



May 14, 2024

Honorable Scott D. Wiener, 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, Addition of, and Eliminate Various Budget Bill Items, Support and Local Assistance, California Department of Corrections and Rehabilitation

Due to lower revenue projections and a resulting increase in the budget problem, the May Revision proposes adjustments to prior investments to assist in closing the projected shortfall. These adjustments include the following:

Housing Unit Deactivations—It is requested that Item 5225-001-0001 be decreased by \$80,628,000 and 448.6 positions ongoing for savings associated with deactivating various housing units within 13 prisons.

Peace Officer Training Reduction—It is requested that Item 5225-001-0001 be decreased by \$13,760,000 and 24 positions in fiscal year 2024-25 and \$22,548,000 and 24 positions ongoing for savings associated with reducing annual staff training from 48 hours to 40 hours.

In addition, it is requested that Item 5225-490 be eliminated to reflect the withdrawal of the request to reappropriate \$8,451,000 for the California Reality Based Training Center included in the 2024-25 Governor's Budget, and that Item 5225-498 be added to revert this amount (see Attachment 1).

Level IV Third Day of Visiting Reduction—It is requested that Item 5225-001-0001 be decreased by \$4,086,000 and 23 positions ongoing for savings associated with reducing visiting from three days to two days for Level IV incarcerated persons, which was budgeted in the 2021 Budget Act.

Los Angeles County Fire Camp Contract—It is requested that Item 5225-001-0001 be decreased by \$2,423,000 in 2024-25 and \$4,847,000 ongoing related to savings associated with eliminating a fire camp contract with Los Angeles County.

Baseline Administrative Reduction—The Governor's Budget included a reduction of \$15 million ongoing General Fund for various areas within the California Department of Corrections and Rehabilitation's (CDCR) administration, noting additional details would be provided in the spring. This proposal was included in the early action package enacted in Chapter 9, Statutes of 2024 (AB 106).

It is requested that funding and positions be shifted between programs to reflect the scheduling of the \$15 million for the baseline administrative reduction as follows:

- Item 5225-001-0001 be increased by \$2,068,000 and decreased by 63 positions ongoing (total reduction of \$12,932,000 based on the adjustments included in the Governor's Budget).
- Item 5225-008-0001 be decreased by \$2,068,000 and 11 positions ongoing.

COVID-19 Testing Protocol—It is requested that Item 5225-021-0001 be decreased by \$4,099,000 ongoing to reduce the number of COVID-19 tests conducted at Reception Centers.

Data Collection Analysis and Outcomes—It is requested that Item 5225-495 be added to revert \$6 million one-time General Fund included in the 2022 Budget Act (see Attachment 2).

COVID-19 Mitigation Funding – Current Year Savings—It is requested that Item 5225-498 be added to revert \$24,267,000 one-time General Fund included in the 2023 Budget Act related to lower than anticipated costs associated with COVID-19 mitigation activities (see Attachment 1).

Managed Access System Reduction—It is requested that Item 5225-498 be added to revert \$8,546,000 from the 2022 Budget Act and \$15,333,000 in the 2023 Budget Act (see Attachment 1).

Technical Updates to the 2024-25 Governor's Budget—It is requested that:

- Item 5225-001-0001 be decreased by \$882,000 ongoing and 5 positions for to the Statewide Correctional Video Surveillance proposal.
- Item 5225-498 be added to revert \$700,000 from the 2023 Budget Act for the TransMetro bus contract (see Attachment 1).

Included below are the remaining adjustments included in the May Revision:

Adult Population Adjustment—The May Revision reflects an estimated average daily adult incarcerated population of 90,860 in 2024-25, which is 825 fewer than projected in the Governor's Budget. The projected parolee average daily population is 41,287 in 2024-25, which is a decrease of 935 compared to the Governor's Budget projection. It is requested that the following items be amended for this purpose:

- Item 5225-001-0001 be decreased by \$247,000 and 4.1 positions in 2024-25 and \$3,466,000 and 24.4 positions ongoing.
- Item 5225-001-0917 be decreased by \$196,000 ongoing.
- Item 5225-002-0001 be decreased by \$3,730,000 and increased by 78.2 positions in 2024-25, with varying amounts in the subsequent years, resulting in an increase

of \$11,648,000 and 78.2 positions ongoing. It is also requested that provisional language be added (see Attachment 3).

