



## Part II

2011-12

### Budget Conference Committee on SB 69

Assembly Member Bob Blumenfield, Chair  
Senator Mark Leno, Vice Chair

Members: Assembly Member Felipe Fuentes, Assembly Member Diane Harkey, Assembly Member Jim Nielsen, Assembly Member Nancy Skinner  
Senator Bob Huff, Senator Alan Lowenthal, Senator Gloria Negrete McLeod, and Senator Bill Emmerson

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Issue	Description	Difference (dollars in thousands)	Conference Action
<b>Non-Budget Act Item</b>	<b>K-12 Inter-Year Payment Deferral - Language</b>		
TBL	<p><b>Governor</b> proposed placeholder trailer bill language to implement a <b>\$2.1 billion</b> inter-year deferral of K-12 revenue limit payments to local educational agencies for 2011-12. The Governor's placeholder language defers revenue limit payments from July 2011 to July 2012.</p> <p>Senate approved the \$2.1 billion inter-year payment deferral, and signaled intent to modify trailer bill language to narrow the timeframe for the K-12 inter-year payment deferral from 2011-12, while also addressing the state's cash needs.</p> <p>Assembly approved \$2.1 billion inter-year payment deferral, and signaled intent to modify trailer bill language to mitigate the length of the deferrals.</p>	<p><u>Language</u></p> <p>Senate Modified TBL</p> <p>Assembly Modified TBL</p> <p>Difference Language</p>	<p><b>Comments:</b> Both houses intended to move this issue to Conference Committee to provide more time to work with the Administration to modify the Governor's placeholder trailer bill language for the K-12 inter-year payment deferral for 2011-12.</p>

**6110 Department of Education**

Issue	Description	Difference (dollars in thousands)	Conference Action
<b>6110-234-0001</b>	<b>K-3 Class Size Reduction (CSR) Appropriation – Language</b>		
380/ 382	<p>The Governor’s Budget appropriates <b>\$1.275 billion</b> for the K-3 CSR program in 2011-12. The Governor proposes to schedule \$704.6 million for K-3 CSR in the budget bill in 2011-12. (The Governor’s Budget schedules the remaining \$570 million in the budget trailer bill as payment deferrals for CSR for 2011-12.)</p>	<p><u>Language</u>  Senate -- Assembly TBL</p>	<p><b>Comments:</b> The statutory appropriation for the 2010-11 K-3 CSR program increased by \$85.2 million above estimated levels.</p>
	<p>In 2010-11, the K-3 CSR program was converted to a statutory appropriation for one year. Per the adopted statute, the 2010-11 funding level for the program is determined by the Superintendent of Public Instruction (SPI).</p>	<p>Difference TBL</p>	
	<p>The Senate approved the Governor’s budget proposal.</p>		
	<p>The Assembly approved a statutory appropriation for the K-3 CSR program in 2011-12 instead of the \$704.6 million budget bill appropriation and \$570 million deferral payment proposed by the Governor. Per the statutory appropriation, the SPI would certify the amount of funding needed for the program in 2011-12.</p>		

**6110 Department of Education**

Issue	Description	Difference (dollars in thousands)	Conference Action
<b>Non- Budget Act Item</b>	<b>Current Year CALPADS Veto -- Federal Funds</b>		
<b>383</b>	<p>The Governor proposes to continue the veto of <b>\$6.5 million</b> in federal funds from the 2010-11 budget bill for support of two statewide education data systems -- the California Longitudinal Pupil Achievement Data System (CALPADS) and the California Teacher Integrated Data Education System (CALTIDES).</p> <p>The Governor continues to set-aside vetoed federal funds and proposes that any future funding decisions are pending a review of the CALPADS and CALTIDES via an interagency working group.</p> <p>The Senate authorizes <b>\$2.946 million</b> in federal funds (set aside from the veto) for CDE state operations to continue implementation and development of CALPADS in 2010-11.</p> <p>The Assembly approved the Governor’s Budget proposal.</p> <p>[Both houses acted to delay funding decisions for 2011-12 until after May Revise to reflect conclusions of an interagency working group requested by the Governor.]</p>	<p><u>2010-11 Veto Restoration</u></p> <p>Senate \$2,946 TBL</p>	<p><b>Comments:</b> The 2010-11 veto included nearly <b>\$3.0 million</b> to the California Department of Education (CDE) for support and development of CALPADS and <b>\$3.5 million</b> for CALTIDES.</p>
		<p>Assembly \$0</p> <p>Difference \$2,946 TBL</p>	<p>Both houses acted to send the 2010-11 funding issue to Conference Committee to continue negotiations on partial restoration of federal funds in the current year to keep the CALPADS and CALTIDES projects on track. Per CDE, CALTIDES funds are no longer needed in 2010-11.</p>



