proposed settle-up payment of \$686.6 million with changes to the distribution to align with the Assembly Proposition 98 package.
- Approves the Governor’s May Revision proposal to provide \$8.5 million of E-rate subsidies received by the K-12 High Speed Network to support their operating budget for 2019-20.
- Rejects the Governor’s May Revision proposed trailer bill language to provide an exemption to the postretirement compensation limitations for certain positions at school districts that have received an emergency appropriation from the state, if certain requirements are met.
- Approves the proposed trailer bill language that expands the Uniform Complaint Procedures to include complaints of non-compliance with required minimum instructional minutes for physical education for grades 9 to 12. This change conforms to the existing process for grades 1 to 8.
- Approves the Governor’s proposed trailer bill language to improve transparency and comparability by requiring that local indicators reflect school site-level data, if it is currently collected statewide by CDE.
- Approves the proposed trailer bill language to extend the deadline for the development of the SELPA assurances support template by one year, to give CDE additional time to consider stakeholder input. This change requires adjusting the deadline by which SELPA’s must submit the assurances support plan to align it with the development of the template.
- Approves the Governor’s proposed trailer bill language to reinstate the reference to 2017-18 in the section relating to the calculation of out-of-home-care funding rates for the 2017-18 through the 2019-20 fiscal years.

- Approves the Governor’s proposed trailer bill language that adds the Cal Grant: Opt-Out Notice and Grade Point Average Submission mandated program to the K-12 mandate block grant and allocates \$300,000 to the block grant for this program. Approves other technical adjustments to the K-12 mandate block grant.
- Approves the Governor’s January budget proposal to provide \$350,000 one-time Proposition 98 funding for the State Board of Education to contract with the San Joaquin County Office of Education to merge the Dashboard, LCAP electronic template, and other local school site and school district reports into a single web-based application.
- Approves the Governor’s proposed trailer bill language to require the SDE to contract with the San Joaquin County Office of Education to provide ongoing maintenance for the California School Dashboard and School Accountability Report Card.
- Provides \$150,000 ongoing non-Proposition 98 General Fund for CDE to allocate to the California Association of Student Councils to provide leadership development opportunities for financially disadvantaged students.
- Approves the proposed trailer bill language to expand the list of non-waivable sections of law to include all Education Code sections that pertain to the LCFF apportionment calculations. Apportionment statutes are not subject to waiver by the State Board of Education.
- Approves the May Revision proposed trailer bill language to make technical amendments to clarify the schoolsite council requirements for schools and local educational agencies, in line with the provisions of Chapter 471, Statutes of 2018 (AB 716).
- Approves the Governor’s May Revision proposal to provide \$754,000 in one-time reappropriations for CDE’s external legal costs.
- Adopts various federal fund adjustments and other technical changes proposed in the Governor’s May Revision.

### **Commission on Teacher Credentialing**

- Adopts the Governor’s proposed trailer bill language related to teacher misassignment monitoring, with the following modifications:
  - Makes county offices of education the monitoring authority for all charter schools
  - Requires that the misassignment monitoring system be designed to ensure that all teachers hold the correct credential or permit for their positions, including teachers employed at charter schools

- Provides protections for probationary teachers who object to their misassignment
  - Clarifies that all teaching assignments are subject to missassignment monitoring, including assignments held by contract employees
  - Other changes as reflected in AB 1219 (Jones-Sawyer).
- Provides \$2 million in one-time funding (\$1.2 million in 2019-20 and \$800,000 in 2020-21) from the Test Development and Administration Account (TDAA) reserve account and an ongoing allocation of \$136,402 from the TDAA for one permanent full-time education consultant to expand California's educator performance assessment system into special education.
  - Approves the Governor's May Revision proposal to shift \$52,000 and 3 positions from existing resources at the Office of the Attorney General's legal services to the CTC to continue to investigate teacher discipline cases prior to submitting them to the Office of the Attorney General, which represents the CTC at teacher discipline hearings administered by the Office of Administrative Hearings.

### **Office of Public School Construction**

- Approves the Governor's proposal to release \$1.5 billion in Proposition 51 bond funds in 2019-20, an increase of \$906 million from 2018-19, for school construction projects that have been approved and are awaiting funding. Approves the Governor's proposal to provide \$1.2 million in ongoing Proposition 51 bond funds for 10 positions for the Office of Public School Construction to support the increased workload.

### **Early Childhood Education**

- Provides \$163 million in ongoing funding (\$150.2 million General Fund and \$12.8 million federal funds) for 16,527 alternative payment child care vouchers and \$100 million in ongoing General Fund for 6,172 General Child Care slots in order to increase access to subsidized child care for low-income families.
- Approves the Governor's proposal to provide additional funding for the Full-Day Kindergarten and Preschool Facilities Grant program, with the following modifications:
  - Reduces the grant amount from \$600 million to \$200 million in one-time non-Proposition 98 General Fund to be used over 3 years.
  - Expands eligibility to include facilities for LEAs to expand full-day State Preschool programs.

- Approves the Governor's proposed trailer bill language to prioritize schools converting part-day to full-day Kindergarten programs and allow for any remaining grant funding to be used for other one-time costs to implement the full-day kindergarten program.
- Rejects the Governor's proposed trailer bill language to increase the state share of the facility grant from 50 percent to 75 percent.
- Amends the trailer bill language to ensure that the Full-Day Kindergarten and Preschool Facilities Grant program is an incentive program and does not impact a district's eligibility in the School Facility Program.
- Adopts the following actions related to State Preschool:
  - Approves the Governor's May Revision proposal to provide 10,000 full-day State Preschool slots for non-LEAs beginning April 1, 2020. Allocates \$31 million in ongoing non-Proposition 98 General Fund in 2019-20 and approximately \$125 million in 2020-21 to annualize these additional slots.
  - Adopts trailer bill language to expand eligibility for the State Preschool program to include all families that live in a school attendance area where 80 percent or more students qualify for Free or Reduced Price Meal (FRPM).
  - Approves the Governor's proposed trailer bill language to eliminate the work requirement for full-day State Preschool, to be refined as necessary.
  - Approves the Governor's proposal to shift Proposition 98 funding for part-day State Preschool at non-local educational agencies to the non-Proposition 98 General Fund.
- Approves the Governor's proposal to provide \$245 million in one-time non-Proposition 98 General Fund for the Early Learning and Care Infrastructure Grant Program. Adopts placeholder trailer bill language to align with AB 452 (Mullin) and make the following modifications:
  - Transfers all funding in the Child Care Facilities Revolving Loan Fund into the Early Learning and Care Infrastructure Grant Program as of December 31, 2019.
  - Allows the Department of Education to use up to 5 percent of the grant funding to contract with financial intermediaries in order to provide technical assistance and support to grantees.
  - Other changes as necessary.

- Approves the Governor’s proposal to provide \$245 million in one-time non-Proposition 98 General Fund for the Early Learning and Care Workforce Development Grants Program. Approves the Governor’s May Revision proposed trailer bill language with additional modifications to align with AB 324 (Aguiar-Curry).
- Approves the Governor’s proposal to contract with a research entity to develop recommendations for future investment in the state’s system of subsidized child care and early learning for children birth to age five, with the following amendments: 1) Reduce total funds to \$5 million; 2) Require the SBE to convene stakeholders (including designees from the Governor's Office, Senate, and Assembly) to recommend priority areas of study related to gaps in the current research; 3) Require reporting to Department of Finance with notification to JLBC on selected studies and costs before expenditure of funds for research studies; 4) Of the \$5 million total, provide \$1 million each for a study on facilities arrangements and a study on child care and accessibility per the Legislative Analyst’s May Revision recommendations; 5) Extend the reports to include care for children ages 0-12, with a focus on those ages 0-5; 6) Remove the exemptions to the regular contracting process. Additionally, provides \$2.25 million in ongoing General Fund to establish the Early Childhood Policy Council to continue and build on the work of the Assembly Blue Ribbon Commission on Early Childhood Education. Adopts placeholder trailer bill language for the Council including a parent advisory committee and a workforce advisory committee in order to advise the Governor, Legislature and Superintendent on working toward the recommendations outlined in the Blue Ribbon Commission report and other ECE planning processes.
- Adopts trailer bill language to establish a single regionalized state reimbursement rate system for subsidized child care and preschool based on the cost of providing care in different settings, recognizing regional cost differences and providing incentives for increased quality. Provides \$45 million in 2019-20 (\$21.6 million General Fund and \$23.4 million Proposition 98) and \$88 million in ongoing funding toward increasing rates under the new single reimbursement rate system.
- Adopts placeholder trailer bill language and provides \$47 million in ongoing General Fund for the Emergency Childcare Bridge Program for Foster Children to provide additional access to early care and education services for abused and neglected children. Specifically, the funding will be provided for the following purposes:
  - \$38 million to expand the amount of funding available to counties to be able to provide additional vouchers to children in care,
  - \$5 million to support additional navigators who are working to find child care for foster children, and,

- \$4 million to deliver additional trauma-informed training for child care providers as they care for foster children in their local early childhood programs.
- Rejects the Governor's May Revision proposal to provide \$12.8 million in federal funds to create the Emergency Child Care Diversion Pilot Program.
- Rejects the Governor's proposal to use \$80.5 million in Proposition 64 funding for alternative payment child care vouchers. Instead dedicates \$80.5 million in Proposition 64 funding to increase rates for the After School Education and Safety (ASES) program (the plan also provides \$163 million General Fund for alternative payment slots, as discussed above).
- Provides an additional \$2 million in ongoing General Fund to support the Department of Education's Early Learning and Care Division in implementing the investments made for early childhood education in the 2019-20 budget.
- Provides \$30 million in one-time General Fund for CDE to improve data collection, including \$16 million to begin a state program reporting system for state-funded ECE programs, \$10 million to improve local strategic planning councils, and \$4 million for provider organization information collection. Adopts placeholder trailer bill language.
- Adopts trailer bill language to provide the following exceptions for alternative payment programs in meeting the 14 day notice to a child care provider of a change in reimbursement: 1) an increase in work hours, 2) a decrease in income resulting in a decrease in their family fee and 3) a request to change child care providers due to safety, quality or other concerns from the parent.
- Adopts trailer bill language to allow alternative payment programs to pay providers up to the maximum certified hours, instead of the actual days and hours of attendance, in order to support providers that serve families with variable work schedules.
- Adopts the Governor's May Revision proposed COLA and caseload adjustments. Approves other technical adjustments including the Governor's May Revision federal fund adjustments.

## HIGHER EDUCATION

### University of California

- Approves the Governor's Budget proposal to provide \$119.8 million ongoing General Fund to support operational cost increases;
- Approves the Governor's Budget proposal to provide \$15 million ongoing General Fund to support student basic needs, and adopts budget bill language to require UC to work with the Department of Social Services to assess the effectiveness of CalFresh and other state agencies in addressing student food and housing insecurity. Require UC to report to the Department of Finance and all relevant policy and fiscal committees of the Legislature regarding their findings and recommendations as well as information they learned from their workgroup meetings pursuant to the Welfare and Institutions Code Section 18928 by November 1, 2019. Adopt TBL to require UC to report by March 1, 2020 on use of funds, including the amount distributed to campuses, amount of funds used to address housing insecurity, amount of funds used to address food insecurity, types of programs the campuses invested in, number of Cal Fresh referrals and other resources to address housing insecurity, and outcomes.
- Approves the Governor's Budget proposal to provide \$10 million ongoing General Fund to support 2018-19 enrollment growth beyond the enrollment target.
- Approves the Governor's Budget proposal to provide \$5.3 million ongoing General Fund to support student mental health services.
- Provides \$2 million ongoing and \$3 million one-time of Proposition 63 state administration fund to support student mental health services.
- Approves the Governor's Budget proposal to provide \$40 million ongoing General Fund to expand graduate medical education and end the shift of Proposition 56 funds.
- Approves the May Revision proposal to provide \$3.5 million ongoing General Fund to support rapid rehousing, and placeholder trailer bill language defining rapid rehousing, directing campuses to develop agreements with local agencies with rapid rehousing expertise, and allows funding to be spent on rapid rehousing, student assessment, housing-related financial assistance, housing stabilization services, and administrative costs.
- Rejects the Governor's Budget proposal to provide \$49.9 million ongoing General Fund for academic quality activities.

- Provides \$45.3 million ongoing General Fund to support 2019-20 enrollment growth, and budget bill language setting enrollment targets of 2,500 additional California undergraduate students and 1,000 graduate students.
- Provides \$4.6 million ongoing General Fund to support equal employment opportunity practices.
- Provides an augmentation of \$95 million one-time General Fund.
- Rejects the Governor's Budget proposal to provide \$15 million one-time General Fund to UC Extension programs to support degree completion.
- Amends the May Revision proposal to provide \$3.5 million one-time General Fund to the UCSF Dyslexia Center Pilot Program by creating the University of California and California State University Collaborative for Neurodiversity and Learning, with placeholder trailer bill language creating the program.
- Approves the Governor's Budget proposal to provide \$138 million one-time General Fund to support deferred maintenance projects, and budget bill language to require the Department of Finance to notify the Joint Legislative Budget Committee regarding the list of projects and the associated costs 30 days prior to allocation of funds. Additionally, adopts supplemental reporting language directing UC to submit a report by January 1, 2021 to ensure its academic facilities are well maintained. The maintenance plan shall include estimates of annual spending, need, total amount of the backlog, and how much it would cost to eliminate the backlog. Additionally, the report shall provide an update regarding seismic safety issues across campuses, the cost to address it, and a timeline and plan on how to address it.
- Provides \$50 million one-time General Fund to create a seismic retrofit pilot program, and placeholder trailer bill language creating the program. The program will allow campuses to use this funding if they provide philanthropic or other matching funds.
- Approves the May Revision proposal to provide \$25 million one-time General Fund to address unfunded liability in the UC Retirement Program, but adds budget bill language making this funding contingent on UC agreeing to withdraw its bargaining demand a defined contribution plan be offered to represented employees with currently open contracts.
- Approves base funding beginning in 2020-21 to allow UC to reduce nonresident enrollment to 10% of the undergraduate student body by 2029-30.

- Provides \$1.9 million one-time General Fund to maintain the Statewide Database and provide public access to redistricting software.
- Approves budget bill language to reappropriate faculty diversity funds until June 30, 2022 and California Vector-Borne Disease Surveillance Gateway funds until June 30, 2021.
- Approves placeholder trailer bill language to include UC programs in the annual report on systemwide and presidential initiatives.
- Approves the May Revision proposal to adjust the Research Account, Cigarette and Tobacco Products Surtax Fund to reflect estimated revenue.
- Approves the Governor's Budget proposal to provide \$1 million ongoing General Fund to the UC Davis Firearms Violence Research Center.
- Approves the May Revision proposal to provide \$1.7 million ongoing General Fund for immigration legal services.

**California State University**

- Approves the Governor's Budget proposal to provide \$45 million ongoing General Fund to support the Graduation Initiative. Adds \$30 million in one-time General Fund to support the Graduation Initiative.
- Approves the Governor's Budget proposal to provide \$147.8 million ongoing General Fund to support compensation increases.
- Approves the Governor's Budget proposal to provide \$62 million ongoing General Fund to support 2% enrollment growth, and budget bill language setting enrollment targets of 7,295 additional California undergraduate students.
- Approves the Governor's Budget proposal to provide \$45.4 million ongoing General Fund to support mandatory cost increases.
- Provides \$3.3 million ongoing General Fund to support Project Rebound. This conforms to action taken in Assembly Budget Subcommittee No. 5 on Public Safety.
- Approves the May Revision proposal to provide \$6.5 million ongoing General Fund for rapid rehousing, and placeholder trailer bill language defining rapid rehousing, directing campuses to develop agreements with local agencies with rapid rehousing expertise, and allows funding to be spent on rapid rehousing, student assessment, housing-related financial assistance, housing stabilization services, and administrative costs.

- Approves budget bill language directing CSU to use \$35 million to hire full-time, tenure-track faculty above and beyond the CSU's 11,228 current tenure-track faculty. The CSU shall give consideration to qualified existing lecturers that apply for tenure-track faculty positions. CSU shall use best practices related to equal employment opportunity practices in hiring strategies. The CSU shall report to the Legislature, no later than November 1, 2020, and then beginning November 2021 and every two years thereafter until funds are fully allocated, on how the funding allocated in this provision was spent to increase the number of tenure-track faculty. In addition, the CSU shall provide the Legislature a plan for allocating the new moneys to campuses and their expected hiring amounts by October 2019. Also includes budget bill language directing CSU to use evidence-based Equal Employment Opportunity practices to improve faculty diversity so that it more reflective of the student population.
- Approves the Governor's Budget proposal to provide \$247 million one-time General Fund to support deferred maintenance and child care center projects, and budget bill language to require the Department of Finance to notify the Joint Legislative Budget Committee regarding the list of projects and the associated costs 30 days prior to allocation of funds. Additionally, adopts supplemental reporting language directing CSU to submit a report by January 1, 2021 to ensure its academic facilities are well maintained. The maintenance plan shall include estimates of annual spending, need, total amount of the backlog, and how much it would cost to eliminate the backlog. Additionally, the report shall provide an update regarding seismic safety issues across campuses, the cost to address it, and a timeline and plan on how to address it.
- Approves the Governor's Budget proposal to provide \$15 million one-time General Fund to support basic needs partnerships, and adopts budget bill language to require CSU to work with the Department of Social Services to assess the effectiveness of CalFresh and other state agencies in addressing student food and housing insecurity. Requires CSU to report to the Department of Finance and all relevant policy and fiscal committees of the Legislature regarding their findings and recommendations as well as information they learned from their workgroup meetings pursuant to the Welfare and Institutions Code Section 18928 by November 1, 2019. Adopts trailer bill language to require CSU to report by March 1, 2020 on use of funds, including the amount distributed to campuses, amount of funds used to address housing insecurity, amount of funds used to address food insecurity, types of programs the campuses invested in, number of Cal Fresh referrals and other resources to address housing insecurity, and outcomes.
- Amends the Governor's Budget and May Revision proposals to support a new campus study. The action provides \$4 million one-time General Fund for a new campus study by directing CSU to also consider sites in San Joaquin County, Chula Vista, Palm Desert, and San Mateo County.

- Approves the May Revision proposal to provide \$740,000 one-time General Fund support the First Star Foster Youth Cohort at CSU Sacramento.
- Provides \$3 million ongoing and \$5 million one-time from Proposition 63 state administration account to support student mental health services.
- Provides \$3 million one-time General Fund to establish the Center for Closing the Achievement Gap.
- Approves May Revision trailer bill language to align the vesting period for the United Auto Workers (CSU bargaining unit 11) CSU employees' health and dental benefits with recently approved collective bargaining agreements with the employees. Specifically, the proposal increases the vesting period for retiree health and dental benefits for new employees hired after July 1, 2019 from five years to ten years.
- Approves May Revision trailer bill language to authorize the California Public Employees Retirement System to provide retiree census data to the CSU to enable CSU to contact the employees to inform them about benefits (dental, vision, and group legal services) available to them during the open enrollment period. This authority is currently available to the Department of Human Resources. Sensitive personal information will not be exchanged.
- Approves Governor's Budget trailer bill language to allow CSU to apply remaining proceeds, approximately \$11 million, from its share of four General Obligation bonds towards CSU Los Angeles- physical sciences building renovation project. The proceeds are from the 1996, 2002, 2004, and 2006 Higher Education Capital Outlay Bond Funds. This project was selected by the Administration to address fire life safety and code deficiencies at the facility, including outdated elevators and inadequate fire alarm and suppression systems.

### **California Community Colleges**

- Reduces spending on the online college by \$15 million ongoing and \$50 million one-time Proposition 98 General Fund. This leaves the college with \$5 million ongoing and \$50 million one-time.
- Approves the Governor's Budget proposal to provide a second year of tuition waivers for first-time, full-time students – the College Promise Program. Approves the May Revision adjustment to the cost of this proposal, to \$42.6 million ongoing Proposition 98 General Fund.

- Makes the following changes to the funding formula:
  - Caps performance funding at 10% of the formula.
  - Caps the growth in performance funding for a college at 10%.
  - Approves the Governor's Budget proposal to change the definition of a transfer student.
  - Extends the hold harmless period by one year, through 2021-22.
  - Directs the funding formula oversight committee to review instructional service agreements and make recommendations on funding for these students by January 1, 2020.
  
- Approves the Governor's Budget and April Finance Letter supporting 15 new projects and 15 continuing projects using Proposition 51 bond funding. Also approves 24 new projects and 5 continuing projects.
  
- Provides \$40 million ongoing Proposition 98 General Fund to increase the hiring of full time faculty. Also requires colleges to use Equal Employment Opportunity best practices when hiring.
  
- Provides \$17.3 million ongoing Proposition 98 General Fund to increase part time faculty office hours.
  
- Provides an augmentation of \$3 million ongoing Proposition 98 General Fund for the Puente program.
  
- Provides an augmentation of \$2 million ongoing Proposition 98 General Fund for the Umoja program.
  
- Approves \$38.6 million one-time Proposition 98 General Fund to support deferred maintenance projects.
  
- Provides \$10 million ongoing and \$12 million one-time Proposition 63 state administration fund to support student mental health services.
  
- Provides an augmentation of \$10 million ongoing Proposition 98 General Fund for veterans resource centers. Also provides \$1 million one-time Proposition 98 General Fund each to expand the Norco College VRC and the San Bernardino Valley College VRC, and \$2 million one-time Proposition 98 General Fund to expand the Mira Costa College VRC.

- Provides \$1 million one-time Proposition 98 General Fund each to Imperial Valley, Fresno, Bakersfield, Norco, San Bernardino, Modesto community colleges to improve workforce development programs.
- Provides \$2 million for relocation and expansion of the Palo Verde College Child Development Center.
- Provides \$3.4 million one-time Proposition 98 General Fund to support the creation of a basic needs/veterans resource center at Sacramento City College.
- Provides \$10 million one-time Proposition 98 General Fund to support a rapid rehousing pilot program.
- Provides \$20 million one-time Proposition 98 General Fund to support student basic needs.
- Provides \$4.6 million one-time Proposition 98 General Fund to support Dreamer Resource Centers.
- Makes numerous caseload, revenue and cost-of-living adjustments.
- Approves the Governor's Budget proposal for \$435,000 General Fund one-time for the Chancellor's Office to support an external contract to staff the Student Centered Funding Formula Oversight Committee.
- Approves the Governor's Budget proposal for \$135,000 ongoing General Fund and one new position for an Information Security Officer at the Chancellor's Office, to provide increased security capacity.
- Approves the May Revision proposal for \$381,000 General Fund to support three positions (two accounting positions, and one technical assistant position to monitor districts' fiscal health).
- Approves the Governor's Budget proposal for \$10 million Proposition 98 General Fund ongoing starting in 2019-20 to provide immigrant legal services through approved providers at the Department of Social Services (DSS).
- Approves trailer bill language allowing a Field Act exemption for a community college complex operated by a public agency or nonprofit corporation.
- Approves trailer bill language for CCC and CSU to align state law with recently enacted amendments to the federal Veterans Access, Choice, and Accountability Act of 2014

(VACA Act), which require institutions to exempt students accessing federal Vocational Rehabilitation and Employment benefits from paying nonresident tuition and fees.