- Item 5225-008-0001 be decreased by \$11,428,000 and 0.7 positions in 2024-25, with varying amounts in the subsequent years, resulting in a decrease of \$15,901,000 ongoing.
- Item 5225-009-0001 be decreased by \$1,249,000 and 4 positions ongoing.
- Item 5225-014-0001 be decreased by \$4,459,000 ongoing.
- Item 5225-101-0001 be increased by \$100,000 ongoing. It is also requested that provisional language be added (see Attachment 4).

This reflects a net decrease of \$21,209,000 and an increase of 69.4 positions in 2024-25, with varying amounts in the subsequent years, resulting in a decrease of \$13,523,000 and an increase of 49.8 positions ongoing, comprised of a decrease of \$13,327,000 General Fund and \$196,000 Inmate Welfare Fund ongoing.

Sex Offender Management Program Contract Services—It is requested that Item 5225-001-0001 be increased by \$25,997,000 ongoing for renegotiated contracts with various sex offender rehabilitation service providers. These contract services are provided to paroled sex offenders who participate in such programs for at least one year upon their release.

CDT and DGS Rate Increase—It is requested that Item 5225-001-0001 be increased by \$5,804,000 ongoing to address California Department of Technology fee increases and Department of General Services vehicle insurance assessment rate increases.

Staff Misconduct Expansion, Year 3—It is requested that:

- Item 5225-001-0001 be increased by \$5,638,000 and 22 positions in 2024-25 and \$12,641,000 and 52 positions ongoing.
- Item 5225-002-0001 be increased by \$1,819,000 General Fund and 11 positions in 2024-25 and \$1,796,000 General Fund and 11 positions ongoing.

These adjustments are requested to support CDCR's implementation of its staff misconduct investigation processes. These additional resources will add permanent capacity for the Department to complete local inquiries, maintain staffing levels for the Office of Legal Affairs Employment Advocacy and Prosecution Team, and increase staffing to support the processing of health care-related complaints.

Utilities Costs Update—It is requested that Item 5225-001-0001 be increased by \$1,157,000 in 2024-25 and \$24,316,000 in 2025-26 and ongoing to supplement the Governor's Budget proposal to update the utilities cost projections methodology. Consistent with the Governor's Budget proposal, it is proposed to fund half of the projected need and then restore the full projected need beginning in 2025-26.

Technical Adjustments—It is requested that Item 5225-001-0001 be decreased by \$1,183,000 ongoing and 30 positions and Item 5225-002-0001 be increased by \$1,456,000 ongoing and 14 positions to realign resources across items and programs and correct a technical miscoding of a position from the Governor's Budget. It is also requested that \$1,629,000 and 14.2 positions be shifted from Program 4580-Board of Parole Hearings-Administration to Program 4575-Board of Parole Hearings-Adult Hearings within Item 5225-009-0001 to better align these positions with their core functions. This request results in a net increase of \$273,000 ongoing.

Employee Compensation—The following adjustments are requested to reflect revised employee compensation costs, resulting in a net decrease of \$76,697,000 ongoing:

- Item 5225-001-0001 be decreased by \$70,125,000 ongoing.
- Item 5225-002-0001 be increased by \$30,000 ongoing.
- Item 5225-008-0001 be decreased by \$5,553,000 ongoing.
- Item 5225-009-0001 be decreased by \$1,049,000 ongoing.

Accelerated Closure of Chuckawalla Valley State Prison—It is requested that:

- Item 5225-001-0001 be decreased by \$37,546,000 and 209.8 positions one-time.
- Item 5225-001-0917 be decreased by \$241,000 and 2.2 positions one-time.
- Item 5225-002-0001 be decreased by \$3,334,000 and 20.3 positions one-time.
- Item 5225-008-0001 be decreased by \$2,805,000 and 13.4 positions one-time.
- Item 5225-012-0001 be decreased by \$556,000 one-time.

This reflects a net reduction of \$44,482,000 and 245.7 positions one-time, comprised of a reduction of \$44,241,000 General Fund one-time and \$241,000 Inmate Welfare Fund one-time, associated with accelerating the closure of Chuckawalla Valley State Prison from March 31, 2025, to November 30, 2024.