**6120 California State Library**

Issue	Description	Difference (dollars in thousands)	Conference Action
<b>6120-101-0001</b>	<b>California State Library</b>		
003	<p><b>Eliminate State Support for Local Libraries</b></p> <p><b>Governor</b> proposed a \$30.4 million General Fund reduction to the local libraries funding, which would eliminate funding for:</p> <ol style="list-style-type: none"> <li><b>Public Library Foundation (\$12.9 million General Fund)</b> – Core operational assistance to local libraries. Used to maintain staffing and hours of operation.</li> <li><b>California Library Services Act (\$12.9 million General Fund)</b> – Funds resource sharing and reimburses public libraries for loans to people living outside their jurisdiction.</li> <li><b>English Acquisition and Literacy Program (\$4.5 million General Fund)</b> – Provides community-centered literacy assistance to English-speaking adults who did not gain literacy in traditional settings.</li> </ol>	<p>Senate -\$30,390</p> <p>Assembly -\$3,000</p> <p>Difference -\$27,390</p>	<p>There are 181 local library districts in California. 49 local library districts receive more than five percent of their funding from the State.</p> <p>The Literacy Program served over 89,000 people in 2009-10 (42,497 adults and 46,983 children).</p> <p>The federal grant for the State Library is based on the last three years of State General Fund support for the libraries. The federal grant is used for state operations. Currently, the federal grant is \$19.7 million. If the \$30.4 million cut is approved and not restored in future years, by 2014-15 the federal grant will drop to zero.</p>
	<p><b>Senate</b> approved as budgeted.</p>		
	<p><b>Assembly</b> approved an unallocated reduction of \$1.5 million to Public Library Foundation, \$1.5 million to Library Services Act, and funding restoration to the English Acquisition and Literacy Program.</p>		

**6440 University of California**

<b>Issue</b>	<b>Description</b>	<b>Difference</b> <small>(dollars in thousands)</small>	<b>Conference Action</b>
<b>6440-001-0001</b>	<b>University of California</b>		
001	<b>Budget Reduction Language</b>		
	<b>Governor</b> proposed an unallocated reduction of \$500 million to the University of California system.		Senate BBL
	<b>Senate</b> approved the Governor’s unallocated reduction with budget bill language expressing Legislative intent to minimize enrollment impacts and requiring the UC to report on March 1, 2012 on how the budget reduction was implemented.		Assembly TBL
	<b>Assembly</b> approved the Governor’s unallocated reduction with placeholder trailer bill language with reporting language on what reductions the UC intends to take and how the reductions were actually implemented.		Difference Language
	Also approved trailer bill language specifying an enrollment target of 209,977 full time equivalent students for 2011-12.		

Issue	Description	Difference (dollars in thousands)	Conference Action
004	<b>Employee Compensation Language</b>	Senate	
	<b>Governor</b> had no proposal.	No action	
	<b>Senate</b> did not take action.	Assembly BBL	
	<b>Assembly</b> approved budget bill language redirecting \$3 million to fund the scheduled increase in employee retirement contributions and the increased personnel cost for specified employees.	Difference BBL	

6600	Hastings College of the Law		Conference Action
Issue	Description	Difference (dollars in thousands)	

**6600-001-0001 Hastings College of the Law**

005	<b>Redesignate State Support for Student Financial Aid</b>	Senate	
	<b>Governor</b> proposed \$6.9 million General Fund for Hastings College of the Law.	\$6,935 Schedule Change	
	<b>Senate</b> approved the Governor’s proposed funding level and shifted all General Fund to a new schedule “Student Financial Aid”.	Assembly \$6,935	
	<b>Assembly</b> approved as budgeted.	Difference \$0 Schedule Change	