- Approves trailer bill language moving a LAO reporting date up to February 2020 for the Community College Baccalaureate Pilot Program.
- Approves the Governor's Budget and May Revision proposals for \$5 million General Fund one-time for the Chancellor's Office to create a Student Success Awareness Team to support colleges in communicating with students information about the California College Promise, college costs, career and transfer pathways, and the Associate Degree for Transfer program.

### **California Student Aid Commission**

- Approves the Governor's Budget proposal to increase competitive Cal Grants by 4,250 over the current year, and adds 40,000 more competitive Cal Grants. This increases the number of competitive Cal Grant awards to 70,000, providing needy California students with a much greater chance of entering the program.
- Approves placeholder trailer bill language to amend the competitive Cal Grant scoring system to award more points to applicants with dependent children, thereby increasing the odds that student-parents will receive a competitive Cal Grant.
- Rejects the Governor's Budget proposal to create a new access award for student parents.
- Supports a new summer Cal Grant program, which will provide aid to Cal Grant students in the summer without impacting their 4 years of eligibility for the program.
- Creates the Cal Grant B Service Incentive Grant Program. The program would provide Cal Grant recipients at the three public segments and private non-profit institutions who are not eligible for federal work study programs with non-tuition aid of up to \$1,500 per semester or \$1,000 per quarter for performing at least 150 hours per semester or 100 hours per quarter of community or volunteer service.
- Approves placeholder trailer bill language to remove statutory language limiting AB 540 students' access to the competitive Cal Grant program. This action will allow AB 540 students the same opportunity at a competitive Cal Grant as other students.
- Approves placeholder trailer bill language to allow students with two years of California high school or community college to pay in-state tuition.

- Rejects the May Revise proposal to create the Teacher Service Credit Scholarship Program with \$89.8 million one-time General Fund. Instead establishes the Golden State Teacher Grant Program with the funding. The program will award one-time grant funds of up to \$20,000 to students in educator preparation programs with their commitment to teach in a subject area impacted by the teacher shortage. The student must commit to teach for four years in the high-need subject area after the student receives their teaching credential. The subject areas are: Bilingual Education, Special Education, Science, Technology, Engineering and Math (STEM).
- Modifies the May Revision proposal to provide \$50 million one-time General Fund support the Child Savings Account grant program at the Student Aid Commission. Approves the program and funding level, but adopts placeholder trailer bill language directing the commission to distribute half of the money to local programs and use half of the money to create a state program in partnership with the state Scholarshare Investment Board.
- Augments the Cal SOAP program by \$10 million one-time General Fund.
- Approves May Revision caseload adjustments for Cal Grant, Middle Class Scholarship and other aid programs.
- Approves the Governor's Budget proposal for \$6.2 million one-time General Fund for the second year of the implementing the Grant Delivery System.
- Approves the Governor's Budget proposal for \$390,000 General Fund in 2019-20 and \$290,000 General Fund ongoing starting in 2020-21, and an increase of three permanent positions at CSAC.
- Approves the May Revision proposal for \$5 million General Fund one-time to educate student loan borrowers about their loans, lending practices, and available repayment options.
- Approves the May Revision proposes trailer bill language to extend the timeframes by one-year for private non-profit postsecondary institutions to meet associate degree for transfer (ADT) admissions to maintain the maximum Cal Grant award of \$9,084.

### **Hastings College of Law**

- Approves the Governor's Budget proposal for a \$1.4 million General Fund ongoing increase to Hastings budget. The Governor links the General Fund augmentation to an expectation that Hastings not increase tuition in 2019-20.

- Approves the May Revision proposal for an increase of \$594,000 to support the implementation of the UC Payroll, Accounting, Timekeeping, and Human Resources system (UC PATH). UC PATH is a UC program to implement a single payroll, benefits, human resources and academic personnel solution for all UC employees.
- Approves the Governor's Budget and May Revision proposals for \$1 million one-time General Fund for deferred maintenance. The May Revision amends the BBL specifying that in addition to deferred maintenance projects, this funding is also available for replacement of instructional equipment and technology.

### **California State Library**

- Approves the Governor's Budget proposal for \$1 million, one-time local assistance General Fund appropriation for the Zip Books project, which provides for easily accessible online purchasing and convenient shipping of library books to ensure timely and cost-effective access to information in California's hard-to-reach and underserved communities.
- Approves the Governor's Budget proposal for \$1 million one-time General Fund to support the Lunch at the Library program. This funding will be distributed as follows: \$675,000 for local library grants start-up costs, \$210,000 for program staff, \$25,000 for conference travel and supplies, and \$90,000 for overhead.
- Approves an April Finance Letter proposing \$641,000 General Fund in 2019-20 and \$391,000 in 2020-21 and ongoing to implement AB 2252 (Limon, Chapter 318, Statutes of 2018). AB 2252 required the California State Library to create a funding opportunities Internet Web portal that provides a centralized location for grant seekers to find state grant opportunities, as specified.
- Approves the May Revision proposal for \$500,000 one-time to provide support for the preservation of historical LGBTQ sites.
- Approves the May Revision proposal for \$3 million one-time General Fund to support grants to local library jurisdictions to acquire bookmobiles and vans.
- Approves the May Revision proposed trailer bill language to extend the sunset date for the revenue transfer supporting the California State Law Library Special Account from January 1, 2020 to January 1, 2025.
- Approves the May Revision proposal for \$5 million one-time General Funds provide grants for early learning and after school programs to library jurisdictions with low per capita library spending.

- Approves the May Revision proposal for \$1,737,000, of which \$700,000 is one-time, to support 3 positions that would establish a team providing digital concierge archival services for state entities and conduct a statewide survey to inventory cultural heritage assets.
- Provides \$75,000 one-time General Fund for an oral history project to document the history of legislative caucuses.

**Subcommittee No. 3  
on Resources and Transportation**

**Assemblymember Richard Bloom, Chair**

## RESOURCES & ENVIRONMENTAL PROTECTION

Subcommittee 3 took a number of actions to address challenges in the area of natural resources, environmental protection, energy, and transportation. Some of the major actions that Subcommittee 3 took this year include:

**Wildfire recovery and response.** Subcommittee 3 approved a number of proposals intended to aid in the state's ability to respond and assist locals during these wildfires incidents. This includes establishing a permanent debris removal unit at CalRecycle and an emergency response unit at the State Water Resources Control Board. Subcommittee 3 resources for wildfire and emergency response with provisional language to ensure the departments responsible for fuel reduction projects are coordinating on these activities. The Subcommittee made modifications to the wildfire proposals related to utilities complying with their wildfire mitigation plans and only approved the funding related to safety and enforcement for two years as opposed to ongoing. The Subcommittee also adopted placeholder trailer bill language to provide an opportunity to consider if the proposed framework is appropriate for these new activities.

**Safe and affordable drinking water.** Many Californians do not have access to safe drinking water and must rely on purchasing water and hauling it into their homes. A sustainable framework is needed to permanently solve this crisis. There are a number of policy bills currently being considered by the Legislature, as such, Subcommittee 3 is deferring to the policy bill process on creating a Safe and Affordable Drinking Water Program (SADW).

**Protecting public health from hazardous waste.** DTSC is facing a budget shortfall in the current year. In addition to fiscal issues, DTSC also faces criticisms over their long permit processing times, poor enforcement, and delayed site remediation. Sub 3 approved the budget year funding for DTSC and adopted placeholder trailer bill language to improve transparency and accountability at DTSC.

**Cap and Trade.** Subcommittee 3 adopted a \$1.4 billion Cap and Trade Expenditure plan that upholds the Assembly's commitment to investing in programs that address air pollutants, mitigation and resilience, and low carbon transportation.

**Improving DMV.** Sub 3 modified the Administration's proposal for Operational Improvements at the DMV and approved the expenditure of \$200 million (\$242 million proposed) to fund all existing and recently hired staff, and new hires that are underway; and fund all proposals for customer service improvements, operational improvements, and IT improvements. This approach holds back roughly \$40 million and the equivalent of 400 positions requested by the Administration. The Assembly will provide oversight in the upcoming budget year and hold DMV accountable to agreed-upon performance metrics and will work closely with DMV to provide additional resources if it has effectively implemented the resources it has been given.

Other actions taken in Sub 3 are detailed below.

### **Air Resources Board**

- Approves an increase of \$1 million Air Pollution Control Fund to reimburse the Attorney General's Office for the defense of civil lawsuits brought against the CARB and for the enforcement cases brought by CARB to address statutory and regulatory violations.
- Approves 1.0 permanent position and \$91,000 from the Air Pollution Control Fund in fiscal year 2019-20 and \$181,000 in 2020-21 to develop and implement the requirements of SB 104 (Chapter 369, Statutes of 2018).
- Approves \$19.36 million Air Quality Improvement Fund one-time for the Air Quality Improvement Program grant program. The additional funds will further contribute to the Truck Loan Program, which assists small business truck owners with replacing their trucks to reduce air toxics, criteria and climate pollutants, and comply with the statewide Truck and Bus Regulation.
- Approves \$1.9 million from various state transportation-related funds and 15 positions for three years, and \$195,000 and one position ongoing thereafter to implement SB 1 (Chapter 5, Statutes of 2017).
- Approves \$1,326,000 from the Air Pollution Control Fund for three years and seven permanent full-time positions to meet existing regulatory, planning, and incentive commitments for innovative technologies to cut emissions from freight equipment such as ships, locomotives, harbor craft, cargo handling equipment, and transport refrigeration units.
- Approves \$1.9 million Air Pollution Control Fund and 10.0 positions phased in over three years to review and certify medium and heavy-duty engines, vehicles, and trailers to the newly adopted California Phase 2 Greenhouse Gas (GHG) Regulations.
- Approves \$3.4 million Greenhouse Gas Reduction Fund and five positions to address workload associated with implementation of SB 1260 (Chapter 624, Statutes of 2018), including smoke monitoring, forecasting, reporting, and modeling capabilities to support a significant increase in prescribed burn projects. The funds include \$595,000 in one-time equipment costs and \$2 million for three years in local assistance funding.

### **Natural Resources Agency**

- Approves various adjustments including reappropriations, reversions, reversions with associated new appropriations, and baseline appropriation adjustments to continue implementation of previously authorized programs.

- Approves \$8,404,000 from various funds to perform digital conversion of paper records across multiple departments under CNRA.
- Approves \$500,000 from the Lake Tahoe Science and Lake Improvement Account for a scientific study that will identify the causes of Lake Tahoe clarity decline, future climate change impacts on water quality, and recommended actions for addressing these issues.
- Approves \$45 million in one-time General Fund for multiple agencies to address their most critical deferred maintenance projects. The Department of Parks and Recreation requests \$34 million, the Department of Forestry and Fire Protection requests \$6 million, the California Conservation Corps requests \$1 million, the California Tahoe Conservancy requests \$1 million, and Exposition Park requests \$3 million in deferred maintenance funding.
- Approves various bond appropriations and technical reappropriations, reversions, reversions with associated new appropriations, and baseline appropriation adjustments to continue implementation of previously authorized programs.
- Includes various technical adjustments as a result of increases from the unallocated Account Cigarette and Tobacco Products Surtax fund that offset General fund expenditures pursuant to Fish and Game Code Section 2796.
- Approves \$1 billion and 15.5 new position across multiple departments to continue development and implementation of Proposition 68 bond programs. Includes provisional language guiding the expenditure of \$70 million for voluntary settlement agreements.
- Approves \$2M for the Marine Mammal Center to conduct rescue and research efforts.
- Approves \$10M for a statewide public research collaboration on conservation genomics.

### **California Environmental Protection Agency**

- Approves various technical adjustments, reappropriations, and baseline appropriation adjustments to continue implementation of previously authorized programs.
- Decreases Item 0555-001-0028 by \$1 million to reflect updated revenue projections for the Unified Program Account. This one-time reduction in expenditure authority is necessary given a delay in the collection of planned fee increased. Once fees are fully implemented, revenues are expected to fully cover the cost of the program by 2020-2021. This one-time reduction will allow the Agency to control its expenditure levels to match current revenues.
- Includes various technical adjustments as a result of increases from the unallocated Account Cigarette and Tobacco Products Surtax fund that offset General fund expenditures pursuant to Fish and Game Code Section 2796.

- Approves \$985,000, six positions, and supplemental reporting language to implement process improvements within CalEPA. These positions will provide strategic planning leadership, improve internal and external communications, and enhance the coordination of departmental policies at the Agency level.

### **Department of Toxic Substances Control**

- Approves an increase of \$750,000 General Fund on a one-time basis to complete the design of a storm water system upgrade project in the City of Jackson in Amador County.
- Approves \$452,000 split evenly between the Hazardous Waste Control Account (HWCA) and Toxic Substances Control Account (TSCA) (\$226,000 each) in 2019-20 and \$555,000 HWCA and TSCA (\$277,500 each) ongoing thereafter to purchase and install security software to remain compliant with the Department of Technology and state regulations and remediate information security risks.
- Approves \$27.5M to backfill the HWCA in 2019-20 and adopt placeholder trailer bill language to create fee task force and other changes to improve transparency and accountability to the Department. Reject \$18.5M General Fund in 2020-21 and 2021-22.
- Approves \$2,578,000 and two positions for the planning and project implementation phases of the Cost Recovery Management System information technology platform upgrade project. And adopts provisional language to make release of \$2,284,000 of the requested funds contingent upon: (1) approval of Stage 4 PAL documents by California Department of Technology and the Department of Finance; and, (2) written notification to the Joint Legislative Budget Committee that the project has received these approvals.
- Approves a loan of \$24.5 million from the General Fund to the Toxic Substances Control Account to complete cleanup activities at residences, schools, parks, day care centers, and child care facilities near the Exide Technologies, Inc. lead-acid battery recycling facility in the City of Vernon.
- Approves a loan of \$50 million one-time General Fund to the Toxic Substances Control Account to accelerate the cleanup of additional properties within 1.7 miles of the Exide Technologies facility in Vernon.
- Approves trailer bill language to exempt federal agencies from the advanced payment requirement in Health and Safety Code Section 25205.7(a)(2).
- Reappropriates the \$2M General Fund allocated in the Budget Act of 2017 for DTSC to provide a local assistance grant to convert the Laguna Nueva School site into a park.

**Department of Fish and Wildlife**

- Approves the realignment of the Fish and Game Preservation Fund dedicated (FGPF-D) accounts and add \$150,000 from the Fish and Game Preservation Fund (FGPF), Native Species Conservation and Enhancement Account resulting in a \$2.248 million overall increase, to better align the FGPF-D account's expenditure authority with revenues, ensure the accounts remain structurally balanced, and provide resources to the Department's Lands Visitor Pass Program.
- Approves \$9.384 million in reimbursement authority over three years for grants from the Sacramento-San Joaquin Delta Conservancy. The Proposition 1 grants provide supplemental funding to the Department's Nutria Eradication and Control Program to expand field operations and eradicate the highly invasive, semi-aquatic rodent from the State.
- Approves \$2 million Environmental License Plate Fund one-time to fund the completion of the service-based budget review, service-based budget tracking system, and final legislative report due January 15, 2021. This project, which was initiated in Fiscal Year 2018-19, will institute a system that will: (1) better describe the Department's program activities to the legislature and the public; (2) identify gaps in funding needs for programs compared to the mission-based level of service; (3) inform future budget proposals; and (4) develop a service based budgeting tool that will allow for budget planning and reporting to control agencies, the legislature and the public.
- Approves \$1,629,000 General Fund on a three year limited term basis to replace vehicle-mounted and handheld radios for Wildlife Law Enforcement Division officers.
- Approves \$1,949,000 General Fund and 10 positions, and \$1,624,000 ongoing thereafter, to fund a program to eradicate nutria, a highly invasive, non-native, semi-aquatic rodent.
- Approves \$369,000 from the Fish and Game Preservation Fund-State Duck Stamp Account for minor projects in the Shasta Valley and Gray Lodge Wildlife Areas.
- Approves 1,058,000 from the Environmental License Plate Fund annually for four years to implement the Open and Transparent Water Data Act.
- Approves \$325,000 General Fund to fulfill its contractual obligation to the United States Department of the Interior, Bureau of Land Management under an existing Recreation or Public Purposes Lease.
- Approves 15 positions and \$3,483,000 (\$1,483,000 General Fund and \$2,000,000 Timber Regulation and Forest Restoration Fund) in 2019-20, \$3,042,000 annually through 2023-24, and 1,042,000 annually thereafter to implement SB 901 (Chapter 626, Statutes of 2018).

- Approves \$6M pursuant to Section 80132(d) of the Public Resources Code for habitat restoration and protection.
- Reappropriates the \$5 million for the Winter Rice Habitat Incentive Program and include budget bill language to extend the encumbrance period to 3 years. The \$5 million for the Winter Rice Habitat Incentive Program was appropriated in the Budget Act of 2018.

### **Department of Water Resources**

- Approves five permanent positions and two-year limited-term reimbursable authority of \$1,089,000, which will be reimbursed by the Sacramento Area Flood Control Agency (SAFCA). This request will allow the CVFPB to add a section in its Operations Branch dedicated to enforcing encroachments in conjunction with SAFCA and the United States Army Corps of Engineers.
- Approves \$2,200,000 General Fund one-time and \$2,000,000 annually thereafter to fund 6.1 existing positions and consulting costs to continue efforts to implement the California Statewide Groundwater Elevation Monitoring (CASGEM) program and maintain and enhance the CASGEM operating system and the Online System for Well Completion Reports.
- Approves \$522,000 one-time (\$266,000 in State Operations General Fund and \$256,000 State Water Project funds) for Department of General Services expenses related to the relocation of the state/federal Joint Operations Center.
- Approves \$5.1 million General Fund in 2019-20, approximately \$2 million in 2020-21 and 2021-22, \$1.7 million in 2022-23, and \$1.5 million annually thereafter for the implementation of AB 1668 (Friedman, Chapter 15, Statutes of 2018) and SB 606 (Hertzberg, Chapter 14, Statutes of 2018).
- Approves \$5 million Proposition 84 to support 7.2 existing positions and fund development, rehabilitation, acquisition and restoration related to providing public access to recreation and fish and wildlife enhancement resources at Perris Dam, a SWP facility.
- Approves \$92 million one-time (\$73 million Proposition 68 and \$19 million Proposition 1) to implement multi-benefit flood improvement projects.
- Approves \$25 million Proposition 68 one-time to implement multi-benefit urban flood risk reduction improvement projects, and support existing staff and contract work needed to carry out the projects.
- Approves the reappropriation of the Proposition 1 funding for Salton Sea Management Plan state operations and capital outlay.

- Approves \$1.625 million ongoing from the Dam Safety Fund and 6 positions to incorporate Risk Informed Decision Making into the California Dam Safety Program. Also forgives the remaining three years of \$1.625 million annual payback of the General Fund loan made in 2017-18 to offset dam safety fee impacts to dam owners. The total balance of \$4.875 million from the original \$6.5 million loan.
- Redirects the \$25 million from Proposition 68 (PRC 80145 (a)(1)(A)) included in the Governor's Budget for a number of multi-benefit urban flood risk reduction improvement projects to instead fund the weir improvements and associated ecosystem restoration for the Oroville Wildlife Area Project.
- Approves 1,058,000 from the Environmental License Plate Fund annually for four years to implement the Open and Transparent Water Data Act.
- Approves 22 permanent positions and \$4.4 million (\$2.6 million General Fund and \$1.8 million Waste Discharge Permit Fund) in fiscal year 2019-20, \$4.1 million in 2020-21, \$3.5 million annually through 2023-24, and \$1.8 million annually thereafter to address workload associated with implementation of SB 901.

### **State Water Resources Control Board**

- Approves four positions, \$2.7 million General Fund in 2019-20, and \$717,000 annually thereafter for the implementation of AB 1668 (Friedman, Chapter 15, Statutes of 2018) and SB 606 (Hertzberg, Chapter 14, Statutes of 2018).
- Approves \$1.7 million from the Water Rights Fund and \$572,000 from the General Fund for 9.0 permanent positions to establish an Administrative Hearings Office, which will provide administrative hearing officers and supporting staff to preside over administrative hearings in water right enforcement actions and prepare proposed decisions.
- Approves technical bond adjustments including new appropriations, re-appropriations, reversions, and re-directions for various bond-funded programs.
- Approves six permanent positions and \$1,104,000 from the Safe Drinking Water Account to increase staffing in the Northern and Southern California Field Operations Branches to resolve the backlog of sanitary surveys.
- Approves \$837,000 in 2019-20 and \$782,000 annually thereafter from the Safe Drinking Water Account for an interagency agreement with the California Department of Public Health to meet the primacy agreement with the United States Environmental Protection Agency and, in support of those activities, meet new laboratory standards.
- Approves one permanent full time position, and \$350,000 in General Fund to collaborate with the Department of Social Services in the development of lead regulations for day

care facilities, develop and implement guidance documents for day care facilities, parents and staff for sampling protocol, create means for the electronic submittal of lead data and provide a response to lead level exceedances.

- Approves \$1.1 million Environmental License Plate Fund in 2019-20, followed by \$175,000 Safe Drinking Water Account for three years to implement SB 1422 (Chapter 902, Statutes of 2018).
- Approves \$924,000 General Fund to implement SB 966. Specifically, one-time \$500,000 General Fund in contracting costs to form an expert panel to develop risk-based log reduction targets for removal of pathogens to protect public health.
- Approves \$10 million Petroleum Contamination Orphan Site Cleanup Fund one-time for orphan site cleanup grants. The local assistance funds will be available for encumbrance until June 30, 2022 and liquidation of encumbrance until June 30, 2025.
- Approves three permanent positions and \$525,000 Waste Discharge Permit Fund spending authority annually in fiscal year 2019-20, six additional permanent positions and \$1,612,000 Waste Discharge Permit Fund spending authority ongoing annually to implement SB 1215 (Chapter 982, Statutes of 2018).
- Approves \$730,000 General Fund to support four permanent positions to implement AB 2501 (Chapter 871, Statutes of 2018).
- Approves continued spending authority of \$1 million from the Timber Regulation and Forest Restoration Fund, for fiscal year 2019-20 for local assistance grants to implement forest restoration as provided for in AB 1492 (Blumenfield, Chapter 289, Statutes of 2012).
- Decreases Item 3940-101-0001 by \$20 million to reflect the changes made in Chapter 1, Statutes of 2019 (AB 72), which accelerated this local assistance funding into the current year to address emergency drinking water needs.
- Approves \$1.052 million for the support of six permanent positions to establish an emergency preparedness and response unit needed to improve the capabilities of the State Water Board and the nine regional Water Quality Control Boards to prepare for and respond to disasters.
- Approves \$386,000 and 2 positions, for the Water Board to assume regulatory responsibility for federal Safe Drinking Water Act requirements in Inyo County. The Water Board is the designated primacy agency for implementing the Act, and delegates primacy to certain counties to regulate systems below 200 service connections. The Water Board informed Inyo County in February 2019 that it failed to meet requirements under its delegation agreement, which has now been revoked.

