



May 14, 2026

Honorable John Laird, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Various Budget Bill Items, Support, Local Assistance, and Reimbursements, State Air Resources Board

General Fund Solution: Ongoing State Operations Fund Shift—It is requested that Item 3900-001-0001 be decreased by \$2,193,000 in fiscal year 2026-27 and \$2,262,000 in 2027-28 and ongoing, and Item 3900-001-3119 be increased by \$2,193,000 in 2026-27 and \$2,262,000 in 2027-28 and ongoing to shift state operations resources for mobile source, stationary source, and climate change programs from the General Fund to the Air Quality Improvement Fund.

Litigation Costs—It is requested that Item 3900-001-0115 be increased by \$5 million one-time in 2026-27 and 2027-28 to support increased litigation workload and costs to respond to and defend the state's environmental laws and regulations from actions taken by the federal administration.

Protecting Californians from Acrolein and Ethylene Oxide: Cancer-Causing Air Toxics—It is requested that Item 3900-001-0115 be increased by \$2.2 million one-time in 2026-27, with extended encumbrance availability until June 30, 2028, to complete the study and analysis of cancer-causing air toxics to inform a statewide risk mitigation strategy (see Attachment 1).

Gravity-Based Energy Storage Well Pilot Program (SB 567)—It is requested that Item 3900-001-3046 be increased by \$477,000 in 2026-27 and 2027-28 to support implementation of the Gravity-Based Energy Storage Well Pilot Program pursuant to Chapter 419, Statutes of 2025 (SB 567).

In-Use Locomotive Regulation Implementation and Enforcement Fund Shift—It is requested that Item 3900-001-0115 be increased by \$2,855,000 in 2026-27 and ongoing, and Item 3900-001-3359 be decreased by \$2,855,000 in 2026-27 and ongoing, to support implementation and enforcement of the In-Use Locomotive Regulation, which was originally appropriated funding from the Certification and Compliance Fund in the 2023 Budget Act.

Southern California Headquarters Building Management Operations and Maintenance Contract Fund Shift—It is requested that the following various items of appropriation be amended in 2026-27 and ongoing, as follows, to support the Southern California Headquarters Building Management Operations and Maintenance Contract, which was originally appropriated funding from the Certification and Compliance Fund in the 2024 Budget Act:

- Item 3900-001-0115 be increased by \$2,344,000
- Item 3900-001-0421 be increased by \$216,000
- Item 3900-001-3237 be increased by \$1,468,000
- Item 3900-001-3358 be increased by \$287,000
- Item 3900-001-3359 be decreased by \$4,315,000

Volkswagen Environmental Mitigation Trust—It is requested that Item 3900-002-0115 be amended by increasing reimbursements by \$14,433,000 one-time in 2026-27 to support staffing costs to close out projects funded through the Volkswagen Environmental Mitigation Trust, pursuant to the provisions of the Volkswagen Consent Decree (see Attachment 2).

California Environmental Protection Agency Bond and Technical Adjustments: Extension of Liquidation Dates to June 30, 2028—It is requested that Item 3900-490 be amended to extend the liquidation date for the balance of various Budget Act state operations and local assistance appropriations (see Attachment 3):

- Up to \$21,716,000 General Fund in the 2021 Budget Act for the Zero-Emission Drayage Truck and Infrastructure Pilot Project.
- Up to \$550,000 Motor Vehicle Account, State Transportation Fund in the 2019 Budget Act for Emission Testing and Test Method Development for Commercial Harbor Craft and Ocean-Going Vessels.
- Up to \$104,000 Motor Vehicle Account, State Transportation Fund in the 2023 Budget Act for contracts related to the Commercial Harbor Craft regulation.
- Up to \$72,340,000 Greenhouse Gas Reduction Fund in the 2021 Budget Act for the Hybrid and Zero Emission Truck and Bus Voucher Incentive Project.

