



APR 01 2009

Honorable Denise Moreno Ducheny, Chair
Senate Budget and Fiscal Review Committee

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

Honorable Noreen Evans, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Amendment to and Addition of Various Budget Bill Items, Support and Local Assistance,
Judicial Branch**

It is requested that Items 0250-001-0001 and 0250-001-0932 be revised by adding provisional language, Item 0250-001-3037 be decreased by \$7,108,000, Item 0250-001-3066 be increased by \$64,784,000, Item 0250-101-0932 be revised by adding provisional language and Reimbursements, and Item 0250-001-3138 be added to the Budget Bill (See Attachment I) for the following purposes:

Separate Appropriation for Immediate and Critical Needs Account—It is requested that Item 0250-001-3138 be added to the Budget Bill and increased by \$10.0 million, and that Item 0250-001-3037 be decreased by an equal amount to provide for facility modification expenditures authorized by Chapter 311, Statutes of 2008 (SB 1407).

Judicial Branch Facilities Program Staffing—It is requested that Item 0250-001-3037 be increased by \$2,892,000 to provide additional resources for workload associated with trial court facilities that have transferred to state responsibility.

Court Appointed Counsel—It is requested that Item 0250-001-0001 be revised to add language providing the Judicial Branch with flexibility to address projected funding shortfalls in the Court Appointed Counsel program for the Courts of Appeal.

Dependency Counsel Cost Recovery—It is requested that Item 0250-101-0932 be amended by adding language and increasing Reimbursements by \$1,000 related to the recovery of costs for court-appointed dependency counsel services provided at the trial court level. It is also requested that Item 0250-001-0932 be revised to add language authorizing increased expenditures for administrative costs supporting these activities.

Court Facilities Trust Fund Adjustment—It is requested that Item 0250-001-3066 be increased by \$64,784,000 to reflect estimated operational costs for facilities that have transferred to state responsibility.

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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/ Ana J. Matosantos

ANA J. MATOSANTOS

Chief Deputy Director

Attachment

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Dutton, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Kevin de Leon, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Mark DeSaulnier, Chair, Senate Budget and Fiscal Review Subcommittee No. 4
Honorable Juan Arambula, Chair, Assembly Budget Subcommittee No. 4
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Mr. William Vickrey, Administrative Director of the Courts
Mr. Stephen Nash, Finance Director, Administrative Office of the Courts
Ms. Marcia Carlton, Budget Manager, Administrative Office of the Courts

Attachment I

Amendments and Additions to 2009-10 Budget Bill for Judicial Branch

Issue 150: Immediate and Critical Needs Account Item

Item 0250-001-3138 is added to the Budget Bill:

<u>0250-001-3138—For support of Judicial Branch, payable from the State Court Facilities Construction Fund, Immediate and Critical Needs Account.....</u>	<u>\$10,000,000</u>
<u>Schedule:</u>	
<u>(1) 35-Judicial Branch Facility Program.....</u>	<u>\$10,000,000</u>

Issue 153: Court Appointed Counsel Program in Courts of Appeal

Provision X is added to Item 0250-001-0001:

Provision X. The Judicial Branch may submit a deficiency request to address budgetary shortfalls in the Courts of Appeal Court Appointed Counsel program. Any shortfalls in this program are deemed to be unanticipated for the purpose of Items 9840. The Judicial Branch shall provide updated projections of the shortfall to the Department of Finance during the preparation of the Governor's Budget and May Revision, as well as the methodology for estimating the shortfall. The Judicial Branch is hereby authorized to accrue current year claims when the appropriated funding is insufficient.

Issue 154: Court Appointed Dependency Counsel Services

Provisions X and X are added to Item 0250-101-0932:

Provision X. Notwithstanding any other provision of law, upon approval of the Director of Finance, Reimbursements appropriated in Schedule (11) of this item may be increased by the amount of any additional resources collected for recovery of costs for Court Appointed Dependency Counsel services.

Provision X. Upon approval by the Administrative Director of the Courts, the Controller shall transfer up to \$556,000 of funding identified in Provision X of this Item to Item 0250-001-0932 for administrative services provided to the trial courts in support of the court appointed dependency counsel program.