- Approves placeholder trailer bill language to address water quality coming across the border.
- Approves \$1M General Fund for Interim Water Storage Tanks, Hauled Water, and Permanent Well Replacements/Repair, \$2M General Fund to cover planning costs for recovery from 2017 and 2018 wildfires, and \$10M General Fund for SWRCB to provide emergency funding to water and wastewater service providers serving disadvantaged communities for the following purposes: (1) to evaluate, address and repair the failure of critical components of a collection or treatment system; (2) to fund critical operation & maintenance activities that are cost prohibitive considering the population and median household income of the community served by the system. Authority should be granted to SWRCB to allocate up to \$25,000 based on a verbal commitment so that initial response measures do not have to wait for full cost estimates or contract development.
- Approves \$20m for safe drinking water emergencies and for grants and contracts to provide administrative, technical, operational, or managerial services to designated water systems to support compliance with current drinking water standards. Set aside the proposed \$4.9M in General Fund Item 9901 (Various Departments) pending future agreement on a Safe and Affordable Drinking Water Program. Defer the creation of a Safe and Affordable Drinking Water Program to the legislative bill process.

### **California Conservation Corps**

- Approves the reappropriation from the Public Buildings Construction Fund to extend the liquidation period of the construction phase of the Delta Service District Center project for a new residential facility located in San Joaquin County to June 30, 2020.
- Approves the reappropriation of \$1.6 million General Fund for the preliminary plans phase of the Auberry Residential Center project for a new residential facility located in Fresno County, and \$22.573 million General Fund for the construction phase of the Auburn Campus project to replace the kitchen, multipurpose room, and dorm at its existing residential center located in Placer County.
- Approves \$358,000 one-time (\$208,000 General Fund, \$150,000 Collins Dugan Reimbursement Account) and \$108,000 ongoing starting 2020-21 (\$63,000 General Fund, \$45,000 Collins Dugan Reimbursement Account) to fund one Associate Governmental Program Analyst position and one-time programming costs (\$250,000 in 2019-20) to address the additional workload generated by new reporting requirements codified in omnibus trailer bill SB 854 (Chapter 51, Statutes of 2018).
- Approves \$808,000 General Fund for working drawings to renovate the existing Fortuna Residential Center, which was constructed in 1992 in Humboldt County. This renovation project will add a multipurpose facility to meet programmatic needs as well as address functional and structural deficiencies.

- Approves \$3,745,000 General Fund for working drawings to replace the existing Greenwood Residential Center in El Dorado County, which was constructed in the 1980s, to address structural and functional deficiencies.
- Approves \$1,194,000 General Fund for the working drawings phase of this project to renovate the existing Los Pinos facility located in Orange County, which was built in 1966, to address structural deficiencies and meet the functional needs of a new residential center.
- Approves \$3,550,000 General Fund for the working drawings phase of this project to replace the existing Ukiah Residential Center in Mendocino County, which was built in the 1930s, to address functional and structural deficiencies.
- Reappropriates of \$279,000 from the Public Buildings Construction Fund for the acquisition phase of the Tahoe Base Center: Equipment Storage Relocation project.
- Approves two ongoing positions 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.
- Approves \$4,454,000 General Fund one-time and \$4,352,000 General Fund in 2020 -21 and ongoing, and two positions to implement the Forestry Corps Program and the operation of four Forestry Corps crews consistent with AB 2126 (Chapter 635, Statutes of 2018).

### **Delta Protection Commission**

- Approves \$15 million General Fund one-time and two positions (5 year-limited-term) to cover the costs of the Woolsey Fire.

### **Wildlife Conservation Board**

- Approves trailer bill language to extend the sunset of the Habitat Conservation Fund by 10 years, to January 1, 2030.

### **Delta Stewardship Council**

- Approves an extension of liquidation to June 30, 2021, for \$1.1 million General Fund (approved as a part of the 2016 Budget Act) to review the Delta Plan and develop high-priority Delta Plan amendments, where necessary.

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

- Approves one position on a three-year limited term basis to implement the Lower Los Angeles River Recreation and Park District as authorized by SB 1374 (Lara, Chapter 486, Statutes of 2016).

**Department of Forestry and Fire Protection**

- Approves trailer bill language to establish the CalFire Infrastructure Projects Revolving Fund to enhance its ability to undertake agency-retained infrastructure improvement projects.
- Approves a number of reversions and new appropriations and reappropriations. This is a net-zero cost BCP.
- Approves the reappropriation of \$1.6 million General Fund for the Preliminary Plans phase of the Auberry Residential Center project for a new residential facility located in Fresno County, and \$22.573 million General Fund for the Construction phase of the Auburn Campus project to replace the kitchen, multipurpose room, and dorm at its existing residential center located in Placer County. Reappropriation is necessary to ensure funding is available to continue these projects.
- Approves a supplemental appropriation in the amount of \$7.343 million for the construction phase of this continuing project to relocate an auto shop facility at CalFire's San Mateo-Santa Cruz Unit Headquarters. This is to address cost increases resulting from increased labor and material costs, as well as increased costs associate with the current condition in the construction service market in Santa Cruz County.
- Approves \$139,000 in Safe Energy Infrastructure and Excavation Fund on a two year limited-term basis to implement Assembly Bill 1914 (Chapter 708, Statutes of 2018).
- Approves \$425,000 General Fund one-time for the acquisition of five planning unit/properties (Pit River/Tunnel Reservoir, Battle Creek, Cow Creek, Lake Spaulding & Bear River) from Pacific Gas and Electric Company, which will serve to enhance CalFire's existing network of Demonstration State Forests.
- Approves the reversion of the existing funding authority, and approval of new appropriations (resulting in a net-zero cost), for the following projects to provide for the continued encumbrance of funds throughout the life of the projects without requesting additional reappropriations.
- Approves \$200,000 one-time from the Environmental License Plate Fund for consultant work to prepare several full Project Management Plans that will facilitate a Delta National Heritage Area Management Plan in support of the Delta Plan.

- Approves \$3.2 million General Fund and 7.8 positions ongoing to implement Assembly Bill 1129 (Chapter 377, Statutes of 2015).
- Approves \$4.2 million General Fund one-time and budget bill language for the estimated increase in workers' compensation and overtime costs resulting from Senate Bill 334 (Chapter 857, Statutes of 2017) and SB 1144 (Chapter 897, Statutes of 2018).
- Approves \$9.5 million General Fund and 22.3 permanent positions in 2019-20, with additional staff in subsequent years, to build capacity in its Technical Services Unit to undertake projects and effectively repair and maintain over 2,000 structures across its 530 facilities statewide.
- Approves \$3.6 million General Fund ongoing to increase the state's overall fire prevention efforts and to reduce the influx of illegal fireworks within the state. This proposal seeks to resolve the long-standing issue of disposal of illegal and dangerous fireworks that are seized and stockpiled throughout the state and provides a stable, long-term funding source to support the increasing demands for fireworks education, enforcement, and disposal.
- Approves \$2,650,000 General Fund one-time for the preliminary plans phase to replace the Butte Conservation Camp, in Butte County. Butte Fire Center was constructed in the mid-1940s and no longer meets current operational requirements.
- Approves \$975,000 General Fund one-time for the preliminary plans, working drawings, and construction phases of this project to construct two metal storage buildings. These buildings will replace the existing warehouse at the Davis Mobile Equipment Facility in Yolo County and will house 12 fire engines.
- Approves \$1,800,000 General Fund one-time for the acquisition phase to replace the Elsinore Fire Station in Riverside County. The Elsinore Fire Station built in 1946 has functional deficiencies and is not large enough to properly house both equipment and employees. The apparatus building is inadequate to accommodate the larger fire engines currently in use.
- Approves \$3,050,000 General Fund one-time for the preliminary plans phase to replace the existing Growlersburg Conservation Camp in El Dorado County, which no longer meets programmatic needs.
- Approves \$1,931,000 General Fund one-time for the preliminary plans phase to replace the existing Hemet-Ryan Air Attack Base in Riverside County, which no longer meets programmatic needs.
- Approves \$12,150,000 General Fund one-time for the acquisition phase to relocate the existing Hollister Attack Base and Bear Valley Helitack Base in San Benito County, which no longer meets programmatic needs.

- Approves \$1,860,000 General Fund one-time for the acquisition phase to relocate the Humboldt-Del Norte Unit Headquarters and the Fortuna Fire Station in Humboldt County, which no longer meets programmatic needs.
- Approves \$5,380,000 General Fund one-time for the construction phase to replace the kitchen/dining facility that was destroyed by fire at the existing state-owned Ishi Conservation Camp in Tehama County.
- Approves \$975,000 General Fund one-time to construct a new administration building at the existing state-owned Boggs Mountain Demonstration State Forest.
- Approves \$975,000 General Fund one-time for the Rohnerville Air Attack Base Fuel System Replacement project. This project would remove the current aviation fuel tank and replace it with an upgraded 25,000 gallon aviation fuel tank and it would also remove and replace the fuel distribution system with a system capable of fueling multiple aircraft at the same time.
- Approves \$851,000 General Fund one-time to construct a new administration building at the existing state-owned Weed Fire Station in Siskiyou County to improve Unit operations.
- Approves \$834,000 General Fund one-time for the construction phase to remodel the Perris Emergency Command Center (ECC) in Riverside County, which has functional deficiencies.
- Approves \$981,000 General Fund one-time for the working drawings phase to replace the Potrero Forest Fire Station in San Diego County, which has functional deficiencies.
- Approves \$1,300,000 General Fund for the working drawings phase to replace the existing Prado Helitack Base in San Bernardino County, which no longer meet programmatic needs.
- Approves \$4,329,000 General Fund one-time for the preliminary plan phase to construct a new joint facility to co-locate the Shasta Trinity Unit Headquarters and several Northern Region Operations - Redding facilities.
- Approves \$4 million ongoing (\$2.5 million General Fund, \$178,000 Greenhouse Gas Reduction Fund, and \$1.3 million in reimbursement authority) and 14 positions to continue a centralized dedicated unit responsible for overseeing a comprehensive program addressing employee and supervisory training on professional conduct, progressive discipline, and administering a standardized investigative process. The original proposal was approved in 2016-17 on a three-year basis.
- Approves \$3.3 million General Fund ongoing to restore proportional capital outlay funding to the six Contract Counties (Los Angeles, Orange, Santa Barbara, Ventura, Kern, and Marin).

- Approves a one-time transfer of \$100,000 from the California Environmental License Plate Fund to support the Office of Professional Foresters Registration. This is a short-term solution while the Board and the Administration continue development of a longer term solution to address the increase in operating costs and decline in revenue, which has led to the structural imbalance of the Professional Forester Registration Fund.
- Approves \$1.1 million State Fire Marshal Licensing and Certification Fund (L&C Fund) and four positions in fiscal year 2019-20 and \$1.1 million L&C Fund and five positions ongoing to support the Office of the State Fire Marshal Fire Engineering and Investigations Division's Licensing and Certification Program.
- Approves the following:
  - 2.2 million (\$531,000 General Fund, \$133,000 Special Fund, and \$1.5 million reimbursements) and eight positions to support the Office of the State Fire Marshal's Fire and Life Safety Division's increased workload.
  - \$500,000 one-time General Fund for an analysis of the Division's fee structure and a contract with the California Attorney General's office to analyze and provide clarity for specific statutory issues that relate to and impact the OSFM's jurisdiction.
  - Trailer Bill Language to help define and clarify the Division's mission and responsibilities.
  - Various technical changes included in the 2018-19 Budget.
- Approves \$15 million to enable CalFire to procure innovative solutions to combat the state's wildfire crisis consistent with Executive Order N-04-19. This includes provisional language to allow for augmentations of this amount up to \$5 million as necessary under specified conditions and other reporting requirements.
- Approves \$730,000 one-time General Fund to complete the revision and certification of the California Vegetation Treatment Program Environmental Impact Report.
- Approves \$10 million Greenhouse Gas Reduction Fund and 24.0 positions ongoing to implement SB 901 (Chapter 626, Statutes of 2018), SB 1260 (Chapter 624, Statutes of 2018), AB 2518 (Chapter 637, Statutes of 2018), and AB 2911 (Chapter 641, Statutes of 2018).
- Approves trailer bill language to remove the cap on the total amount of funds the Air Resources Board may collect for certification of motor vehicles, engines, and trailers sold in the state so that fees are sufficient to cover the cost of implementing required state programs.
- Approves trailer bill language to define and clarify the Office of the State Fire Marshall's Division of Fire and Life Safety's mission and responsibilities.

- Approves \$95.1 million and 228.0 positions starting in 2019-20 for the following purposes:
  - Expanding Firefighting Surge Capacity—Add 13 new year-round fire engines, add five new CCC fire crews, expand fire equipment staffing, and accelerated the replacement of mobile equipment.
  - Supporting Emergency Responders—Expand the Health and Wellness Program for CAL FIRE firefighters, « Improving Use of Technology—Add 100 fire detection cameras and improve CAL FIRE's incident command data analysis.
- Approves the proposed \$816,000 Greenhouse Gas Reduction Fund (GGRF) and two positions for CalFire to review of Utility Wildfire Mitigation Plans on a two year limited term basis.
- Rejects the \$13.1 million for C-130 air tankers and related capital outlay.
- Rejects the \$4,603,000 for a contract for a large air tanker to respond to wildfires during the peak of the fire year and serve as a training platform for the pilots that will operate the federal C-130 air tankers that will be transferred to CalFire from the U.S. Air Force starting in 2020-21.

### **Department of Conservation**

- Approves trailer bill language to require the amount to be deposited into the Surface Mining and Reclamation Account to include any statewide general administrative costs assess to the account for that fiscal year.
- Approves \$1.4 million ongoing from the Federal Trust Fund and a one-time increase of \$250,000 Reimbursement Authority.
- Approves \$5,545,000 in 2019-20, \$2,540,000 in 2020-21, and \$1,327,000 ongoing from the Oil, Gas, and Geothermal Administrative Fund. Funding would be used to continue the development and implementation of Well Statewide Tracking and Reporting (WellSTAR). WellSTAR is a centralized database system to help run operations.
- Approves \$2 million from the Strong Motion Instrumentation and Seismic Hazards Mapping Fund on a two-year limited-term basis and \$500,000 from the same fund in 2020-21. These funds will be used to perform preventive and corrective maintenance to information technology infrastructure and operations.
- Approves the reversion of \$1,142,000 in Proposition 40 that was allocated in the Budget Act of 2016 and the reversion of \$180,000 in Proposition 84 that was allocated in the Budget Act of 2016. Reversion of both of these items of appropriation will prevent over allocation of bond funds since the liquidation period is still valid for an additional two years.

- Approves \$3,170,000 from the Oil, Gas, and Geothermal Administrative Fund to expand the scope and functionality of the Well Statewide Tracking and Reporting (WellSTAR) System.
- Reappropriates the remaining balance of the \$2.5M appropriated in the Budget Act of 2016. The funding was provided for DOC for purposes of local assistance grants to Resource Conservation Districts to help with capacity building.

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

- Approves the extension of liquidation periods of funding for Climate Smart Agricultural programs in the California Department of Food and Agriculture's 2016 Budget Act Greenhouse Gas Reduction Fund appropriation.
- Approves \$3.946 million General Fund one-time for the Performance Criteria Phase of the design-build project to build a new full-service California Animal Health and Food Safety Laboratory System (CAHFS) laboratory in the northern San Joaquin Valley to replace the existing, obsolete CAHFS Turlock laboratory.
- Approves \$4,220,000 General Fund one-time, \$3,901,000 General Fund in 2020-21 and ongoing and 8 positions to initiate the planning and coordination of the workload associated with the California Biodiversity Initiative-A Roadmap for Protecting the State's Natural Heritage. This proposal also includes funding to restart CDFA's noxious weed management program, as well as provisional language to make this funding available for encumbrance or expenditure over a two-year period.
- Approves \$5 million ongoing (\$2,500,000 General Fund and \$2,500,000 Department of Food and Agriculture Fund) and 65 positions to build a dedicated Citrus Pest and Disease Prevention Division within CDFA to enhance Asian Citrus Psyllid and Huanglongbing detection, suppression and eradication activities throughout the state.
- Approves \$3,000,000 General Fund one-time to address critical structural deficiencies at the Hawaii Fruit Fly Rearing Facility and the Plant Pest Diagnostic Center in Sacramento.
- Approves \$864,000 in General Fund and \$2.4M in special fund for a number of activities as listed in CDFA's "Various Technical Adjustments" budget change proposal.
- Approves \$3.5 million General Fund one-time to CDFA to supplement CDFA's Pesticide Alternatives Grant program and to revitalize the Biologically Integrated Farming Systems (BIFS) Program to provide training and demonstration projects for Integrated Pest Management.

- Reappropriates funding included in the 2018 Budget Act to suppress diseases associated with the Shot Hole Borer Invasive Beetle. The Department engaged stakeholders on a plan to utilize these funds and a reappropriation is necessary to provide sufficient time to develop and issue a request for proposal and award contracts in fiscal year 2019-20.
- Includes provisional language to reflect a transfer of \$18,637,000 from the General Fund to the Fair and Exposition Fund.
- Approves \$4,513,000 and 14 positions to support the first year of implementation of Proposition 12, the Farm Animal Confinement Initiative of 2018, which establishes new standards for confinement of specified farm animals and bans the sale of noncomplying products. These resources will support registration and certification activities, compliance activities, program administration, and information technology consultant services for project planning and system development.
- Approves \$3,336,000 and 23 positions to address current and continued threats to animal health, food supply, and the economy posed by the virulent Newcastle Disease and other diseases and natural disasters. Specifically, these resources will be utilized to establish teams that will coordinate and respond to current and future threats to animal health.
- Approves \$700,000 and 1 position to provide produce safety technical assistance and education to California farmers to support their compliance with the Federal Food Safety Modernization Act. This team will assist growers in complying with the Act and will also support in food safety outbreak post-response activities.
- Approves trailer bill language to amend Food and Agriculture Code Section 224(g) to authorize CDFA to retain a portion of the remaining Unclaimed Gas Tax funding, upon agreement by the agricultural commissioners and the Secretary, for purposes of implementing jointly developed priority agricultural program spending.
- Approves trailer bill language to revise the geographic definition of the Healthy Stores Refrigeration Grant Program.

### **Department of Pesticide Regulation**

- Approves \$446,000 DPR Fund and 3 positions in 2019-20 and \$646,000 for ongoing costs annually thereafter. These resources will support additional information technology security and administrative needs.
- Approves one permanent Environmental Scientist position and \$136,000 DPR Fund annually for two years to implement Chapter 720, Statutes of 2018 (AB 2816). AB 2816 requires DPR to submit a report to the Legislature, by January 1, 2021, to evaluate the

implementation and the effect of the implementation of the Healthy Schools Act (HSA) and provide recommendations to improve the implementation and efficacy of the HSA.

- Approves \$2.225 million General Fund one-time to DPR to contribute additional resources to the Pest Management Research Grant Program and facilitate a cross-sector work group that will identify, evaluate, and develop safer practical, and more sustainable alternative pest management tools for California growers.

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

- Approves \$985,000 Integrated Waste Management Account for a waste characterization study during calendar year 2020. Of the total, \$715,000 is to characterize and quantify the types and amounts of materials disposed in processing, transfer, and disposal facilities statewide, and \$270,000 is to characterize and quantify the types and amounts of targeted materials generated by targeted sectors.
- Approves \$241,000 various special funds and two permanent positions to meet increased workload in the Human Resource Program to administer the hiring and recruitment program for increased staffing needs and to ensure fair and equal hiring.
- Approves \$152,000 Integrated Waste Management Fund and one permanent full-time position to implement SB 1335 (Chapter 6, Statutes of 2018). This bill requires CalRecycle to develop criteria via regulations to define reusability, recyclability, and composability of food service packaging and to publish a list of acceptable food service packaging products used by state-owned food facilities on its website.
- Approves \$304,000 various special funds and two permanent, full-time positions to respond to increasing state information security mandates and to address the increased workload of security audits.
- Approves \$1.4 million Pharmaceutical and Sharps Stewardship Fund and 10.0 positions, and \$1.2 million ongoing beginning in 2022-23 to implement SB 212 (Chapter 1004, Statutes of 2018). This proposal includes a loan of \$1.8 million from the Electronic Waste Recovery and Recycling Account to the PSSF. This loan would provide adequate cash flow to support all direct appropriations charging to the fund until the administrative fee authorized by SB 212 can be collected by CalRecycle.
- Approves \$2,782,000 and 21.5 positions for CalRecycle to establish a dedicated team to help facilitate timely, safe, and effective debris removal operations as well as to assist local governments in the preparation of Debris Removal plans for future incidents.
- Approves trailer bill language to provide temporary assistance for certified recycling centers.

**Office of Environmental Health Hazard Assessment**

- Approves an increase of \$500,000 General Fund ongoing to pay for defense of civil lawsuits brought against OEHHA, primarily but not limited to its actions as lead agency for purposes of the Safe Drinking Water and Toxics Enforcement Act of 1986 (Proposition 65).
- Approves \$982,000 in Greenhouse Gas Reduction Fund (including \$350,000 for contracts) and 4.0 permanent positions to support the California Air Resources Board, local air districts, and impacted communities to implement AB 617 (Chapter 136, Statutes of 2017).

**California Tahoe Conservancy**

- Approves the reversion of \$9.064 million, and a new appropriation for the same amount, and an additional \$1.534 million in reimbursement authority for increased construction costs for the Upper Truckee River and Marsh Restoration project to address seismic and aquatic invasive species issues.
- Approves \$600,000 from the Proposition 68 funds for a study of proposed alternatives, environmental review, and better understand the costs associated with improving public access and site resilience to climate change.
- Approves \$322,000 one-time (\$222,000 Proposition 40 and \$100,000 Lake Tahoe Conservancy Account) for conceptual and feasibility planning for future capital outlay projects.
- Approves \$1 million (\$204,000 Tahoe Conservancy Fund, \$322,000 Habitat Conservation Fund, and \$480,000 Proposition 84) for various capital outlay projects to secure previously acquired property, and complete upgrades on developed facilities to meet Americans with Disability Act requirements.
- Approves \$7 million (\$5 million Proposition 68, \$1.6 million Reimbursements, and \$397,000 Habitat Conservation Fund) for the acquisition of environmentally sensitive or significant resource areas.