California Environmental Protection Agency Bond and Technical Adjustments: Various Reappropriations—It is requested that Item 3900-492 be amended to reappropriate the balances of various Budget Acts local assistance appropriations that are necessary for CARB to meet project timelines and contractual obligations (see Attachment 4):

- Up to \$1,000,000 General Fund in the 2023 Budget Act for administrative costs related to the F-Gas Reduction Incentive Program (FRIP).
- Up to \$9,907,000 General Fund in the 2021 Budget Act for administrative costs related to various programs in Item 3900-101-0001.
- Up to \$11,518,000 Air Pollution Control Fund in the 2021 Budget Act for administrative costs related to the Carl Moyer Air Quality Standards Attainment Program.
- Up to \$4,950,000 Greenhouse Gas Reduction Fund in the 2021 Budget Act for administrative costs related to various programs in Item 3900-102-3228.

- Up to \$19,448,000 Greenhouse Gas Reduction Fund in the 2021 Budget Act for the Advanced Technology Demonstration and Pilot Projects.
- Up to \$9,969,000 Greenhouse Gas Reduction Fund in the 2022 Budget Act for the Advanced Technology Demonstration and Pilot Projects.
- Up to \$15,714,000 Greenhouse Gas Reduction Fund in the 2024 Budget Act for the Advanced Technology Demonstration and Pilot Projects.

The effect of my requested action is reflected on the attachments.

If you have any questions or need additional information regarding this matter, please call Erin Carson, Principal Program Budget Analyst, at (916) 324-0043.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Sabrina Cervantes, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review
Committee
Attention: Elisa Wynne, Staff Director
Honorable Buffy Wicks, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
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Paul Dress, Chief of Staff, Assembly Republican Caucus
Dylan Gray, Chief of Staff, Assembly Republican Leader's Office
Yana Garcia, Secretary, California Environmental Protection Agency
Catalina Hayes Bautista, Undersecretary, California Environmental Protection
Agency
Lauren Sanchez, Chair, California Air Resources Board
Honorable Steven S. Cliff, Ph.D., Executive Officer, California Air Resources Board
Courtney Smith, Principal Deputy Executive Officer, California Air Resources Board
Cecilia Dumlao, Branch Chief, California Air Resources Board

Amend Item 3900-001-0115 as follows:

“3900-001-0115—For support of State Air Resources Board, payable from the Air Pollution Control Fund 165,006,000 ~~151,713,000~~

Schedule:

(1) 3500-Mobile Source 43,760,000 ~~36,583,000~~
(2) 3505-Stationary Source 35,541,000 ~~34,425,000~~
(3) 3510-Climate Change 80,792,000 ~~75,792,000~~
(4) 3530-Community Air Protection 4,913,000

Provisions:

1. The amount appropriated in Schedule (1) and Schedule (2) includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. Of the amount appropriated in Schedule (3), \$72,448,000 is for workload and investments related to meeting the requirements of the Hino Motors, Ltd. court-ordered Consent Decree, issued on January 15, 2025.
3. Of the amount appropriated in Schedule (1), \$2,200,000 is for workload related to research and risk reduction strategies for the air toxics acrolein and ethylene oxide and shall be available for encumbrance or expenditure until June 30, 2028.”

Amend Item 3900-002-0115 as follows:

“3900-002-0115—For support of State Air Resources Board, payable from the Air Pollution Control Fund1,834,000

Schedule:

(1) 3500-Mobile Source~~2,328,000~~ 16,761,000
(2) Reimbursements to 3500-Mobile Source =~~494,000~~ -14,927,000

Provisions:

1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. Notwithstanding any other law, the funds appropriated from this item shall be from penalty revenues that are subject to separate accounting in accordance with Sections 38580, 39674, 39675, 42400 to 42410, inclusive, 43016, 43025 to 43031.5, inclusive, 43154, 43211, and 43212 of the Health and Safety Code. These funds shall be available to support the State Air Resources Board in administering and implementing the provisions of the Volkswagen Consent Decree entered by the court on October 25, 2016.
3. Up to \$14,433,000 in Schedule (2), and up to \$14,433,000 in Schedule (1), shall be available for encumbrance or expenditure until June 30, 2034, to support the State Air Resources Board in administering and implementing the provisions of the Volkswagen Consent Decree."

Amend Item 3900-490 as follows:

"3900-490—Reappropriation, State Air Resources Board. Notwithstanding any other law, the period to liquidate encumbrances of the following citations is extended to June 30, 2028:

0001—General Fund

- (1) Up to \$21,716,000 of Item 3900-101-0001, Provision 2 of the Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), for the Zero-Emission Drayage Truck and Infrastructure Pilot Project.