Provision X is added to Item 0250-001-0932:

Provision X. Upon approval of the Administrative Director of the Courts, the Controller shall increase this item by an amount sufficient to allow for the expenditure of any transfer to this item made pursuant to Provision X of Item 0250-101-0932.



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Honorable Denise Moreno Ducheny, Chair
Senate Budget and Fiscal Review Committee

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

Honorable Noreen Evans, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to and Addition of Various Budget Bill Items as follows:

Capital Outlay, Judicial Council	0250-301-3037
	0250-301-3138
	0250-490

It is requested that the following actions be taken:

Decrease Item 0250-301-3037 by \$97,870,000 and add a like amount to Item 0250-301-3138 to reflect a fund shift. Chapter 311, Statutes of 2008 (SB 1407) increased specific fees and fines to finance the renovation, rehabilitation, and replacement of court facilities. The fees and fines were to be deposited into an account within the State Court Facilities Construction Fund (fund 3037). In order to accurately track the revenues, Chapter 10, Statutes of 2009, Second Extraordinary Session (SB 12), allowed for the creation of the Immediate and Critical Needs Account (fund 3138). The requested action reflects proper placement of projects to be funded from the Chapter 311 (SB 1407) revenue. Therefore, the specified projects and associated funding, along with Provision 3, will be removed from Item 0250-301-3037 and added to Item 0250-301-3138.

Add Item 0250-301-3138 to reflect a new funding source for all projects that utilize funding from Chapter 311 (SB 1407). As noted above, the identified projects will be added to this item to accurately reflect project tracking for Chapter 311 (SB 1407) funds along with Provision 3. Additionally, Provisions 1 and 2 from Item 0250-301-3037 will be added to Item 0250-301-3138.

Increase Item 0250-301-3138 by a total of \$1,739,000 to provide funding for the Fairfield Old Solano Courthouse renovation project. This project will renovate the existing 29,900 square foot (sf) building into a three-courtroom facility for the civil case calendar. The county of Solano is donating this site as well as the adjacent parking lot to the state, which is valued at approximately \$3.0 million. This project addresses the court's need for additional courtrooms in Solano County and is included on the approved list of 41 immediate and critical needs projects. This project will be funded from Chapter 311 (SB 1407) revenue.

Add Provision 4 to Item 0250-301-3138 to allow the Judicial Council to enter into a lease-purchase agreement with the county of Santa Clara for the New Family Justice Center Courthouse project. This project consists of a new 193,000 sf, twenty-courtroom facility, which will consolidate services that are currently housed in six different leased facilities. The county of Santa Clara will donate a 2 1/2 acre site for the new courthouse. Additionally, the county will

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finance the project costs and the Judicial Council will manage the project. Debt service will be funded by a combination of trial court and county resources. Upon retirement of debt, the county will transfer title to the facility and land to the state. This project is included on the approved list of 41 immediate and critical needs projects.

Add Item 0250-490 to reappropriate the following items:

Item 0250-301-3037 (0.5), Budget Act of 2008, for the working drawings phase of the New San Andreas Courthouse in Calaveras County. There has been a delay in site acquisition because of a sewer moratorium imposed by the San Andreas Sewer District (District). The Judicial Council and the county have been working with the District to transfer the sewer rights from several closed businesses to the new courthouse. The Judicial Council estimates that acquisition will be completed by August 2009.

Item 0250-301-3037 (1.5), Budget Act of 2008, for the working drawings phase of the New Susanville Courthouse in Lassen County. There had been a delay to this project because some acquisition activities were delayed. Acquisition has been completed and the Judicial Council anticipates preliminary plan approval in August 2009. The Judicial Council estimates they will award the construction contract by April 2010.

Item 0250-301-3037 (2), Budget Act of 2008, for the preliminary plan phase of the New Madera Courthouse in Madera County. There has been a delay in site acquisition for the following reasons: (1) the presence of an underground drainage ditch on the corner of the largest parcel, (2) unknown ownership of an alley way that bisects the selected properties, and (3) potential relocation of utilities in the alley way. The Madera Redevelopment Agency has been working to acquire the five selected parcels on behalf of the Judicial Council. The Department of General Services (DGS) has been working with the Judicial Council to resolve these issues. The Judicial Council anticipates that acquisition will be completed by June or July 2009.

