



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

Amendments to Various Budget Bill Items, Support, Legislature

Legislature: State Appropriations Limit Adjustment—It is requested that the following items be amended as follows to reflect the increase in the State Appropriations Limit:

- Item 0110-001-0001 be increased by \$9,316,000 ongoing
- Item 0120-011-0001 be increased by \$12,274,000 ongoing
- Item 0130-021-0001 reflects a net-zero adjustment between the following schedules:
 - Schedule (1) be increased by \$630,000 ongoing
 - Schedule (2) be decreased by \$315,000 ongoing
 - Schedule (3) be decreased by \$315,000 ongoing

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 Jessie Romine, Principal Program Budget Analyst, at (916) 445-8913.

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 Melissa Hurtado, Chair, Senate Budget and Fiscal Review Subcommittee
No. 4
Honorable Sharon Quirk-Silva, Chair, Assembly Budget Subcommittee No. 5
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



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

Addition of State Retirement Contributions to the Legislators' Retirement System, Support, Legislators' Retirement System—It is requested that state retirement contributions to the Legislator's Retirement System (LRS) be increased by \$1,074,000 one-time in fiscal year 2026-27. The amount reflects required state contribution to LRS for fiscal years 2024-25, 2025-26, and 2026-27, in the amounts of \$75,085, \$493,219, and \$505,688, respectively, as reflected in the actuarial valuation reports and adopted by CalPERS' Board.

This is a display item for informational purposes to reflect the corresponding changes in CalPERS' continuous appropriation authority.

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 Hanzhao Meng, Principal Program Budget Analyst, at (916) 445-3274.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

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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
Justyn Howard, Deputy Secretary, Fiscal Policy and Administration, Government
Operations Agency
Michele Nix, Chief Financial Officer, California Public Employees' Retirement
System
Willem (Will) Schaafsma, Chief, Division of Financial Planning, Policy and
Budgeting, California Public Employees' Retirement System
Stacy Guzman, Budget Manager, California Public Employees' Retirement System



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 Budget Bill Item 0250-490, Capital Outlay, Judicial Branch

Nevada County: New Nevada City Courthouse, Reappropriation—Acquisition: It is requested that Item 0250-490 be amended to reappropriate \$4,550,000 from the General Fund, which is necessary to address a delay in the acquisition due to the execution of the acquisition purchase agreement. The agreement is anticipated to be completed by May 2026, with the final payment and acquisition planned for September 2028 (see attachment 1).

Solano County: New Solano Hall of Justice (Fairfield)—Acquisition: It is requested that Item 0250-490 be amended to reappropriate \$12,127,000 from the General Fund, which is necessary to address a delay in acquisition due to extended time for oversight review and approval, including additional historical assessment and complex acquisition negotiations. Approval of acquisition is anticipated in June 2027 (see attachment 1).

Fresno County: New Fresno Courthouse—Acquisition: It is requested that Item 0250-490 be amended to reappropriate \$11,194,000 from the General Fund, which is necessary to address a delay in acquisition due to extended and complex acquisition negotiations. Approval of acquisition is anticipated in May 2027 (see attachment 1).

Plumas County: New Quincy Courthouse—Acquisition: It is requested that Item 0250-490 be amended to reappropriate \$1,470,000 from the General Fund, which is necessary to address a delay in acquisition due to an extended site selection process. Approval of acquisition is anticipated in June 2027 (see attachment 1).

Los Angeles County: New Santa Clarita Courthouse—Acquisition: It is requested that Item 0250-490 be amended to reappropriate \$34,177,000 from the General Fund, which is necessary to address a delay in acquisition due to an extended site selection process, which includes extensive stakeholder engagement with the community and local elected officials of the city of Santa Clarita. Approval of acquisition is anticipated in July 2027 (see attachment 1).

San Luis Obispo County: New San Luis Obispo Courthouse—Acquisition and

Performance Criteria: It is requested that Item 0250-490 be amended to reappropriate \$22,869,000 for acquisition and \$7,853,000 for performance criteria from the General Fund, which is necessary to address a delay in acquisition due to ongoing negotiations with the county. Approval of acquisition is anticipated in September 2026 and performance criteria will start that same month (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 Koreen H. van Ravenhorst, Principal Program Budget Analyst, at (916) 445-9694.

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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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 Laura Richardson, Chair, Senate Budget and Fiscal Review Subcommittee
No. 5
Honorable James Ramos, Chair, Assembly Budget Subcommittee No. 6
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
Erika Sperbeck, Chief Administrative Officer, Judicial Branch
Zlatko Theodorovic, Deputy Director of Budget Services, Judicial Branch
Angela Cowan, Budget Manager, Judicial Branch

Amend Item 0250-490 as follows:

“0250-490—Reappropriation, Judicial Branch. The amounts specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2027:

0001—General Fund

(.5) Up to \$81,837,000 in Item 0250-301-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats 2022), as reappropriated in Item 0250-490, Budget Act of 2025 (Chs. 4 and 5, Stats. 2025). Of that amount:

(1) Up to \$34,177,000 in Project 000089-Los Angeles County: New Santa Clarita Courthouse—Acquisition

(2) Up to \$1,470,000 in Project 0000099- Plumas County: New Quincy Courthouse—Acquisition

(5) Up to \$12,127,000 in Project 0009728- Solano County: New Solano Hall of Justice (Fairfield)—Acquisition

(6) Up to \$11,194,000 in Project 0009729- Fresno County: New Fresno Courthouse—Acquisition

(7) Up to \$22,869,000 in Project 0009732-San Luis Obispo County: New San Luis Obispo Courthouse—Acquisition

(.7) Up to \$4,550,000 in Item 0250-301-0001, Budget Act of 2023 (Chs. 12, 38, 189, and 863, Stats. 2023). Of that amount:

(1) Up to \$4,550,000 in Project 0000096-Nevada County: New Nevada City Courthouse—Acquisition

(1) Up to ~~\$23,304,000~~ \$31,157,000 in Item 0250-301-0001, Budget Act of 2025 (Chs. 4 and 5, Stats. 2025). Of that amount:

(2) Up to \$5,159,000 in Project 000928-Solano County: New Solano Hall of Justice (Fairfield)—Performance criteria

(3) Up to \$18,145,000 in Project 0009729-Fresno County: New Fresno Courthouse—Performance criteria

(4) Up to \$7,853,000 in Project 0009732-San Luis Obispo County: New San Luis Obispo Courthouse—Performance criteria"



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 and Local Assistance, Judicial Branch

Appellate Court Security—It is requested that Item 0250-001-3060 be increased by \$1,550,000 annually in fiscal year 2026-27 through 2029-30 to continue resources for appellate court security funded previously on a limited-term basis. The 2023 Budget Act included resources for a three-year Appellate Court Security Pilot program to support additional California Highway Patrol Judicial Protection Section officers at four courthouses. This augmentation provides resources to continue the pilot for an additional four years.

State Court Facilities Construction Fund Backfill—It is requested that Item 0250-015-0001 be decreased by \$10 million annually in 2026-27 and 2027-28 to reflect the updated General Fund backfill need based on the most current revenue estimates for 2026-27.

Budget Bill Language: Equal Access Fund Administrative Rate Increase—It is requested that Provision 1 of Item 0250-101-0001 be amended to increase the allowable administrative cost cap in the Equal Access Fund from 2.5 to 5 percent. This amendment is necessary to address the increased administrative workload of the Judicial Council and the State Bar (see Attachment 1).

Language Access in the California Courts—It is requested that Item 0250-101-0932 be increased by \$20 million annually in 2026-27 and 2027-28 to address rising court interpreter costs. These resources are necessary to support language access and interpreter services in all case types in the trial courts.

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 Mark Jimenez, Principal Program Budget Analyst, at (916) 445-8913.