Workers' Compensation Adjustment—It is requested that Item 5225-001-0001 be decreased by \$5,706,000 ongoing for a reduction to workers' compensation funding for institution security and parole staff. This adjustment offsets the proposed increase included in the Governor's Budget.

CDCR Headquarters Lease Reduction—It is requested that Item 5225-001-0001 be decreased by \$5.5 million in 2025-26 and ongoing and Item 5225-002-0001 be decreased by \$3 million in 2025-26 and ongoing.

California Advancing and Innovating Medi-Cal (CalAIM) Justice-Involved Initiative – Medi-Cal Billing System—It is requested that item 5225-002-0001 be increased by

7 positions ongoing and \$16.5 million in reimbursements one-time to continue the development of an information technology-based Medi-Cal billing system to support the implementation of CalAIM. It is further requested that provisional language be added to authorize the adjustment of this amount consistent with projected expenditures (see Attachment 5).

Contract Medical Update—It is requested that Item 5225-002-0001 be increased by \$1,975,000 ongoing to reflect population changes since the 2024-25 Governor's Budget as well as a refined methodology for projecting costs associated with administrative claims.

Modifications to Pre-Release Reentry Funding—It is requested that:

- Item 5225-008-0001 be increased by \$102.8 million one-time and provisional language be added (see Attachment 6).
- Item 5225-019-0001 be eliminated by \$40 million and shifted to Item 5225-008-0001.
- Item 5225-499 be added to revert \$62.8 million previously appropriated for reentry expansion (see Attachment 7).

These adjustments are requested to: (1) shift funding previously allocated for the expansion of community correctional reentry center capacity from Item 5225-019-0001 to Item 5225-008-0001, and (2) make this consolidated funding available to support projected costs associated with both existing and expansion reentry beds. These changes will enable CDCR to utilize existing funding to offset increased costs associated with operating existing community correctional reentry programs while supporting the expansion of reentry programs based on projections of when new facilities will become operational. This proposal replaces the Governor's Budget proposal for community correctional reentry centers.

Hope and Redemption Program Continuation—It is requested that Item 5225-016-0001 be added in the amount of \$4 million in 2024-25 and \$4 million in 2025-26 utilizing reverted capital outlay funds to support the continuation of the Hope and Redemption Team Program in 2024-25 and 2025-26. It is also requested that provisional language be added (see Attachment 8). This statewide program, initially funded in the 2021 Budget Act, provides opportunities for formerly incarcerated individuals to serve as life coaches and mentors for the incarcerated population through weekly rehabilitative programming. Please see the California Department of Corrections and Rehabilitation's capital outlay letter.

COVID-19 Mitigation Activities - Update—It is requested that Item 5225-021-0001 be decreased by \$6,313,000 ongoing to reflect updated estimates for the projected level of expenditures for COVID-19 prevention, mitigation, and response activities. Taken with the concurrent General Fund Solution: COVID-19 Testing Protocol proposal, this will bring the total amount proposed for COVID-19 mitigation activities to \$27,967,000 ongoing.

Reappropriation: Fleet Asset Funding—It is requested that Item 5225-493 be added to reappropriate \$1,058,000 from the 2021 Budget Act and \$147,000 from the 2022 Budget Act to enable the Department to complete the purchase of critical fleet assets (see Attachment 9).

Provisional Language—It is requested that provisional language in Item 5225-008-0001 be amended to correct a technical drafting error (see Attachment 10).

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

Workers' Compensation Death Benefits: Chapter 448, Statutes of 2023 (AB 621)—It is requested that Item 5225-001-0001 be increased by \$1,542,000 in 2024-25, \$1,828,000 in 2025-26, \$2,304,000 in 2026-27, \$2,780,000 in 2027-28, and \$3,256,000 ongoing to fund additional workers' compensation death benefits for the families of deceased peace officers.