**Santa Monica Mountains Conservancy**

- Approves \$1.5 million in reimbursement authority to accommodate a grant from the Regional Forest and Fire Capacity Program.
- Approves \$15 million General Fund one-time and two positions (5 year-limited-term) to cover the costs of the Woolsey Fire.

**Sierra Nevada Conservancy**

- Approves authority of \$180,000 and reimbursement authority of \$8.3 million for the Sierra Nevada Conservancy Fund and two positions.
- Approves a reduction in its current reimbursement line item under the Environmental License Plate Fund from \$1.457 million to \$1,000 along with a reduction of two positions.
- Approves the initiation of a one-time cash transfer of \$1.45 million from the Environmental License Plate Fund to the Conservancy Fund.
- Approves budget bill language to allow the Conservancy Fund authority to be used for support or local assistance.

**State Coastal Conservancy**

- Approves \$52,000 from the California Sea Otter Fund annually for five years. Of this, \$18,000 would be appropriated for support and \$165,000 would be appropriated for local assistance.
- Approves \$2 million from the Violation Remediation Account for coastal resource enhancement and public access projects statewide. Funds would be appropriated for local assistance and capital outlay. Funds are approved to be available for encumbrance through June 30, 2022 and for expenditure through June 30, 2024.
- Approves \$400,000 from the Environmental License Plate Fund and \$1,099,000 from the Water Quality, Supply, and Infrastructure Improvement Fund of 2014 (Proposition 1) for the Conservancy's state operations budget.
- Approves \$5,350,000 from Proposition 68 for local assistance and support. The funds would be used to implement the Conservancy's Lower-Cost Coastal Accommodation Program. Funds are approved to be available for encumbrance through June 30, 2022 and for expenditure through June 30, 2024.
- Approves \$4,040,000 from Proposition 68 for local assistance and support. The funds would be used to implement the Conservancy's West Coyote Hills Conservation Program. Funds are approved to be available for encumbrance through June 30, 2022 and for expenditure through June 30, 2024.
- Approves a one-time transfer of \$10,000,000 from the General Fund into the State Coastal Conservancy Fund and ongoing reimbursement authority to provide a balance in
- the fund to pay upfront costs for various reimbursable grants that the Conservancy receives every year from state, local, and federal agencies, as well as private entities.

The funds would be used exclusively to provide a source of upfront cash for reimbursable expenditures.

### **California Coastal Commission**

- Approves a one-time increase of \$480,000 in reimbursement authority for increased reimbursements from the Department of Transportation associated with an Interagency Agreement related to support of coastal transportation projects.
- Approves \$378,000 Environmental License Plate Fund ongoing and two permanent positions to implement the Coastal Commission's Environmental Justice/Tribal Consultation Program.
- Approves a continuation of \$784,000 Coastal Act Services Fund for two years to provide continued funding for increased operating expenses and business services tasks.
- Approves \$200,000 and budget bill language for external counsel costs related to litigation over the Commission's provision of a defense and indemnification to current and former commissioners in underlying litigation.
- Approves \$130,000 General Fund and 1 position to address increased workload relating to recorded documents, litigation, and an increased number of Public Records Act requests.

### **State Lands Commission**

- Approves \$345,000 (from various funds) ongoing and two positions ongoing to implement its recently adopted Environmental Justice Policy. These resources are intended to support and expand SLC's effort to institutionalize environmental justice considerations into its program planning, development, and implementation decisions.
- Approves \$4 million General Fund one-time to fund unanticipated litigation costs associated with the Venoco LLC and Rincon Island oil and gas decommissioning projects.
- Approves \$525,000 (\$231,000 General Fund, \$52,000 Marine Invasive Species Control Fund, \$210,000 Oil Spill Prevention and Administration Fund, and \$32,000 School Land Bank Fund) and one permanent position in 2019-20 and \$320,000 ongoing (\$141,000 General Fund, \$32,000 Marine Invasive Species Control Fund, \$127,000 Oil Spill Prevention and Administration Fund, and \$20,000 School Land Bank Fund) . The requested resources will be used to address various IT needs.
- Approves \$184,000 School Land Bank Fund and 1.0 permanent position in 2019-20, and \$149,000 annually thereafter. The requested resources would be used to take all action necessary to manage and develop (where appropriate) school lands into a permanent

and productive resource base. The requested position would collaborate with other public agencies that manage forest resources and would be responsible for maintaining and managing the Commission's inventory of forested land.

- Approves \$1,245,000 General Fund one-time, \$777,000 ongoing, and 3.0 positions to fund the Spatially Indexed Records Management System (SIRMS) project. The SIRMS project will provide geo-referenced, digital accessibility to these land ownership records and improve leasing and permitting workflow processes associated with them. SIRMS will assist staff in more efficiently issuing leases and permits, identifying jurisdictional ownership, improving workflows, and eventually, allowing the public to access the historical records electronically.

### **Department of Parks and Recreation**

- Approves a number of liquidation extensions and reappropriations of the grant funding for various park projects.
- Approves \$519,000 annually from the State Parks Protection Fund for two years and four positions to continue efforts of the Community Outreach and California Relevancy and History Pilot Programs.
- Approves \$3 million ongoing from the State Parks and Recreation Fund as well as an ongoing decrease of \$1.925 million in support reimbursement authority starting in fiscal year 2019-20 to support operating expenses associated with the parking citation processing and collection services contract from an appropriation rather than through reimbursements and a deduction of services costs from collected revenues.
- Approves the reversion of the unencumbered balances of existing capital outlay appropriations expiring June 30, 2019 and new appropriations for the continuing projects for these reverted appropriations.
- Approves the withdrawal of three capital outlay projects included in the Governor's Budget. These projects, listed below, are delayed and would not require the originally requested funding in 2019-20.
  - Ocotillo Wells SVRA: Auto Shop Addition
  - San Luis Reservoir SRA: San Luis Creek Ramp Replacement and Parking Improvements
  - Pfeiffer Big Sur SP: Low-Cost Alternative Coastal Lodging
- Approves \$1.8 million reimbursement authority for the construction phase of the Calaveras Big Trees State Park: Campsite Relocation project in Calaveras County. This continuing project includes relocation of approximately five existing campsites to a new location within the Calaveras Big Trees State Park.

- Approves \$397,000 Harbors and Watercraft Revolving Fund one-time for the preliminary plans phase of the Colusa-Sacramento River State Recreation Area (SRA): Boat Launching Facility project in Colusa County. This project will redesign and improve the existing boating support facilities in anticipation of the completion of a new boat ramp. The project includes replacement, relocation, and improvements to the existing boating support facilities, camping facilities, and day-use area as well as installation of utility systems and construction of road and multi-use paths.
- Approves \$2.6 million Proposition 84 bond funds and \$1 million in reimbursement authority for the construction phase of the El Capitan State Beach (SB): Entrance Improvements project in Santa Barbara County. This continuing project addresses safety and operational issues by including construction of an alternate safe route for pedestrians and bicyclists, increased space for today's larger vehicles on the park road and entrance area, replacement of a culvert with a bridge to allow the endangered steelhead trout a barrier free passage, and replacement of the aging and damaged entrance kiosk.
- Approves \$2.5 million Proposition 40 bond funds one-time for the construction phase of the Fort Ross State Historic Park (SHP): Cultural Trail project in Sonoma County. This continuing project includes construction of the Fort Ross Cultural Trail, adding a new trail segment to the California Coastal Trail.
- Approves \$3.9 million General Fund one-time for the preliminary plans phase of the Fort Ross State Historic Park (SHP): Visitor and Educational Improvements project in Sonoma County. This project includes construction of new cabin accommodations, replacement of the water treatment system, accessibility upgrades for the existing kitchen and restroom, demolition of existing cabins for tent camping, stabilization of the historic Lambing Barn, and adaptive rehabilitation of ranch era historic structures for classrooms and interpretive areas
- Approves \$451,000 Off-Highway Vehicle Trust Fund for the Hungry Valley State Vehicular Recreation Area (SVRA): 4x4 Obstacle Course Improvement project in Los Angeles County. This continuing project includes upgrade and enhancement of an existing 4x4 obstacle course at Hungry Valley SVRA
- Approves \$940,000 Harbors and Watercraft Revolving Fund for the construction phase of the Lake Del Valle State Recreation Area (SRA): Boat Ramp Replacement project in Alameda County. This continuing project will replace an existing boat ramp, which is over 40 years old, deteriorating, and a public safety risk due to its extremely slippery surface
- Approves \$1.3 million Proposition 84 bond funds for the construction phase of the Lake Oroville State Recreation Area (SRA): Gold Flat Campground Upgrades project in Butte County. This continuing project will upgrade aged and failing infrastructure, by including 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.

- Approves \$97,000 Off Highway Vehicle Trust Fund for the working drawings phase of the Oceano Dunes State Vehicle Recreation Area (SVRA): Le Sage Bridge Replacement project located in San Luis Obispo County. This continuing project includes rehabilitation of the Le Sage Bridge to provide critical structural improvements and enhanced design features for combined vehicle and pedestrian use.
- Approves \$95,000 Off Highway Vehicle Trust Fund for the working drawings phase of the Oceano Dunes State Vehicle Recreation Area (SVRA): Pismo State Beach (SB) Sediment Track Out Prevention project in San Luis Obispo County. This continuing project includes construction of several dirt track-out prevention measures at park exits to help ensure that dirt from vehicles does not track-out from Oceano Dunes SVRA and Pismo SB onto public roads.
- Approves \$1.3 million Off-Highway Vehicle Trust Fund for the construction phase of the Ocotillo Wells State Vehicle Recreation Area: Auto Shop Addition project located in San Diego County. This continuing project will expand the existing auto shop repair facilities by including construction of an additional and larger repair bay and storage space immediately adjacent to the existing building to accommodate items in the current fleet. Parks must provide safe working conditions for all staff. Currently, Ocotillo Wells SVRA staff are forced to complete maintenance and repairs to vehicles outdoors, unsheltered in the extreme weather conditions found at this desert park.
- Approves \$1.2 million Off-Highway Vehicle Trust Fund for the construction phase of the Ocotillo Wells State Vehicular Recreation Area (SVRA): Holmes Camp Water System Upgrade project in San Diego County. This continuing project includes construction of a new water treatment and distribution system to meet current demand and health department standards, comply with the California Department of Health Services-Drinking Water Field Operations Branch (DHS-DWFOB) Check List of Security Measures for Water Utilities, and provide storage and protection from the desert environment.
- Approves \$423,000 Proposition 84 bond funds for the working drawings phase of the Old Sacramento State Historical Park (SHP): Boiler Shop Renovation project located in Sacramento County. This continuing project includes critical improvements to the historic Boiler Shop in the Downtown Sacramento Railyards. The project will address hazardous material abatement, structural seismic stabilization, and improvements to the building exterior shell, interior core improvements, and related utilities to ensure Boiler Shop is clean and safe
- Approves \$178,000 State Park Contingent Funds for the working drawings phase of the Pfeiffer Big Sur State Park (SP): Low-Cost Alternative Coastal Lodging project in Monterey County. This continuing project includes construction of up to 15 new, lower-

cost alternative lodging cabins along the coast to enhance visitor experience and increase visitation by non-traditional users within Pfeiffer Big Sur SP. Funds for this project will come from the California Coastal Commission (Commission) as a donation of in-lieu mitigation fees totaling \$3,462,000 over the next several years.

- Approves \$181,000 Proposition 40 bond funds for the working drawings phase of the R.H. Meyer Memorial State Beach (SB): El Matador Parking Lot Grading and Expansion project in Los Angeles County. This continuing project includes increasing available parking to help reduce pedestrian and vehicle accidents, installing permanent vault toilets, repairing the beach trail, and reducing beach trail erosion through parking lot grading and the use of more durable yet permeable surfaces.
- Approves \$1.7 million Harbors and Watercraft Revolving Fund for the construction phase of the San Luis Reservoir State Recreation Area (SRA): San Luis Creek Ramp Replacement and Parking Improvements project in Merced County. This continuing project will improve visitor throughput by widening the existing two-lane boat ramp by two lanes, adding a third boarding float, and reconfiguring the parking lot. The project will also upgrade outdated fish cleaning and parking lot lighting systems.
- Approves \$1,740,000 General Fund one-time, and \$1,633,000 General Fund ongoing beginning in 2020-21, and 12 positions to support the increasing fiscal demands, address control agency audits, reduce backlogs, and support new and ongoing departmental operations in the Accounting Services and Business Management Services Sections.
- Approves \$428,000 General Fund ongoing and three positions to patrol, maintain, and develop the California Indian Heritage Center property.
- Approves \$1 million General Fund ongoing for local assistance funding to the California Museum to support the museum's mission to engage and educate the public on California history.
- Approves \$35,000,000 in 2019-20 and 2020-21 from the Off-Highway Vehicle Trust Fund for local assistance program compliance.
- Approves to make permanent \$815,000 in one-time spending authority from the Off-Highway Vehicle Trust Fund originally approved in the Budget Act of 2017. The ongoing funding will support four positions and equipment for the environmental conservation programs and regulatory compliance mandates at Oceano Dunes State Vehicular Recreation Area in San Luis Obispo County.
- Approves a one-time increase in spending authority of \$1,800,000 in Fiscal Year 2019-20 and \$1,700,000 in Fiscal Year 2020-21 from the General Fund to replace aging motorized equipment. The 2019-20 funding will be used to procure two vessels and a fixed-wing aircraft, and the 2020-21 funding will be used to procure two vessels and a type I firefighting apparatus.

- Approves \$4 million ongoing from the State Parks and Recreation Fund to support operating expenses associated with the Department's credit card processing service contract. These contract costs are currently deducted from the revenues collected from credit cards. This proposal would end that process and instead all of the revenue would come directly to the Department and the Department would pay vendors for their operating costs through an appropriation. This change in methodology would result in a net zero impact to the fund.
- Approves the following:
  - \$231,000 one-time from the Public Beach Restoration Fund for a local assistance grant to the City of San Clemente. This grant will fund preconstruction, engineering, and design activities for the U.S. Army Corps of Engineers' Beach Sand Replenishment Project.
  - \$500,000 in reimbursement authority for contributions toward public beach restoration projects by local governments.
  - A net-zero programmatic adjustment for local assistance from the Harbors and Watercraft Revolving Fund.
- Approves the reappropriation of the unencumbered balance of Control Section 6.10 deferred maintenance funding and local assistance grant funding from the Public Beach Restoration Fund.
- Approves \$3,873,000 one-time from the General Fund to enhance its emergency response efforts. This funding will provide multi-band portable radios, two incident command trailers with tow-vehicles, two inflatable rescue boats and rescue paddleboards with a cargo trailer, and flame retardant clothing.
- Approves \$7,900,000 one-time from the General Fund and \$2,800,000 in reimbursement authority from the State Parks and Recreation Fund to begin addressing the wildlife repair costs due to the severe fire damage incurred over the last year. Also includes supplemental reporting language.
- Approves \$35,747,000 one-time in General Fund and \$9,747,000 ongoing in General Fund to offset the below estimate Motor Vehicle Fuel Account transfers to the State Parks and Recreation Fund. This proposal also requests a reversion of \$16,410,000 from the unencumbered balance of Harbors and Watercrafts Revolving Fund local assistance appropriations and the transfer of \$6,000,000 from the Public Beach Restoration Fund to the Harbors and Watercraft Revolving Fund to offset the reduced Motor Vehicle Fuel Account transfers.

**San Francisco Bay Conservation and Development Commission**

- Approves \$1.3 million General Fund ongoing for increased rent costs for their new office location.
- Approves \$127,000 General Fund in 2019-20 for increased leasing costs, which increase annually thereafter, to move to the San Francisco Bay Area Metro Center Regional Headquarters building to co-locate with its regional planning partners.
- Approves \$127,000 General Fund in 2019-20 for increased leasing costs, which increase annually thereafter, to move to the San Francisco Bay Area Metro Center Regional Headquarters building to co-locate with its regional planning partners.

## CAP AND TRADE

### Greenhouse Gas Reduction Fund Expenditure Plan

Adopts a plan to invest \$1.4 billion Greenhouse Gas Reduction Funds in 2019-20 in the following categories.

Investment Category	Amount (in millions)
Air Toxic and Criteria Air Pollutants	\$275
Low Carbon Transportation	\$660
Climate Smart Agriculture	\$45
Healthy Forests	\$200
Waste Diversion	\$25
Integrated Climate Action Mitigation and Resilience	\$185
Climate and Clean Energy Research and Technical Assistance	\$10
<b>Total</b>	<b>\$1,400</b>

Adopts placeholder trailer bill language that codifies the AB 617 provisions currently in budget bill language and that allows the Legislature to weigh in on options the Air Resources Board is currently considering to address the collapse of the Clean Vehicle Rebate Project in 2019-20.

Adopts placeholder provisional language that 1) states that the funding for Low Carbon Transportation would fund pilot projects, demonstration projects, and commercial projects and ports would be eligible for this funding; 2) states that \$1.5 million of the funding for research is for the California Air Resources Board to develop a strategy for all new light-duty vehicles in the State to be zero-emission vehicles, and report to the Legislature by June 30, 2020; 3) states that it is the intent of the Legislature that \$27 million for workforce and development training will be funded out of the Alternative and Renewable Fuel and Vehicle Technology Program; 4) states that certain funding shall not be allocated for the purchase of fully automated cargo handling equipment; and 5) gives the Department of Finance the authority to reduce allocations for certain programs, while maintaining budgeted funding levels for other programs to ensure that funding for certain programs is prioritized and would be cut last in a shortfall scenario.

## TRANSPORTATION

### California State Transportation Agency

- Approves for the Office of Traffic Safety an increase to its federal budget authority, to align its budget with the amount of funding it expects to receive from the National Highway Traffic Safety Administration over the next five years. \$34.7 million was approved for 2019-20.
- Approves \$3 million from the Public Transportation Account to fulfill the requirements of SB 1029 (McGuire, Chapter 934, Statutes of 2018) which requires CalSTA to conduct an assessment of the North Coast Railroad Authority (Authority) to determine the most appropriate way to dissolve the authority and dispense with its assets and liabilities.

### California Transportation Commission

- Approves \$551,000 for three permanent positions and \$1.1 million for eight two-year limited-term positions for increased workload associated with the Road Repair and Accountability Act of 2017 (SB 1), SB 103 (Chapter 95, Statutes of 2017), and SB 1328 (Chapter 698, Statutes of 2018).
- Converts \$122,000 of The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Proposition 1B) funding in the CTC's budget to State Highway Account (SHA) and Public Transportation Account (PTA) funding.
- Reduces the CTC's reimbursement authority by \$276,000.

### California Department of Transportation

- Approves \$2.0 billion in Road Maintenance and Rehabilitation Account (RMRA) funding for local and capital funding for transportation projects consistent with SB 1. The request includes position authority for 333 Maintenance and 13 new permanent Equipment Program positions. The Caltrans support request includes \$28.8 million ongoing resources and \$26.8 million limited-term resources.
- Adopts a Capital Outlay Support program budget of \$1.9 billion. This includes funding for the full time equivalent of 10,353.8 positions. Of this amount, 8,886.6 are Caltrans full time equivalent positions (\$1.5 billion), 441.4 full time equivalent positions for cash overtime (\$53 million), and 1,031.8 full time equivalent positions for contracting out for Architectural and Engineering services (\$266.2 million).

- Approves \$85.5 million for Project Initiation Documents for 429.4 positions and the equivalent of 20 full time positions for 5 percent of funding for contracting out for A&E services.
- Adopts placeholder trailer bill language to approve the repayment of:
  - \$236 million (this amount was already going to be repaid in 2019-20, but under the Administration's proposal would *not* count as part of Proposition 2), and
  - \$873 million in loaned weight fees would be repaid in 2019-20 instead of in 2020-21 as required by current statute.
- Approves the technical closure of seven transportation-related funds and intra-schedule transfers of resources and staff to continue the implementation of previously authorized programs. In addition, adopts trailer bill language to abolish the Local Transportation Loan Account and the Transportation Deferred Investment Fund.
- Approves \$828,000 State Highway Account funds and an overall increase of 10 positions for the Office of the Inspector General (OIG). Also, transfers resources from existing Caltrans' audit programs to the OIG. Finally, adopts placeholder trailer bill language that clarifies the OIG's authority.

### **High-Speed Rail Authority**

- Approves for the California High-Speed Rail Authority (HSRA) 35 permanent positions and \$4.5 million (Proposition 1A) to shift certain administrative and contract management responsibilities from its Rail Delivery Partner to state staffing resources.
- Approves five permanent positions and \$2.2 million in 2019-20 and \$1.53 million from the High-Speed Passenger Train Bond Fund (Proposition 1A) on an ongoing basis to improve the HSRA information technology (IT) security program.
- Approves five permanent positions and \$2.2 million from Proposition 1A to enhance Information Technology (IT) operational capabilities and acquire licensing and maintenance agreements required to support the cloud infrastructure.

### **Board of Pilot Commissioners**

- Approves a baseline funding increase of \$286,000 from the Board of Pilot Commissioners' (BOPC) Special Fund to cover increased support and training costs as follows:
  - \$100,000 for increased California Highway Patrol administrative support costs;
  - \$15,000 for the State Controller's Office to audit their services;
  - \$10,000 for a contract investigator;

- \$65,000 for pay increases for various positions; and,
- \$96,000 for an increase to the training stipend amount.

### **Department of Motor Vehicles**

- Adopts the following Motor Vehicle Account package in order to maintain a reasonable reserve over the next five years, keeps costs lower by continuing the past practice of funding critical CHP and DMV office replacements on a cash basis, makes a significant supplemental pension payment (SPP) in 2019-20, and directs the Administration to develop a 10 year plan for the MVA to ensure adequate funding in the future for the State's priorities for the DMV, CHP and Air Resources Board (ARB). The proposal consists of the following actions:
  - Approve DMV's capital outlay proposals as budgeted for the following projects:
    - Inglewood Field Office Replacement Reversion (-\$15.1 million)
    - Perimeter Security Fences Reversion (-\$9.9 million)
    - Reedley Field Office Replacement (\$1.2 million)
    - Walnut Creek Field Office Relocation (lease) (\$1.0 million)
  - Approves cash funding for the CHP's capital outlay proposals for El Centro and San Bernardino Area Offices and rejects the Administration's proposal to revert funding for these projects.
  - Approves CHP's capital outlay proposals as budgeted for the following projects:
    - Hayward Area Office Replacement Reversion (-\$48.1 million), but reject financing the cost of the project.
    - Quincy Area Office Replacement Reversion (-\$36.9 million)
    - Statewide Planning and Site Identification (Santa Ana Area Office) (-\$0.5 million)
  - States intention to cash-fund future CHP and DMV capital outlay proposals.
  - Makes a SPP payment of \$100 million in 2019-20, instead of zero as the Administration proposes.
  - Adopts BBL directing DOF and DMV to prepare a 10 year MVA Forecast as part of the January 2020 budget proposal.