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
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 Laura Richardson, Chair, Senate Budget and Fiscal Review
Subcommittee No. 5
Honorable James Ramos, Chair, Assembly Budget Subcommittee No. 6
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
Zlatko Theodorovic, Director of Budget Services, Judicial Council
Fran Mueller, Deputy Director of Budget Services, Judicial Council

Amend Provision 1 of Item 0250-101-0001 as follows:

- “1. In order to improve equal access and the fair administration of justice, \$35,392,000 of the funds appropriated in Schedule (5) are to be distributed by the Judicial Council through the Legal Services Trust Fund Commission to qualified legal services projects and support centers as defined in Sections 6213 to 6215, inclusive, of the Business and Professions Code, to be used for legal services in civil matters for indigent persons. The Judicial Council shall approve awards made by the commission if the council determines that the awards comply with statutory and other relevant guidelines. Up to 10 percent of the funds appropriated for purposes of this provision shall be for joint projects of courts and legal services programs to make legal assistance available to pro per litigants and not less than 90 percent of the funds appropriated for purposes of this provision shall be distributed consistent with Sections 6216 to 6223, inclusive, of the Business and Professions Code. Any funding not allocated for joint projects shall be redistributed consistent with Sections 6216 to 6223, inclusive, of the Business and Professions Code. The Judicial Council may establish additional reporting or quality control requirements consistent with Sections 6213 to 6223, inclusive, of the Business and Professions Code. Of the amount appropriated for purposes of this provision, not more than ~~2.5~~5 percent shall be available, upon order of the Department of Finance, for administrative costs of the Judicial Council and the State Bar.”



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 State Retirement Contributions to the Judges' Retirement System II, Support and Local Assistance, Judges' Retirement System—It is requested that the state retirement contributions to the Judges' Retirement System II (JRS II) be decreased by a total of \$9,776,000 ongoing. These changes comply with the statutory requirement per Government Code section 75600.5, that the state retirement contribution to JRS II be appropriated based on the contribution rate submitted by the California Public Employees' Retirement System (CalPERS) Board of Administration. On April 14, 2026, the CalPERS Board approved a JRS II contribution rate of 22.18 percent for fiscal year 2026-27, a decrease from the 2025-26 rate of 22.62 percent. The decrease in the rate is because the fund is in a surplus position, so the unfunded liability portion of the rate is 0 percent.

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 Hanzhao Meng, Principal Program Budget Analyst, at (916) 445-3274.

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 Melissa Hurtado, Chair, Senate Budget and Fiscal Review
Subcommittee No. 4
Honorable Sharon Quirk-Silva, Chair, Assembly Budget Subcommittee No. 5
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
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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
Justyn Howard, Deputy Secretary, Fiscal Policy and Administration, Government
Operations Agency
Michele Nix, Chief Financial Officer, California Public Employees' Retirement
System
Willem (Will) Schaafsma, Chief, Division of Financial Planning, Policy and
Budgeting, California Public Employees' Retirement System
Stacy Guzman, Budget Manager, California Public Employees' Retirement System



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 and Addition of Various Budget Bill Items, Support and Local Assistance, Governor's Office of Business and Economic Development (GO-Biz)

Energy Modernization and Affordability (SB 254)—It is requested that Item 0509-001-9757 be added in the amounts of \$10,361,000 and 10 positions in fiscal year 2026-27, \$4,143,000 and 10 positions in 2027-28, \$4,232,000 and 10 positions in 2028-29, \$3,459,000 and 10 positions in 2029-30, and \$3,513,000 and 10 positions in 2030-31 and ongoing for the administration of the Transmission Accelerator Financing program pursuant to Chapter 119, Statutes of 2025 (SB 254).

It is also requested Items 0509-111-6093 and 0509-101-9757 be added in the amount of \$322,563,000 to appropriate Proposition 4 resources to support the financing of loans for the Transmission Accelerator Revolving Fund. This adjustment establishes necessary Budget Act appropriations for GO-Biz to implement SB 254. These appropriations were previously established as non-budget act appropriations, which do not provide sufficient authority.

California Civic Media Program—It is requested that Item 0509-111-0001 be added in the amount of \$10 million in 2026-27 and 2027-28, for transfer to the California Civic Media Fund to support the Civic Media Program. This program is a public-private partnership to support the work of California's newsrooms, increase access to information, and strengthen community engagement. This funding is in addition to the \$10 million General Fund provided by Chapter 649, Statutes of 2025 (SB 155), increasing the total investments in this program to \$30 million General Fund.

Reappropriation: Regional Initiative for Social Enterprises—It is requested that Item 0509-491 be added to reappropriate up to \$1 million from Item 0509-102-0001, 2022 Budget Act, for the California Regional Initiative for Social Enterprise (CA RISE) program. This reappropriation provides an encumbrance period through June 30, 2027 (see Attachment 1).

Natcast Funding Reversion—It is requested that Item 0509-495 be added to revert unspent funds provided in the 2025 Budget Act intended to reimburse capital expenditure costs for the construction of the Design and Collaboration Facility in Sunnyvale, California, which will no longer proceed (see Attachment 2).

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 Mark Jimenez, Principal Program Budget Analyst, (916) 445-8913.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

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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 Melissa Hurtado, Chair, Senate Budget and Fiscal Review
Subcommittee No. 4
Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 4
Honorable Sharon Quirk-Silva, Chair, Assembly Budget Subcommittee No. 5
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
Dee Dee Myers, Director, Governor's Office of Business and Economic
Development
Emily Desai, Chief Deputy Director, Governor's Office of Business and Economic
Development
Philip Chen, Budget Officer, Governor's Office of Business and Economic
Development

0509-491—Reappropriation, Governor's Office of Business and Economic Development. The amounts specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2027:

0001—General Fund

(1) Up to \$1,000,000 in Item 0509-102-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).

0509-495—Reversion, Governor's Office of Business and Economic Development. 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.

0001—General Fund

(1) \$25,000,000 in Item 0509-001-0001, Budget Act of 2025 (Chs. 4 and 5, Stats. 2025).



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 Budget Bill Item 0511-001-0001, Support, Secretary for Government Operations Agency

Cradle-to-Career Workforce Pell—It is requested that Item 0511-001-0001 be increased by \$1,337,000 one-time for the Cradle-to-Career Data System's workload associated with implementing and participating in the federal Workforce Pell Grant Program. It is also requested that provisional language be added to Item 0511-001-0001 to disburse the funds requested above once an expenditure plan is approved by the Department of Finance (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 Danielle Brandon, Principal Program Budget Analyst, at (916) 445-3274.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

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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 Melissa Hurtado, Chair, Senate Budget and Fiscal Review
Subcommittee No. 4
Honorable Sharon Quirk-Silva, Chair, Assembly Budget Subcommittee No. 5
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Joseph Shinstock, Fiscal Director, Assembly Republican Caucus, Office of Policy
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Paul Dress, Chief of Staff, Assembly Republican Caucus
Dylan Gray, Chief of Staff, Assembly Republican Leader's Office
Justyn Howard, Deputy Secretary of Fiscal Policy and Administration, Government
Operations Agency

Add Provision 2 to Item 0511-001-0001 as follows:

2. Of the funds appropriated in this item, \$1,337,000 is available for the Cradle-to-Career Data System's workload related to the federal Workforce Pell Grant Program. Disbursement of these funds are contingent on Department of Finance approval of an expenditure plan for the use of these funds submitted by the department.



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, California Health and Human Services Agency

Office of Policy and Strategic Planning - 988 and the Behavioral Health Crisis Continuum Implementation Supports (Issue 012)—It is requested that Item 0530-001-3414 be increased by \$445,000 in fiscal year 2026-27 and \$439,000 in 2027-28 and 2028-29 to support limited-term resources equivalent to 1 Public Health Medical Administrator to continue statewide 988 activities consistent with existing law.