Item 0250-301-3037 (3), Budget Act of 2008, for the construction phase of the New Mammoth Lakes Courthouse in Mono County. There has been a delay in completion of the schematic designs for the facility. The Judicial Council anticipates awarding the construction contract by January 2010.

Item 0250-301-3037 (5.5), Budget Act of 2008, for the preliminary plan and working drawing phases of the New Hollister Courthouse in San Benito County. There has been a delay in site acquisition while the county performed an extensive geological study to determine whether or not the selected site is buildable. This study has been reviewed by the DGS and they concur with the findings that this is an acceptable site for the new courthouse. In addition, the county is covering the increased costs for construction because of the delay in site acquisition. The Judicial Council anticipates acquisition will be completed by June 2009.

Item 0250-301-3037 (7), Budget Act of 2008, for the preliminary plan phase of the New Stockton Courthouse in San Joaquin County. There has been a delay in site acquisition because the Judicial Council needs to re-issue the Environmental Impact Report (EIR). Based on comments from the city of Stockton and the public, the Judicial Council had to revise several of the studies and conclusions in the EIR. The changes will require that it be circulated for another 45-day public comment period. The Judicial Council estimates that preliminary plans will be completed by July 2009.

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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 Nathan Brady, Principal Program Budget Analyst, at (916) 445-9694.

MICHAEL C. GENEST

Director

By:

/s/ Ana J. Matosantos

ANÁ J. MATOSANTOS

Chief Deputy Director

Attachment

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Dutton, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Kevin de Leon, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Mark DeSaulnier, Chair, Senate Budget and Fiscal Review Subcommittee No. 4
Honorable Juan Arambula, Chair, Assembly Budget Subcommittee No. 4
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Mr. Lee Willoughby, Director, Office of Court Construction and Management, Administrative Office
of the Courts, Judicial Council of California
Ms. Gisele Corrie, Financial Manager, Office of Court Construction and Management,
Administrative Office of the Courts, Judicial Council of California



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Honorable Denise Moreno Ducheny, Chair
Senate Budget and Fiscal Review Committee

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

Honorable Noreen Evans, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to Budget Bill Items 0520-001-0001 and 0520-001-0044, Support, Business, Transportation, and Housing Agency

Motion Picture Production Tax Credit Program—Staffing (Issue 101)—It is requested that Item 0520-001-0001 be increased by \$644,000 and that Item 0520-001-0044 be amended to reflect this change, to provide state operations necessary to implement the Motion Picture Production Tax Credit Program.

Trailer Bill Legislation: Chrome Plating Pollution Prevention Fund—It is requested that trailer bill legislation be added to abolish the Chrome Plating Pollution Prevention Fund and transfer the balance of this fund to the General 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 Kathryn Amann, Principal Program Budget Analyst, at (916) 322-2263.

MICHAEL C. GENEST

Director

By:

/s/ Ana J. Matosantos

ANA J. MATOSANTOS

Chief Deputy Director

Attachment

cc: On following page

APR 01 2009

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Dutton, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Kevin de Leon, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Mark DeSaulnier, Chair, Senate Budget and Fiscal Review Subcommittee No. 4
Honorable Juan Arambula, Chair, Assembly Budget Subcommittee No. 4
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Ms. Karin Fish, Deputy Secretary for Administration, Business, Transportation & Housing Agency

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Attachment 1

SEC. 1. Section 42102.1 is added to the Public Resources Code, immediately following Section 42102, to read:

42102.1. The Chrome Plating Pollution Prevention Fund is hereby abolished. All moneys remaining in the Chrome Plating Pollution Prevention Fund shall revert to the General Fund. The Secretary of the Business, Transportation & Housing Agency shall deposit all subsequent loan repayments to the Treasurer to the credit of the General Fund. The abolishment of the Chrome Plating Pollution Prevention Fund does not terminate any of the following rights, obligations, or authorities, or any provision necessary to carry out those rights, obligations, or authorities:

(a) The repayment of loans due and payable to the department or the relevant financial company.

(b) The obligation of the state to pay claims arising from the default of outstanding loans that have been guaranteed.

