



MAR 30 2006

Honorable Wesley Chesbro, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Danny Alvarez, Staff Director (2)

Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

**Amendments to Various Budget Bill Items, Support and Local Assistance,
Department of Food and Agriculture**

It is requested that Item 8570-001-0001 be increased by \$3,496,000, and 34 limited-term positions to provide funding for a two-year project to eradicate an infestation of the Diaprepes Root Weevil. The agricultural products at risk from this infestation are the citrus, avocado, and nursery industries. The Diaprepes Root Weevil is infesting residential landscape and environs in Los Angeles and Orange County, therefore, quarantines have been established.

It is requested that Item 8570-001-0001 be increased by \$182,000, Item 8570-001-0111 be increased by \$172,000, Item 8570-001-0191 be increased by \$37,000, Item 8570-001-0516 be increased by \$3,000, Item 8570-001-0890 be increased by \$102,000, Item 8570-012-0192 be increased by \$30,000, Item 8570-101-0001 be increased by \$15,000, Item 8570-002-0001 be increased by \$22,000, Food and Agricultural Code Section 224 (c) be increased by \$79,000, Water Code Section 78645 be increased by \$3,000, and Food and Agricultural Code Sections 6045-6047 be increased by \$13,000, for a total of \$658,000, to provide one-time funding to convert to the California State Accounting and Reporting 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 Jesse McGuinn, Principal Program Budget Analyst, at (916) 445-8913.

MICHAEL C. GENEST
Director
By:

/s/ Vincent P. Brown

VINCENT P. BROWN
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Kevin Murray, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Dennis Hollingsworth, Vice Chair, Senate Budget and Fiscal Review
Committee
Attention: Mr. Jeff Bell, Staff Director
Honorable Judy Chu, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Rick Keene, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Sheila Kuehl, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Fran Pavley, Chair, Assembly Budget Subcommittee No. 3
Ms. Elizabeth Hill, Legislative Analyst (4)
Ms. Diane Cummins, Senate President pro Tempore's Office
Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. David Harper, Deputy Chief of Staff, Assembly Republican Leader's Office
Honorable A. G. Kawamura, Secretary, Department of Food and Agriculture
Mr. A. J. Yates, Undersecretary, Department of Food and Agriculture
Ms. Kim Myrman, Deputy Secretary, Department of Food and Agriculture
Mr. George Deese, Assistant Director, Administrative Services, Department of Food and
Agriculture
Mr. Jack Wright, Budget Officer, Department of Food and Agriculture



MAR 3 0 2006

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Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

**Amendments to Budget Bill Items 8660-001-0462, 8660-001-0464, and 8660-001-0491,
Support, Public Utilities Commission**

High Cost Fund-A Expenditures—Final Public Utilities Commission (PUC) Resolution

It is requested that Item 8660-001-0464 be increased by \$14,286,000, and that Item 8660-001-0462 be amended to reflect this change. This proposal will provide additional expenditure authority for the High Cost Fund-A program to conform to the PUC's final approved resolution regarding the payment schedule for the High Cost Fund-A program for 2006-07. The funding proposed in the Governor's Budget was based on a draft resolution that was \$14,286,000 less than the final resolution.

Funding Shift for Redirected Positions

It is requested that Item 8660-001-0462 be increased by \$654,000 and Item 8660-001-0491 be decreased by \$654,000 to accurately reflect the appropriate funding source for positions redirected to implement climate change strategies and verify energy efficiency savings. The Governor's Budget proposes to redirect nine positions from the payphone program within the Consumer Protection and Safety Division to the Energy Division for this purpose. The Governor's Budget inadvertently retained funding for these positions from the Payphone Service Providers Committee Fund, even though Energy Division positions are more appropriately funded from the Public Utilities Commission Utilities Reimbursement Account. This request makes the necessary technical changes to fund these redirected positions from the appropriate funding source. Revised Budget Bill language is attached to correct the amount that will remain available for administrative costs from the Payphone Service Providers Committee Fund. 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 Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

MICHAEL C. GENEST

Director

By:

/s/ Vincent P. Brown

VINCENT P. BROWN

Chief Deputy Director

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Honorable Rick Keene, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Sheila Kuehl, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Fran Pavley, Chair, Assembly Budget Subcommittee No. 3
Ms. Elizabeth Hill, Legislative Analyst (4)
Ms. Diane Cummins, Senate President pro Tempore's Office
Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. David Harper, Deputy Chief of Staff, Assembly Republican Leader's Office
Mr. Steve Larson, Executive Director, Public Utilities Commission
Mr. Ed Quan, Management Services Division Chief, Public Utilities Commission
Mr. Mike Cooper, Budget Officer, Public Utilities Commission

Attachment 1

Specific amendments for Item 8660-001-0491 are proposed in the following provisional language:

Provisions:

1. Of the amount appropriated in this item, up to ~~\$505,000~~ \$136,000 shall be used by the Public Utilities Commission to fund administrative and staffing costs for the Payphone Service Providers Committee Program.



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Attention: Mr. Christopher W. Woods, Chief Consultant (2)

**Amendment to Budget Bill Item 8885-001-0001, Support, and Item 8885-295-0001,
Local Assistance, Commission on State Mandates**

It is requested that three limited-term positions provided to the Commission on State Mandates in the 2005-06 Budget Act be converted to permanent positions to address ongoing, increased workload from unanticipated incorrect reduction claim activity resulting from increased audit activity. It is also requested that language be added to Item 8885-001-0001 to require the Commission on State Mandates to provide the Department of Finance an annual report on workload levels and any backlog.

It is requested that language be added to Item 8885-295-0001 to provide reimbursement to the Department of Finance for the cost of a dedicated unit to develop, vet, and implement policies and procedures to be used to reform the reimbursable mandate process as proposed in the Governor's Budget for 2006-07.

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 Jesse McGuinn, Principal Program Budget Analyst, at (916) 445-8913.

MICHAEL C. GENEST
Director
By:

/s/ Vincent P. Brown

VINCENT P. BROWN
Chief Deputy Director

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Honorable Dennis Hollingsworth, Vice Chair, Senate Budget and Fiscal Review
Committee
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Honorable Judy Chu, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Rick Keene, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Michael Machado, Chair, Senate Budget and Fiscal Review
Subcommittee No. 4
Honorable Rudy Bermudez, Chair, Assembly Budget Subcommittee No. 4
Ms. Elizabeth Hill, Legislative Analyst (4)
Ms. Diane Cummins, Senate President pro Tempore's Office
Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. David Harper, Deputy Chief of Staff, Assembly Republican Leader's Office
Ms. Paula Higashi, Executive Director, Commission on State Mandates
Ms. Nancy Patton, Assistant Executive Director, Commission on State Mandates
Ms. Ginny Brummels, Division of Accounting and Reporting, State Controller's Office



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Attention: Mr. Danny Alvarez, Staff Director (2)

Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

**Amendment to Budget Bill Items 8940-001-0001 and 8940-001-0890, Support,
Military Department**

It is requested that Item 8940-001-0001 be increased by \$788,000, and Item 8940-001-0890 be increased by \$2,642,000 to reflect the following adjustments:

- **State Active Duty Pay Increase**—A decrease of \$470,000 (\$112,000 General Fund, \$358,000 Federal Trust Fund) to reflect the net effect of the annual Congressionally-mandated State Active Duty pay adjustment, effective January 1, 2006.
- **Second Youth Challenge Program**—An increase of \$3.9 million (\$900,000 General Fund, \$3.0 million Federal Trust Fund, of which \$1.7 million is one-time funding for facilities improvements) to establish a second Youth Challenge Program that will serve at-risk high school students who have dropped out or who are in danger of dropping out of school.

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 Sarah Mangum, Principal Program Budget Analyst, at (916) 445-8913.