Reappropriation for Workload Resources per Budget Act of 2025 (Chapter 104, Statutes of 2025) (Issue 052)—It is requested that Item 0530-490 be amended to reappropriate up to \$294,000 from Item 0530-001-0001 of the 2025 Budget Act, to address increases in legal workload associated with House of Representatives 1 (see Attachment 1).

Statewide Verification Hub Project (Issue 044)—It is requested that Item 0530-001-9745 be increased by \$831,000 and 4 positions ongoing to support the Office of Technology and Solutions Integration's development of the Statewide Verification Hub. This adjustment is consistent with the adjustment in Issue 146 of the California Department of Social Services' Finance Letter.

Language Only—It is requested that Provision 5 of Item 0530-001-0001 be eliminated to reflect the transfer of the menopause and perimenopause public awareness campaign and its ancillary expenditures to the California Department of Public Health. This adjustment is consistent with the adjustment in Issue 258 of the California Department of Public Health's Letter.

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 Shelina Noorali, Principal Program Budget Analyst, at (916) 445-6423.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

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Attention: Mark McKenzie, Staff Director
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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 Corey Jackson, Chair, Assembly Budget Subcommittee No. 2
Honorable Caroline Menjivar, Chair, Senate Budget and Fiscal Review
Subcommittee No. 3
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
Kim Johnson, Secretary, California Health and Human Services Agency
Corrin Buchanan, Undersecretary, California Health and Human Services Agency
Brent Houser, Interim Deputy Secretary, California Health and Human Services
Agency
Adam Dondro, Director, Office of Technology and Solutions Integration, California
Health and Human Services Agency

Amend Item 0530-490 as follows:

“Item 0530-490—Reappropriation, California Health and Human Services Agency. The balance of the appropriation provided in the following citation is reappropriated for the purposes provided for in that appropriation and shall be available for encumbrance until June 30, 2027:

0001—General Fund

(1) Item 0530-001-0001, Budget Act of 2019 (Chs. 23 and 55, Stats. 2019), as reappropriated by Item 0530-492, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) and Item 0530-490, Budget Act of 2025 (Chs. 4 and 5, Stats. 2025) for the Early Childhood Policy Council.

(2) Up to \$294,000 in Item 0530-001-0001, Budget Act of 2025 (Chs. 4 and 5, Stats. 2025) to address increases in legal workload associated with House of Representatives 1.”



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 and Addition of Various Budget Bill Items, Support and Local Assistance, Secretary of the Natural Resources Agency

Joint Wildfire and Vegetation Management Streamlining—It is requested that Item 0540-001-3212 be increased by \$250,000 ongoing to support expedited review and implementation of vegetation management projects throughout California's forested ecosystems to reduce fire risk and build the state's resilience to wildfires.

California Ocean Protection Trust Fund Authority Increase—It is requested that Item 0540-001-6076 be increased by \$24,961,000 one-time in fiscal year 2026-27 and provisional language be adjusted to account for the increase in mitigation funds received for the Once-Through Cooling Interim Mitigation Program (see Attachment 1).

Museum of Tolerance—It is requested that Item 0540-101-0001 be increased by \$12 million one-time with provisional language authorizing an extended encumbrance period until June 30, 2028, to support the Museum of Tolerance, which provides education and messaging of tolerance and empowerment of the Jewish community (see Attachment 2).

Environmental Enhancement and Mitigation Program Fund Augmentation—It is requested that Item 0540-101-0183 be increased by \$8,835,000 one-time to provide additional capacity for Phase 2 of the Wallis Annenberg Wildlife Crossing project (see Attachment 3). It is also requested that provisional language be added to allow for a single grant exceeding \$5 million for the Wallis Annenberg Wildlife Crossing project.

Critical Project Funding for Salton Sea Habitat Restoration—It is requested that Item 0540-101-6088 be added in the amount of \$600,000 one-time to support an agreement with the Salton Sea Authority for the North Lake Pilot Demonstration Project. It is also requested that provisional language be added to provide an extended liquidation period until June 30, 2031 (see Attachment 4).

Climate Bond (Proposition 4): Wildlife Refuges and Wetland Habitat Areas—It is requested that Item 0540-101-6093 be increased by \$23,187,000 one-time and provisional language be added to provide funding to improve conditions on wildlife refuges and wetland habitat areas (see Attachment 5).

Climate Bond (Proposition 4): Golden Gate Fields Acquisition—It is requested that Item 0540-103-6093 be added in the amount of \$25 million one-time to support the acquisition of Golden Gate Fields (see Attachment 6). It is also requested that provisional language be included to authorize the Department of Finance to adjust this item if philanthropic funding or other non-state funding sources can be identified and provide an extended encumbrance period until June 30, 2029.

Natural Resources Agency Bond and Technical Proposals: Various Reappropriations and Extensions of liquidation—It is requested that Item 0540-491 be amended and Items 0540-492 and 0540-493 be added to extend the period for encumbrance, expenditure, or liquidation for various items. Funding will support ongoing grant management for several programs within the California Natural Resources Agency (see Attachments 7, 8, and 9). Note that Item 0540-491 was previously proposed for amendment in the April 1 Finance Letter and Attachment 5 is drafted as if those amendments had been accepted in order to clearly distinguish the new amendments proposed in this Finance Letter.

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 Elizabeth Urie, 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
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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
Wade Crowfoot, Secretary of Natural Resources, California Natural Resources
Agency
Bryan Cash, Assistant Secretary of Administration and Finance, California Natural
Resources Agency
Amanda Martin, Deputy Assistant Secretary for Administration and Finance,
California Natural Resources Agency
Julie Alvis, Deputy Assistant Secretary for Administration, California Natural
Resources Agency
Sarah Keck, Deputy Secretary for Bonds and Grants, California Natural Resources
Agency

Amend Item 0540-001-6076 as follows:

"0540-001-6076—For support of Secretary of the Natural Resources Agency, payable from the California Ocean Protection Trust Fund...~~6,039,000~~ 31,000,000

Schedule:

(1) 0320-Administration of Natural Resources Agency...~~6,039,000~~ 31,000,000

Provisions:

1. Any funds above ~~\$5,873,000~~ \$7,600,000 annually, of the Once-Through Cooling Interim Mitigation Fees deposited into the Ocean Protection Trust Fund, shall be transferred by the Controller to the Coastal Trust Fund.
2. Of the amount appropriated in this item, ~~\$5,873,000~~ \$7,600,000 is available for expenditure for support or local assistance for the Marine Protected Area Mitigation Program and shall be available for encumbrance or expenditure until June 30, 2028."

Amend Item 0540-101-0001 as follows:

"0540-101-0001—For local assistance, Secretary of Natural Resources Agency...~~2,000,000~~ 14,000,000

Schedule:

(1) 0320-Administration of Natural Resources Agency....~~2,000,000~~ 14,000,000

Provisions:

1. Of the amount appropriated in this item, \$2,000,000 shall be available for the Marine Mammal Center. Up to 5 percent of this amount may be used for administrative costs.
2. Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code does not apply to the funds appropriated in this item for the development and adoption of program guidelines and selection criteria.
3. Of the amount appropriated in this item, \$12,000,000 shall be available for the Museum of Tolerance and shall be available for encumbrance or expenditure until June 30, 2028."

Amend Item 0540-101-0183 as follows:

“0540-101-0183—For local assistance, Secretary of the Natural Resources Agency, payable from the Environmental Enhancement and Mitigation Program Fund...~~6,700,000~~15,535,000”

Schedule:

(1) 0320-Administration of Natural Resources Agency...~~6,700,000~~15,535,000

Provisions:

1. Notwithstanding any other law, the funds appropriated in this item shall be available for encumbrance or expenditure until June 30, 2029.
2. Notwithstanding Section 164.56 of the Streets and Highway code, up to \$13,835,000 of the amount appropriated in this item may be used to support the Wallis Annenberg Wildlife Crossing project.”