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 Allison Hewitt, Cynthia Mendonza, or Lynne Ishimoto, Principal Program Budget Analysts, at (916) 445-8913.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anna M. Caballero, 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 Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Christian Griffith, Chief Consultant
Honorable Aisha Wahab, 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, Senate President pro Tempore's Office
Joseph Shinstock, Fiscal Director, Assembly Republican Caucus, Office of Policy
and Budget
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Jeffrey Macomber, Secretary, California Department of Corrections and
Rehabilitation
Tammy Foss, Undersecretary, Operations, California Department of Corrections
and Rehabilitation
Jennifer Barretto, Undersecretary, Administration, California Department of
Corrections and Rehabilitation
Diana Toche, Undersecretary, Health Care Services, California Department of
Corrections and Rehabilitation
Stacy Lopez, Director, Division of Administrative Services, California Department of
Corrections and Rehabilitation
Sarah Larson, Assistant Secretary, Legislative Affairs, California Department of
Corrections and Rehabilitation
Vinay Behl, Deputy Director, Fiscal Services – Division of Administrative Services,
California Department of Corrections and Rehabilitation
Clark Kelso, Receiver, California Department of Corrections and Rehabilitation
Lara Saich, Director, Health Care Policy and Administration, California Department
of Corrections and Rehabilitation
Duane Reeder, Deputy Director, Fiscal Management Section, California
Department of Corrections and Rehabilitation

5225-498—Reversion, Department of Corrections and Rehabilitation. As of June 30, 2024, 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) Item 5225-001-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021). Up to \$8,451,000 appropriated in Program 4505-Peace Officer Selection and Employee Development for the California Reality Based Training Center.

(2) Item 5225-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022). Up to \$8,546,000 appropriated in Program 4500-Corrections and Rehabilitation Administration for Managed Access System reductions.

(3) Item 5225-001-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023). Up to \$16,033,000 appropriated as follows:

(1) Up to \$15,333,000 appropriated in Program 4500-Corrections and Rehabilitation Administration for Managed Access System reductions.

(2) Up to \$700,000 appropriated in Program 4550-Adult Corrections and Rehabilitation Operations—Institution Administration for contracted bus transportation.

(4) Item 5225-021-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023). Up to \$24,267,000 appropriated for COVID-19 mitigation activities as follows:

(1) \$1,300,000 appropriated in Program 4500-Corrections and Rehabilitation Administration.

(2) \$2,000,000 appropriated Program 4530-Adult Corrections and Rehabilitation Operations—General Security.

(3) \$20,967,000 appropriated in Program 4650-Medical Services—Adult.

5225-495—Reversion, Department of Corrections and Rehabilitation. As of June 30, 2024, 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) 5225-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022). Up to \$6,000,000 appropriated in Program 4500-Corrections and Rehabilitation Administration for contracts, including modification of existing contracts, or to purchase technology solutions to measure parole outcomes.

Add Provision 9 to Item 5225-002-0001:

9. Notwithstanding any other law, upon order of the Department of Finance, the amount available in Schedule (4) of this item may be reduced to align with abatement amounts received from the Pharmaceutical Fiscal Intermediary to the Department of Corrections and Rehabilitation. The Department of Finance shall provide notification in writing to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee no later than 10 days after an adjustment pursuant to this provision is made.

Amend Item 5225-101-0001 as follows:

"5225-101-0001—For local assistance, Department of Corrections and Rehabilitation..... ~~58,748,000~~58,848,000

Schedule:

- (1) 4550014-Transportation of Prisoners..... 278,0000
- (2) 4550018-Return of Fugitives from Justice..... 2,593,000
- (3) 4550019-County Charges..... 55,877,000
- (4) 4550020-Juvenile Charges..... 100,000

Provisions:

1. The amounts appropriated in Schedules (1), (2), ~~and (3)~~, and (4) are provided for the following purposes:

(a) To pay the transportation costs of prisoners to and between state prisons, including the return of parole violators to prison and for the conveying of persons under provisions of the Western Interstate Corrections Compact (Section 11190 of the Penal Code), in accordance with Section 26749 of the Government Code. Claims filed by local jurisdictions shall be filed within six months after the end of the month in which those transportation costs are incurred. Expenditures shall be charged to either the fiscal year in which the claim is received by the Controller or the fiscal year in which the warrant is issued by the Controller. Claims filed by local jurisdictions directly with the Controller may be paid by the Controller.

(b) To pay the expenses of returning fugitives from justice from outside the state, in accordance with Sections 1389, 1549, and 1557 of the Penal Code. Claims filed by local jurisdictions shall be filed within six months after the end of the month in which expenses are incurred. Expenditures shall be charged to either the fiscal year in which the claim is received by the Controller or the fiscal year in which the warrant is issued by the Controller, and any restitution received by the state for those expenses shall be credited to the appropriation of the year in which the Controller's receipt is issued. Claims filed by local jurisdictions directly with the Controller may be paid by the Controller.