- Adopts Supplement Report Language directing DMV/DOF to report by April 1, 2020 on options to generate more revenue and create a pathway for the MVA to continue to fund capital outlay projects on a cash basis and to fund additional CHP officers.
- Modifies the Administration's Operational Improvements proposal of \$242 million and approves the expenditure of \$200 million to fund all existing and recently hired staff, and new hires that are underway; and fund all proposals for customer service improvements, operational improvements, and IT improvements. This approach holds back roughly \$40 million and the equivalent of 400 positions requested by the Administration. The Assembly will provide oversight in the upcoming budget year and hold DMV accountable to agreed-upon performance metrics and will work closely with DMV to provide it additional resources if it has effectively implemented the resources it has been given.
- Provides \$3 million General Fund for the highest priority deferred maintenance projects at the DMV. DMV has a total deferred maintenance backlog of \$17.7 million. This request would fund roof replacements at 16 field offices and HVAC replacements at two facilities.
- Approves the reappropriation of the balances of the appropriations for the working drawings phase of the Delano Field Office replacement. The funds would be available for encumbrance or expenditure until June 30, 2020.
- Approves the following from the Motor Vehicle Account to implement SB 957 (Lara, Chapter 367, Statutes of 2018) regarding high-occupancy vehicle lanes and adopts provisional language:
  - \$3 million for 8.3 positions and \$2 million for a contractor to perform income verification in 2019-20;
  - \$3.5 million for 10.0 positions and \$2.3 million for a contractor to perform income verification in 2020-21;
  - \$3.5 million for 9.9 positions and \$2.3 million for a contractor to perform income verification in 2021-22;
  - \$4.5 million for 12.8 positions and \$3 million for a contractor to perform income verification in 2022-23; and,
  - \$461,440 for 4.5 positions in 2023-24.

### **California Highway Patrol**

- Approves \$62.5 million (\$44.5 million General Fund and \$18 million from the Special Deposit Fund Asset Forfeiture Accounts) to replace 3,600 Consolidated Patrol Vehicle Environment (CVPE) radio communication systems.

- Approves \$15 million General Fund for the purchase of 3,075 multi-function rugged tablets to replace single-use handheld citation devices, aging laptops and 262 printers.
- Approves \$9.6 million General Fund for the replacement of outdated information technology infrastructure that has reached its end of life and is near full capacity.
- Approves \$5 million General Fund for a prioritized subset of projects from The California Highway Patrol's (CHP) \$44 million deferred maintenance project list. The proposed projects would make improvements various area offices statewide and the types of projects range from repairing security cameras to fixing fences and replacing roofs.
- Approves for the Designated Driver Program (DDP) to increase total funding from \$350,000 to \$900,000 to expand education and outreach efforts, and to fund cost increases associated with the efforts of the DDP in, and adjacent to, individual events and venues.
- Approves \$576,000 for 2019-20 and 2020-21 from the Motor Vehicle Account for five positions to comply with AB 748 (Ting, Chapter 960, Statutes of 2018) and SB 1421 (Skinner, Chapter 988, Statutes of 2018) regarding resources for updated California Public Records Act requirements.
- Approves \$1.8 million from the Motor Vehicle Account for the construction phase of the Keller Peak Tower Replacement project.
- Approves \$5.8 million General Fund in 2019-20 and 2020-21 to fund 16 positions and associated costs, to comply with the requirements of AB 1065 (Jones-Sawyer, Chapter 803, Statutes of 2018). Also, adopts trailer bill language to extend the program's sunset date by six months, to July 1, 2021.
- Approves the reappropriation of \$320,000 from the Motor Vehicle Account for the acquisition phase of the Sawtooth Ridge site for the California Highway Patrol Enhanced Radio System (CHPERS): Replace Towers and Vaults Phase 1.
- For information on the actions taken on the area office replacement capital outlay proposals for Quincy, El Centro, Hayward, and San Bernardino, and statewide planning and site identification for the Santa Ana Area Office Replacement see above in the Department of Motor Vehicles section.

## ENERGY

### California Energy Commission

- Approves a series of actions to reduce the Energy Resources Programs Account (ERPA) structural deficit by \$8.5 million in 2019-20, \$9.4 million reduction in 2020-21, and a \$10.5 million reduction in 2021-22. These actions are:
  - Shift 11 positions from ERPA to the Alternative and Renewable Fuel and Vehicle Technology Fund (ARFVTF) for a reduction of \$1.65 million.
  - Shift seven enforcement and compliance positions from ERPA to the Appliance Efficiency Enforcement Subaccount (AEES) for a reduction of \$1.05 million.
  - Shift seven existing ERPA staff supporting the renewables program to the Renewable Resource Trust Fund (RRTF) for a reduction of \$1.05 million.
  - Proposition 39 Program phase out. Eliminate nine positions and contract authority by \$0.7 million for a total reduction of \$2.08 million in 2019-20, six positions and \$1 million in 2020-21, and seven positions and \$0.3 million in contract authority for a total of \$1 million in 2021-22. This reduction is consistent with existing law and workload related to Proposition 39.
  - Eliminate 15 ERPA-funded positions supporting thermal power plant siting and transmission planning for a reduction of \$2.25 million.
  - New Solar Homes Partnership (NHSP). Shift 14 staff and \$0.2 million in contract funding from the RRTF and ERPA to PUCURA for a reduction of \$2 million. These resources support the administration of the NSHP program. This need will go through 2021-22. Thereafter, one position will be needed for 2022-23 only.
  - Solar Equipment Listing - Shift seven staff responsible for administration of the Solar Equipment Listing from the RRTF to PUCURA/Reimbursements, shift \$0.1 million in ERPA contract dollars, for an RRTF and ERPA reduction of \$1 million and a PUCURA cost of \$1 million. Funding for the Solar Equipment Lists will be an interagency agreement between the Energy Commission and CPUC, funded with PUCURA at the CPUC and as reimbursements to CEC.
  - One new position and \$0.17 million will be authorized from PUCURA and reimbursements via an interagency agreement with CPUC.
  - Approves Supplemental Reporting Language requiring the Energy Commission to develop options to fully address ERPA's structural deficit.

- Approves \$283,000 ongoing for two positions from the Alternative and Renewable Fuel and Vehicle Technology Fund to implement AB 2127 (Ting, Chapter 365, Statutes of 2018).
- Approves five permanent positions and \$739,000 from the Cost of Implementation Account (COIA) to implement the provisions of SB 100 (De Leon, Chapter 312, Statutes of 2018).
- Approves one position and \$150,000 from the Alternative and Renewable Fuel and Vehicle Technology Fund (ARFVTF) to implement SB 1000 (Lara, Chapter 368, Statutes of 2018).
- Approves one permanent position and \$220,000 from the Cost of Implementation Account to implement provisions in AB 3232 (Friedman, Chapter 373, Statutes of 2018).
- Approves \$529,000 from the Petroleum Violation Escrow Account. This is an augmentation to the \$13 million provided last year to conduct the commercial energy use surveys that are required to be completed every four years.
- Adopts budget bill language to reappropriate the unencumbered balance (approximately \$10 million) of \$64 million in Greenhouse Gas Reduction Fund funding appropriated pursuant to AB 109 (Ting, Chapter 249, Statutes of 2017). The language would make the funds available for encumbrance or expenditure until June 30, 2020 and available for liquidation until June 30, 2024.

### **California Public Utilities Commission**

- Approves \$426.1 million for local assistance and \$27.9 million for state operations for the California LifeLine Program.
- Approves \$28 million from the Public Utilities Commission Utilities Reimbursement Account for a legal services contract to represent ratepayers' interests as PG&E goes through bankruptcy proceeding. Also, adopts budget bill language to make this appropriation available for encumbrance until June 30, 2022, and liquidation until June 30, 2024.
- Modifies the Administration's request and approves for the CPUC to begin the implementation of a five-part action plan aimed at preventing and responding to catastrophic wildfires as laid out in the *Wildfires and Climate Change: California's Energy Future* report released on April 12, 2019 funding for the eight positions in the Safety and Enforcement Division, the two Advocacy Attorneys, and the four positions for policy work for two years. Also, approves funding for the two remaining attorneys and the \$38 million for contracting as proposed and adopts placeholder trailer bill language.

- Modifies the Administration's request and approves for SB 901 (Dodd, Chapter 626, Statutes of 2018) for CPUC funding for the 11 positions requested for the Safety and Enforcement Division and the four positions for the Office of the Safety Advocate for two years. Also, approves ongoing funding for the two positions in the Enforcement Division, the 11 positions in the Administrative Law Judge Division, the six positions for Legal. Finally approves the \$125,000 in contract funding.
- Modifies the Administration's request and approves for SB 901 funding for Public Advocate's Office (PAO) for the seven positions for the new Wildfire Safety Section and for the four Public Utilities Counsel for two years. Approves as budgeted the funding for the remaining five positions in the new Securitization and Financial Impacts Section.
- Approves \$1.2 million (\$3.2 million beginning in 2020-21) from Public Utilities Commission Utilities Reimbursement Account (PUCURA) to implement AB 3232 (Friedman, Chapter 373, Statutes of 2018) and SB 1477 (Stern, Chapter 378, Statutes of 2018). The request includes funding for 5.5 permanent positions; one limited-term Administrative Law Judge II position for two years; and \$2.0 million annually for four years (beginning in budget year+1) for consulting services to measure the effectiveness of building electrification technologies.
- Approves 10.5 three-year limited-term positions, and nearly \$2.0 million from the PUCURA to implement SB 1339 (Stern, Chapter 566, Statutes of 2018).
- Approves one permanent position, one-year limited-term funding for one position and \$200,000 for one-time consulting services for a total of \$545,000 PUCURA to address the requirements of SB 237 (Hertzberg, Chapter 600, Statutes of 2018).
- Approves one permanent position, three-year limited-term funding for three positions and \$789,000 from the PUCURA to revise and implement changes to the energy efficiency custom project program as directed by SB 1131 (Hertzberg, Chapter 562, Statutes of 2018).
- Approves \$987,000 from the Public Utilities Commission Transportation Reimbursement Account to implement SB 1376 (Hill, Chapter 701, Statutes of 2018). The request includes funding for three positions for two years and 400,000 ongoing to fund intervenor compensation.
- Approves \$1.2 million PUCURA to implement SB 1013 (Lara, Chapter 375, Statutes of 2018). The request includes \$153,000 limited-term funding annually, for two years, for one position, and \$1 million annually, for two years, to contract for technical expertise on low-global-warming-potential refrigerants and their availability in the markets.
- Approves one permanent position and \$180,000 PUCURA to implement AB 2127 (Ting, Chapter 365, Statutes of 2018) and SB 1000 (Lara, Chapter 368, Statutes of 2018).

- 2.5 permanent positions and \$1.5 million from the PUCURA to implement SB 100 (de Leon, Chapter 312, Statutes of 2018). In addition to the positions, the requested amount includes \$1.1 million annually through 2021 for expert consultants.
- Approves limited-term funding for five positions for three years and \$966,000 from the PUCURA to implement AB 3187 (Grayson, Chapter 598, Statutes of 2018) and SB 1440 (Hueso, Chapter 739, Statutes of 2018).
- Approves one permanent position and \$180,000 from the CPUC Transportation Reimbursement Account (PUCTRA) to implement SB 1014 (Skinner, Chapter 369, Statutes of 2018), the California Clean Miles Standard and Incentive Program, as well as two permanent positions and \$379,000 from the CPUC Utilities Reimbursement Account (PUCURA) to provide expanded ongoing support for the Commission's transportation electrification initiatives.
- Approves three permanent positions and \$495,000 from the PUCURA to address emerging regulatory needs for an evolving electricity market experiencing an unprecedented level of market fragmentation.
- Approves one permanent Administrative Law Judge (ALJ) II position and \$203,000 PUCURA for enforcement activities.
- Approves \$1.1 million PUCURA to extend funding for six positions for an additional three years, including software costs to continue implementing a number of recently enacted statutes concerning multiple elements of California's forest safety and greenhouse gas reduction efforts.
- Approves \$2.4 million in various special funds for additional office space and relocation costs.
- Approves a revised request of \$595,000 annually beginning in 2019-20 for increased rental costs for the CPUC's state office leases for offices located at 505 Van Ness Avenue, San Francisco.
- Approves \$358,000 from various funds to transfer to the Architecture Revolving Fund at the Department of General Services to complete an automatic door opener project at the 505 Van Ness Avenue, San Francisco office.
- Approves \$937,000 in increased Federal Transportation Agency expenditure authority to fully utilize State Safety Oversight Agency Formula Grant Fund Program funding.
- Approves one permanent Program and Project Supervisor and \$227,000 PUCURA for increased workload in the Gas Section.

- Approves seven permanent positions for the Utility Audit, Finance, and Compliance Branch and \$830,000 from the Public Utilities Commission Utilities Reimbursement Account (PUCURA).
- Approves funding for nine positions for the business services functions that support the CPUC. Rejects two positions proposed by the Administration for the Budget Unit due to lack of justification.
- Approves five permanent positions and \$706,000 from various special funds to provide Information Technology (IT) support for 91 permanent and 33.5 limited-term positions proposed by CPUC and the Public Advocate's Office (formerly known as the Office of the Ratepayer Advocate) in the 2019-20 Governor's Budget and recently enacted bills.
- Approves one permanent position and \$178,000 Public Utilities Commission Public Advocates Office (PAO) Account to support its advocacy in Class A water utility acquisition proceedings.
- Approves for the PAO, \$566,000 and three positions in 2019-20 and \$563,000 and three positions ongoing to address increased workload in the areas of distribution infrastructure programs and transmission infrastructure projects.
- Rejects trailer bill language proposed by the Administration to eliminate the sunset date of January 1, 2020 for the Office of the Safety Advocate (OSA), so that it could be considered through the policy process.

**Subcommittee No. 4  
on State Administration**

**Assemblymember Jim Cooper, Chair**

## GENERAL GOVERNMENT

Subcommittee 4 hosted some of the largest and most ambitious proposals contained in the Governor's Budget proposal, many of which are contained in the Assembly budget plan. These include:

- \$2.4 billion Housing and Homeless package is a major centerpiece of the 2019-20 budget plan, reflecting an increase in funding and a change of approach championed by the Assembly. This funding includes \$650 million of local homelessness funding, \$750 million of planning and production grants, \$500 million to expand the Low Income Housing Tax Credit, and \$500 million to encourage local the development of new low and moderate-income housing.
- \$1 billion expansion to the Earned Income Tax Credit, increasing the current program by 150 percent and expanding the program to cover California workers without a tax identifier for the first time.
- \$170 million for Census Outreach activities including comprehensive language access materials, local and community-based led outreach efforts, and an extensive targeted media campaign.
- \$87.3 million General Fund to help ensure that counties have adequate funding to replace their outdated county election systems. This level of funding combined with last year's investment of \$134.3 million brings the state's investment to at least 75 percent of total estimated costs.

The Subcommittee differs from the Governor on a few key areas:

- Defers the proposed Paid Family Leave expansion to the policy process, reflecting progress made in recent policy bills to address the issue.
- Excludes tax conformity provisions from the package, reflecting the desire of the Assembly to allow more deliberations of the complex package of \$1.7 billion in various tax elements.

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

- Adopts Assembly Housing and Homelessness Framework which includes a \$2.4 billion investment in the following areas:

*Planning and Production Grants (\$750 million)*

- Rejects transportation funding ties including SB 1.
- Adopts placeholder trailer bill language to provide \$250 million to Council of Governments (COGs) and local jurisdictions to plan for upcoming Regional Housing Needs Allocation (RHNA) cycle. The funding will be split 50/50 for COGs and local jurisdictions for planning for the 5<sup>th</sup> and 6<sup>th</sup> RHNA cycles. It is anticipated that the 6<sup>th</sup> RHNA cycle numbers will be significantly higher than the 5<sup>th</sup> cycle. Reject schools and county offices of education as jurisdictions eligible for a portion of the \$250 million since both entities are not responsible for planning for the 6<sup>th</sup> RHNA cycle.
- Adopts placeholder trailer bill language to invest \$500 million on housing infrastructure over the counter grants through a modified Infill Infrastructure Grant (IIG) program for housing infrastructure. The modified program should include funding for rural and smaller cities.

*Long-Term Housing Production Strategy*

- Creates an advisory panel consisting of HCD, Office of Planning and Research (OPR) and stakeholders to provide recommendations to the Legislature on how to improve the RHNA process. The advisory panel should meet after HCD begins to implement AB 1771 (Bloom, Chapter 989, Statutes of 2018), and SB 828 (Weiner, Chapter 974, Statutes of 2018). This will ensure changes from last year can begin to be implemented and therefore have more information to evaluate moving forward. The Assembly agrees that the RHNA process needs to be revamped and looks forward to collaborating with the Administration to enact change.

*Responding to Homelessness*

- Approves a funding pot of \$650 million and adopt placeholder trailer bill language for a response to homelessness using a modified Homeless Emergency Aid Program (HEAP).
  - Maintain flexibility from HEAP program
  - Include additional reporting requirements to gather more data on the effectiveness of the program.
  - Change population allocation to include 13 cities.
  - Consider a higher percentage to be used on homeless youth

- Maintain the infrastructure of the CoCs working with local jurisdictions.
- Remove the emergency declaration but require an agency to show that the funding from the previous year has been allocated.
- Split \$650 million evenly between Big 13 and CoCs.

#### *Tax Credits*

- Adopts placeholder trailer bill language for \$500 million increase in tax credit (one-time) to expand the Low Income Housing Tax Credit (LIHTC) for federally subsidized low-income housing projects receiving 4 percent LIHTC. Of the \$500 million, up to \$200 million available for mixed income set aside.
- Adopts placeholder trailer bill language to lift the \$75,000 cap on the state LIHTC allowed to be claimed per calendar year for each natural person
- Adopts placeholder budget bill language and provides \$500 million one-time to CalHFA for various low and moderate income loan program.

#### *Other Legislation*

- Defers California Environmental Quality Act (CEQA) and Enhanced Infrastructure Financing District (EIFD) legislation to the policy process.

#### **Business, Consumer Services, and Housing Agency**

- Includes \$389,000 in 2019-20 and \$359,000 ongoing for two positions to expand the Homeless Coordinating and Financing Council (Council) and implement SB 918, (Weiner, Chapter 841, Statutes of 2018), the Homeless Youth Act of 2018.
- Increases funding for the Business, Consumer Services and Housing Agency by \$981,000 and six positions to provide resources to the Council to continue work related to the Homeless Emergency Aid Program.

#### **Department of Housing and Community Development**

- Approves \$346,000 in 2019-20, and \$316,000 ongoing, (General Fund) for two positions to implement new requirements to further fair housing pursuant to AB 686 (Santiago, Chapter 958, Statutes of 2018).
- Includes \$985,000 in 2019-20, and \$940,000 ongoing, (Housing Rehabilitation Loan Fund) for five positions to restructure loans made under the Multifamily Housing Program (MHP) and all other multifamily housing loans funded or monitored by Department of

Housing and Community Development (HCD) pursuant to AB 2562 (Mullin, Chapter 765, Statutes of 2018).

- Adopts \$935,000 for five positions in 2019-20, \$860,000 for five positions in 2020-21, and \$495,000 for three positions ongoing (State Operations) for the Mobilehome Park Rehabilitation and Resident Ownership Program (MPRRP), pursuant to AB 2056 (E. Garcia, Chapter 750, Statutes of 2018).
- Approves 1,057,000 in 2019-20, and \$3,872,000 ongoing, (Mobilehome Dispute Resolution Fund) for five positions in 2019-20, and seven positions ongoing, contracted legal services, and infrastructure upgrades to implement the Mobilehome Residency Law Protection Act (MRLPA) pursuant to AB 3066 (Stone, Chapter 774, Statutes of 2018).
- Approves \$108,825,000 in 2019-20, and \$2,555,000 ongoing, (Federal Trust Fund) for 10 positions to design and implement the Community Development Block Grant (CDBG) Disaster Recovery Program focused on recovery from the 2017 Northern and Southern California wildfires.
- Adopts \$3 million (General Fund) for deferred maintenance to address health and safety deficiencies at state-owned agricultural migrant housing centers.
- Provides \$1.4 million in 2019-20, and \$1.2 million ongoing, (General Fund) for eight positions to expand and enhance its housing element review and enforcement functions.
- Adopts \$565,000 in 2019-20, and \$505,000 annually through 2022-23 (administrative budget authority) for four positions to permanently establish the Organizational Development and Strategic Planning (ODSP) unit.
- Approves a \$7 million General Fund loan for cash flow needs of the No Place Like Home Program (NPLH) until the NPLH bonds are issued in Fall of 2019.
- Adopts placeholder trailer bill language to allow the CalHome program to include accessory dwelling units (ADUs) and junior accessory dwelling units, and to authorize the program to make grants for housing purposes in declared disaster areas.
- Adopts trailer bill language to allow the Local Housing Trust Fund (LHTF) to make matching grants to Native American Tribes, and to increase the minimum size of awards to various local trusts.
- Approves \$981,000 and six positions to provide resources to the Homeless Coordinating Council to continue work related to the Homeless Emergency Aid Program.

- Adopts trailer bill language to improve the implementation of the Joe Serna Jr., Farmworker Housing Grant Program (Serna).
- Approves \$2 million (General Fund) and four positions for a Disaster Response and Recovery Unit within HCD, including establishing a grants management system and a consultant contract to perform local needs assessment and data compilation related to the 2018 Camp and Woolsey wildfires.
- Includes \$3.4 million (General Fund) in 2019-20, to implement the development of affordable housing on state-owned land.
- Approves \$1.4 million (General Fund) to compensate the Attorney General's (AG's) office for costs incurred as a result of additional workload created by operation of AB 72 (Chapter 370, Statutes of 2017).
- Approves \$638,000 in 2019-20, and \$543,000 ongoing, (General Fund) for three positions to implement AB 1771 (Bloom, Chapter 989, Statutes of 2018), and SB 828 (Weiner, Chapter 974, Statutes of 2018), which added methodology review requirements for HCD in the Regional Housing Needs Allocations (RHNA) process.

### **Franchise Tax Board**

- Approves the Governor's proposed expansion of the Earned Income Tax Credit in the following manner:
  - Adjusts the total of the EITC program to \$1 billion, which is about a 150 percent increase over the current program.
  - Extends the credit to taxpayers who file with the Individual Tax Identification Number eligible for the program and provides resources to implement the program.
  - Rejects renaming the program.
  - Augments funding for outreach and free tax preparation services at FTB by \$5 million for a total of \$10 million.
  - Defers FTB's proposal to begin implementation of advanced payments and instead requires the FTB and the Department of Finance to report back to the Legislature on the federal waiver to ensure other public benefit programs are not impacted, provide additional information on how the program will be designed in a way that is accessible to all, and how the risk of overpayment will be minimized. After the report is complete, half of the resources requested by FTB will be available contingent upon JLBC review.