(c) Payment to lenders for default of any outstanding guaranteed loans secured by those moneys.

(d) The resolution of any cost recovery action.



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Honorable Denise Moreno Ducheny, Chair
Senate Budget and Fiscal Review Committee

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

Honorable Noreen Evans, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to Budget Bill Item 0530-001-9732, Support, Secretary of California Health and Human Services

It is requested that Item 0530-001-9732 be increased by \$12,064,000 to reflect a shift of Case Management Information and Payrolling System II project costs from fiscal year 2008-09 to 2009-10. This request aligns the Office of Systems Integration's expenditure authority with the funding amounts reflected in the Department of Social Services Local Assistance Estimate.

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 John Wordlaw, Principal Program Budget Analyst, at (916) 445-6423.

MICHAEL C. GENEST
Director
By:

/s/ Ana J. Matosantos

ANÁ J. MATOSANTOS
Chief Deputy Director

Attachment

cc: On following page

APR 01 2009

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Dutton, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Kevin de Leon, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Mark Leno, Chair, Senate Budget and Fiscal Review Subcommittee No. 3
Honorable Jerry Hill, Chair, Assembly Budget Subcommittee No. 1
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Mr. Pete Cervinka, Assistant Secretary, Health and Human Services Agency
Mr. Russ Guarna, Deputy Director, Office of the Chief Information Officer
Mr. David Chase, Oversight Manager, Office of the Chief Information Officer
Mr. Paul Benedetto, Director, Health and Human Services Agency, Office of Systems Integration
Mr. Stephen Zaretsky, Budget Officer, Health and Human Services Agency, Office of Systems
Integration
Mr. Eric Fujii, Deputy Director, Administration Division, Department of Social Services
Ms. Fran Mueller, Chief, Financial Management and Contract Branch, Department of Social
Services
Mr. Brian Dougherty, Chief, Budget Bureau, Department of Social Services



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Honorable Denise Moreno Ducheny, Chair
Senate Budget and Fiscal Review Committee

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

Honorable Noreen Evans, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

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

CALFED Science Program

It is requested that: (1) Item 0540-001-6031 be increased by \$2,899,000 and Item 0540-001-0140 be amended to reflect this change, (2) Item 0540-001-6031 be amended to extend the period of availability for encumbrance or expenditure through June 30, 2014, and (3) Item 0540-492 be added to extend the period of availability for encumbrance or expenditure for funds appropriated in the 2008 Budget Act through June 30, 2013.

The Natural Resources Agency (Agency) anticipates that the CALFED Science Program grantees will need three years to complete their scientific studies. This proposal will provide adequate time for the Agency to award the grants and the grantees to complete their studies prior to the expiration of the appropriations. (See Attachments A and B.)

California River Parkways

It is requested that Item 0540-491 be added to extend the liquidation period for River Parkway projects funded from the 2005 Budget Act. Due to a variety of factors, several projects cannot be completed by the expiration of the liquidation period. This request will provide additional time for the projects to be completed. (See Attachment C.)

Strategic Growth Council

It is requested that 2.0 positions be established to support the activities of the Strategic Growth Council. Chapter 729, Statutes of 2008 (SB 732), established the Strategic Growth Council to oversee the Urban Greening and the Sustainable Communities grant programs established under the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006. Funding for these positions will be provided from an appropriation provided in SB 732.

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

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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/ Ana J. Matosantos

ANA J. MATOSANTOS
Chief Deputy Director

Attachment

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Dutton, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Kevin de Leon, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Ira Ruskin, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Honorable Mike Chrisman, Secretary, Natural Resources Agency
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Mr. Bryan Cash, Deputy Assistant Secretary, Natural Resources Agency
Ms. Marcy Brown, Manager, Department of Parks and Recreation

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Attachment A

Item 0540-001-6031, Provision 1 is amended to read:

1. The funds appropriated in this item for purposes of CALFED Science Program grants shall be available for encumbrance or expenditure until June 30, ~~2012~~ 2014.

0540-492—Reappropriation, Secretary for Natural Resources. The balance of the appropriations provided for 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, 2013:

0140—California Environmental License Plate Fund

- (1) Reimbursements, Item 0540-001-0140, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008) for the purposes of the CALFED Science Program.