**6610 California State University**

<b>Issue</b>	<b>Description</b>	<b>Difference</b> <small>(dollars in thousands)</small>	<b>Conference Action</b>
<b>6610-001-0001</b>	<b>California State University</b>		
002 006	<p><b>Budget Reduction Language</b></p> <p><b>Governor</b> proposed an unallocated reduction of \$500 million to the California State University (CSU).</p> <p><b>Senate</b> approved the Governor’s unallocated reduction with budget bill language expressing Legislative intent to minimize enrollment impacts and requiring the CSU to report on March 1, 2012 on how the budget reduction was implemented.</p> <p><b>Assembly</b> approved the Governor’s unallocated reduction with placeholder trailer bill language with reporting language on what reductions the CSU intends to take and how the reductions were actually implemented.</p> <p>Also approved trailer bill language specifying an enrollment target of 331,716 full time equivalent students for 2011-12.</p>	Senate BBL  Assembly TBL  Difference Language	

**6610 California State University**

<b>Issue</b>	<b>Description</b>	<b>Difference</b> <small>(dollars in thousands)</small>	<b>Conference Action</b>
006	<b>Implementation of Budget Reduction</b>	Senate \$0	
	<b>Governor</b> had no proposal.		
	<b>Senate</b> scored these funds for savings in 2011-12.	Assembly \$75,000	
	<b>Assembly</b> approved trailer bill language to shift \$75 million of CSU 2010-11 General Fund funds to 2011-12, thus alleviating the CSU 2011-12 budget reduction.	Difference \$75,000	

**6870 California Community Colleges**

Issue	Description	Difference (dollars in thousands)	Conference Action
<b>6870-101-0001 California Community Colleges</b>			
202	<b>Decouple Fee Revenue from Financial Aid Support</b>	Senate \$0	
	<b>Governor</b> proposed trailer bill language to decouple fee revenue from financial aid support.	Assembly \$2,900	
	<b>Senate</b> approved as budgeted.		
	<b>Assembly</b> rejected the Governor's request and augmented the financial aid program by \$2.9 million by taking the funds from base apportionment.	Difference -\$2,900	

**6870-101-0001 California Community Colleges**

Issue	Description	Difference (dollars in thousands)	Conference Action
209	<b>Federal Family Education Rights and Privacy Act (FERPA)</b>	Senate Not Heard	SB 1298 (Simitian) was enacted to establish a K-20 longitudinal system. It was recently discovered
	Governor had no proposal.	Assembly TBL	that the Community Colleges are currently prohibited from sharing data with the Department of
	Senate did not hear the issue.	Difference TBL	Education. If this technical change is not approved in the trailer bill process, the changes will have to be made through the legislative process and placed in effect until January 1, 2012.
	Assembly approved trailer bill language that would allow community colleges to share student information with other schools, researchers, and auditors consistent with the federal Family Education Rights and Privacy Act (FERPA).		



**6870****California Community Colleges**

Issue	Description	Difference (dollars in thousands)	Conference Action
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**6870-301-6049 California Community Colleges**

600	<b>Capital Outlay</b>	Senate \$0	
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**Governor** proposed General Obligation bond funding for three capital outlay projects:

- |  |                        |  |
|--|------------------------|--|
| 1. Santa Clarita Community College District, College of the Canyons, Administration and Student Services Building, Construction and Equipment: \$6.855 million | Assembly<br>\$48,168   |  |
| 2. San Francisco Community College District, City College of San Francisco Performing Arts Complex, Construction and Equipment: \$38.247 million               | Difference<br>\$48,168 |  |
| 3. Coast Community College District, Orange Coast College, Music Building Modernization, Construction: \$3.489 million   |                        |  |