(c) To pay county charges, payable under Sections 4700.1, 4750 to 4755, inclusive, and 6005 of the Penal Code. Claims shall be filed by local jurisdictions within six months after the end of the month in which the costs were incurred for a service performed by the coroner, a hearing held on the return of a writ of habeas corpus, the district attorney declining to prosecute a case referred by the Department of Corrections and Rehabilitation, a judgment rendered for a

court hearing or trial, an appeal ruling rendered for the trial judgment, or an activity performed as permitted by these sections. Expenditures shall be charged to either the fiscal year in which the claim is received by the Controller or the fiscal year in which the warrant is issued by the Controller. Claims filed by local jurisdictions directly with the Controller may be paid by the Controller.

(d) To pay county charges associated with instances in which an individual who is under 18 years of age is convicted of an offense in superior court and sentenced state prison but remains in a county juvenile facility until the individual reaches 18 years of age and may be transferred to state prison, payable under Welfare and Institutions Code 1955.2. Claims filed by local jurisdictions shall be filed within six months after the end of the month in which final expenses are incurred. Expenditures shall be charged to either the fiscal year in which the claim is received by the Controller or the fiscal year in which the warrant is issued by the Controller. Claims filed by local jurisdictions directly with the Controller may be paid by the Controller. Notwithstanding any other law, upon order of the Department of Finance, this amount may be augmented by an amount necessary to cover county charges associated with applicable individuals."

Add Provision 8 to Item 5225-002-0001:

8. Of the amounts available in Schedule (6) of this item, \$16,500,000 is available from the Providing Access and Transforming (PATH) program administered by the Department of Health Care Services to support the development and implementation of the California Advancing and Innovating Medi-Cal initiative. Notwithstanding any other law, this amount may be adjusted, upon order of the Department of Finance, to align with actual or estimated expenditures for the 2024-25 fiscal year.

Add Provisions 7 and 8 to Item 5225-008-0001 as follows:

7. Of the funds appropriated in Schedule (3) of this item, \$102,800,000 is available for encumbrance or expenditure until June 30, 2027 for the Department of Corrections and Rehabilitation to support community correctional reentry centers as defined in Chapter 9.5 (commencing with Section 6250) of Title 7 of Part 3 of the Penal Code.

Notwithstanding any other law, the amount cited in this provision may be transferred to Schedule (4) of Item 5225-001-0001 and Schedules (1) and (4) of this item to support the expansion of community correctional reentry centers or to sustain existing community correctional reentry centers.

8. The Department of Corrections and Rehabilitation shall provide an annual report to the Legislature, on or before January 10 of each year, on the funds expended, additional capacity planned and achieved, and challenges to expansion. The report shall also include a plan to introduce annual cost of living adjustments into future contracts to operationally and financially sustain existing community correctional reentry facilities.

5225-499—Reversion, Department of Corrections and Rehabilitation. As of June 30, 2024, 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) Item 5225-019-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022). Up to \$40,000,000 in Program 4590-Rehabilitative Programs—Cognitive Behavioral Therapy and Reentry Services for expansion of community correctional reentry centers.

(2) Item 5225-019-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023). Up to \$22,800,000 in Program 4590-Rehabilitative Programs—Cognitive Behavioral Therapy and Reentry Services for expansion of community correctional reentry centers.

5225-016-0001—For support of Department of Corrections and Rehabilitation.....4,000,000

Schedule:

(1) 4590-Rehabilitative Programs—Cognitive Behavioral Therapy and Reentry Services..... 4,000,000

Provisions:

1. The amount appropriated in this item shall be available for the Anti-Recidivism Coalition to support operation of the Hope and Redemption Team Program to provide rehabilitative programming and reentry support to incarcerated people during and after incarceration. This amount shall be available for state operations or local assistance.

5225-493—Reappropriation, Department of Corrections and Rehabilitation. 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, 2025:

0001—General Fund

(1) \$1,058,000 in Item 5225-001-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), for the purpose of fleet acquisition.

(2) \$147,000 in Item 5225-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), for the purpose of fleet acquisition.