0044—Motor Vehicle Account, State Transportation Fund

- (1) Up to \$550,000 of Item 3900-001-0044 of the Budget Act of 2019 (Chs. 23 and 55, Stats. 2019), as reappropriated by Item 3900-492 of the Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023) for Emission Testing and Test Method Development for Commercial Harbor Craft and Ocean-Going Vessels.
- (2) Up to \$104,000 of Item 3900-001-0044 of the Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023) for contracts related to the Commercial Harbor Craft regulation.

3119—Air Quality Improvement Fund

- (1) Up to \$14,340,000 of Item 3900-101-3119, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023), for the Clean Off-Road Equipment Voucher Incentive Project.

3228—Greenhouse Gas Reduction Fund

- (0.5) Up to \$72,340,000 of Item 3900-101-3228 of the Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) for the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project.

- (1) \$27,000,000 of Provision 1.5 of Item 3900-001-3228, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) as reappropriated by Item 3900-490, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023)."

Amend Item 3900-492 as follows:

"3900-492—Reappropriation, State Air Resources Board. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in this appropriation and shall be available for encumbrance or expenditure as specified below:

0001—General Fund

(0.5) Up to \$9,907,000 of technical item 3900-593-0001 from Provision 3 of Item 3900-101-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) used for administrative costs for various programs, shall be available for encumbrance or expenditure until June 30, 2028.

(1) The funding in Provision 5 of Item 3900-101-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023) used for administrative costs for various programs shall be available for encumbrance or expenditure until June 30, 2030.

(1.1) Up to \$1,000,000 of technical item 3900-594-0001 from Provision 5 of Item 3900-101-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023) used for administrative costs for various programs, shall be available for encumbrance or expenditure until June 30, 2028.

0115—Air Pollution Control Fund

(0.5) Up to \$5,674,000 of technical item 3900-591-0115 from Provision 1(a) of Item 3900-101-0115, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), used for administrative costs for the Carl Moyer program, shall be available for encumbrance or expenditure until June 30, 2028.

(0.6) Up to \$5,844,000 of technical item 3900-592-0115 from Provision 1(a) of Item 3900-101-0115, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), used for administrative costs for the Carl Moyer program, shall be available for encumbrance or expenditure until June 30, 2028.

(1) Technical Item 3900-591-0115 used for administrative costs pursuant to Item 3900-101-0115, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023), related to the Carl Moyer program shall be available for encumbrance or expenditure until June 30, 2028.

(2) Technical Item 3900-592-0115 used for administrative costs pursuant to Item 3900-101-0115, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024), related to the Carl Moyer program shall be available for encumbrance or expenditure until June 30, 2029.

3228—Greenhouse Gas Reduction Fund

- (0.5) Up to \$4,950,000 of technical item 3900-594-3228 from Provision 4 of Item 3900-102-3228, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) used for administrative costs for various programs shall be available for encumbrance or expenditure until June 30, 2028.
- (0.6) Up to \$19,448,000 of Item 3900-101-3228, Provision 1(b) of the Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), as reappropriated by Item 3900-490 of the Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024) and as reappropriated by Item 3900-494 of the Budget Act of 2025 (Chs. 4 and 5, Stats. 2025), for the Advanced Technology Demonstration and Pilot Projects shall be available for encumbrance or expenditure until June 30, 2028.
- (0.7) Up to \$9,969,000 of Item 3900-101-3228, Provision 1(a) of the Budget Act of 2022, (Chs. 43, 45, and 249, Stats. of 2022), as reappropriated by Item 3900-494 of the Budget Act of 2025 (Chs. 4 and 5, Stats. 2025), for the Advanced Technology Demonstration and Pilot Projects shall be available for encumbrance or expenditure until June 30, 2028.
- (1) The funding in Provision 5 of Item 3900-101-3228, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023) used for administrative costs for various programs shall be available for encumbrance or expenditure until June 30, 2028.
- (2) The funding in Provision 3 of Item 3900-101-3228, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. ~~2023~~2024) used for administrative costs for various programs shall be available for encumbrance or expenditure until June 30, 2029.
- (3) The funding in Provision 2 of Item 3900-102-3228, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024) used for administrative costs for emerging opportunities within zero-emission vehicle and related program areas, shall be available for encumbrance or expenditure until June 30, 2030.
- (3.1) Up to \$15,714,000 of Item 3900-102-3228, Provision 1 of the Budget Act of 2024, (Chs. 22, 35, and 994, Stats. 2024), for the Advanced Technology Demonstration and Pilot Project shall be available for encumbrance or expenditure until June 30, 2028.