**Senate** rejected the capital outlay proposals without prejudice.

**Assembly** approved as budgeted.

**7980****California Student Aid Commission**

Issue	Description	Difference (dollars in thousands)	Conference Action
<b>7980-101-0001</b>	<b>California Student Aid Commission</b>		
001	<p data-bbox="212 402 1079 443"><b>CalGrant Awards for Private Career College Students</b></p> <p data-bbox="212 488 625 529"><b>Governor</b> had no proposal.</p> <p data-bbox="212 573 1079 784"><b>Senate</b> approved trailer bill language to limit the amount of the CalGrant award at a private for-profit college to the equivalent public institution CalGrant level (\$1,551 annually for certificates and two-year degrees and \$4,884 for four-year degrees).</p> <p data-bbox="212 829 701 867"><b>Assembly</b> did not hear the issue.</p>	<p data-bbox="1184 402 1325 483">Senate -\$40,000</p> <p data-bbox="1163 529 1325 610">Assembly \$0</p> <p data-bbox="1163 656 1325 737">Difference \$40,000</p>	<p data-bbox="1346 402 1885 570">In 2009-10, the California Student Aid Commission (CSAC) offered 20,278 students CalGrant awards to attend a private for-profit college.</p> <p data-bbox="1346 615 1885 953">In 2009-10, CSAC funded \$94 million in CalGrant awards for students attending private for-profit colleges. During that same year, CSAC funded \$78.2 million in CalGrant awards for students attending California community colleges.</p>

**4265****Department of Public Health**

Issue	Description	Difference (dollars in thousands)	Conference Action
<b>4265-001-0001</b>	<b>State Support, Department of Public Health (DPH)</b>		
007	<b>California Health Interview Survey (CHIS).</b>	Senate -\$572	
	CHIS is the most comprehensive source of health information on Californians. The survey provides information for the entire state and most counties on a variety of health topics for California’s diverse population, focusing on access to health care, health insurance coverage, health behaviors, mental health treatment, cancer screening, and other health issues.	Assembly \$672	
		Difference \$572	
	<b>Governor.</b> Provided \$672,000 General Fund for CHIS within the Department of Public Health. These funds are matched with federal funds within the Department of Health Care Services (DHCS) for a total expenditure of \$1.3 million (total funds).		
	<b>Senate.</b> Reduced by \$572,000 General Fund due to fiscal crisis and the need to provide direct health care services to people. Other alternative funding could be made available, including non-profit foundation support, or other State Special Funds which could be used for this purpose. The federal fund appropriation within the DHCS remains available as a match.		
	<b>Assembly.</b> Approved as budgeted.		

**4300****Department of Developmental Services**

Issue	Description	Difference (dollars in thousands)	Conference Action
<b>4300-101-0001</b>	<b>Community-Based Services, Department of Developmental Services</b>		
TBL	<b>Proposed Statewide Purchase of Service Standards.</b>	Senate	
	<b>Governor.</b> Proposes broad trailer bill for development of Statewide Purchase of Services (POS) Standards. It provides sweeping authority to DDS to discern what core aspects of the Statewide Standards should be and provides for limited interaction with the public and deliberative processes of the Legislature. The budget assumed a reduction of about \$423 million (GF) from this action, coupled with other unspecified actions to achieve reduction level.	\$150,000	TBL
	<b>Senate.</b> Proposes trailer bill language for DDS to develop best practices as specified and to provide the fiscal and policy committees of Legislature, by no later than May 15 <sup>th</sup> , with estimated cost savings and draft statutory language necessary to implement the changes. Language requires DDS to involve stakeholders. Senate assumes reduction of \$150 million (GF) from development of POS best practices.	Assembly	
	<b>Assembly.</b> Proposes trailer bill language for DDS to develop standards that obtain a reduction of \$150 million and to provide the Legislature, by no later than May 15 <sup>th</sup> , with draft statutory changes. Language requires stakeholder workgroups. Assembly also assumes reduction of \$150 million (GF) from development of Statewide POS Standards.	\$150,000	TBL
		Difference	
		\$0	
		TBL	