6031—Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002

- (1) Item 0540-001-6031, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008) for the purposes of the CALFED Science Program.

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Attachment C

0540-491—Reappropriation, Secretary for Natural Resources. Notwithstanding any other provision of law, the period to liquidate encumbrances of the following citations is extended to June 30, 2011:

6031—Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002

- (1) 0540-101-6031, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005) for the River Parkways Program and the Sierra Nevada Cascade Conservation Program.



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Honorable Denise Moreno Ducheny, Chair
Senate Budget and Fiscal Review Committee

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

Honorable Noreen Evans, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to Budget Bill Items 0555-001-0028 and 0555-001-0044, Support, Secretary for Environmental Protection

It is requested that Item 0555-001-0028 be increased by a total of \$2,732,000 Unified Program Account (UPA) and that Item 0555-001-0044 be amended to reflect this change. These resources will provide funding: (1) for Unified Program Data System and Exchange Node Support, and (2) to implement the provisions of Chapter 571, Statutes of 2008 (AB 2286). This request contains two components.

The first is a request for an increase of \$219,000 UPA and 1.0 position to support the operations of the Unified Program Data System (UPDS) and Exchange Node. Specifically, these resources will support UPDS local government web based inspection and enforcement reporting and exchange node information reporting to the United States Environmental Protection Agency.

The second is a request for an increase of \$2,513,000 UPA and 5.1 positions to implement the provisions of AB 2286, which require the Secretary for Environmental Protection to complete the Unified Hazardous Materials and Hazardous Waste Regulatory Management Program (Unified Program) information management system by January 1, 2010. AB 2286 also requires all local governments and businesses regulated by the Unified Program to report their hazardous waste inventory to the state electronically by 2013.

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

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

MICHAEL C. GENEST
Director
By:

/s/ Ana J. Matosantos

ANA J. MATOSANTOS
Chief Deputy Director

Attachment

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Dutton, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Kevin de Leon, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Ira Ruskin, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Mr. Eric Jarvis, Office of the Secretary for Environmental Protection, Assistant Secretary for Fiscal and Administrative Programs
Mr. Don Johnson, Office of the Secretary for Environmental Protection, Assistant Secretary for Local Program Coordination and Emergency Response
Mr. James Bohun, Office of the Secretary for Environmental Protection, Chief, Cal/EPA Unified Program
Ms. Judy Tanimoto, Air Resources Board, Chief, Financial Operations Branch
Mr. Matt Singh, Air Resources Board, Manager, Budget Section, Financial Operations Branch



APR 01 2009

Honorable Denise Moreno Ducheny, Chair
Senate Budget and Fiscal Review Committee

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

Honorable Noreen Evans, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to Budget Bill Items 0650-001-0001, 0650-001-0214, and 0650-101-0214, Support and Local Assistance, and Addition of Item 0650-495, Support, Governor's Office of Planning and Research

It is requested that Item 0650-001-0001 be decreased by \$1,754,000, Item 0650-001-0214 and Item 0650-101-0214 be deleted, and Item 0650-495 be added to the Budget Bill to reflect the following:

Office of Gang and Youth Violence Policy—It is requested that Item 0650-001-0001 be decreased by \$1,182,000, and Items 0650-001-0214 and 0650-101-0214 be deleted to reflect the transfer of the Office of Gang and Youth Violence Policy, from the Office of Planning and Research to the California Emergency Management Agency. (See Attachment I).

Program 21 Technical Adjustment—It is requested that Item 0650-001-0001 be decreased by \$572,000 due to a technical error made during the 2008-09 Governor's Budget process. It is further requested that Item 0650-495 be added to capture current year General Fund savings of \$521,000 related to this technical error (see Attachment I).