- Approves \$330,000 (General Fund), \$311,000 ongoing, and five positions to administer the provisions of AB 2503 (Irwin, Chapter 679, Statutes of 2018), which provides for administrative dissolution for certain domestic corporations and domestic limited liability companies.
- Adopts \$1.4 million (General Fund, special funds and reimbursements) and 14 positions in 2019-20, and ongoing, to conduct human resource functions and to allow FTB to hire, train, and retain staff.
- Approves \$378,000 (General Fund) and two new positions for the Tax Appeals Assistance Program (TAAP) responsibilities that are being transferred from CDTFA.
- Approves \$7.2 million (\$6.9 million General Fund and \$308,000 special funds) in 2019-20, for a mainframe enterprise tape library refresh.
- Includes \$5.7 million (General Fund) and \$235,000 (special funds) in 2019-20 and \$12,000 (General Fund) ongoing for local area network infrastructure refresh.

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

- Adopts TBL for two sales tax exemptions on diapers and menstrual products for 10 years.
- Adopts trailer bill language to limit the California Department of Tax and Fee Administration (CDTFA) to 3-year look back for back taxes.
- Approves the reduction of \$215,000 (General Fund) and the transfer of one position to the Franchise Tax Board (FTB) to reflect the transfer of the franchise and income tax component of the Taxpayer Appeals Assistance Program (TAAP) from CDTFA to FTB.
- Adopts \$1.4 million in 2019-20, and ongoing, to implement the State Personnel Board's Information Technology (IT) Classification Plan, which consolidated 36 IT classifications into nine.
- Approves \$24.5 million to continue implementation of the Centralized Revenue Opportunity System (CROS) Project in 2019-20. The funds requested will allow the department to continue testing and enhancements ahead of Rollouts 3 and 4 for Special Taxes and Fees.
- Redirects five vacant Provision 1 positions to the Accounting Branch, and \$95,000 to fund the salary difference between the current and proposed classifications of redirected positions.

- Approves \$2.9 million and 13.9 positions in 2019-20, to perform mandated workload associated with the implementation of the Control, Regulate and Tax Adult Use of Marijuana Act (Proposition 64) and the Medicinal and Adult-Use Cannabis Regulation and Safety Act of 2017 (MAUCRSA, Chapter 27, Statutes of 2017, effective January 1, 2018).
- Adopts \$1.04 million for six positions in 2019-20, and \$876,000 in 2020-21 and ongoing, to ensure the CDTFA Legal Division's Tax and Fee Programs Bureau (TFPB) has resources to prepare for OTA hearings.
- Approves the permanent establishment of six limited-term positions set to expire June 30, 2019, and \$1.02 million (\$643,000 General Fund and \$374,000 Reimbursements) in 2019-20 and ongoing, to address administrative settlements with the Settlement Program from 2010-11 through FY 2016-17.
- Approves a reduction in resources to conclude the state portion of the Prepaid MTS Surcharge Collection Act program.

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

- Approves \$148,000 (General Fund) and one position in 2019-20, and ongoing, to address geographically targeted economic development areas as required by SB 635 (Hueso, Chapter 888, Statutes of 2018).
- Adopts \$487,000 (General Fund) and three positions beginning in fiscal year 2019-20, and ongoing, to meet the additional workload requirements associated with the transfer of infrastructure and desktop support responsibilities from the Governor's Office to the Governor's Office of Business and Economic Development (GO-Biz).
- Approves \$263,000 (General Fund) and one position to establish a credit officer to manage, organize, and lead the efforts of all IBank programs within the Bond Financing Units.
- Rejects \$592,000 (General Fund) and three positions to support workload within the International Affairs and Business Unit.
- Approves \$806,000 (General Fund) and three positions to provide resources to support the core duties of the Office of the Small Business Advocate (OSBA).
- Rejects trailer bill language to rename the Governor's Office of Business and Economic Development.

**Office of Tax Appeals**

- Approves \$2.8 million General Fund and 13 positions to provide additional staffing to support appeal process workload.
- Defers trailer bill language to the policy process on small business tax code streamlining.

**Local Government Financing**

- Adopts placeholder trailer bill language that would require the Office of State Audits and Evaluations (OSAE) to conduct an audit of the Community Based Transitional Housing Program and extend the existing deadline.

**State Treasurer's Office**

- Approves \$7 million (General Fund) and a decrease in reimbursements by a like amount to realign the funding structure of the STO. Additionally, adopts reporting language to ensure that these changes examine the appropriate size of existing programs, staff and workload moving forward.

**California Tax Allocation Committee**

- Approves three positions for the Development Section to carry out core functions and to administer the federal and state mandates of the Low Income Housing Tax Credit (LIHTC) program

**California Secure Choice Retirement Savings Board**

- Adopts trailer bill language to shift the responsibility for disseminating employee information packets for the CalSavers Retirement Savings Program (CalSavers) from the Employment Development Department (EDD) to CalSavers; provide EDD with more flexibility in the timeline to begin enforcing employer compliance; and allow EDD to share data with CalSavers.

**Scholarshare Investment Board**

- Adopts trailer bill language to require all of the California License Plate Revenue be deposited into the Antiterrorism Fund.

**Commission on Status of Women and Girls**

- Approves two permanent positions and \$269,000 ongoing General Fund to implement the Equal Pay CA program.

**California Arts Council**

- Approves \$10 million for additional investment in the California Arts Council.
- Approves additional 6.3 positions to support the Programs and Administration Divisions for the California Arts Council.
- Approves \$5 million one-time (General Fund) for the Los Angeles Museum of the Holocaust and \$5 million one-time (General Fund) for the Armenian American Museum. Rejects passing this funding through the Arts Council and recommends either the Natural Resources Agency or another agency.

**Cannabis**

- Makes changes to the Cannabis Tax Fund allocation.
- Reappropriates \$10 million in equity funding.
- Adopts placeholder trailer bill language to address provisional licenses, clean-up the California Cannabis Appeals Panel statute, enhance equity grants, strengthen administrative penalties against unlicensed activity, extend the California Environmental Quality Act exemption, and provide contracting authority for the Department of Health Care Services to administer their Cannabis Tax Fund grant program.

**California Commission on Asian Pacific Islander Affairs (CCAPIA)**

- Provides \$500,000 to the CCAPIA which advises the Governor and Legislature on how to respond most effectively to the needs and concerns of California's Asian and Pacific Islander communities.

**Department of Consumer Affairs**

- Approves \$7.1 million in 2019-20, \$6.5 million in 2020-21 and 2021-22, and \$3.3 million to the Board of Registered Nursing (BRN) Fund, Professions and Vocations Fund in 2022-23, and ongoing to fund 67 positions to address deficiencies within BRN's Licensing Division, Administration & Public Information Unit, and Enforcement Division.

- Approves various requests totaling \$2.8 million for 22 positions in 2019-20 to address increased licensing and enforcement workload associated with provisions passed during the 2017-18 legislative session. These bills funded are as follows.
  - **AB 93 (Medina, Chapter 743, Statutes of 2018) - Board of Behavioral Sciences:** Establishes new requirements related to supervised experience and educational requirements for marriage and family therapist, clinical social worker, and professional clinical counselor trainees, interns, and applicants for licensure regulated by the BBS.
  - **AB 926 (Irwin, Chapter 750, Statutes of 2017)- Cemetery & Funeral Bureau:** Authorizes cemetery authorities to apply to the Bureau to convert its endowment care fund from a net income distribution to a unitrust distribution method as of January 1, 2020, and requires the Bureau to annually review whether they continue to meet the conditions of a unitrust distribution method, evaluate the effectiveness of the unitrust method, and report to the Legislature in its next two sunset hearings.
  - **AB 2037 (Bonta, Chapter 647, Statutes of 2018) - Board of Pharmacy:** Provides an alternative program to authorize a pharmacy located in the state to provide pharmacy services to the patients of covered entities that are eligible for discount drug programs under federal law, using an automated patient dispensing system.
  - **SB 1447 (Hernandez, Chapter 666, Statutes of 2018) - Board of Pharmacy:** Repeals the general automated drug delivery system (ADDS) provisions and the additional conditions for an ADDS located in a health facility. The bill instead would require an ADDS, as defined, to meet specified requirements in order to be installed, leased, owned, or operated in the state, including a license for the ADDS issued by the California State Board of Pharmacy to the holder of a current, valid, and active pharmacy license of a pharmacy located and licensed in the state.
  - **SB 212 (Jackson, Chapter 1004, Statutes of 2018) - Board of Pharmacy:** Establishes a stewardship program, under which a manufacturer or distributor of covered drugs or sharps, or other entity, as specified, would be required to establish and implement, either on its own or as part of a group of covered entities through membership in a stewardship organization, a stewardship program for covered drugs or for sharps.
  - **AB 2998 (Bloom, Chapter 924, Statutes of 2018) - Bureau of Household Goods & Services:** Prohibits a person, including a manufacturer and custom upholsterer, from selling or distributing new, not previously owned, juvenile products, mattresses, or upholstered furniture that contain flame-retardant chemicals at levels above 1,000 parts per million.

- **SB 1483 (Hill, Chapter 578, Statutes of 2018) - Bureau of Household Goods & Services:** Expands the definition of "service contracts" to include any consumer good used primarily for personal, family, or household purposes.
- **SB 501 (Glazer, Chapter 929, Statutes of 2018) - Dental Board of California:** Revises the requirements for the administration of various levels of outpatient sedation related to general anesthesia, deep sedation, moderate sedation, and minimal sedation and report findings to the Legislature by January 1, 2022. Additional training and continuing education requirements will be required for the administration of general anesthesia or deep sedation for dental patients under 13 years of age. The bill would also require an onsite inspection and evaluation of the licensee and the facility, equipment, personnel, and procedures utilized by the licensee prior to issuance of any permits.
- **SB 798 (Hill, Chapter 775, Statutes of 2018) - Osteopathic Medical Board:** Requires medical school graduates, including graduates of osteopathic medical schools, to obtain a postgraduate training license beginning January 1, 2020.
- **SB 1465 (Hill, Chapter 514, Statutes of 2018) - Contractor's State License Board:** Requires a licensee to report to the registrar within 90 days of the date that the licensee has knowledge of any civil action resulting in a final judgment, executed settlement agreement, or final arbitration award in an action in which the licensee is named as a defendant or cross-defendant, that meets specified criteria, including that the amount or value of the judgment, settlement payment, or award is \$1,000,000 or greater and that the action is the result of a claim for damages to a property or person allegedly caused by specified construction activities of a licensee on any part of a multifamily rental residential structure.
- **SB 1480 (Hill, Chapter 571, Statutes of 2018) - Veterinary Medical Board:** Requires the Veterinary Medical Board to randomly inspect at least 20 percent of veterinary premises annually.
- **SB 1482 (Hill, Chapter 858, Statutes of 2018) - Dental Hygiene Board (Board):** Requires the Board to conduct random audits of at least 5 percent of its licensees annually to ensure that licensees are complying with continuing education requirements.
- Approves various requests from 18 boards and bureaus to align staffing allocations with actual and projected workload. The requests total 28.1 ongoing positions and \$2 million from various special funds. The specific proposal approved are as follows.
  - **California Board of Accountancy** - \$490,000 in 2019-20 and ongoing to establish and fund 10.0 permanent positions (3.0 Enforcement Unit and 7.0 Licensing) and

\$78,000 for the Certified Public Accountant Examination (CPA Exam). Currently, temporary help staff is addressing the permanent workload in these units. This proposal would align permanent staffing resources with ongoing workload. The CPA Exam funding is required to ensure the Board is in compliance with the American with Disability Act.

- **Board of Behavioral Sciences** - permanent position authority for two positions, one for the Examination Unit and one for the Cashiering Unit. Currently, temporary help staff is addressing the permanent workload in the units. This proposal would align permanent staffing resources with ongoing workload. The Board is not requesting funding and it will absorb any costs within existing resources.
- **Dental Hygiene Board of California** - 0.8 permanent position in its Enforcement Unit. Currently, temporary help staff is required to address permanent workload. This proposal would align staffing resources with ongoing workload. No funding is required because the Board will absorb any costs within existing resources. Additionally, the Board requests \$99,000 in 2019-20 and \$91,000 in 2020-21 and ongoing for 1.0 position for the Licensing Unit.
- **Physical Therapy Board of California** - \$161,000 in 2019-20 and \$153,000 in 2020-21 and ongoing for 1.0 position to serve as Board's Assistant Executive Officer and align manager-to-staffing ratio with the California Department of Human Resources staffing allocation guidelines. The Board also requests \$201,000 in 2019-20 and \$185,000 in 2020-21 and ongoing for 2.0 positions for the Continuing Competency Program. Currently, resources are being redirected from other high priority areas to meet this workload, which may result undo delays in those programs. This proposal would align permanent staffing resources with ongoing workload. Lastly, 1.0 position is requested for the Cashiering Unit. Currently, temporary help staff is addressing the permanent workload. This proposal would provide permanent staffing resources for ongoing workload. No funding is required, any costs will be absorbed within existing resources.
- **Physician Assistant Board** - \$257,000 in 2019-20 and \$233,000 in 2020-21 and ongoing to establish and fund 2.5 permanent positions (1.0 Enforcement Unit and 1.5 Licensing). Currently, temporary help staff is addressing the permanent workload in these units. This proposal would align permanent staffing resources with ongoing workload.
- **Board of Psychology** - permanent position authority for one position in its Enforcement Unit. Currently, temporary help staff is addressing the permanent workload. This proposal would align permanent staffing resources with ongoing

workload. No funding is requested, and the Board will absorb any costs within existing resources.

- **Osteopathic Medical Board of California** - \$250,000 in 2019-20 and ongoing for expert reviewers (\$50,000) and investigation costs (\$200,000).
- **California State Board of Pharmacy** - \$248,000 in 2019-20 and \$232,000 in 2020-21 and ongoing for 2.0 permanent positions to perform probation monitoring functions for the Board. Currently, temporary help staff is addressing the permanent workload in these units. This proposal would align permanent staffing resources with ongoing workload.
- **Dental Board of California** - 0.7 permanent position (0.5 Licensing and 0.2 Administration Unit). Currently, temporary help staff is addressing the permanent workload. This proposal would align permanent staffing resources with ongoing workload. No funding is requested, any costs will be absorbed within existing resources.
- **State Dental Assistant Program** - 2.0 permanent positions (1.0 Continuing Education Unit and 1.0 management-level position). Currently, temporary help staff is addressing the permanent workload. This proposal would align permanent staffing resources with ongoing workload and align manager-to-staffing ratio with the CalHR guidelines. No funding is requested and any costs will be absorbed.
- **Medical Board of California** - \$337,000 in 2019-20 and \$333,000 in 2020-21, and \$120,000 in 2021-22 for 1.1 positions and the necessary resources to establish the Licensed Physicians from Mexico Pilot Program, as required by Chapter 1157, Statutes of 2002. Also approves a budget reduction of \$1.9 million in 2019-20 and ongoing to account for lower Attorney General expenses as a result of the abolishment of the vertical enforcement model for Medical Board.
- **Registered Dispensing Opticians (RDO)** - \$87,000 one-time in 2019-20 to fund and conduct an occupational analysis of the RDO's national examination.
- **Bureau of Security and Investigative Services & Private Security Services** - 4.0 permanent positions in its Enforcement Unit. Currently, temporary help staff is addressing the permanent workload. This proposal would align permanent staffing resources with ongoing workload. No funding is requested and any costs will be absorbed within existing resources.
- **Bureau of Real Estate Appraisers** - budget reduction of \$350,000 in 2019-20 and ongoing by eliminating 3.0 permanent positions to align resources with workload.

- Approves \$499,000 Contingent Fund of the Medical Board of California in 2019-20 and ongoing annually to increase the hourly rate for trained Medical Expert Reviewers.
- Approves the following for the boards and bureaus below to implement their respective Business Modernization Plans and engage in planning efforts to transition to new information technology systems.
  - Pharmacy - One-year limited-term funding of \$251,000 in 2019-20 to fund two staff positions to provide program support during the BMP.
  - Accountancy - One-year limited-term funding of \$251,000 in 2019-20 to fund two staff positions to provide program support during the BMP.
  - Acupuncture Board - \$1.1 million and two positions in 2019-20. This request also includes funding to support two positions to offset program staff who will be required to be redirected to implement project tasks during 2019-20.
  - Chiropractic Examiners - \$540,000 in 2019-20.
  - Professional Engineers Land Surveyors and Geologists - \$1.3 Professional Engineer's, Land Surveyor's, and Geologist's Fund in 2019-20.
  - Private Postsecondary Education - Requests \$2,029,000 Private Postsecondary Education Administration Fund in 2019-20.
  - Office of Information Services - Requests \$500,000 Consumer Affairs Fund in 2019-20. Costs will be distributed among the four programs.
- Modifies the Administration's request for resources to address increased workload across various areas of DCA's centralized services.
  - Approves as proposed funding for seven positions in Business Services and Fiscal Operations.
  - Approve two-year limited term funding of \$1.67 million 2019-20 and \$1.47 million in 2020-21 to establish a Regulations Unit, with placeholder budget bill language that would require DCA to provide workload data from this unit to the fiscal committees of the Legislature, including data on the regulations packages to implement Chapter 995, Statutes of 2018 (AB 2138, Chiu).
  - Reject request to make the three Office of Human Resources positions permanent.
  - Approve as proposed funding for 6.5 positions and \$1.2 million for consultants to provide usage-based services.
- Adopts budget bill language to augment, after notification to the Legislature, the DCA special fund appropriations in 2019-20 to address increased facilities costs related to active lease negotiations for various Department locations.

- Adopts trailer bill language that is a technical correction to restore language for the Bureau of Household Goods and Services that was accidentally allowed to sunset last year.

### **Department of Veterans Affairs**

- Approves \$7.1 million General Fund and four permanent positions to address increased operating expenses and equipment and to comply with new federal requirements for pharmacy services and compliance oversight. Only \$808,000 of the request (for the staff) is ongoing; the remainder of the funding is one-time. The request includes funding to address operational shortfalls at the Yountville, Barstow, and Chula Vista Veterans Homes.
- Approves \$1.1 million (\$45,000 one-time) General Fund and 8 positions in 2019-20 and annually thereafter to ensure that service members, veterans, and their families residing in California receive the resources and information they need to successfully transition from military to civilian life. Also includes funding to upgrade two existing positions.
- Approves one-time funding of \$5 million General Fund for critical deferred maintenance projects at the Veterans Home of California (VHC)-Yountville. The projects includes elevator modernization, repairs to roads, and replacements and upgrades for Rector Reservoir.
- Approves \$832,000 (\$749,000 General Fund and \$83,000 Farm and Home Building Fund of 1943) and 6.0 permanent positions beginning in 2019-20 to establish a Program Review and Internal Audits Unit.
- Approves a Legislative proposal of \$328,000 General Fund in 2019-20 and \$311,000 ongoing for two associate governmental program analysts and one office technician so that the Minority and Underrepresented Veterans Division can provide more services and make a greater impact statewide for this important veteran population.
- Approves \$152,000 (\$145,000 General Fund and \$7,000 Farm and Home Building Fund of 1943) and one permanent position that will be responsible for CalVet's plans, response, and coordination in the event of an emergency.
- Approves \$917,000 General Fund to complete the preliminary plans, working drawings and construction phases for a water system upgrade at the Northern California Veterans Cemetery.
- Approves a reappropriation of \$238,000 General Fund for the construction phase of the California Central Coast Cemetery, City of Seaside project. Also, approves for the construction phase of this project \$7.1 million (\$268,000 California Central Coast Cemetery at Fort Ord Operations Fund and \$6.9 million federal funds).
- Approves a net-zero cost technical adjustment to transition 32.5 positions from the temporary help blanket to authorized positions.

- Adopts trailer bill language to conform statute to the budgetary structure at CalVet that began in 2008-09. This structure fully funds homes from the General Fund and as reimbursements and federal dollars come in these funds are returned to the General Fund to offset the department's costs. Prior to 2008-09, the state budget placed all of the moneys received by a home to the credit of that home and the funds would augment the current appropriation for the support of the home.

### **Secretary of State**

- Approves \$87.3 million General Fund to help fund the replacement of county voting systems. This level of funding provides (1) counties with more than 50 precincts \$3 from the state for \$1 of county money spent and (2) counties with fewer than 50 precincts have no matching requirement. This will provide an additional 25 percent of the estimated vote center model costs for counties with over 50 precincts (\$65.7 million), which brings the state's investment to 75 percent of total estimated costs; full funding of the estimated polling place model costs for counties with 50 or fewer precincts (\$3.6 million); and \$18 million for county election management system replacements. Also, adopts trailer bill language to guide the expenditure of these funds and reimbursement process for counties. This funding covers the costs for the replacement of voting systems, including all tabulation equipment, accessible equipment, election management system software and hardware, electronic poll books, and ballot on demand printers.
- Approves a one-time augmentation of \$7.7 million (\$7 million General Fund and \$700,000 Political Disclosure, Accountability, Transparency, and Access Fund) in 2019-20 to meet the mandates of SB 1349 (Hertzberg, Chapter 845, Statutes of 2016) to continue funding for seven positions and contracted services to implement the CAL-ACCESS (California Automated Lobbying and Campaign Contributions and Expenditure Search System) Replacement Project. Adopts trailer bill language to delay implementation of the system until after the 2020 presidential election.
- Approves a legislative proposal of \$3.8 million General Fund over two years to SOS for outreach and education in counties using Vote Centers for the Presidential Primary Election in March of 2020 and the Presidential Election of November 2020. In each year, \$1.5 million would be provided to counties as reimbursements and \$400,000 to SOS for developing outreach and education materials and administration.
- Approves \$19.6 million in expenditure authority in 2019-20 from the Federal Trust Fund to continue implementation of the statewide mandates of the Help America Vote Act (HAVA) of 2002.
- Approves \$12.6 million (\$10.6 million from the Business Fees Fund and \$2 million from the Business Programs Modernization Fund) to continue implementation of the California Business Connect (CBC) project.

