



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)

**Amendment to Budget Bill Items 7100-001-0001, 7100-001-0588, and 7100-001-0870,
Support, Employment Development Department**

It is requested that Item 7100-001-0001 be increased by \$4,306,000, Item 7100-001-0588 be decreased by \$25,000, and Item 7100-001-0870 be amended to reflect these changes. These changes are requested for the following:

Nurse Education Initiative—An augmentation of \$4.5 million General Fund to establish six clinical simulation laboratories that will be used to provide clinical training to nursing students.

It is further requested that the attached proposed trailer bill language (Attachment I) be adopted to remove the funding cap for grants to establish clinical simulation laboratories in order to accommodate revised cost estimates.

Finally, it is requested that Item 7100-001-0870 be revised by adding a provision to allow the Employment Development Department to utilize a portion of the amount appropriated for the Nurse Education Initiative for administration costs (Attachment II).

Automated Collection Enhancement System—A reduction of \$194,000 General Fund, and a reduction of \$25,000 from the Unemployment Compensation Disability Fund, to reflect the updated timeline to implement the Automated Collection Enhancement 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 Jennifer Osborn, 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: 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 Denise Moreno-Ducheny, Chair, Senate Budget and Fiscal Review
Subcommittee No. 3
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
Ms. Marisa Duek, Associate Secretary, Fiscal Policy, Secretary for Labor and Workforce
Development Agency
Mr. Patrick Henning, Director, Employment Development Department
Mr. Frank Collins, Deputy Director, Administration Branch, Employment Development
Department
Ms. Laura Anderson, Chief, Fiscal Programs, Employment Development Department

**Employment Development Department
Proposed Trailer Bill Language**

Issue: Nurse Education Initiative

SEC. 1. Section 9619 of the Unemployment Insurance Code is amended to read:

9619. (a) (1) To the extent that funds are appropriated for this purpose in the annual Budget Act, the department may award grants to regional collaboratives for the creation of regional nursing simulation laboratories that will allow additional nursing students to have access to clinical educational facilities. ~~No single grant made under this section may exceed two hundred and fifty thousand dollars (\$250,000).~~

(2) During the 2005-06 fiscal year, all grants made under this section shall be made for the creation of regional nursing simulation laboratories that serve rural areas.

(b) The department shall administer grants made under this section, and shall establish procedures and criteria for the awarding of those grants.

**Employment Development Department
Proposed Budget Bill Language**

Item 7100-001-0870

Provisions:

XX. The Employment Development Department is authorized to use up to \$100,000 of the amount appropriated for the Nurse Education Initiative in Item 7100-001-0001 for costs associated with administering the program.



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Assembly Budget Committee

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

Addition of Budget Bill Item 7350-490, Reappropriation, Department of Industrial Relations

It is requested that Item 7350-490 be added to reappropriate up to \$8,831,000 from Item 7350-001-0223, Budget Act of 2005, Program 30, Division of Workers' Compensation, for the Electronic Adjudication Management System.

This reappropriation is needed due to delays in the contract procurement process which will prevent the Department from encumbering these funds in the current year.

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 Jennifer Osborn, 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

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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. Marisa Duek, Associate Secretary, Labor and Workforce Development Agency
Mr. John Rea, Acting Director, Department of Industrial Relations
Ms. Kären Dickerson, Budget Officer, Department of Industrial Relations

**California Department of Industrial Relations
Proposed Budget Bill Language**

New Item

7350-490—Reappropriation, California Department of Industrial Relations. Up to \$8,831,000 of the appropriation provided in Item 7350-001-0223, Budget Act of 2005 (Ch. 38, Stats. 2005), is reappropriated and shall be available for encumbrance or expenditure until June 30, 2007.