6054—California Ports Infrastructure, Security, and Air Quality Improvement Account, Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006

- (1) Up to \$10,795,000 in Item 3900-101-6054, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018), as reappropriated by Item 3900-493, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), Item 3900-492, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024), and shall be available for encumbrance or expenditure until June 30, 2028, for previously authorized Proposition 1B programs and projects related to the Goods Movement Emission Reduction Program.
- (2) Up to \$8,746,000 in Item 3900-101-6054, Budget Act of 2019 (Chs. 23 and 55, Stats. 2019), as reappropriated by Item 3900-494, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), as reappropriated by Item 3900-490, Budget Act of 2025 (Chs. 4 and 5, Stats. 2025), and shall be available for encumbrance or expenditure until June 30, 2028, for previously authorized Proposition 1B programs and projects related to the Goods Movement Emission Reduction Program."



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Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Various Budget Bill Items, Support, Addition of Item 3940-101-6083, Local Assistance, and Addition of Item 3940-490, Reappropriation, State Water Resources Control Board

Fresno Office Relocation—It is requested that various items be increased to relocate and consolidate the Fresno offices of the Central Valley Regional Water Quality Control Board and the State Water Resources Control Board's Division of Drinking Water. The Regional Board office has experienced ongoing safety issues and facility deficiencies. Consolidation provides a safe work environment for staff and maximizes operational efficiencies in the Fresno region. It is requested that the following items be increased:

- Item 3940-001-0001 by \$1,240,000 in 2026-27, \$70,000 in 2027-28, \$76,000 in 2028-29, \$86,000 in 2029-30, and \$93,000 in 2030-31 and ongoing.
- Item 3940-001-0193 by \$4,513,000 in 2026-27, \$256,000 in 2027-28, \$282,000 in 2028-29, \$309,000 in 2029-30, and \$337,000 in 2030-31 and ongoing.
- Item 3940-001-0306 by \$2,285,000 in 2026-27, \$130,000 in 2027-28, \$143,000 in 2028-29, \$156,000 in 2029-30, and \$170,000 in 2030-31 and ongoing.
- Item 3940-001-0387 by \$204,000 in 2026-27, \$12,000 in 2027-28, \$13,000 in 2028-29, \$14,000 in 2029-30, and \$15,000 in 2030-31 and ongoing.
- Item 3940-001-0439 by \$412,000 in 2026-27, \$23,000 in 2027-28, \$26,000 in 2028-29, \$28,000 in 2029-30, and \$31,000 in 2030-31 and ongoing.
- Item 3940-001-3046 by \$153,000 in 2026-27, \$9,000 in 2027-28, \$10,000 in 2028-29, \$10,000 in 2029-30, and \$11,000 in 2030-31 and ongoing.
- Item 3940-001-3212 by \$35,000 in 2026-27, \$2,000 in 2027-28, \$2,000 in 2028-29, \$2,000 in 2029-30, and \$3,000 in 2030-31 and ongoing.
- Item 3940-001-3264 by \$20,000 in 2026-27, and \$1,000 in 2027-28 and ongoing.

Contra Costa and Kings Counties Local Primacy Delegation Agreement Termination—It is requested that Item 3940-001-0306 be increased by \$952,000 and 4 positions ongoing to regulate small water systems in Contra Costa and Kings Counties. The two counties are returning regulatory and permitting duties for a total of 104 water systems back to the Water Board. The state is legally mandated to administer a regulatory program and protect drinking water quality for water system customers.

Gravity-Based Energy Storage Well Pilot Program (SB 567)—It is requested that Item 3940-001-3046 be increased by \$240,000 in 2026-27 and 2027-28 to collaborate with the State Oil and Gas Supervisor in developing a pilot program to convert up to 250 idle oil wells for gravity-based energy storage while ensuring water quality is protected, pursuant to Chapter 419, Statutes of 2025 (SB 567).