Amend Provision 6 of Item 5225-008-0001 as follows:

"6. The amount identified in ~~this provision~~ Provision 5 of this item shall only be available to nongovernmental organizations that have experience working with formerly or currently incarcerated youth and young adults as well as reentry populations. These organizations shall also have experience providing career development services to formerly or currently incarcerated youth or young adults."



May 14, 2024

Honorable Scott D. Wiener, 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 5225-497, and the addition of Budget Bill Item 5225-491, Capital Outlay, Department of Corrections and Rehabilitation

It is requested that Item 5225-497 be amended to revert (see Attachment 1) existing authority in Item 5225-301-0001, 2023 Budget Act in the amount of \$8 million from the preliminary plans phase of the San Quentin Rehabilitation Center: San Quentin Improvement Projects. This amount will be shifted to the California Department of Corrections and Rehabilitation's (CDCR) state operations budget to continue the Hope and Redemption Team Program in fiscal year 2024-25 and 2025-26. More details about the proposed May Revision funding for this program can be found in the CDCR State Operations/Local Assistance Finance Letter.

It is also requested that 5225-491 be added to reappropriate Item 5225-301-0001, Budget Act of 2023 in the amount of \$12 million for preliminary plans, working drawings, and construction (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 Koreen 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 Anna M. Caballero, 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 Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Christian Griffith, Chief Consultant
Honorable Aisha Wahab, 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, Senate President pro Tempore's Office
Joseph Shinstock, Fiscal Director, Assembly Republican Caucus, Office of Policy
and Budget
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office

"5225-497—Reversion, Department of Corrections and Rehabilitation. As of June 30, 2024, 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) Item 5225-003-0001, Budget Act of 2023 (Chs. 12, 38 and 181, Statutes of 2023). Up to \$11,880,000.~~

(1) Up to \$8,000,000 in Item 5225-301-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Statutes of 2023) as follows:

- (15) Project 0011472-San Quentin Rehabilitation Center,
San Quentin: Improvement Projects
 - (a) Preliminary plans"

5225-491—Reappropriation, Department of Corrections and Rehabilitation. 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

(2) Up to \$12,000,000 in Item 5225-301-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Statutes of 2023) as follows:

(16) Project 0011472-San Quentin Rehabilitation Center,

San Quentin: Improvement Projects

(a) Preliminary plans 11,998,000

(b) Working drawings 1,000

(c) Construction 1,000

Provisions:

1. Notwithstanding any other law, the Department of Corrections and Rehabilitation may award one or more contracts for each of the various components of the project identified in Schedule (15) of Item 5225-301-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Statutes of 2023), including the demolition component and construction component.
2. For the project identified in Schedule (15) of Item 5225-301-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Statutes of 2023), the approvals of preliminary plans and working drawings by the Department of Finance and the State Public Works Board pursuant to Section 13332.11 of the Government Code for each project component may occur on different schedules. The funds appropriated in Schedule (15) of Item 5225-301-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Statutes of 2023), for working drawings and construction may be expended on a component of the project upon approval of preliminary plans by the Department of Finance and the State Public Works Board for the component.
3. Notwithstanding any other law, Department of Corrections and Rehabilitation may use inmate ward labor for the project in Schedule (15) of Item 5225-301-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Statutes of 2023), without the State Public Works Board approval.
4. Notwithstanding any other law, the Director of Finance may, pursuant to a request by the Department of Corrections and Rehabilitation, authorize the augmentation of the amounts appropriated for the phases identified in Schedule (15) of Item 5225-301-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Statutes of 2023) by making a transfer from any such phase to another

- phase identified in Schedule (15) of Item 5225-301-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Statutes of 2023).
5. Section 7003 of the Penal Code shall not apply to the project identified in Schedule (15) of Item 5225-301-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Statutes of 2023). The Director of Finance shall notify the Chairperson of the Joint Legislative Budget Committee, or his or her designee, 20 days prior to approval of preliminary plans for the project identified in Schedule (15) of Item 5225-301-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Statutes of 2023) by the State Public Works Board.