- Approves \$10.8 million in spending authority from the Federal Trust Fund to cover the Maintenance and Operations and support for security enhancements for the VoteCal statewide voter registration system.
- Approves \$2.9 million General Fund on a one-time basis allow the Secretary of State (SOS) to continue providing accurate voter registration data to counties for the New Motor Voter Program.
- Approves \$2.7 million in 2019-20 (\$742,000 General Fund and \$2 million Business Fees Fund) and \$1.7 million ongoing (\$453,000 General Fund and \$1.2 million Business Fees Fund) and four positions to provide additional resources to the cybersecurity program.
- Approves \$1.5 million (\$1.1 million Business Fees Fund (BFF) and \$395,000 General Fund (GF)) for 2019-20 and \$1.4 million (\$1 million BFF and \$380,000 GF) for two years only (modified to two years by the Assembly) for 11 positions (seven new positions and funding for four existing, but unfunded positions) in support of the FI\$Cal implementation.
- Approves \$660,000 General Fund (\$630,000 ongoing) to support six positions for the State Archives' California Records and Information Management (CalRIM) Unit.
- Approves \$535,000 General Fund in 2019-20 and \$520,000 in 2020-21 to support three additional positions and the translation of educational and training materials for the entities designated as voter registration agencies into nine additional languages, as well as American Sign Language (\$23,000).
- Approves \$305,000 General Fund one-time in 2019-20 to assist in the implementation of AB 2125 (Quirk, Chapter 913, Statutes of 2018).
- Approves \$250,000 (\$150,000 ongoing) from the General Fund to contract for services to provide voters access to information regarding their elected federal, state, local, and special district officials as required by AB 2707 (Mullin, Chapter 920, Statutes of 2018).
- Approves for the Office of Voting Systems Technology Assessment (OVSTA) \$165,000 General Fund (\$160,000 ongoing) for one position to serve as lead technology specialist of the unit.
- Adopts trailer bill language that would require the full text of measures related to debts and liabilities is printed in the state voter information guide consistent with the State Constitution.
- Adopts trailer bill language proposed by the Legislature that makes a technical change to AB 801 (Weber, Chapter 711, Statutes of 2017) to assign the redistricting role to the County Clerk of the Board of Supervisors rather than to the Registrar of Voters. The trailer bill

language modifies where it says “county elections official” and substitutes with “Clerk of the Board of Supervisors” and where it says “Clerk of the County of San Diego” substitutes with “Clerk of the Board of Supervisors”.

### **Fair Political Practices Commission**

- Approves \$200,000 General Fund in 2019-20 (\$193,000 ongoing) for one full-time Senior Commission Counsel to implement the provisions of AB 2188 (Mullin, Chapter 754, Statutes of 2018).

### **Citizen’s Redistricting Initiative**

- Approves \$16.8 million General Fund for the Citizens Redistricting Initiative. These funds would be available for a three-year period. The funding will support efforts of the Citizen Redistricting Commission and the State Auditor throughout the redistricting process associated with the 2020 Census and adopts placeholder trailer bill language.

### **Department of Fair Employment and Housing**

- Approves \$255,000 General Fund in 2019-20 and \$20,000 ongoing for consultants to create online, interactive, sexual harassment and abusive conduct prevention training pursuant to SB 1343 (Mitchell, Chapter 956, Statutes of 2018).

### **Department of Alcoholic Beverage Control**

- Approves a multi-year plan to strengthen and modernize the Department of Alcoholic Beverage Control (ABC) in order to improve efficiencies and service to the public and keep pace with the growing and evolving industry it regulates. Approves 34 positions and \$5.2 million in funding from the Alcohol Beverage Control Fund in 2019-20 which increases to a total of 51 positions and \$7.5 million in 2022-23. Also, adopts trailer bill language to adjust fees to address the current structural deficit and the additional revenue required to support the proposed program performance improvements and provisional language to require reporting on performance metrics in two and five years.
- Approves \$2.9 million in 2019-20 (one-time funding) from the Alcohol Beverage Control Fund for 5.5 positions, credit card fees, and contract services to begin to implement an information technology system that would (1) support the Responsible Beverage Server (RBS) Training program authorized by AB 1221 (Gonzales Fletcher, Chapter 487, Statutes of 2017) and (2) provide eServices, such as online payments, for ABC licensees. Adopts trailer bill language that authorizes the department to charge fees necessary to cover its reasonable costs for administering the RBS program and places a cap on the fees charged to prospective servers for the administrative costs of the program.

**Department of Business Oversight**

- Approves \$340,000 from the State Corporations Fund in 2019-20 and \$320,000 ongoing for two positions to examine registered “Pilot Program” finders at least once every 24 months as required by AB 237 (Gonzales-Fletcher, Chapter 1016, Statutes of 2018).
- Approves \$330,000 from the State Corporation Fund in 2019-20 and \$311,000 ongoing for one Corporation Examiner and one Associate Governmental Program Analyst position to process California Financing Law license amendments.
- Approves \$149,000 from various fund sources in 2019-20 and \$140,000 ongoing for one Associate Management Auditor position to provide ongoing independent, objective evaluation and assessment of operational effectiveness and program compliance.
- Approves \$854,000 State Corporations Fund in 2019-20 and \$804,000 ongoing for five Corporation Examiner positions to carry out the regulatory requirement to examine California Residential Mortgage Lending Act (CRMLA) licensees and California Financing Law licensees that conduct residential mortgage activities.

**Department of Human Resources**

- Approves a reduction of \$575,000 in reimbursement authority for the phase-out of the Alternate Retirement Program (ARP). Also, adopts trailer bill language to provide direct transfer authority in fiscal year 2019-20 and ongoing for services rendered by CalHR’s various reimbursable programs.
- Approves four permanent positions, the re-direction of an existing position, and \$188,000 (\$100,000 General Fund and \$88,000 Reimbursements) for fiscal year 2019-20, and \$179,000 (\$100,000 General Fund and \$79,000 Reimbursements) ongoing to create a new Pre-Employment Services Division that provides statewide consultation and direction on medical and psychological pre-employment screening.
- Approves seven positions and \$1.3 million (\$603,000 General Fund, \$312,000 Central Service Cost Recovery Fund, and \$352,000 Reimbursements) for 2019-20 and \$1.2 million (\$569,000 General Fund and \$294,000 Central Service Cost Recovery Fund, and \$332,000 Reimbursements) ongoing for Limited Examination and Appointment Program (LEAP) examination development, workforce planning, statewide recruitment, human resources management, and leadership performance and career development. Rejects one position for Human Resources Management for the newly created Office of Digital Innovation to align with the Assembly’s action to significantly reduce the size of the proposed office.

**State Personnel Board**

- Approves a reduction of \$1.6 million from reimbursements and an increase of \$911,000 from the General Fund and \$687,000 from the Central Services Cost Recovery (CSCR) Fund to align the Compliance Review Unit (CRU) funding with that of other central service state entities.

**Office of Administrative Law**

- Approves \$109,000 (\$63,000 General Fund and \$46,000 Central Service Cost Recovery Fund) in 2019-20 and on-going for one Associate Governmental Program Analyst to address increased workload.

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

- Approves ongoing funding of \$767,000 from the Air Pollution Control Fund for four positions for the GO-Biz Zero Emission Vehicle (ZEV) Infrastructure Unit to enable continuation of the Zero Emission Vehicle initiatives

**California Gambling Control Commission**

- Approves \$237,000 Indian Gaming Special Distribution Fund and 1.0 position to support the increase in Commission workload associated with establishing, implementing, and administering the new Tribal Nation Grant Fund (TNGF) Program as outlined in AB 880 (Gray, Chapter 801, Statutes of 2018). Also, approves provisional language providing the authority to transfer excess revenues from the Revenue Sharing Trust Fund to the TNGF and approximately \$39.3 million TNGF to provide grants to eligible tribes, as required by AB 880.

**California Public Employees' Retirement System**

- Includes \$988,000 and five positions and trailer bill language for administration of the State Social Security Administrator (SSSA) program and to establish administrative fees for the Old Age and Survivors Insurance Revolving Fund (OASI Fund), which supports the program.

**California State Teachers' Retirement System**

- Includes an increase of \$5.7 million for CalSTRS for creditable compensation.

**Employee Compensation**

- Reflects that Employee Compensation (Item 9800) is decreasing by \$1,785,000 (\$961,000 General Fund) as a result of the removal of 2020 dental and vision premium rates, natural changes to enrollment in health and dental plans, and updated employment information for salary increases and other post-employment benefit contributions. Also, adopts amendment to budget bill language to ensure penalty assessments are applied to all employers for their respective portion of penalties the state may face under the federal Patient Protection and Affordable Care Act.

**Control Section 3.60**

- Amends C.S. 3.60 to capture changes in state retirement contribution rates adopted by the California Employees' Retirement System (CalPERS) and Judges' Retirement System II by CalPERS Board on April 16, 2019, and February 21, 2019 meetings.

**Health and Dental Benefits for Annuitants**

- Adopts trailer bill language to ensure benefits for exempt and excluded employees align with the state's Other Post-Employment Benefit prefunding policies for all state employees beginning July 1, 2019.

**Labor and Workforce Development Agency**

- Approves the Governor's May Revision proposal to provide \$2.5 million General Fund and 9 positions in 2019-20, \$2.0 million and 9 positions in 2020-21 to provide the Labor and Workforce Development Agency with resources to establish the Future of Work Commission. Adopts placeholder trailer bill language to specify the scope and makeup of the Commission, add appointments by the Speaker of the Assembly and President Pro Tempore of the Senate and include specific reporting deadlines and deliverables.
- Approves the Governor's May Revision proposal to provide \$1.5 million and 6 positions ongoing in order to enhance labor enforcement and strategy operations to meet the State's future of work challenges.

**Employment Development Department**

- Defers the Governor's proposed trailer bill language related to Paid Family Leave to the policy process. Denies the related funding and positions for EDD to implement the changes, but approves the Governor's proposal to provide \$8 million in one-time funding for media and outreach to increase participation in the Paid Family Leave Program.

- Approve the Governor's proposed trailer bill language to allow family care leave benefits to be available to excluded employees (enrolled in annual leave) on enhanced Nonindustrial Disability Insurance (NDI) to also take paid time off to care for a seriously ill family member or bond with a new child, beginning July 1, 2019.
- Provides \$2 million in one-time General Fund to address deferred maintenance needs at EDD's Modesto and Merced facilities.
- Approves the Governor's May Revision proposal to provide a one-time budget augmentation of \$1.8 million and 9.3 positions in 2019-20, \$2.1 million and 10.5 positions in 2020-21, and \$0.1 million and 0.6 positions in 2021-22 funded equally by the General Fund and the Disability Insurance Fund to enable EDD to replace social security numbers (SSN) with a modified unique identifier on the top ten mailed documents with the highest volume that currently display an SSN.
- Provides \$12.1 million and 34.5 positions funded equally by the EDD Contingent Fund and the Disability Insurance Fund and a redirection of \$3 million and 19.0 positions in 2019-20 for the Benefit Systems Modernization (BSM) Project.
- Provides \$2.7 million from the Disability Insurance Fund and 12.5 positions in 2019-20 and \$1.3 million and 6.0 positions in 2020-21 for program updates to implement SB 1123 (Chapter 849, Statutes of 2018). Beginning January 1, 2021, SB 1123 expands the Paid Family Leave program to cover paid leave for individuals whose spouse, domestic partner, child, or parent needs assistance to prepare for military deployment.
- Approves the Governor's proposed adjustments to the Workforce Innovation Opportunity Act (WIOA), including a \$5,013,000 decrease in State Operations and a \$16,726,000 decrease in Local Assistance in 2019-20 to align EDD's authority with the federal allocations.
- Provides EDD with \$1.99 million (\$996,000 in Contingent Fund and \$996,000 in Disability Insurance Fund) and five positions in 2019, and \$882,000 (\$441,000 in Contingent Fund and \$441,000 in Disability Insurance Fund) and five positions in 2020-21 and ongoing to establish a new Information Security Enforcement Team (ISET). Adopts modified budget bill language to require notification to the Joint Legislative Budget Committee should the Department of Finance approved increase fund authority on the unemployment compensation disability fund and EDD Contingent Fund.

### **California Workforce Development Board**

- Allows CWDB to use up to ten percent of the Breaking Barriers to Employment Act (AB 1111) grant funding for administration and technical assistance. Provides \$1.5 million one-time General Fund for CWDB for additional technical assistance for AB 1111 grantees.

- Provides 0.6 positions and \$62,000 General Fund in 2019-20 and 2020-21 to develop a policy regarding mutual aid agreements among Local Workforce Development Boards to enable them to effectively respond to disasters, pursuant to AB 2915 (Caballero), Chapter 722, Statutes of 2018.

### **Agricultural Labor Relations Board**

- Provides the ALRB with \$593,000 General Fund to convert 2.5 limited-term positions to permanent.
- Provides \$245,000 General Fund and two Field Examiner II positions to work exclusively on all tasks necessary to complete award calculations to meet the requirements of AB 2751 (Stone), Chapter 718, Statutes of 2018. AB 2751 required ALRB to process findings of liability for monetary amounts due to final order within one year.

### **Public Employment Relations Board**

- Provides an additional \$2.5 million in ongoing General Fund for PERB's operating budget.

### **Department of Industrial Relations**

- Provides \$5 million in one-time General Fund to create the Domestic Worker Rights Education and Outreach Program within the California Division of Labor Standards Enforcement. Adopts placeholder trailer bill language to implement the grant program.
- Adopts trailer bill language requiring the Division of Occupational Safety and Health to complete rulemaking to establish a revised permissible exposure limit for lead by February 1, 2020.
- Provides \$2 million from the Workers' Compensation Administration Revolving Fund for 14 ongoing positions to address DIR's Subsequent Injury Benefit Trust Fund workload.
- Provides \$2.0 million from the Labor and Workforce Development Fund for 12 positions for the 2019-20 fiscal year and \$1.8 million ongoing to increase DIR's capacity to review Private Attorneys General Act (PAGA) cases.
- Adopts trailer bill language to address duplicative training requirements for employers who are subject to the mandates of both the Property Service Worker's Protection Act AB 1978 (2016) and the Fair Employment and Housing Act requirements included in SB 1343 (2018).
- Provides DIR with 15.5 positions and \$3.1 million in 2019-20 and \$2.7 million ongoing to fulfill the provisions of recently chaptered legislation.

- Provides DIR with 10 positions and \$1.6 million ongoing from the Labor Enforcement and Compliance Fund to provide permanent authority for proposals approved only for a limited-term basis in prior fiscal years. Approves six positions and \$817,000 for a two-year limited-term from the Labor and Workforce Development Fund to further educate awarding bodies and contractors of their requirements under public works law to maximize compliance with registration requirements.
- Provides DIR with five positions and \$859,000 in Federal Trust Fund authority for 2019-20 to implement the federal Apprenticeship USA State Expansion Grant.

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

- Approves \$20 million to expand the AmeriCorp program to 10,000 individuals and increasing the educational award from \$6,095 to \$10,000.
- Continues \$430,000 and three positions for the Health in All Policies program at the Strategic Growth Council that were previously funded with outsider grants.
- Approves \$392,000 and three positions for two years to implement SB 1072 (Leyva) which requires the Strategic Growth Council to establish regional climate collaborative programs to assist under-resourced communities in accessing public and grant funds.
- Adopts \$334,000 General Fund in 2019- 20 and 3.0 positions to assist with additional administrative workload for the Office.
- Approves \$190,000 in one-time General Fund to implement SB 961 (Allen, Chapter 559, Statutes of 2018). SB 961 requires OPR to complete a study on the effectiveness of tax increment financing tools for increasing housing production.
- Adopts \$387,000 to support the California for All Emergency Preparedness Campaign. This compliments the early budget action with AB 72 (Chapter 1 of 2019), which included \$30 million of funding for this effort.
- Provided provisional language to allow the Office to collect up to five percent of grant funding for administrative expenses.
- Adopted provisional language to require the administration of the Precision Medicine remain with the University of California, San Francisco. Do not adopt language to extend the sunset of the California Initiatives to Advance Precision Medicine.

**Government Operations Agency**

- Approves a comprehensive Census Outreach effort including:
  - Adopts \$50 million of funding proposed in January Budget and the \$3.8 million proposed in the May Revision.
  - Approves proposed provisional language allowing the administration to request additional resources for the census mid-year, but remove the \$22.5 million cap on that request.
  - Adds an additional \$30 million above the May Revision for Census Outreach for the following activities:
    - \$5 million for the Statewide to translate materials into other languages, to supplement regional efforts.
    - \$2 million of additional funding for K-12-focused Census educational programs so that schools have a robust curriculum and material during the 2019-20 school year.
    - \$5 million for additional Bay Area county census outreach efforts.
    - \$5 million for Los Angeles County census outreach efforts.
    - \$13 million for additional community-based outreach efforts.
  - Approves resources for the California Housing and Population Sample Enumeration but delay the survey until at least August 2020, to reduce competition for resources and attention between these two different efforts.
  - Adopts Placeholder Trailer Bill Language to require the Complete Count Committee to report on various milestones to the Legislature prior to quarterly meetings.
- Approves \$10 million and 10 positions for the Office of Digital Innovation, this action also included language to establish this new office.
- Continues \$200,000 for one position to continue its Performance Improvement and Data-Driven Management initiatives
- Approves 1.0 position and \$241,000 General Fund in 2019-20 to administer the provisions of Assembly Bill 2658 (Calderon, Chapter 875, Statutes of 2018). This bill requires the Secretary of GovOps to appoint a working group and evaluate the uses of blockchain technology in state government and California business.

**Local Government Financing**

- Approves \$35 million for local governments impacted by recent disasters, including trailer bill to allow certain counties to keep a portion of funds they collected on behalf of the State.
- Provides \$20 million for local costs associated with the prosecution of the Golden State Killer case.

**Office of Emergency Services**

- Approves \$10 million ongoing for Internet Crimes Against Children taskforce support.

**Department of Insurance**

- Adopts \$404,000 and two positions to create a Climate and Sustainability Branch at the Department of Insurance.
- Approves \$756,000 and three positions to implement AB 2395 (Calderon, Chapter 651, Statutes of 2018) which requires certain life insurers to file disclosures.
- Adopts \$2.8 million in additional Worker's Compensation insurance fraud local investigation funding.

**Department of Technology**

- Continues 9 limited term positions established to support the Security Operations Center.

**Fi\$Cal**

- Approves \$37 million (\$23.7 million General Fund) and provisional language for additional Fi\$Cal training and cash management functionality to reflect the extended implementation of the project.
- Adopts reporting language to extend existing reporting to correspond to the new project length.

**Department of Real Estate**

- Approves \$200,000 to fund ongoing real estate training and educational materials.

**Commission on State Mandates**

- Approves an ongoing augmentation of \$53,000 and a one-half position to its baseline budget in order to hire one half-time Associate Governmental Program Analyst (AGPA) to address compliance with recent statutory and regulatory requirements.

**Exposition Park**

- Adopts \$2.1 million for California Highway Patrol support at the park.
- Approves funding to allow the park to address recent local utility rate increases.

**Department of General Services**

- Adopts \$43.7 million and trailer bill language for the decommissioning and reuse of the Sonoma Developmental Center property.
- Approves \$9.6 million (\$8.1 million Public School Planning, Design, and Construction Review Revolving Fund (Fund 0328) and \$1.5 million Disability Access Account (Fund 0006)) to support future costs to manage the increased public school construction workload.
- Adopts \$2.2 million to perform a site assessment of the Fairview Developmental Center.
- Approves \$1,014,598,000 lease revenue bond financing for the design-build phase of the new Richards Boulevard Office Complex project.
- Adopts \$21,471,000 General Fund for the construction phase of the State Printing Plant Demolition project.
- Authorizes \$8,874,000 General Fund for the performance criteria phase of a project to renovate the Old Resources Building located at 1416 Ninth Street in Sacramento.
- Changes the funding source for the Office of Sustainability to the Service Revolving Fund to provide stable ongoing funding.
- Adopts \$18.6 million (50 percent General Fund and 50 percent Service Revolving Fund) in 2019-20 to continue activities related to the installation of Electric Vehicle Service Equipment at state facilities.
- Adjusts the DGS Parking Management budget to reflect the consolidation of parking services in Sacramento with the Office of Fleet and Asset Management and adjust the

budget to allow certain state lots to be used at night for event parking.

- Establishes 40 positions, with existing funding levels, to reflect actual staffing and workload related to the Statewide Travel Program. This technical proposal will reflect the actual staffing currently with this program.
- Adjusts the Facilities Management Division budget by \$30.1 million to reflect true operational cost increases costs, a 6.8 percent increase.
- Approves \$1.1 million to reflect the transfer of the State Library, California Horse Racing Board, and the Commission on Peace Officer Standards and Training to the DGS Contracted Fiscal Services division.

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

- Provides \$1.1 million (\$589,000 General Fund) to reflect the costs of recent reclassifications of SCO staff.
- Adopts \$455,000 General Fund (GF) in 2019-20 and ongoing to adjust the department budget to reflect increasing office leasing costs.
- Adds 6.0 permanent positions to support the California State Payroll System (CSPS) Project through the continuation of the California Department of Technology (CDT) Project Approval Life Cycle (PAL) and to support data conversion and independent verification and validation consultant contracts.
- Approves \$835,000 (\$687,000 General Fund) for the replacement of the Computer Coordinated Universal Retrieval Entry (CCURE) Security System, and 1.0 position for increased workload related to the development of the Personnel and Payroll Services Division (PPSD) Affordable Care Act (ACA) Reporting System.
- Continues \$2.1 million and 15 positions that were previously limited term to support ongoing support of Controller's activities with the my|CalPERS system.
- Adopts funding for Unclaimed Property Fund activities including \$1.6 million and 11 positions for ongoing audits to insure compliance and \$1.5 million and 9 positions to support fraudulent claims prevention and detection.

**Lieutenant Governor's Office**

- Provides \$500,000 General Fund and four positions to expand the Lieutenant Governor's Office. The four positions are the Communications Director, Environmental Analyst, Higher Education Analyst, and the Constituent Support Services Specialist.

**California Achieving a Better Life Experience (CalABLE) Implementation**

- Reflects a General Fund loan of \$1,070,000 to continue the ramp up of the CalABLE program. The program creates tax-free savings accounts for individuals who become blind or disabled before age 26 that general follow the same rules as 529 Plans for higher education expenses.

**Legislature's Budget**

- Approves funding for the Senate, Assembly, and the Legislative Analyst's Office that reflects the adjustment of the budget for the projected Statewide Appropriations Limit adjustment of 4.18 percent.

**Legislative Council Bureau**

- Approves \$1.7 million and four positions to establish the Workplace Conduct Unit.

**Deferred Maintenance**

- Approves \$290.8 million (\$262.2 million General Fund) in deferred maintenance proposed in the January budget for various departments.

**General Obligation Bond Debt**

- Reflects updated GO Bond Debt repayments of \$7 billion (\$4.8 billion General Fund) in 2019-20. This amount has decreased from the January estimate by \$117.4 million (\$82.9 million General Fund) due to the State realizing lower debt service costs.

**General Government Trailer Bill Provisions**

- Adopts Trailer Bill to remove conflicting language related to the authority of Finance to revert unspent special fund capital appropriations.
- Includes language to clarify the use of interest revenue from funding already appropriated for the Capitol Annex project.