Joint Wildfire and Vegetation Management Streamlining—It is requested that Item 3940-001-3212 be increased by \$242,000 in 2026-27 and 2027-28 to support expedited review and implementation of vegetation management throughout California's forested ecosystems to reduce fire risk and build the state's resilience to forest fires.

Proposition 1 (2014) Redistribution of Statewide Costs—It is requested that Item 3940-101-6083 be added in 2026-27 to provide \$12.5 million for water recycling and advance treatment, \$5.2 million for wastewater infrastructure, \$5.2 million for drinking water infrastructure, \$5.2 million for groundwater cleanup, and \$4 million for multi-benefit stormwater projects, which results in a total of \$32.1 million. Bond funds that were previously allocated to cover costs for administering and issuing bonds are no longer needed for that purpose and can be redistributed back to programs and departments in Proposition 1.

Extension of Liquidation for Water Rights Data Modernization—It is requested that Item 3940-490 be added in 2026-27 to extend the period of liquidation from June 30, 2026 to June 30, 2028, for \$43,747,000 California Emergency Relief Fund appropriated in the 2021 Budget for water rights data modernization (see Attachment 1).

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Andrew Hull, Principal Program Budget Analyst, at (916) 324-0043.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: Honorable Sabrina Cervantes, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
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Paul Dress, Chief of Staff, Assembly Republican Caucus
Dylan Gray, Chief of Staff, Assembly Republican Leader's Office
Brandy Hunt, Deputy Secretary for Fiscal and Administrative Programs, California
Environmental Protection Agency
Ryan Wilson, Budget Officer, State Water Resources Control Board

Add Item 3940-490 as follows:

3940-490—Reappropriation, State Water Resources Control Board. Notwithstanding any other law, the period to liquidate encumbrances of the following citations is extended to June 30, 2028.

3398—California Emergency Relief Fund

(1) Paragraph (2) of subdivision (c) of Section 35, Chapter 574, Statutes of 2022 for water rights data modernization.



May 14, 2026

Honorable John Laird, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Additions and Amendments to Various Budget Bill Items, Support, Department of Toxic Substances Control

General Fund Solution: Ongoing Fund Shift for State Operations—It is requested that Item 3960-001-0001 be decreased by \$4.3 million ongoing, and Item 3960-001-0557 be increased by \$4.3 million ongoing to shift resources for emergency response activities from the General Fund to the Toxic Substance Control Account.

Realignment of Hazardous Waste Facilities Resources—It is requested that Item 3960-001-0014 be decreased by \$7,834,000 ongoing, and Item 3960-001-1033 be added in the amount of \$7,834,000 ongoing to shift existing resources from the Hazardous Waste Control Account into the Hazardous Waste Facilities Account.

Realignment of Metal Shredder Facilities Resources—It is requested that Item 3960-001-0014 be decreased by \$4,113,000 in fiscal year 2026-27, \$4,226,000 in 2027-28 and ongoing, and Item 3960-001-1034 be added in the amount of \$2,169,000 ongoing to shift existing resources from the Hazardous Waste Control Account into the Metal Shredders Facilities Account and to align the department's resources for oversight of metal shredding facilities consistent with Chapter 743, Statutes of 2024 (AB 2851).

Exide: 2014 Enforcement Order Program Continued Oversight—It is requested that Item 3960-001-3301 be increased by \$1,105,000 and 4 positions ongoing to continue supporting activities to oversee and implement the corrective action work associated with the Exide Technologies facility cleanup and oversight.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Nathanael Williams, Principal Program Budget Analyst, at (916) 324-0043.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

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Yana Garcia, Secretary, California Environmental Protection Agency
Catalina Hayes-Bautista, Undersecretary, California Environmental Protection
Agency
Brandy Hunt, Deputy Secretary, California Environmental Protection Agency
Katherine M. Butler, Director, Department of Toxic Substances Control
Brian Brown, Chief Financial Officer, Department of Toxic Substances Control



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Honorable John Laird, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to and Addition of Various Budget Bill Items, Support and Local Assistance, Department of Resources Recycling and Recovery

Rural Recycling Incentive Payments—It is requested that Item 3970-001-0133 be increased by \$282,000 and 2 positions, and Item 3970-101-0133 be added in the amount of \$50 million one-time with an extended encumbrance period through fiscal year 2030-31 to support rural local jurisdictions in the establishment of California Redemption Value redemption locations (see Attachment 1).