0540-101-6088—For local assistance, Secretary of the Natural Resources Agency,
payable from the California Drought, Water, Parks, Climate, Coastal Protection, and
Outdoor Access For All Fund600,000

Schedule:

(1) 0320-Administration of Natural Resources Agency 600,000

Provisions:

1. Notwithstanding any other law, the funds appropriated in this item shall be available for liquidation until June 30, 2031.

Amend Item 0540-101-6093 as follows:

"0540-101-6093—For local assistance, Secretary of the Natural Resources Agency, payable from the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Fund...~~94,498,000~~-117,685,000

Schedule:

(1) 0320-Administration of Natural Resources Agency...~~94,498,000~~-117,685,000

Provisions:

1. Of the amount appropriated in this item:
 - (a) \$68,000,000 is available for regional conveyance projects or repairs to existing conveyances.
 - (b) \$16,750,000 is available to improve the climate resiliency of, or for the protection of, the Clear Lake Watershed. Of this amount, \$1,500,000 shall be available as a direct grant to the California Department of Food and Agriculture for its hydrilla survey program.
 - (c) \$9,748,000 is available for nature, climate education, and research facility grants.
 - (d) \$23,187,000 is available for projects to improve conditions on wildlife refuges and wetland habitat areas.
2. The funds appropriated in this item are available for encumbrance or expenditure until June 30, 2029."

0540-103-6093—For local assistance, Secretary of the Natural Resources Agency, payable from the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Fund...25,000,000

Schedule:

(1) 0320-Administration of Natural Resources Agency...25,000,000

Provisions:

1. The funds appropriated in this item shall be available for the acquisition of Golden Gate Fields. The Department of Finance may adjust this amount to the extent philanthropic funding or other non-state funding sources can be identified to offset this amount by December 31, 2026.
2. These funds shall be available for encumbrance or expenditure until June 30, 2029.

Amend Item 0540-491 as follows:

"0540-491—Reappropriation, Secretary of the Natural Resources Agency. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance, or expenditure until June 30, 2028:

0001—General Fund

(1) The amount transferred in Provision 2 of Item 0540-101-0001 of the Budget Act of 2018 (Chs. 29 and 30, Stats. 2018) to the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, as reappropriated by Item 0540-491, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).

(2) The amount transferred in Provision 9 of Item 0540-101-0001 of the Budget Act of 2019 (Chs. 23 and 55, Stats. 2019) to the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, as reappropriated by Item 0540-491, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).

(3) Item 0540-001-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).

(4) Item 0540-001-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).

0183—Environmental Enhancement and Mitigation Program Fund

(1) Item 0540-101-0183, Budget Act of 2014 (Chs. 25 and 663, Stats. 2014), as reappropriated by Item 0540-490, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), and Item 0540-490, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).

(1.5) Item 0540-101-0183, Budget Act of 2019 (Chs. 23 and 55, Stats. 2019).

(2) Item 0540-101-0183, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), as reappropriated by Item 0540-492, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).

(2.5) Item 0540-101-0183, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021).

(3) Item 0540-101-0183, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).

(4) Item 0540-101-0183, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).

3228—Greenhouse Gas Reduction Fund

(1) Item 0540-101-3228, Budget Act of 2016 (Ch. 23, Stat. 2016), as reappropriated by Item 0540-490, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), as reappropriated by Item 0540-492, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).

(2) Item 0540-101-3228, Budget Act of 2019 (Chs. 23 and 55, Stats. 2019), as reappropriated by Item 0540-490, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021)."

0540-492—Reappropriation, Secretary of the Natural Resources Agency. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2027:

0001-General Fund

(1) Provision 1 of Item 0540-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).

0540-493—Reappropriation, Secretary of the Natural Resources Agency.
Notwithstanding any other law, the period to liquidate encumbrances of the following citations is extended to June 30, 2028.

0001—General Fund

- (1) Subschedule (e) of schedule (1) of Item 0540-101-0001, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018) as reappropriated by Item 0540-491, Budget Act of 2021 (Chs. 21, 69 and 240, Stats. 2021), as reappropriated by Item 0540-495, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), as reappropriated by Item 0540-490, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).
- (2) Item 0540-102-0001 Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), Control Section 19.56 as allocated to Item 0540-102-0001, including but not limited to, the funding transferred for administrative costs per Provision 1 of the Budget Act of 2022.



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 and Elimination of Various Budget Bill Items, Support, Secretary for Environmental Protection

General Fund Solution: Ongoing Fund Shift for State Operations—It is requested that Item 0555-001-0001 be eliminated and the various items noted below be increased by a total of \$3,120,000 and 22.1 positions in fiscal year 2026-27, \$3,183,000 in 2027-28 and ongoing to shift resources for state operations activities from the General Fund to various special funds.

- Item 0555-001-0028 be increased by \$1,108,000 and 22.1 positions in 2026-27, \$1,171,000 in 2027-28 and ongoing
- Item 0555-001-0044 be increased by \$419,000 ongoing
- Item 0555-001-0106 be increased by \$314,000 ongoing
- Item 0555-001-0115 be increased by \$419,000 ongoing
- Item 0555-001-0133 be increased by \$127,000 ongoing
- Item 0555-001-0193 be increased by \$314,000 ongoing
- Item 0555-001-0439 be increased by \$419,000 ongoing

Agency Information Technology Operations—It is requested that various items be increased by a total of \$941,000 in 2026-27, \$870,000 in 2027-28 and ongoing, and 2 permanent positions to improve the administration of public meetings in accordance with the Bagley-Keene Open Meeting Act. This request augments the Governor's Budget proposal.

- Item 0555-001-0014 be increased by \$17,000
- Item 0555-001-0028 be increased by \$539,000 and 1.2 positions
- Item 0555-001-0044 be increased by \$84,000 and 0.2 positions
- Item 0555-001-0106 be increased by \$42,000 and 0.1 positions
- Item 0555-001-0115 be increased by \$89,000 and 0.2 positions
- Item 0555-001-0133 be increased by \$4,000
- Item 0555-001-0193 be increased by \$29,000 and 0.1 positions

- Item 0555-001-0226 be increased by \$10,000
- Item 0555-001-0387 be increased by \$10,000
- Item 0555-001-0439 be increased by \$50,000 and 0.1 positions
- Item 0555-001-0557 be increased by \$4,000
- Item 0555-001-0679 be increased by \$10,000
- Item 0555-001-3058 be increased by \$10,000
- Item 0555-001-3065 be increased by \$14,000
- Item 0555-001-3237 be increased by \$29,000 and 0.1 positions

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
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



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 Budget Bill Item 0650-001-0001, Support, and Statutory Changes,
Governor's Office of Land Use and Climate Innovation**

Budget System Correction—It is requested that Item 0650-001-0001 be decreased by 5 positions in fiscal year 2026-27 and 9 positions in 2027-28 and ongoing to correct a system error made in the Governor's Budget.

State Clearinghouse Administrative Fee—It is requested that Section 21159.9 of the Public Resources Code be amended to provide the Governor's Office of Land Use and Climate Innovation (LCI) with the authority to charge filers a fee when submitting documents to the State Clearinghouse to support LCI's costs associated with the maintenance of and enhancements to the database. LCI will be required to develop and adopt the fee through the formal rulemaking process.