MICHAEL C. GENEST
Director
By:

/s/ Vincent P. Brown

VINCENT P. BROWN
Chief Deputy Director

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cc: On following page

cc: Honorable Kevin Murray, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzosa, Staff Director
Honorable Dennis Hollingsworth, Vice Chair, Senate Budget and Fiscal Review
Committee
Attention: Mr. Jeff Bell, Staff Director
Honorable Judy Chu, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Rick Keene, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Michael Machado, Chair, Senate Budget and Fiscal Review
Subcommittee No. 4
Honorable Rudy Bermudez, Chair, Assembly Budget Subcommittee No. 4
Ms. Elizabeth Hill, Legislative Analyst (4)
Ms. Diane Cummins, Senate President pro Tempore's Office
Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. David Harper, Deputy Chief of Staff, Assembly Republican Leader's Office
Col. Robert Olson, Comptroller, Military Department
Ms. Debra Wade, Budget Officer, Military Department



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Honorable Wesley Chesbro, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Danny Alvarez, Staff Director (2)

Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

Amendment to Budget Bill Items 8955-001-0001, 8960-001-0001, 8960-001-0890, 8965-001-0001, 8965-001-0890, 8966-001-0001, and 8966-001-0890, Support, Department of Veterans Affairs

It is requested that Item 8955-001-0001 be increased by \$336,000, for maintenance and operations funding for the Meditech system. It is requested that Item 8955-001-0001 be increased by \$2,117,000, and Military and Veterans Code Section 988.3 be decreased by the same amount to appropriately fund positions performing General Fund activities that have been funded from the Veterans' Farm and Home Building Fund. It is requested that the following items be adjusted to allow the Veterans Homes to maintain current program levels while receiving a United States Department of Veterans Affairs per diem cost of living adjustment, as follows:

- Veterans Home at Yountville—Item 8960-001-0890 be increased by \$689,000, and Item 8960-001-0001 be decreased by the same amount
- Veterans Home at Barstow—Item 8965-001-0890 be increased by \$92,000, and Item 8965-001-0001 be decreased by the same amount
- Veterans Home at Chula Vista—Item 8966-001-0890 be increased by \$264,000, and Item 8966-001-0001 be decreased by the same amount

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 Jesse McGuinn, Principal Program Budget Analyst, at (916) 445-8913.

MICHAEL C. GENEST

Director

By:

/s/ Vincent P. Brown

VINCENT P. BROWN
Chief Deputy Director

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Committee
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Honorable Judy Chu, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Rick Keene, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Denise Moreno-Ducheny, Chair, Senate Budget and Fiscal Review
Subcommittee No. 3
Honorable Rudy Bermudez, Chair, Assembly Budget Subcommittee No. 4
Ms. Elizabeth Hill, Legislative Analyst (4)
Ms. Diane Cummins, Senate President pro Tempore's Office
Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. David Harper, Deputy Chief of Staff, Assembly Republican Leader's Office
Mr. John Hanretty, Director, Operations, Department of Veterans Affairs

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Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

**Amendment to Budget Bill Items 9800-001-0494 and 9800-001-0988, Support,
Augmentation for Employee Compensation**

It is requested that Items 9800-001-0494 and 9800-001-0988 be revised to provide transfer authority between the Special Funds appropriation and the Non-Governmental Cost Funds appropriation. These items are place-holders for employee compensation increases negotiated through collective bargaining agreements with the actual funding splits being scheduled by departments each fall. This action would not permit increasing the overall amount appropriated for employee compensation but would allow the Department of Finance to avoid submitting section letters to the Legislature when the appropriations do not match department requests by fund type.

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 Tim Lynn, Principal Program Budget Analyst, at (916) 445-3274.

MICHAEL C. GENEST
Director
By:

/s/ Vincent P. Brown

VINCENT P. BROWN
Chief Deputy Director

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Honorable Judy Chu, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Rick Keene, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Michael Machado, Chair, Senate Budget and Fiscal Review Subcommittee No. 4
Honorable Rudy Bermúdez, Chair, Assembly Budget Subcommittee No. 4
Ms. Elizabeth Hill, Legislative Analyst (4)
Ms. Diane Cummins, Senate President pro Tempore's Office
Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. David Harper, Deputy Chief of Staff, Assembly Republican Leader's Office
Mr. Michael Navarro, Director, Department of Personnel Administration