Establish Environmental Scientist Positions in the Waste Tire Enforcement Section—It is requested that Item 3970-001-0226 be increased by \$2,393,000 and 6 permanent positions in 2026-27, \$893,000 in 2027-28 and ongoing to support waste tire compliance and statutory enforcement responsibilities.

Tijuana River Litter Cleanup—It is requested that Item 3970-001-0226 be increased by \$2,154,000 and 1 position in 2026-27 and \$154,000 in 2027-28 to support waste tire cleanup along the California-Mexico Border.

Border Field State Park Cross-Border Pollution Management—It is requested that Item 3970-001-0226 be increased by \$2 million one-time to contract with the California Department of Parks and Recreation to support the hauling of additional sediment and debris from the Tijuana Estuary and Border Field State Park. It is also requested that provisional language be added to facilitate the contract with the Department of Parks and Recreation (see Attachment 2).

BKK Landfill Gas Collection System—It is requested that Item 3970-001-0387 be increased by \$3,329,000 one-time to fund the replacement of the landfill gas monitoring system at the BKK Sanitary Landfill.

Beverage Container Quality Infrastructure Grant Program—It is requested that Item 3970-101-0133 be increased by \$100 million to fund grants for the Beverage Container Quality Infrastructure Grant Program.

Plastic Market Development Payment Extension—It is requested that statutory changes be added to extend the Plastic Market Development Payment (PMDP) program until June 30, 2029, increase the maximum per ton payment rate of the program, and appropriate \$60 million over three years, through 2028-29, for the program to provide payments to plastic reclaimers and manufacturers recycling empty plastic beverage containers. It is also requested statutory changes be added to appropriate \$5 million annually for three years, through 2028-29, for a new grant program for reclaimers and manufacturers to invest in new or improved plastic processing infrastructure and equipment.

Various Technical Adjustments

- **Statewide Disposal Facility-Based Material Characterization Study**—It is requested that Item 3970-001-0133 be decreased by \$700,000 and Item 3970-001-3408 be increased by \$700,000, as a technical correction to the Governor's Budget proposal, Statewide Disposal Facility-Based Material Characterization Study.
- **Large Volume Transfer Processor Facility Based Material Characterization Study**—It is requested Item 3970-001-0133 be decreased by \$300,000 and Item 3970-001-3408 be increased by \$300,000, as a technical correction to the Governor's Budget proposal, Large Volume Transfer Processor Facility Based Material Characterization Study.
- **Landfill Support, Response, and Enforcement**—It is requested Item 3970-001-0387 be decreased by \$1 million and Item 3970-101-0387 be increased by \$1 million, as a technical correction to the Governor's Budget proposal, Landfill Support, Response, and Enforcement.

California Beverage Container Recycling Fund Reversions—It is requested that Item 3970-495 be added to revert the specified amounts from Item 3970-101-0133 of the 2022 Budget Act (see Attachment 3).

- Up to \$30 million in Item 3970-101-0133, Budget Act of 2022 for the Beverage Container Loan Program.
- Up to \$865,000 in Item 3970-101-0133, Budget Act of 2022 for the Workforce Development Program.
- Up to \$1,228,000 in item 3970-101-0133, Budget Act of 2022 for the Beverage Container Quality Infrastructure Grant Program.
- Up to \$18 million in Item 3970-101-0133 for the Reusable Beverage Containers Infrastructure Grant Program.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Nathanael Williams, Principal Program Budget Analyst, at (916) 324-0043.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