Issue	Description	Difference (dollars in thousands)	Conference Action
<b>4440-001-3085 Department of Mental Health (DMH) and Conforming Actions</b>			
TBL & DOF Letter	<p><b>State Administrative Support: Mental Health Services Act (Proposition 63, of 2004).</b></p> <p>Mental Health Services Act (MHSA) allows up to 5 percent of total annual revenues for State administrative expenditures to support the DMH, the Oversight and Accountability Commission (OAC) and other State entities.</p>	<p>Senate 3.5% cap (need to allocate)</p> <p>Assembly 3.5% cap (need to allocate)</p>	<p>Both Houses agreed to cap State administration at 3.5 percent, but deferred reductions pending receipt of Administration’s Finance Letter.</p>
	<p><b>Governor.</b> January budget allocated 5 percent for State support, which based on updated revenue, was \$11 million (MHSA Funds) <i>over</i> budget. A late Finance Letter proposes to provide a total appropriation of <i>only</i> \$19.1 million (MHSA Funds), or a reduction of \$30.5 million, by proposing to:</p> <ol style="list-style-type: none"> <li>1. Reduce State support by \$30.5 million (MHSA Funds) and 143 positions;</li> <li>2. Modify the role of the DMH; and</li> <li>3. Modify the role of the OAC.</li> </ol>	<p>Difference Finance Letter</p>	
	<p>Trailer bill language is proposed but has <i>not</i> been provided.</p>		
	<p><b>Senate.</b> Adopted trailer bill language to reduce the 5 percent cap to 3.5 percent, and held harmless the OAC from reduction, <i>but did not yet allocate reduction</i> across the State departments. A 3.5 percent cap provides for a total appropriation of \$26.7 million (MHSA Funds).</p>		
	<p><b>Assembly.</b> Conformed to Senate action.</p>		

**4440****Department of Mental Health**

Issue	Description	Difference (dollars in thousands)	Conference Action
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**4440-011-0001 Long-Term Care, Department of Mental Health**

101	<b>Expansion of Psychiatric Program at CA Medical Facility—Vacaville.</b>	Senate -\$1,800
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<b>Governor.</b> Increases by \$7.5 million (GF) to support 80 new positions to increase capacity of the Vacaville Psychiatric Program administered by the Department of Mental Health (DMH).	Assembly \$0  Difference \$1,800
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DMH is increasing capacity at Vacaville in order to accelerate the activation schedule for 64 beds in the Intermediate Treatment Program as requested by the Coleman Court. DMH contends the positions are needed to meet the September 2011 schedule.

**Senate.** Adopted LAO recommendation to reduce by \$1.8 million to account for a phase-in of the 80 positions based on Vacaville activation schedule provided by DMH. The reduction reflects a 25 percent reduction.

**Assembly.** Approved as budgeted.

Issue	Description	Difference (dollars in thousands)	Conference Action
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## 5180-151-0001 Department of Social Services

301 **Transitional Housing Program-Plus (THP-Plus)** Senate  
\$14,000

**Governor** proposes a reduction of \$19 million GF, or over 50 percent of the program's funding, to THP-Plus. Assembly  
\$0

**Senate** approved \$5 million of the proposed reduction and budget bill language regarding the intent to maintain program availability and infrastructure in the budget year. Difference  
\$14,000

**Assembly** approved the Governor's proposal.

THP-Plus provides up to two years of transitional housing and support services to former foster youth ages 18 to 24. At one point last year, there were 1,400 young adults and 168 of their children in THP-Plus in 52 counties. The proposed reduction would eliminate 650 beds. Beginning January 1, 2012 and phased in annually through 2014, youth from 18 up to 21 years old who opt to remain in foster care under AB 12 (Chapter 559, Statutes of 2010) will have the option of living in "THP-Plus foster care," among other placement types, with newly available federal financial participation.

0860	Board of Equalization	Difference (dollars in thousands)	Conference Action
Issue	Description		

**0860-001-0001 Board of Equalization**

006	<b>Headquarters Building Rent Increase</b>	Senate
		\$0
	<p><b>Governor</b> proposed an increase in funding to account for a rental increase anticipated as a result of the sale of bonds to refinance the building. Current rent is based on interest only payments. The bonds have not yet been sold and the interest cost is unknown.</p>	Assembly
		-\$2,134
		Difference
		\$2,134

**Senate** took no action.

**Assembly** denied without prejudice.



**2150****Department of Financial Institutions**

Issue	Description	Difference (dollars in thousands)	Conference Action
<b>2150-001-0298</b>	<b>Department of Financial Institutions</b>		
001	<b>Banking Examination and Consumer Services</b>		
	<b>Governor</b> proposed to establish four existing banking Examiner positions as permanent, and to add three new customer service positions.	Senate \$302	
	The Governor's proposal includes \$50,000 from special funds for the ongoing support of the consumer database that is used to maintain complaint records for the administering of the Consumer Services Program.	Assembly \$352	
	<b>Senate</b> approved making the banking Examiner positions permanent, and approved the customer service positions as two-year limited-term. Senate rejected \$50,000 in contract funds.	Difference \$50	
	<b>Assembly</b> approved making the banking Examiner positions permanent, and approved the customer service positions as two-year limited-term.		