- Redirects the lead and governance of the Immigration and Rapid Rehousing funding to the Department of Social Services to better fit the mission of that funding. AB 72 (Chapter 1, Statutes of 2019) included \$10 million for this purpose.
- Changes the administration of the Golden State Financial Marketplace Program (GS\$mart) to remove the application of the program to services, revise the financing process, and require that the Department of Finance and the Treasurer's office approve the terms and conditions of any funding agreement.
- Allows the Public Works Board to exempt a renovation of a State building from requiring the installation of a diaper changing station if the installation is not feasible or would result in a failure to comply with building standards. Previous law gave building inspectors or local building permit entity this authority.
- Clarifies that California Highway Patrol dispatch center and radio equipment is exempt from the requirement of the Seismic Safety Act or any provisions that do not usually apply to California Highway Patrol office space.
- Adopts "prompt payment" trailer bill language that clarifies the role of the Fi\$Cal system in the payment of penalties related to incorrect claims.

### **Budget Architecture / Budget Resiliency**

- Utilizes Department of Finance's baseline revenue and property tax estimates, with the following key modifications: no action on proposed tax conformity package, a modified EITC expansion, a longer exemption period for the diaper and tampon taxes, and approval of placeholder trailer bill and budget bill provisions to extend the managed care organization (MCO) tax, subject to federal agreement. The extended MCO tax would continue to support existing health care and related programs, with an assumed net General Fund benefit of \$858 million in 2019-20 and \$1.844 billion in 2020-21, 2021-22, and 2022-23.
- Approves Governor's proposed additional deposit to the Safety Net Reserve Account, which raises that reserve's balance to \$900 million.
- Approves Governor's January and May Revision proposals for \$3.15 billion (non-Proposition 98 General Fund, one-time) to help school and community college districts with their CalSTRS pension costs.
- Rejects the Governor's proposed \$1.1 billion supplemental payment on state government CalSTRS liabilities and instead adopts placeholder trailer bill language to appropriate \$1.5 billion (non-Proposition 98 General Fund, one-time) to provide additional assistance to

school and community college districts with their CalPERS classified employee pension costs. This action will help moderate future increases in districts' CalPERS pension costs—similar to the proposal discussed above to help districts with teacher-related CalSTRS costs. Of this \$1.5 billion, approximately \$175 million would be used to reduce districts' CalPERS costs in each of the next two fiscal years (2019-20 and 2020-21), with the remaining \$1.15 billion going to reduce districts' long-term CalPERS liabilities.

- Reduces from \$3 billion to \$600 million the Governor's proposed one-time supplemental payment on state government CalPERS pension liabilities in order to help build larger budget reserves and fund other one-time budget priorities. (The Assembly's multiyear budget framework assumes \$2.65 billion of additional supplemental payments on CalPERS liabilities spread across 2020-21 and 2021-22, subject to availability of funds and appropriation by the Legislature.) Designated as Proposition 2 debt repayment if needed.
- Rejects Governor's proposals to eliminate longstanding CalPERS (fourth quarter) cash flow deferrals and the state payroll cash flow deferral. The resulting approximately \$1.7 billion of 2019-20 net budgetary savings helps build larger budget reserves and fund other one-time budget priorities.
- Approves Governor's trailer bill proposals for the General Fund to pay off significant outstanding obligations to transportation funds: \$886 million to pay off weight fee obligations and \$236 million to pay off pre-Proposition 42 transportation obligations. Designated as Proposition 2 debt repayments to the extent necessary to meet constitutional debt repayment requirements.
- Reduces Governor's proposed General Fund repayments on other special fund loans from \$942 million to \$842 million, with conforming adjustments to proposed interest payments related to those loans. Designated as Proposition 2 debt repayments to the extent necessary to meet constitutional debt repayment requirements.
- Approves placeholder trailer bill language to establish a Disaster Preparedness Account in the state treasury and authorize the Director of Finance to transfer up to \$1 billion of future federal emergency reimbursements to that account in 2019-20 to assist with state cash flow needs in responding to future emergencies. Expresses legislative intent for the administration to present a proposal on future development of this account's operations during the 2020-21 budget process.
- Approves placeholder trailer bill language to clarify the purpose of the Budget Deficit Savings Account and authorize the Legislature, in any fiscal year, to transfer funds into that account or authorize the transfer or some or all of the account's balances to the General Fund or any other state fund to mitigate actual or future projected budget deficits.

- Sets aside \$550 million in 2019-20 and \$50 million ongoing beginning in 2020-21 in General Fund Item 9901 (Various Departments) for additional legislative augmentations to be determined in future legislation.
- Approves placeholder trailer bill language to authorize the Legislature, in future budget acts, to appropriate funds to prepay all or a portion of the state's annual employer contributions to CalPERS for the immediately subsequent fiscal year.

# **Subcommittee No. 5 on Public Safety**

**Assemblymember Dr. Shirley Weber, Chair**

## PUBLIC SAFETY

The Assembly Budget Subcommittee on Public Safety has made significant investments to ensure improved public safety outcomes and greater accountability over programs and expenditures of the various departments within its jurisdiction. Among its many actions, the Subcommittee has approved the transition of the Division of Juvenile Justice from the Department of Corrections and Rehabilitation to the Health and Human Services Agency, ushering in a new approach to addressing youth delinquency through a trauma-informed, rehabilitation focused lens. To support this critical endeavor, the Subcommittee has established an advisory committee made up of youth justice stakeholders to provide recommendations and input in order to improve youth outcomes, reduce unnecessary detention, and reduce recidivism. In addition, critical investments are made to address the high rates of death occurring from drug overdoses in the state's prisons. The resources will establish a seven prison pilot to support an integrated substance use disorder treatment program that combines medication assisted treatment and cognitive behavioral treatment. Additional investments have been made to increase literacy amongst prisoners and provide critical infrastructure support to the state's aging prison system.

In order to enhance access to justice, the Subcommittee has invested in the creation of 25 new judgeships to be distributed to areas in the state that are in greatest need, as well as increasing legal aid resources for landlord-tenant disputes and providing additional reimbursement authority for dependency counsel. In addition, significant resources are invested in modernizing the trial courts, enhancing trial court security, providing additional interpreters in civil cases, and completing some trial court construction projects.

Unprecedented disasters have required significant investments in disaster relief and response. The Subcommittee provides resources to update the outdated 9-1-1 system to the next generation 9-1-1 system, support the completion of the Early Earthquake Warning System and develop and implement the California Interoperable Public Safety Radio System. Approximately \$300 million in additional investments are provided for relief and response efforts, including pre-positioning of fire equipment and additional support to communities impacted by the Camp fire.

Other notable investments made by the Subcommittee include providing an additional augmentation for use of force and de-escalation trainings for law enforcement, an ongoing \$10 million in grants to programs and services that support victims of human trafficking, reinstating auditing and investigatory functions of the Office of Inspector General, and piloting pre-trial services and decision-making in 10 counties.

**California Department of Corrections and Rehabilitation**

- Provides \$576,000 General Fund to begin an effort under the California Law Revision Commission to simplify and rationalize criminal law and criminal procedures included in the Penal Code.
- Provides \$5.5 million General Fund for a package of programs aimed at improving literacy rates of incarcerated individuals, including diagnostic remedial reading programs, literacy coaches, computer-based learning, English as a second language courses, literacy mentor programs, and teacher mentor programs.
- Moves the Division of Juvenile Justice from CDCR to the Health and Human Services Agency and creates an advisory body of stakeholders to provide recommendations on juvenile justice policies that will improve youth outcomes and reduce recidivism. Provides \$1.2 million ongoing General Fund for key staff to plan the transition and to launch of a new independent training institute that will train all staff on best practices. Also provides \$1.4 million ongoing General Fund to create a partnership between the Division of Juvenile Justice and the California Conservation Corps to develop and implement an apprenticeship program.
- Provides \$112 million General Fund over the course of three years to implement an integrated substance use disorder treatment program pilot at 7 CDCR prisons. The proposal includes 1) the use of medication-assisted treatment (MAT) to treat inmates with opioid and alcohol use disorders, 2) a redesign of the current cognitive behavioral treatment curriculum, and 3) the development and management of inmate treatment plans and substance use disorder-specific pre-release transition planning.
- Provides \$1.1 million General Fund for an expanded tattoo removal program.
- Includes an augmentation of \$6 million General Fund to provide increased staffing, facilities, and information technology equipment for expanding utilization of telehealth.
- Provides \$3.69 million General Fund for the design and construction for the second phase of medication distribution improvements in 13 prisons.
- Provides \$9.8 million General Fund to implement a new regional model for reviewing and investigating inmate complaints of staff misconduct and revise CDCR's grievance review process.
- Provides \$3.6 million General Fund to fund increases in lease costs in the California Correctional Health Care Services.

- Includes \$1.8 million General Fund on a limited term basis to expand the Educational Partnership Program that places students and recent graduates in temporary residency and internship positions within the state prisons.
- Includes \$71.7 million General fund over two years for roof replacements projects in California State Prison, Solano and High Desert State Prison.
- Provides \$59 million General Fund over two years 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.
- Includes \$8.4 million General Fund over two years to fund accessibility improvements at California Institution for Women and Mule Creek State Prison.
- Provides \$24 million General Fund one-time to establish a 7-year replacement schedule for fleet assets.
- Includes \$2 million to provide matching funds for California Volunteers/AmeriCorps federal grant to support 40 half-time AmeriCorps members in organizations assisting youth released from the Division of Juvenile Justice.
- Eliminates the use of out-of-state beds and all inmates will be removed from Arizona by June 2019.
- Provides \$8.8 million ongoing General Fund to establish two new 60-bed female facilities in Los Angeles and Riverside, and expand an existing male facility in Los Angeles County by 10 beds.
- Includes \$1.5 million ongoing General Fund to provide a five percent contract rate increase for Male Community Reentry Program providers.
- Includes \$1.5 million ongoing General Fund to provide equal access to rehabilitation programs and services to inmates for whom sign language is their primary method of communication.
- Includes \$27.9 million for the Receiver's Medical Classification Model to provide increased staffing levels for health care operations throughout the state's prisons.
- Provides an additional \$2 million Inmate Welfare Fund for the Office of Victims and Survivor Rights' Victim Offender Dialogue Program and the Division of Rehabilitative Programs to establish or expand Innovate Programming Grants targeting victim impact programs.

- Provides \$27.27 million General Fund for a new boiler facility and \$484,000 General Fund for a cognitive behavioral treatment space at San Quentin State Prison.
- Provides \$4.7 million General Fund for supplemental reforms to parole consideration to complete the workload related to a projected increase in parole hearings.
- Provides \$3.92 million General Fund for the construction of a yard in Pelican Bay State Prison.
- Provides \$491,000 General Fund to design and construct three classrooms in California State Prison, Sacramento.
- Provides \$9.63 million for water storage tanks at Folsom State Prison.
- Provides \$4.1 to implement various legislative bills signed into law, including SB 1447, Chapter 666, Statutes of 2018, SB 960, Chapter 782, Statutes of 2018, AB 2327, Chapter 2327, Statutes of 2018, AB 2845, Chapter 824, Statutes of 2018, and SB 1421, Chapter 988, Statutes of 2018.
- Provides \$61.9 million General Fund for the California Correctional Health Care Services contract medical services.
- Provides \$6.117 million General Fund to provide ongoing contractual janitorial services at the California Health Care Facility.
- Provides \$497,000 to expand the research capacity of the Council on Criminal Justice and Behavioral Health.
- Provides \$1.657 million General Fund to relocate parole offices in Los Angeles and Chula Vista.
- Provides \$2.3 million General Fund ongoing for increases related to the Department of General Services (DGS) statewide surcharge.
- Provides \$1.8 million General Fund ongoing for rent increases in CDCR's central administration office buildings.

### **Judicial Branch**

- Provides \$30.4 million General Fund in 2019-20 and \$36.5 million General Fund annually thereafter for 25 additional superior court judgeships that will be allocated upon completion of the Judicial Council's Judicial Needs Assessment expected in late summer 2019.

- Adopts statutory changes to increase the trial court reserve cap from one percent to three percent beginning June 30, 2020 to enable courts to retain funding to cover unanticipated mid-year changes in costs or disruptions in funding.
- Provides \$1.5 million ongoing General Fund to the Judicial Council to administer federal reimbursements related to court-appointed dependency counsel, which are estimated to be \$34 million annually, resulting in an increase in the dependency counsel budget from \$156.7 million to \$190.7 million annually beginning 2019-20.
- Increases the Equal Access Fund by \$20 million one-time General Fund to provide legal aid for renters in landlord-tenant disputes.
- Provides \$21.13 million (\$1.37 million Immediate and Critical Needs Account, \$19.76 million Public Construction Fund) for working drawings and construction for the New Indio Juvenile and Family Courthouse project located in Riverside County and \$17.15 million Public Construction Fund for the construction phase of the New El Centro Courthouse project in Imperial County.
- Provides \$75 million General Fund to be allocated over a 2 year period to fund implementation, operation, evaluation and efforts in a minimum of 10 courts related to pretrial services.
- Provides \$41.9 million in General Fund to improve access to justice and modernize court operations, including:
  - \$23.1 million to replace 14 case management systems in 10 trial courts.
  - \$7.7 million to complete the first step in migrating to an updated Phoenix personnel system and shift \$3.2 million in existing Improvement and Modernization Fund costs to the General Fund.
  - \$5.6 million to establish a pilot program to digitize paper and film case files at six trial courts in order to develop best practices for future statewide implementation.
  - \$5.5 million to establish and support the foundation of business intelligence, data analytics, and identity and access management program to improve court efficiencies and service to the public.
- Provides \$2.3 million General Fund to advance technology projects identified by the Chief Justice's Commission on the Future of California's Court System including (1) remote appearances for most noncriminal court proceedings, (2) voice-to-text language interpretation services at court filing, service counters, and in self-help centers; and (3) intelligent chat technology to provide self-help services.

- Provides \$22.5 million General Fund for trial court employee benefit increases that were implemented in 2018-19 to address mid-year adjustments.
- Provides \$41.6 million General Fund to backfill the Trial Court Trust Fund.
- Provides \$40 million General Fund for deferred maintenance and \$20.2 million General Fund to support operations and maintenance of trial court facilities constructed since 2007.
- Provides \$13.9 million General Fund for anticipated resentencing workload increases associated with AB 1793 (Chapter 993, Statutes of 2018) (Cannabis Conviction Resentencing).
- Provides \$6 million General Fund to refresh, maintain, and replace trial court security equipment and systems.
- Provides \$5.6 million General Fund to shift funding for the Litigation Management Program from the Improvement and Modernization Fund to the General Fund.
- Provides \$9.6 million ongoing General Fund for the continuation of interpreter services for civil matters and to cover increases costs in criminal cases.
- Provides \$5 million ongoing General Fund to address operational cost increases for the Court of Appeals.

### **Department of Justice**

- Provides a total funding of \$1 billion to support the Department of Justice.
- Provides \$11.875 million General Fund for the Armed Prohibited Persons System (APPS), and shifts the existing APPS program from various special funds to the General Fund. Provides \$3 million in grants to local law enforcement agencies to conduct APPS sweeps within their jurisdiction.
- Provides \$6.9 million Dealer's Record of Sale Account to the Bureau of Firearms to address increasing workload related firearm sales.
- Provides \$15 million General Fund and \$10 million Fingerprint Fees Account to backfill the DNA Identification Fund. Includes \$5.8 million General Fund to establish a replacement schedule to regularly maintain and replace forensic laboratory equipment.
- Provides \$4.2 million General Fund to establish two investigative teams focused on human trafficking and sexual predators.

- Provides \$1.5 million General Fund to develop a plan to update the Juvenile Court and Probation Statistical System.
- Provides \$2.87 million General Fund to replace 300 peace officer radios.
- Provides \$2.15 million to develop and implement a cloud-based secure software solution that will create a centralized employee information repository.
- Provides \$797,000 to implement recommendations identified in the 2018 California State Auditor Report on Hate Crimes.
- Provides \$2.07 million to pay for settlements related to the Reproductive Freedom, Accountability, Comprehensive Care, and Transparency Act.
- Provides \$4.4 million Gambling Control Fund to the Bureau of Gambling Control to reduce the backlog and address workload associated with California cardroom and third party providers of proposition player services.
- Adopts language to require reporting to the Joint Legislative Budget Committee prior to making any adjustments to DOJ's billing structure.
- Provides the following resources to implement various pieces of legislation that were signed into law:
  - \$17.2 million General Fund to continue implementing Chapter 541, Statutes of 2017, which requires a tiered registration of sex offenders.
  - \$1.8 million General Fund, \$2.9 million Unfair Competition Law Fund to implement the California Consumer Privacy Act of 2018.
  - \$1.85 million Unfair Competition Law Fund to implement the California Internet Consumer Protection and Net Neutrality Act of 2018.
  - \$135,000 General Fund to implement AB 748 (Chapter 630, Statutes of 2018) related to peace officers and audio/video recordings.
  - \$985,000 General Fund to implement AB 1793 (Chapter 993, Statutes of 2018) related to cannabis convictions.
  - \$327,000 General Fund to implement AB 1065 (Chapter 803, Statutes of 2018), which creates, until January 2, 2021, the crime of organized retail theft, extends the county jurisdiction, and requires the California Highway Patrol, in coordination with the Department of Justice to convene a regional property crimes task force.
  - \$365,000 Unfair Competition Law Fund authority to implement AB 1919 (Chapter 631, Statutes of 2018), which expands the scope of law (includes rental housing) and resources for enforcement of price gouging in times of disaster.

- \$350,000 Dealers' Record of Sale Special Account authority to implement SB 1100 (Chapter 894, Statutes of 2018), related to firearm transfers.
- \$663,000 Dealers' Record of Sale Special Account authority to implement AB 1968 (Chapter 861, Statutes of 2018), related to firearms and mental health.
- \$432,000 Dealers' Record of Sale Special Account authority to implement SB 746 (Chapter 780, Statutes of 2018), related to firearms and ammunition.
- \$1.18 million Fingerprint Fees to implement AB 2461 (Chapter 300, Statutes of 2018), related to subsequent arrest notification.
- \$155,000 General Fund to implement SB 1421 (Chapter 988, Statutes of 2018), related to peace officers release of records.
- \$900,000 General Fund to extend the Major League Sporting Event Raffle program.
- \$2.67 million to implement various Controlled Substance Utilization Review and Evaluation System (CURES) related bills.
- \$135,000 General Fund to implement AB 2222 (Chapter 864, Statutes of 2018), related to firearms reporting requirements.

**Office of Inspector General**

- Provides \$7.913 million for the Office of Inspector General to conduct discretionary audits and provide oversight over the Department of Corrections and Rehabilitation's staff complaint process.

**Board of State and Community Corrections**

- Includes \$112.8 million General Fund to continue the Community Corrections Performance Incentive Grant which was created by SB 678 (Chapter 608, Statutes of 2009).
- Provides an augmentation of \$18 million one-time General Fund for the California Violence Intervention and Prevention Program, resulting in a total of \$27 million for the program in 2019-20 and \$9 million ongoing thereafter.
- Provides \$14.8 million General Fund for county probation departments to supervise the temporary increase in the average daily population of individuals on Post Release Community Supervision.

**California Military Department**

- Provides \$14.88 million General Fund and federal matching funds to fund various armory renovation proposals.
- Provides \$1 million General Fund, \$3 million Federal Trust Fund expenditure authority, to establish the California Job Challenge Academy at Joint Forces Training Base in Los Alamitos to serve 150 students annually.
- Provides \$2.2 million (\$1.65 million Federal Trust Fund and \$550,000 General Fund) to expand the Discovery Challenge Academy in Lathrop in order to serve 100 students annually.
- Provides \$1.74 million General Fund to maintain, improve, and expand the use of military air and ground administrative resources for response activities of the Military Department.
- Provides \$200,000 General Fund for the acquisition phase of the continuing Los Alamitos National Guard Readiness Center.
- Provides \$670,000 General Fund for the Work for Warriors employment assistance program to reduce unemployment amongst veterans.
- Provides \$6.8 million General Fund to connect and upgrade utility systems at the Lathrop-Roth Training Complex.
- Provides \$1.19 million General Fund and Federal Trust Fund to maintain standards at facilities for Army National Guard and purchase work trucks.

**Office of Emergency Services**

- Provides ongoing \$10 million General Fund for the Human Trafficking Victim Assistance Program.
- Provides an additional \$152.3 million to improve the state's emergency response and preparedness capabilities including the following:
  - \$60 million General Fund to be deposited into the State Emergency Telephone Number Account (SETNA) to continue improving the 9-1-1 system, specifically to upgrade the California Public Safety Microwave Network from an analog system to a digital system.
  - \$1 million to SETNA to support the implementation and ongoing workload associated with emergency communications coordination and First Responder Network Authority broadband network services.

- \$16.3 million General Fund to finish the build out of the California Early Earthquake Warning System.
- \$25 million General Fund for Mutual Aid Assistance for pre-positioning of existing OES and local government resources.
- \$50 million General Fund to immediately begin a comprehensive, statewide education campaign on disaster preparedness and safety, focusing on community engagement and public education in high risk areas.
- Provides \$25 million for Disaster Preparedness and Response.
- Provides \$75 million General Fund to improve resiliency of the state's critical infrastructure in response to investor-owned utility-led Public Safety Power Shutdown actions.
- Provides \$28.75 million General Fund to the California Disaster Assistance Act, increasing the total funding to \$82.6 million, to repair, restore, or replace public real property damaged or destroyed by a disaster and to reimburse local government costs.
- Provides \$59.5 million General Fund over five years to develop and implement the California Interoperable Public Safety Radio System.
- Provides \$15 million General Fund augmentation for the California State Nonprofit Security Grant Program which provides support for security enhancements to nonprofit organizations that are at high risk of a terrorist attack.
- Extends the liquidation period for local entities to expend funds from Proposition 1B, the liquidation period to complete the deployment 12 Type 1 Fire Engines and two Incident Support Vehicles, and the liquidation period to complete the procurement and installation process of the Early Earthquake Warning System.
- Includes one-time \$10 million General Fund to support local communities impacted by the Camp Fire.
- Provides \$1 million to develop and administer a grant program related to the federal STOP School Violence Act of 2018.
- Provides \$2.2 million General Fund to exercise the lease purchase option for OES to acquire the 18,000 square foot Fire Apparatus Maintenance Shop and General Purpose Warehouse in Sacramento.

- Increases the Federal Trust Fund Authority to \$110 million for increases in the Hazard Mitigation Grant Program and the Violence of Crimes Act grants.
- Provides \$1.52 million to provide for the acquisition phase of the Relocation of Red Mountain Communications Site project.

**Commission on Peace Officer Standards and Training**

- Provides \$34.9 million General Fund to provide administrative support and training for law enforcement in de-escalation and use of force.

**Judges' Retirement System**

- Provides \$40 million to address the class action lawsuit, *Mallano v. John Chiang*, related to the Judges' Retirement System.
- Augments the Judges' Retirement System by \$6.226 million.