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Committee
Attention: Elisa Wynne, Staff Director
Honorable Buffy Wicks, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable David Tangipa, Vice Chair, Assembly Budget Committee
Attention: Christian Griffith, Chief Consultant
Honorable Eloise Gómez Reyes, Chair, Senate Budget and Fiscal Review
Subcommittee No. 2
Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 4
Gabriel Petek, Legislative Analyst
Kirk Feely, Fiscal Director, Senate Republican Fiscal Office
Christopher W. Woods, Budget Director, Senate President pro Tempore's Office
Joseph Shinstock, Fiscal Director, Assembly Republican Caucus, Office of Policy
and Budget
Jason Sisney, Budget Director, Assembly Speaker's Office
Paul Dress, Chief of Staff, Assembly Republican Caucus
Dylan Gray, Chief of Staff, Assembly Republican Leader's Office
Yana Garcia, Secretary, California Environmental Protection Agency
Catalina Hayes-Bautista, Undersecretary, California Environmental Protection
Agency
Brandy Hunt, Deputy Secretary, California Environmental Protection Agency
Zoe Heller, Director, Department of Resources Recycling and Recovery
Mindy McIntyre, Chief Deputy Director, Department of Resources Recycling and
Recovery

3970-101-0133—For local assistance, Department of Resources Recycling and Recovery, payable from the California Beverage Container Recycling Fund.....150,000,000

Schedule:

(1) 3715-Beverage Container Recycling and Litter Reduction..... 150,000,000

Provisions:

1. Of the funds available in this item, \$50,000,000 is available to support rural local jurisdictions in the establishment of California Redemption Value redemption locations and shall be available for encumbrance or expenditure until June 30, 2031.

Add Provision 5 to Item 3970-001-0226 as follows:

5. Of the amount appropriated in this item, up to \$2,000,000 shall be made available to the California Department of Parks and Recreation, for the removal of sediment and debris in the Tijuana Estuary and Border Field State Park.

3970-495—Reversion, Department of Resources Recycling and Recovery. As of June 30, 2026, the balances specified below, of the appropriations provided in the following citations shall revert to the balances in the funds from which the appropriations were made.

0133—California Beverage Container Recycling Fund

- (1) Up to \$30,000,000 in Item 3970-101-0133, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) for the Beverage Container Loan Program.
- (2) Up to \$865,000 in Item 3970-101-0133, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) for the Workforce Development Program.
- (3) Up to \$1,228,000 in item 3970-101-0133, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) for the Beverage Container Quality Infrastructure Grant Program.
- (4) Up to \$18,000,000 in Item 3970-101-0133, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) for the Reusable Beverage Containers Infrastructure Grant Program.



May 14, 2026

Honorable John Laird, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment of Budget Bill Item 3980-001-0115, Support, Office of Environmental Health Hazard Assessment

Protecting Californians from Acrolein and Ethylene Oxide: Cancer Causing Air Toxics—It is requested that Item 3980-001-0115 be increased by \$300,000 one-time with extended encumbrance availability to provide contracting funds to help address the high cancer risk from air toxics acrolein and ethylene oxide (see Attachment 1).

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Nathanael Williams, Principal Program Budget Analyst, at (916) 324-0043.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Sabrina Cervantes, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review
Committee
Attention: Elisa Wynne, Staff Director
Honorable Buffy Wicks, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable David Tangipa, Vice Chair, Assembly Budget Committee
Attention: Christian Griffith, Chief Consultant
Honorable Eloise Gómez Reyes, Chair, Senate Budget and Fiscal Review
Subcommittee No. 2
Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 4
Gabriel Petek, Legislative Analyst
Kirk Feely, Fiscal Director, Senate Republican Fiscal Office
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and Budget
Jason Sisney, Budget Director, Assembly Speaker's Office
Paul Dress, Chief of Staff, Assembly Republican Caucus
Dylan Gray, Chief of Staff, Assembly Republican Leader's Office
Yana Garcia, Secretary, California Environmental Protection Agency
Brandy Hunt, Deputy Secretary, California Environmental Protection Agency
Kristina Thayer, Director, Office of Environmental Health Hazard Assessment
Mike Gyurics, Deputy Director for Administrative Services, Office of Environmental
Health Hazard Assessment
David Edwards, Chief Deputy Director, Office of Environmental Health Hazard
Assessment

Add Provision 1 to Item 3980-001-0115 as follows:

- (1) Of the funds available in this item, \$300,000 is available to fund contracting to help address the high cancer risk from air toxics and shall be available for encumbrance or expenditure until June 30, 2028.