8885	Commission on State Mandates	Difference (dollars in thousands)	Conference Action
Issue	Description		

**8885-295-0001 Commission on State Mandates**

200	<b>Brown Act – Open-Meeting Mandate</b>	Senate -\$53,300	
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**Governor** proposes suspension of the Brown Act mandate for 2011-12. The Administration estimates this action would result in General Fund savings of \$63.3 million, which is the amount due in 2011-12 for prior-year claims. This mandate requires local governments to post agendas three-days prior to public hearings and to disclose actions taken in closed sessions. Under the constitution, either the prior-year claims must be fully paid or the mandate suspended.

Assembly \$0
Difference \$53,300

**Senate** rejected suspension of the mandate and adopted a placeholder funding level of \$10 million (or a reduction of \$53.3 million) to place the issue before the budget conference committee.

**Assembly** rejected suspension of the mandate and funded the full 2011-12 reimbursement obligation of \$63.3 million.

Issue	Description	Difference (dollars in thousands)	Conference Action
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**8955-001-0001 California Department of Veterans Affairs**

301	<b>Delay Opening of Redding and Fresno Veterans Homes Until 2012-13</b>	Senate \$24,800 GF
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**Governor** proposed a net GF increase of \$39.8 million for the Veterans Homes of California (VHCs), including: (1) an augmentation of \$32.1 million for full-year and one-time adjustments to phase-in staffing and residents at the existing and new VHCs in Greater Los Angeles Ventura County, Redding, and Fresno; (2) \$4.7 million for furlough and personal leave program reductions which are only reflected in the 2010-11 fiscal year; and (3) \$9.3 million for increased lease-revenue bond payments for VHC-Greater Los Angeles Ventura County. The expenditures are offset by an increase of \$3.8 million in GF revenue.

Assembly  
\$39,800  
GF

Difference  
\$15,000  
GF

**Senate** approved, contingent on federal approval, to delay the opening of the Redding and Fresno VHCs until the 2012-13 fiscal year, saving an estimated \$15 million GF in 2011-12.

**Assembly** approved the Governor's budget proposal.

**CS 3.91                      Reductions in State Operations**

Issue	Description	Difference (dollars in thousands)	Conference Action
<b>Control Section 3.91 Reductions in State Operations</b>			
501	<b>Additional Contract Savings</b>	Senate \$275,000	
	<b>Governor</b> proposed \$200 million GF savings (\$363 million all funds) achieved through departmental consolidations, operational efficiencies, and other cost reduction measures, such as reducing contracts.	Assembly \$300,000 TBL	
	<b>Senate</b> approved the Governor’s proposal plus an additional \$75 million GF savings to be achieved through information technology and other operational efficiencies.	Difference \$25,000 TBL	
	<b>Assembly</b> approved the Governor’s proposal plus an additional \$100 million GF savings (and placeholder trailer bill language) through review of contracting-out of state services.		

**0250 (Judicial Branch)**

Issue	Description	Difference (dollars in thousands)	Conference Action
<b>0250-101-0932 Judicial Branch</b>			
101	<b>Budget Bill Language for Unallocated Reduction.</b>	Senate	
102	<b>Governor</b> proposed a \$200 million unallocated reduction to trial court funding.	\$0	
103			
104		Assembly	
105	<b>Senate</b> allocated proportionate share of cut to state operations and adopted BBL that directs the following offsets: (1) \$147 million transfer from two construction funds with allocation determined by the Judicial Council, (2) \$20 million reduction in Facilities Modification spending, (3) \$2 million from Court Interpreter Program carryover savings. Also, adopted BBL specifying use of up to \$95 million of trial court fund balances and \$10 million from planned Court Case Management System (CCMS) expenditures.	\$0	
		Difference \$0	
	<b>Assembly</b> allocated proportionate share of cut to state operations and adopted BBL that directs the following offsets: (1) \$110 million transferred from the Immediate and Critical Needs Account, (2) \$30 million transferred from the State Courts Facilities Construction Fund, (3) \$20 million reduction in Facilities Modification spending (to effectuate 1 and 2), and (4) \$39 million transferred from the Judicial Administration Efficiency and Modernization Fund.		