May 14, 2024

Honorable Scott D. Wiener, 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 and Statutory Changes, Board of State and Community Corrections

Due to lower revenue projections and a resulting increase in the budget problem, the May Revision proposes adjustments to prior investments to assist in closing the projected shortfall. These adjustments include the following:

Adult Reentry Grants—It is requested that Item 5227-103-0001 be decreased by \$19 million one-time in fiscal year 2025-26, 2026-27, and 2027-28 (total of \$57 million). It is also requested that Item 5227-495 be added to revert \$54,150,000 included in the 2023 Budget Act (see Attachment 1).

Proposition 57 Impact on Post Release Community Supervision—It is requested that Item 5227-106-0001 be eliminated. This action will eliminate the payment to county probation departments to address the temporary increase in the number of offenders released to Post Release Community Supervision as a result of the Public Safety and Rehabilitation Act of 2016 (Proposition 57).

California Violence Intervention and Prevention (CalVIP Grant Program)—It is requested that Item 5227-108-0001 be eliminated. The CalVIP Grant Program will be funded through a newly established Gun Violence Prevention and School Safety fund starting in 2024-25, pursuant to Chapter 231, Statutes of 2023 (AB 28).

Organized Retail Theft Vertical Prosecution Program—It is requested that Item 5227-118-0001 be decreased by \$3.6 million one-time.

Medication Assisted Treatment (MAT) Grants—It is requested that Items 5227-490 and 5227-491 be eliminated consistent with the withdrawal of the 2024-25 Governor's Budget proposal to reappropriate MAT-related funding. It is also requested that Item 5227-495 be added to revert \$10 million dollars in MAT grant program funding and \$500,000 in associated administrative funding included in the 2022 Budget Act (see Attachment 1).

Cannabis Tax Fund Loan—\$75 million budgetary loan, as part of Control Section 13.40, from the Cannabis Tax Fund to the General Fund from unobligated resources not required for currently projected operational or programmatic purposes.

Included below are the remaining adjustments included in the May Revision:

Transfer of Juvenile Justice Programs from the Board of State and Community Corrections to the Office of Youth and Community Restoration (Language Only)—Statutory changes are requested to transfer administration of 2011 juvenile realignment grants from the Board of State and Community Corrections (BSCC) to the Office of Youth and Community Restoration (OYCR). Taken with the 2024-25 Governor's Budget proposal, this will effectuate the transfer of the administration of juvenile grants from BSCC to OYCR. See related issue in the California Health and Human Services Agency Finance Letter.

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

In-Custody Death Reviews: Chapter 306, Statutes of 2023 (SB 519)—It is requested that Item 5227-001-0001 be increased by \$3,279,000 and 15 positions in 2024-25 and \$7,688,000 and 35 positions ongoing to implement in-custody death reviews.

The effects of my requested actions are reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Cynthia Mendonza, 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 Anna M. Caballero, 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 Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Christian Griffith, Chief Consultant
Honorable Aisha Wahab, 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, Senate President pro Tempore's Office
Joseph Shinstock, Fiscal Director, Assembly Republican Caucus, Office of Policy
and Budget
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Kathleen Howard, Executive Director, Board of State and Community Corrections

5227-495—Reversion, Board of State and Community Corrections. As of June 30, 2024, 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) 5227-103-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023). Up to \$54,150,000 appropriated in Program 4945-Corrections Planning and Grant Programs for the Adult Reentry Grant Program.

(2) 5227-601-0001, Budget Act of 2022 (Chs. 43, 45, 249, Stats. 2022). Up to \$10,000,000 appropriated in program 4945-Corrections Planning and Grant Programs for the Medication Assisted Treatment Grant Program.

(3) 5227-001-0001, Budget Act of 2022 (Chs. 43, 45, 249, Stats. 2022). Up to \$500,000 appropriated in program 4945-Corrections Planning and Grant Programs in administrative funding for the Medication Assisted Treatment Grant Program.



May 14, 2024

Honorable Scott D. Wiener, 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 Support, Federal Immigration Funding-Incarceration

State Criminal Alien Assistance Program (SCAAP): Baseline Adjustment—A net zero shift of \$12,723,000 federal fund to the General Fund to reflect the anticipated receipt of funding from the federal program associated with the SCAAP, administered by the Federal Department of Justice, Bureau of Justice Assistance. The SCAAP provides federal assistance to states and localities that incur costs for incarcerating undocumented criminal aliens who are being held as a result of state and/or local convictions.

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 Cynthia Mendonza, Principal Program Budget Analyst, at (916) 445-8913.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

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