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 Elizabeth Urie, 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
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Committee
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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 Sharon Quirk-Silva, Chair, Assembly Budget Subcommittee No. 5
Honorable Melissa Hurtado, Chair, Senate Budget and Fiscal Review
Subcommittee No. 4
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
Samuel Assefa, Director, Governor's Office of Land Use and Climate Innovation
Miranda Flores, Chief Deputy Director, Governor's Office of Land Use and Climate
Innovation



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 Budget Bill Items 0680-001-0001 and Item 0680-102-0001, Support and Local Assistance, Governor's Office of Service and Community Engagement

Technical Adjustment: College Corps Admin Funding Realignment—It is requested that Item 0680-001-0001 be increased by \$1,779,000 ongoing, and Item 0680-102-0001 be decreased by \$1,779,000 ongoing. This is a net-zero technical adjustment to correct the expenditure authority for the implementation of the College Corps 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 Mark Jimenez, Principal Program Budget Analyst, at (916) 445-8913.

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
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Subcommittee No. 4
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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
Anthony Chavez, Chief Deputy Director, Governor's Office of Service and
Community Engagement



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 and Addition of Various Budget Bill Items, Support and Local Assistance, Office of Emergency Services

Southern Regional Emergency Operations Center (REOC) Support—It is requested that Item 0690-001-0001 be increased by \$12,511,000 and 11 permanent positions in fiscal year 2026-27, \$9,128,000 in 2027-28, and \$8,419,000 ongoing beginning in 2028-29 to open and operate the Southern REOC.

Distributed Administration Position Authority—It is requested that Item 0690-001-0001 be increased by 3 positions ongoing for various administrative support activities to be funded with distributed administration funding generated from 2026-2027 Budget Change Proposals to provide a continuity of operations for an increase in administrative support activities.

Operational Observer—It is requested that Item 0690-001-0001 be amended by increasing reimbursements by \$5,004,000 one-time to support the operational observer of covered utilities' workload to mitigate wildfire risk and public safety power shutoff events until March 31, 2027.

Next Generation 9-1-1 Updated Roll Out—It is requested that Item 0690-001-0022 be increased by \$8.4 million one-time and Item 0690-101-0022 be increased by \$133,535,000 one-time to support the implementation of the Next Generation 9-1-1 system.

State and Local Cybersecurity Grant Program—It is requested that Item 0690-001-0890 be increased by \$198,000 one-time and Item 0690-101-0890 be increased by \$3,759,000 one-time to reflect federal funding awarded for the State and Local Cybersecurity Grant Program.

Victims of Crime Act (VOCA) Supplemental Funding—It is requested that Item 0690-005-0001 be added in the amount of \$1 million one-time and Item 0690-105-0001 be added in the amount of \$24 million one-time to supplement funding under the federal Victims of Crime Act of 1984 (34 U.S.C. 20101 et seq.). It is also requested that provisional language be included in Item 0690-005-0001 authorizing any amount in that item that the Office of Emergency Services determines is not necessary to support costs of administering supplemental VOCA grants to be transferred to Item 0690-105-0001 and used for local assistance grants instead (see Attachments 1 and 2).

Nonprofit Security Grant Program—It is requested that Item 0690-007-0001 be added in the amount of \$2 million one-time and Item 0690-103-0001 be added in the amount of \$38 million one-time to support the Nonprofit Security Grant Program, which provides funding support for target hardening and other physical security enhancements to nonprofit organizations that are at high risk for violent attacks and hate crimes due to ideology, beliefs, or mission. It is also requested that provisional language be included in Item 0690-007-0001 authorizing any amount in that item that the Office of Emergency Services determines is not necessary to support costs of administering the California State Nonprofit Security Grant Program to be transferred to Item 0690-103-0001 and used for local assistance grants instead (see Attachments 3 and 4).

Climate Bond (Proposition 4): Wildfire Mitigation Grant Program Technical Adjustment—It is requested that Item 0690-008-6093 and Item 0690-108-6093 be amended to reflect a net-zero adjustment between budgetary programs in the amounts of \$1,050,000 and \$23,973,000, respectively, to properly align the funding authorization with the operational programs implementing the associated Climate Bond program.

Increase Expenditure Authority for the State Assistance for Fire Equipment (SAFE) Act Program—It is requested that technical Item 0690-509-0437 be increased by \$400,000 ongoing to support the SAFE Act program that makes surplus fire equipment available to local governments for apparatus replacement.

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 Sara Swan, Principal Program Budget Analyst, at (916) 445-9694.

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 Laura Richardson, Chair, Senate Budget and Fiscal Review
Subcommittee No. 5
Honorable James Ramos, Chair, Assembly Budget Subcommittee No. 6
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
Caroline Thomas Jacobs, Director, Office of Emergency Services
Christina Curry, Chief Deputy Director, Office of Emergency Services
Ian Bastek, Chief Deputy Director, Office of Emergency Services
Eric Swanson, Deputy Director, Finance and Administration, Office of Emergency
Services

0690-005-0001—For support of Office of Emergency Services1,000,000

Schedule:

(1) 0385-Special Programs and Grant Management1,000,000

Provisions:

1. The amount appropriated in this item is for the support costs of administering grants to supplement funding under the federal Victims of Crime Act of 1984 (34 U.S.C. 20101 et seq.).
2. If the Office of Emergency Services determines any amount appropriated in this item is not necessary for the purposes identified in Provision 1, upon order of the Department of Finance, that amount may be transferred to Schedule (1) of Item 0690-105-0001 of the Budget Act of 2026 to support local assistance grants.

0690-105-0001—For local assistance, Office of Emergency Services24,000,000

Schedule:

(1) 0385-Special Programs and Grant Management24,000,000

Provisions:

1. The funds appropriated in this item are to supplement funding under the federal Victims of Crime Act of 1984 (34 U.S.C. 20101 et seq.).

0690-007-0001—For support of Office of Emergency Services2,000,000

Schedule:

(1) 0385-Special Programs and Grant Management2,000,000

Provisions:

1. The amount appropriated in this item is for administrative support costs of the California State Nonprofit Security Grant Program to help nonprofit organizations that are targets of hate-motivated violence and hate crimes and shall be available for encumbrance or expenditure June 30, 2028.
2. If the Office of Emergency Services determines any amount appropriated in this item is not necessary for the purposes identified in Provision 1, upon order of the Department of Finance, that amount may be transferred to Schedule (1) of Item 0690-103-0001 of the Budget Act of 2026 to support local assistance grants.

0690-103-0001—For local assistance, Office of Emergency Services38,000,000

Schedule:

(1) 0385-Special Programs and Grant Management38,000,000

Provisions:

1. The amount appropriated in this item is for the California State Nonprofit Security Grant Program to help nonprofit organizations that are targets of hate-motivated violence and hate crimes and shall be available for encumbrance or expenditure June 30, 2028.



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 and Addition of Various Budget Bill Items, Support, Department of Justice

Felony Murder Resentencing (SB 775)—It is requested that Item 0820-001-0001 be increased by \$3,915,000 in fiscal year 2026-27 through 2028-29 to address the continued workload associated with sentence enhancements pursuant to Chapter 551, Statutes of 2021 (SB 775). It is also requested that provisional language be added to specify the funding is to address this workload (see Attachment 1).

Completing Organized Retail Criminal Enterprise Investigations—It is requested that Item 0820-001-0001 be increased by \$2.2 million in 2026-27 to complete existing organized retail theft cases. It is also requested that provisional language be added to provide an extended encumbrance period for these funds until June 30, 2028 (see Attachment 1).

Fingerprint System Modernization—It is requested that Item 0820-001-0017 be increased by \$4,326,000 in 2026-27, \$5,525,000 in 2027-28, and \$1,068,000 in 2028-29 and ongoing to upgrade biometric identification systems to a cloud-based infrastructure.

Medi-Cal Fraud and Elder Abuse: Federal Grant Authority—It is requested that Item 0820-001-0378 be increased by \$4,047,000 and 11 positions and Item 0820-001-0890 be increased by \$12,141,000 and 35 positions in 2026-27 and ongoing to expand investigations, enforcement activities, and prosecutions related to Medi-Cal fraud and elder abuse. This request allows the Department of Justice to receive additional grant funding from the federal Office of Inspector General.