**0250 (Judicial Branch)**

Issue	Description	Difference (dollars in thousands)	Conference Action
0250-101-0932	Judicial Branch		
101	<b>Court Case Management System.</b>	Senate \$0	
	<b>Governor</b> did not have a proposal.		
	<b>Senate</b> adopted budget bill language requiring the Administrative Office of the Courts, utilizing existing funds, to retain an independent consultant to perform an assessment of the California Court Case Management System (CCMS) before acceptance of the product from the vendor and before deploying CCMS to any courts.	Assembly \$0 Difference \$0	
	<b>Assembly</b> adopted the same language as trailer bill language.		

**0250 (Judicial Branch)**

Issue	Description	Difference (dollars in thousands)	Conference Action
<b>0250-101-0932 Judicial Branch</b>			
103	<b>Public Contract Code Trailer Bill Language.</b>	Senate \$0	
TBL	<b>Governor</b> did not have a proposal.	Assembly \$0	
	<b>Senate</b> did not hear this issue.		
	<b>Assembly</b> adopted trailer bill language that subjects the courts, including the Judicial Council and the Administrative Office of the Courts, to the provisions of the Public Contract Code.	Difference \$0	

**5225****Corrections and Rehabilitation**

Issue	Description	Difference (dollars in thousands)	Conference Action
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**5225-001-0001 California Department of Corrections and Rehabilitation**  
**5225-002-0001**

131 **Northern California Reentry Facility.** Senate  
\$0

**Governor** proposed to place the Northern California Reentry Facility (NCRF) on warm shutdown, meaning the facility would not be opened as planned in December 2012. The Governor proposed warm shutdown because of the state’s fiscal condition. Under this proposal, the department would reclassify or redirect five positions to maintain the facilities infrastructure systems. Assembly  
-\$1,053

Difference  
\$1,053

**Senate** denied without prejudice.

**Assembly** reduced funding for NCRF by \$1.1 million based on new information provided by the administration finding that it could achieve savings from reducing staffing levels that had been budgeted for pre-activation work.



**5225****Corrections and Rehabilitation**

Issue	Description	Difference (dollars in thousands)	Conference Action
5225-001-0001 5225-002-0001	<b>(California Department of Corrections and Rehabilitation)</b>		
140	<b>Structural Shortfall.</b>		
	<b>Governor</b> proposed \$395.2 million in CDCR to address underfunded areas of the department’s budget that drive deficiencies. These areas of structural shortfall are (1) custody salaries funded at mid-step, (2) medical guarding and transportation, (3) unfunded swing space, (4) custody staff overtime, and (5) legal settlements and outside counsel.	Senate \$245,182	
		Assembly \$145,182	
		Difference \$100,000	
	<b>Senate</b> reduced request by \$150 million. Also modified budget bill language to require that regular reports on the prison allotments and expenditures required to be provided to the Department of Finance also be provided to the Legislature.		
	<b>Assembly</b> reduced request by \$250 million.		

**5225****Corrections and Rehabilitation**

Issue	Description	Difference (dollars in thousands)	Conference Action
<b>5225-001-0001</b> <b>5225-002-0001</b> <b>5225-101-0001</b>	<b>(California Department of Corrections and Rehabilitation)</b>		
176	<b>Technical Adjustment.</b>  <b>Governor</b> proposed series of technical adjustments to CDCR's budget that shift existing funding amounts among the department's budget programs and schedules. This request does not reflect any changes to CDCR's operations.	Senate \$0  Assembly \$0  Difference \$0	
	<b>Senate</b> denied without prejudice.		
	<b>Assembly</b> approved as budgeted.		

**5225****Corrections and Rehabilitation**

Issue	Description	Difference (dollars in thousands)	Conference Action
<b>5225-301-0660 (California Department of Corrections and Rehabilitation)</b>			
802	<b>San Quentin State Prison: Condemned Inmate Complex.</b>	Senate \$0	
	<b>Governor</b> did not have a proposal.	Assembly \$0	
	<b>Senate</b> approved budget bill language to restrict expenditures for the construction of the new facility to house inmates on death row until specified conditions are met. Specifically, those conditions are that (1) the department determines that it can legally double-cell inmates on death row, and (2) the prison overcrowding issue in front of the Supreme Court is resolved.	Difference \$0	
	<b>Assembly</b> did not hear this issue.		