Registry of Charities and Fundraisers New Online System IT Support—It is requested that Item 0820-001-3088 be increased by \$260,000 and 1 position in 2026-27 and \$251,000 and 1 position in 2027-28 and ongoing to support and manage the Registry's new online business system.

Legal Services Revolving Fund Ongoing Workload—It is requested that Item 0820-001-9731 be increased by \$10,745,000 and 11 positions in 2026-27 and ongoing to provide sufficient expenditure authority to maintain current service levels and address increased demand for legal services from client agencies.

Antitrust Litigation Funding—It is requested that Item 0820-001-0012 and Item 0820-001-3087 be increased by \$7,125,000 in 2026-27, \$6,820,000 in 2027-28, \$5,235,000 in 2028-29, and \$4,371,000 in 2029-30 to investigate and litigate complex antitrust cases.

Reappropriation: Department of Justice FI\$Cal Resources—It is requested that Item 0820-492 be added to extend the encumbrance period from June 30, 2026, to June 30, 2027, for funding needed to support the Department's transition and onboarding to the Financial Information System for California (FI\$Cal) System. Specifically, this would extend the encumbrance period for \$1,325,000 in Item 0820-001-0001, Item 0820-001-0012, Item 0820-001-0017, Item 0820-001-0044, Item 0820-001-0367, Item 0820-001-0378, Item 0820-001-0460, Item 0820-001-0567, Item 0820-001-0890, Item 0820-001-1008, 3016, Item 0820-001-3053, Item 0820-001-3086, Item 0820-001-3087, Item 0820-001-3088, Item 0820-001-9731, and Item 0820-001-9740 of the 2025 Budget Act (see Attachment 2).

Reappropriation: Automated Criminal History System Workload—It is requested that Item 0820-492 be added to extend the encumbrance period from June 30, 2026, to June 30, 2027, for funding related to workload for processing a backlog of arrest disposition reports in the Department of Justice's Automated Criminal History system pending Legislative approval of an unanticipated cost request provided through authority in the 2025 Budget Act. This extension includes up to \$954,000 from Item 0820-001-0001 and up to \$1,138,000 from Item 0820-001-0017 of the 2025 Budget Act (see Attachment 2).

The May Revision proposes the following adjustments to implement recently chaptered legislation:

California Uniform Antitrust Premerger Notification Act: Chapter 3, Statutes of 2026 (SB 25)—It is requested that Item 0820-001-0012 be increased by \$320,000 and 2 positions in 2026-27 and \$576,000 in 2027-28 and ongoing.

Deceptive Practices: Service Members and Veterans: Chapter 1, Statutes of 2026 (SB 694)—It is requested that Item 0820-001-3087 be increased by \$91,000 and 1 position in 2026-27 and \$162,000 in 2027-28 and ongoing.

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 Jessie Romine, Principal Program Budget Analyst, at (916) 445-8913.

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
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 Laura Richardson, Chair, Senate Budget and Fiscal Review
Subcommittee No. 5
Honorable James Ramos, Chair, Assembly Budget Subcommittee No. 6
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
Chris Ryan, Chief of Operations, Department of Justice
Ashley Harp, Assistant Director of Fiscal Operations, Department of Justice
Lina Maloney, Budget Officer, California Department of Justice

Add Provisions 8 and 9 to Item 0820-001-0001 as follows:

8. Of the amount appropriated in Schedule (3), \$3,915,000 shall be used for workload associated with Chapter 551, Statutes of 2021 (SB 775). Any unspent funds shall revert to the General Fund and may not be redirected to any other purposes.
9. Of the amount appropriated in Schedule (3), \$2,200,000 shall be available to complete existing investigations and prosecutions of organized retail crime and shall be available for encumbrance or expenditure until June 30, 2028. Any unspent funds shall revert to the General Fund and may not be redirected to any other purposes.

0820-492—Reappropriation, Department of Justice. The amounts specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2027:

0001—General Fund

- (1) Up to \$434,000, of Item 0820-001-0001 of the Budget Act of 2025 (Chs. 4 and 5, Stats. 2025) to support the transition and onboarding to the Financial Information System for California System.
- (2) Up to \$954,000 of Item 0820-001-0001 of the Budget Act of 2025 (Chs. 4 and 5, Stats. 2025) to process a backlog of arrest disposition reports.

0012—Attorney General Antitrust Account

- (3) Up to \$29,000 of Item 0820-001-0012 of the Budget Act of 2025 (Chs. 4 and 5, Stats. 2025) to support the transition and onboarding to the Financial Information System for California System.

0017—Fingerprint Fees Account

- (4) Up to \$80,000 of Item 0820-001-0017 of the Budget Act of 2025 (Chs. 4 and 5, Stats. 2025) to support the transition and onboarding to the Financial Information System for California System.
- (5) Up to \$1,138,000 of Item 0820-001-0017, Budget Act of 2025 (Chs. 4 and 5, Stats. 2025) to process a backlog of arrest disposition reports.

0044—Motor Vehicle Account, State Transportation Fund

- (6) Up to \$25,000 of Item 0820-001-0044 of the Budget Act of 2025 (Chs. 4 and 5, Stats. 2025) to support the transition and onboarding to the Financial Information System for California System.

0367—Indian Gaming Special Distribution Fund

- (7) Up to \$15,000 of Item 0820-001-0367 of the Budget Act of 2025 (Chs. 4 and 5, Stats. 2025) to support the transition and onboarding to the Financial Information System for California System.

0378—False Claims Act Fund

(8) Up to \$15,000 of Item 0820-001-0378 of the Budget Act of 2025 (Chs. 4 and 5, Stats. 2025) to support the transition and onboarding to the Financial Information System for California System.

0460—Dealers Record of Sale Special Account

(9) Up to \$29,000 of Item 0820-001-0460 of the Budget Act of 2025 (Chs. 4 and 5, Stats. 2025) to support the transition and onboarding to the Financial Information System for California System.

0567—Gambling Control Fund

(10) Up to \$12,000 of Item 0820-001-0567 of the Budget Act of 2025 (Chs. 4 and 5, Stats. 2025) to support the transition and onboarding to the Financial Information System for California System.

0890—Federal Trust Fund

(11) Up to \$30,000 of Item 0820-001-0890 of the Budget Act of 2025 (Chs. 4 and 5, Stats. 2025) to support the transition and onboarding to the Financial Information System for California System.

1008—Firearms Safety and Enforcement Special Fund

(12) Up to \$7,000 of Item 0820-001-1008 of the Budget Act of 2025 (Chs. 4 and 5, Stats. 2025) to support the transition and onboarding to the Financial Information System for California System.

3016—Missing Persons DNA Data Base Fund

(14) Up to \$4,000 of Item 0820-001-3016 of the Budget Act of 2025 (Chs. 4 and 5, Stats. 2025) to support the transition and onboarding to the Financial Information System for California System.

3053—Public Rights Law Enforcement Special Fund

(15) Up to \$27,000 of Item 0820-001-3053 of the Budget Act of 2025 (Chs. 4 and 5, Stats. 2025) to support the transition and onboarding to the Financial Information System for California System.

3086—DNA Identification Fund

(16) Up to \$96,000 of Item 0820-001-3086 of the Budget Act of 2025 (Chs. 4 and 5, Stats. 2025) to support the transition and onboarding to the Financial Information System for California System.

3087—Unfair Competition Law Fund

(17) Up to \$91,000 of Item 0820-001-3087 of the Budget Act of 2025 (Chs. 4 and 5, Stats. 2025) to support the transition and onboarding to the Financial Information System for California System.

3088—Registry of Charities and Fundraisers Fund

(18) Up to \$17,000 of Item 0820-001-3088 of the Budget Act of 2025 (Chs. 4 and 5, Stats. 2025) to support the transition and onboarding to the Financial Information System for California System.

9731—Legal Services Revolving Fund

(19) Up to \$413,000 of Item 0820-001-9731 of the Budget Act of 2025 (Chs. 4 and 5, Stats. 2025) to support the transition and onboarding to the Financial Information System for California System.

9740—Central Service Cost Recovery Fund

(20) Up to \$1,000 of Item 0820-001-9740 of the Budget Act of 2025 (Chs. 4 and 5, Stats. 2025) to support the transition and onboarding to the Financial Information System for California System.



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 and Addition of Various Budget Bill Items, Support, State Controller's Office

State Controller's Office (SCO) Fi\$Cal Book of Record Post Go-Live Support and Stabilization—It is requested that Item 0840-001-0001 be increased by \$7,082,000 in fiscal year 2026-27 and Item 0840-001-9740 be increased by \$4,528,000 in 2026-27 for consulting services to support SCO Fi\$Cal Book of Record post go-live support and stabilization. It is also requested that Item 0840-491 be added to reappropriate up to \$1,055,000 from Item 0840-001-0001, Budget Act of 2023, for contract costs related to the SCO Book of Record Functionality Migration to Fi\$Cal and Annual Comprehensive Financial Report support (see Attachments 1, 2, and 3).

Broadcom Computer Associates Integrated Database Management System Software Licensing Costs Adjustment—It is requested that Item 0840-001-0001 be decreased by \$214,000 in 2026-27 and Item 0840-001-9740 be decreased by \$137,000 in 2026-27 to reflect the actual executed contract renewal amount.

California State Payroll System Project—It is requested that Item 0840-001-0001 be increased by \$59,132,000 and 8.5 positions in 2026-27, and \$1,576,000 and 8.5 positions ongoing, and Item 0840-001-9740 be increased by \$37,803,000 and 5.5 positions in 2026-27 and \$1,007,000 and 5.5 positions ongoing, to support project implementation. It is also requested that provisional language be added to Items 0840-001-0001 and 0840-001-9740 (see Attachments 4 and 5).

Adjustment of Preliminary Funding and Budget Bill Language for California State Payroll System—It is requested that Item 0840-001-0001 be decreased by \$72 million in 2026-27 and Item 0840-001-9740 be decreased by \$45 million in 2026-27 to reconcile the final amount needed for project development. It is also requested that Provision 15 of Item 0840-001-0001 be deleted, and Provision 1 of Item 0840-001-9740 be deleted.

Annual Comprehensive Financial Report (ACFR) Engagement Team—It is requested that Item 0840-001-0001 be increased by \$1,437,000 in 2026-27 and Item 0840-001-9740 be increased by \$918,000 in 2026-27 for contracted resources to provide Generally Accepted Accounting Principles financial reporting assistance to various state departments to restore and sustain on-time publication of the state's ACFR (see Attachments 6 and 7).

Unclaimed Property Program Public Awareness Funding Adjustment—It is requested that Item 0840-001-0970 be increased by \$3 million in 2026-27 and ongoing. It is also requested that the existing cap be adjusted to \$3 million to support Unclaimed Property Program's public awareness efforts (see Attachment 8).

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 Andrea Scharffer, Principal Program Budget Analyst, at (916) 445-9694.

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 Melissa Hurtado, Chair, Senate Budget and Fiscal Review
Subcommittee No. 4
Honorable Sharon Quirk-Silva, Chair, Assembly Budget Subcommittee No. 5
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
Honorable Malia Cohen, State Controller
Regina Evans, Chief of Staff, State Controller's Office
Cathy Leal, Chief Operating Officer, State Controller's Office
Jennifer Chavez, Chief of Administration and Disbursements, State Controller's
Office
Jennifer Urban, Chief of Budgets and Accounting, State Controller's Office
An-Vi Ching, Budget Officer, State Controller's Office

Add Provision 16 to Item 0840-001-0001 as follows:

16. Of the amount appropriated in this item, up to \$7,082,000 shall be allocated upon order of the Director of Finance for consulting services to support the legacy Accounting and Reporting Management System decommissioning. The Department of Finance may adjust the amount allocated upon confirmation of the executed decommissioning contract.

Add Provision 2 to Item 0840-001-9740 as follows:

2. Of the amount appropriated in this item, up to \$4,528,000 shall be allocated upon order of the Director of Finance for consulting services to support the legacy Accounting and Reporting Management System decommissioning. The Department of Finance may adjust the amount allocated upon confirmation of the executed decommissioning contract.

0840-491—Reappropriation, Controller. The amounts specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2027:

0001—General Fund

(1) Up to \$1,055,000 in item 0840-001-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023), for contract costs related to the SCO Book of Record Functionality Migration to Fi\$Cal and Annual Comprehensive Financial Report support.

Add Provision 17 to Item 0840-001-0001 as follows:

17. Of the amount appropriated in this item, up to \$8,693,000 is provided for Department/Agency Readiness Team (DART) resources. The Controller, in consultation with the Department of Human Resources, shall work with payroll processing departments through its DART program to complete the organizational change management activities associated with the California State Payroll System (CSPS) information technology project. The Controller, in consultation with the Department of Finance, shall identify amounts to be allocated to each department for the 2026-27 fiscal year. Prior to any allocations to departments, the Controller must define the specific criteria that departments must meet to receive this funding and outline the specific project activities that require DART team involvement. The Controller shall require departments to submit requests for their respective allocations, including an agreement to use the funding to only support CSPS project-related activities. The Controller shall provide updates on DART funding allocations to the Legislature and the Legislative Analyst's Office through existing bimonthly briefings on the progress of the project and report final annual allocation amounts to the Department of Finance.

Add Provision 3 to Item 0840-001-9740 as follows:

3. Of the amount appropriated in this item, up to \$5,557,000 is provided for Department/Agency Readiness Team (DART) resources. The Controller, in consultation with the Department of Human Resources, shall work with payroll processing departments through its DART program to complete the organizational change management activities associated with the California State Payroll System (CSPS) information technology project. The Controller, in consultation with the Department of Finance, shall identify amounts to be allocated to each department for the 2026-27 fiscal year. Prior to any allocations to departments, the Controller must define the specific criteria that departments must meet to receive this funding and outline the specific project activities that require DART team involvement. The Controller shall require departments to submit requests for their respective allocations, including an agreement to use the funding to only support CSPS project-related activities. The Controller shall provide updates on DART funding allocations to the Legislature and the Legislative Analyst's Office through existing bimonthly briefings on the progress of the project and must report final annual allocation amounts to the Department of Finance.

Add Provision 18 to Item 0840-001-0001 as follows:

18. Of the amount appropriated in this item, up to \$153,000 shall be used to implement an automated workspace that will be used to input and publish the Annual Comprehensive Financial Report.

Add Provision 4 to Item 0840-001-9740 as follows:

4. Of the amount appropriated in this item, up to \$97,000 shall be used to implement an automated workspace that will be used to input and publish the Annual Comprehensive Financial Report.

Add Provision 2 to Item 0840-001-0970 as follows:

2. (a) Pursuant to Section 1531 of the Code of Civil Procedure, the Controller may publish notice of unclaimed property in any manner that the Controller determines reasonable.

- (b) No funds appropriated in this act may be expended by the Controller to provide general information to the public, other than to holders, as defined in subdivision (e) of Section 1501 of the Code of Civil Procedure, of unclaimed property, concerning the Unclaimed Property Program or possible existence of unclaimed property held by the Controller, except for informational announcements to the news media, through the exchange of information on the internet, or no more than \$3,000,000 per year to inform the public about this program. This annual cap may be increased up to \$5 million, upon the order of the Department of Finance, if the Controller demonstrates that additional funds are needed. This restriction does not apply to sending individual notices to property owners as required by the Code of Civil Procedure.



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

Addition of Budget Bill Item 0845-490, Support, Department of Insurance

Reappropriation: Home Hardening Oversight and Wildfire Risk Mitigation Grant Programs

—It is requested that Item 0845-490 be added to reappropriate up to \$11.5 million million from Item 0845-002-0001, Budget Act of 2025, to continue the implementation of the Home Hardening Oversight and Wildfire Risk Mitigation Grant programs. This change is necessary to support recently enacted legislation to advance wildfire resilience and support community hardening oversight (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 Mark Jimenez, Principal Program Budget Analyst, at (916) 445-8913.

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 Melissa Hurtado, Chair, Senate Budget and Fiscal Review
Subcommittee No. 4
Honorable Sharon Quirk-Silva, Chair, Assembly Budget Subcommittee No. 5
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

0845-490—Reappropriation, Department of Insurance. The amounts specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2027:

0001—General Fund

(1) Up to \$11,500,000 of Item 0845-002-0001, Budget Act of 2025 (Chs. 4 and 5, Stats. 2025).



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 Items, Support, Local Assistance and Reimbursements,
Secretary of State**

Secretary of State Security Improvements—It is requested that Item 0890-001-0001 be increased by \$2,185,000 and Item 0890-001-0228 be increased by \$3,777,000 in fiscal year 2026-27 to make building improvements to update the facility's security infrastructure.

Help America Vote Act – 2026 Election Security Federal Grant Award—It is requested that Item 0890-001-0001 be increased by \$386,000, Item 0890-001-0890 be increased by \$430,000, and Item 0890-101-0890 be increased by \$1.5 million in 2026-27 to allow the Secretary of State to accept the Federal Help America Vote Act Elections Security Grant and meet the 20 percent federal match requirement. These resources will support state implementation of election security safeguards and infrastructure against physical and cyber risks and vulnerabilities and improve voting technology and polling place accessibility.

California State Payroll System—It is requested that Item 0890-001-0001 be amended to increase reimbursement authority by \$55,000 and Item 0890-001-0228 be amended to increase reimbursement authority by \$96,000 in 2026-27 and ongoing to receive payments from the State Controller's Office to implement the California State Payroll System.

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 Jessie Romine, Principal Program Budget Analyst, at (916) 445-8913.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

cc: Honorable Sabrina Cervantes, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
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Subcommittee No. 4
Honorable Sharon Quirk-Silva, Chair, Assembly Budget Subcommittee No. 5
Gabriel Petek, Legislative Analyst
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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
Shirley Weber, California Secretary of State
Jana Lean, Chief, Elections Divisions, Secretary of State
Joanna Southard, Assistant Chief, Elections Division, Secretary of State
Kristin Dagsher, Budget Section Manager, Fiscal Affairs Office, Secretary of State
Reginald Fair, Deputy Secretary of State, Operations



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 Budget Bill Item 0950-001-0001, Support, and Addition of Item 0950-490, Reappropriation, State Treasurer

Reappropriation: CalAccount Blue Ribbon Commission—It is requested that Item 0950-490 be added to reappropriate up to \$360,000 from Item 0950-001-0001, Provision 5, Budget Act of 2025, for the continuation of efforts by the CalAccount Blue Ribbon Commission to study the feasibility and implementation of the CalAccounts program (see Attachment 1).

Augmentation of Treasurer's Canceled Bond Sales Contingency Authority—It is requested that the contingency authority in Provision 2 of Item 0950-001-0001 be increased from \$1.7 million to \$8 million, allowing the Department of Finance, upon certification by the Treasurer, to cover additional expenses for canceled general obligation bond, lease-revenue bond, and revenue anticipation note sales from the General Fund (after first applying any available bond funds), with required legislative notification within 30 days (see Attachment 2).

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 Andrea Scharffer, Principal Program Budget Analyst, at (916) 445-9694.

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
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review
Committee
Attention: Elisa Wynne, Staff Director
Honorable Buffy Wicks, Chair, Assembly Appropriations Committee
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Honorable David Tangipa, Vice Chair, Assembly Budget Committee
Attention: Christian Griffith, Chief Consultant
Honorable Melissa Hurtado, Chair, Senate Budget and Fiscal Review
Subcommittee No. 4
Honorable Sharon Quirk-Silva, Chair, Assembly Budget Subcommittee No. 5
Gabriel Petek, Legislative Analyst
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Paul Dress, Chief of Staff, Assembly Republican Caucus
Dylan Gray, Chief of Staff, Assembly Republican Leader's Office
Honorable Fiona Ma, State Treasurer
Patrick Henning, Chief of Staff, State Treasurer's Office
Karma Manni, Director of Administration, State Treasurer's Office

0950-490—Reappropriation, Treasurer. The amount specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2027.

0001—General Fund

(1) Up to \$360,000 of the \$1,000,000 in Provision 5 of Item 0950-001-0001, Budget Act of 2025 (Chs. 4 and 5, Stats. 2025), for continuation of the CalAccount Blue Ribbon Commission to evaluate feasibility of CalAccounts.

Amend Provision 2 of Item 0950-001-0001 as follows:

"2. Notwithstanding any other law, upon certification by the Treasurer, the Department of Finance may authorize expenditures of up to ~~\$8,000,000~~ \$1,700,000 in excess of the amount appropriated in this item for the payment of expenses incurred on general obligation bond, lease-revenue bond, and revenue anticipation note sales that have been canceled. Prior to expenditure from the General Fund, the Treasurer shall determine if any bond funds are authorized and available for the payment of expenses, and then shall apply those funds to such payment. The Department of Finance shall provide notification in writing to the chairpersons of the fiscal committees of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee no more than 30 days after that authorization."



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 Budget Bill Item 0968-001-0448 and 0968-001-0457, Support, California Tax Credit Allocation Committee

Resources for Chapter 674, Statutes of 2024 (AB 846) Compliance Workload—It is requested that Item 0968-001-0448 be increased by \$613,000 and 3 positions ongoing to support compliance monitoring requirements outlined in legislation.

Resources for H.R. 1 Development Workload—It is requested that Item 0968-001-0457 be increased by \$1,321,000 and 7 positions ongoing to provide support for the allocation of provisioned federal low-income housing resources.

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 Susan Wekanda, Principal Program Budget Analyst, at (916) 445-5332.

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
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Committee
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Honorable David Tangipa, Vice Chair, Assembly Budget Committee
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Honorable Melissa Hurtado, Chair, Senate Budget and Fiscal Review
Subcommittee No. 4
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Gabriel Petek, Legislative Analyst
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Honorable Fiona Ma, State Treasurer
Patrick Henning, Chief of Staff, State Treasurer's Office
Karma Manni, Director, Administration Division, State Treasurer's Office



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 Budget Bill Item 0985-220-0001, Local Assistance, California School Finance Authority

Charter School Facility Grant Program (Issues 11 and 12)—It is requested that Item 0985-220-0001 be decreased by \$3,823,000 ongoing Proposition 98 General Fund to reflect an increase of \$150,000 ongoing Proposition 98 General Fund related to a 2.87 percent cost-of-living adjustment and a decrease of \$3,973,000 ongoing Proposition 98 General Fund to reflect updated projections for program participation. The Charter School Facility Grant Program provides funding to assist charter schools in paying for rent and lease expenditures that are either serving or located in attendance areas where a notable percentage of their students qualify for free or reduced-price meals.

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 Dominick Guidera, Principal Program Budget Analyst, at (916) 445-0328.

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 Sasha Renée Pérez, Chair, Senate Budget and Fiscal Review
Subcommittee No. 1
Honorable David Alvarez, Chair, Assembly Budget Subcommittee No. 3
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
Fiona Ma, California State Treasurer, State Treasurer's Office
Patrick Henning, Chief Deputy Treasurer, State Treasurer's Office
Karma Manni, Director of Administration, State Treasurer's Office
Katrina Johantgen, Executive Director, California School Finance Authority