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/ Ana J. Matosantos

ANA J. MATOSANTOS
Chief Deputy Director

Attachment

cc: On following page

APR 01 2009

- 2 -

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Dutton, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Kevin de Leon, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Mark DeSaulnier, Chair, Senate Budget and Fiscal Review Subcommittee No. 4
Honorable Juan Arambula, Chair, Assembly Budget Subcommittee No. 4
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Ms. Cynthia Bryant, Director, Office of Planning and Research
Ms. Karen Baker, Secretary of Service and Volunteering, CaliforniaVolunteers
Ms. Cathleen Cox, Chief Deputy Director, Office of Planning and Research
Ms. Sarah Mangum, Fiscal and Administration Director, CaliforniaVolunteers
Ms. Debbie Johnson, Accounting Officer, Office of Planning and Research

Proposed Addition to 2009-10 Budget Bill for the Governor's Office of Planning and Research

Issue 104: Program 21 Technical Adjustment

0650-495—Reversion, Office of Planning and Research. As of June 30, 2009, the balances specified below, of the appropriations provided in the following citations shall revert to the balance in the fund from which the appropriations were made:

0001—General Fund

(1) Item 0650-001-0001, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008)

(2) 21-California Volunteers.....521,000



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Honorable Denise Moreno Ducheny, Chair
Senate Budget and Fiscal Review Committee

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

Honorable Noreen Evans, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to and Addition of Various Budget Bill Items, Support and Local Assistance, California Emergency Management Agency

It is requested that Item 0690-001-0001 be increased by \$1,182,000, Item 0690-102-0214 be increased by \$9,215,000, Item 0690-001-0890 be increased by \$4,776,000, Item 0690-001-6061 be increased by \$1,145,000, Item 0690-101-0890 be increased by \$14,755,000, Item 0690-102-0890 be increased by \$71,821,000, and Item 0690-001-0214 be added in the amount of \$285,000 to the Budget Bill (see Attachment I) to reflect the following adjustments:

Office of Gang and Youth Violence Policy—An increase of \$1,182,000 General Fund and \$9.5 million Restitution Fund to reflect the transfer of the Office of Gang and Youth Violence Policy from the Governor's Office of Planning and Research to the California Emergency Management Agency. Provisional language is also proposed to be added to Item 0690-102-0214 to reflect this change and other minor technical adjustments (see Attachment I).

Tsunami Program—An increase of \$603,000 federal funds is requested to reflect an increase in the National Oceanic and Atmospheric Administration grant funding for the state's tsunami program. The funding will enhance public safety by supporting tsunami preparedness and response.

Transit System Safety, Security, and Disaster Response Account—It is requested that Item 0690-001-6061 be increased by \$1,145,000 for costs to support grant administration activities funded from the Transit System Safety, Security, and Disaster Response Account.

Victim Services Programs—An increase of \$15,728,000 (\$973,000 State Operations, \$14,755,000 Local Assistance) to provide additional expenditure authority for one-time Victims of Crime Act and Violence Against Women Act funds authorized by the American Recovery and Reinvestment Act (ARRA) of 2009.

Federal Justice Assistance Grant—An ongoing increase of \$7.4 million (\$2.4 million State Operations, \$5.0 million Local Assistance) is requested to reflect increased grant funding to support local criminal justice agencies.

Federal Stimulus Justice Assistance Grant—An increase of \$67,821,000 (\$800,000 State Operations, \$66,821,000 Local Assistance) is requested to support local criminal justice agencies. This funding is authorized by the ARRA of 2009 and is proposed to be expended over two fiscal years.

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/ Ana J. Matosantos

ANÁ J. MATOSANTOS
Chief Deputy Director

Attachment

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Dutton, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Kevin de Leon, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Mark DeSaulnier, Chair, Senate Budget and Fiscal Review Subcommittee No. 4
Honorable Juan Arambula, Chair, Assembly Budget Subcommittee No. 4
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Mr. Matthew Bettenhausen, Secretary, California Emergency Management Agency
Mr. Paul Seave, Director, Governor's Office of Gang and Youth Violence Policy
Ms. Nancy Lyons, Chief Deputy Director, Governor's Office of Gang and Youth Violence Policy
Ms. Peggy Okabayashi, Chief, Administration Division, California Emergency Management Agency
Ms. Pouneh Tehrani, Chief Fiscal Officer, Budget Office, Accounting and Fiscal Analysis,
California Emergency Management Agency

Amendments and Additions to 2009-10 Budget Bill for the California Emergency Management Agency

Item 0690-001-0214 is added to the Budget Bill:

0690-001-0214—For support of the California Emergency Management Agency, for payment to Item 0690-001-0001, payable from the Restitution Fund.....	285,000
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Item 0690-102-0214 of the Budget Bill is amended to read:

0690-102-0214—For local assistance, California Emergency Management Agency, payable from the Restitution Fund.....	500,000	9,715,000
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Schedule:

- (1) Internet Crimes Against Children Task Force funding.....500,000
- (2) 40.30-Public Safety.....9,715,000
 - (a) Internet Crimes Against Children Task Force funding.....(500,000)
 - (b) Grants to the City of Los Angeles.....(970,000)
 - (c) Competitive grants to all other cities.....(8,245,000)

Provisions:

Provision X. All grantees must provide a dollar-for-dollar match to state grant funds awarded from Schedule (2b) and (2c).

Provision X. The California Emergency Management Agency shall submit a report and evaluation of the grants awarded pursuant to Schedule (2b) and (2c) to the fiscal committees of the Legislature not later than April 1, 2013.

Provision X. The amount appropriated in Schedule (2c) shall be competitive grants to cities. No grant shall exceed \$500,000, and at least two grants shall be awarded to cities with populations of 200,000 or less. In awarding grants, the California Emergency Management Agency shall give preference to applicants that incorporate regional approaches to anti-gang activities.

Provision X. Each city that receives a grant from Schedule (2b) or (2c) shall collaborate and coordinate with area jurisdictions and agencies, including the existing county juvenile justice coordination council, with the goal of reducing gang activity in the city and adjacent areas. Each grantee shall establish a coordinating and advisory council to prioritize the use of the funds. Membership shall include city officials, local law enforcement, including the county sheriff, chief probation officer, and district attorney, local educational agencies, including school districts and the county office of education, and community-based organizations.

Provision X. Each city that receives a grant from Schedule (2b) or (2c) shall distribute at least 25 percent of the grant funds it receives to one or more community-based organizations pursuant to the city's application.



APR - 1 2009

Honorable Denise Moreno Ducheny, Chair
Senate Budget and Fiscal Review Committee

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

Honorable Noreen Evans, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Addition of Budget Bill Item 0690-301-0890, Capital Outlay, California Emergency Management Agency

It is requested that Item 0690-301-0890 be added in the amount of \$1,857,000 to include the replacement of the California Emergency Management Agency (CalEMA) Southern Region Facility. This project will replace the outdated, undersized Southern Region Facility, which is 7,200 square feet (sf). As proposed, the new facility will include a 30,000 sf headquarters building, a 3,000 sf warehouse, a 120-foot communication tower, and surface parking for 75 vehicles. The CalEMA anticipates entering into a 50-year lease on the land with the United States Army Corps of Engineers (USACE). This project was included in the 2009-10 Governor's Budget proposal utilizing General Fund, but was removed as part of the budget negotiations. Because the allowable uses of Emergency Management Performance Grant (EMPG) funding have been expanded, the preliminary plan phase of this project can proceed using federal funds. Future phases may be funded from the same EMPG funds if additional funds are made available by the federal government in subsequent fiscal years. Receipt and use of the preliminary plan funds are not contingent upon approval of future funding for this project. Additionally, provisional Budget Bill language will be included to allow CalEMA to negotiate a lease with the USACE.

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 Nathan Brady, Principal Program Budget Analyst, at (916) 445-9694.

MICHAEL C. GENEST
Director
By:

/s/ Ana J. Matosantos

ANA J. MATOSANTOS
Chief Deputy Director

Attachment

cc: On following page

APR - 1 2009

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Dutton, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Kevin de Leon, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Mark DeSaulnier, Chair, Senate Budget and Fiscal Review Subcommittee No. 4
Honorable Juan Arambula, Chair, Assembly Budget Subcommittee No. 4
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Ms. Peggy Okabayashi, Deputy Director, Administrative Services Division, California Emergency
Management Agency
Ms. Pouneh Tehrani, Chief, Fiscal Services Branch, California Emergency Management Agency
Mr. Rick Stolz, Chief, Budgets and Fiscal Analysis Section, California Emergency Management
Agency



APR 01 2009

Honorable Denise Moreno Ducheny, Chair
Senate Budget and Fiscal Review Committee

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

Honorable Noreen Evans, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Amendment to Budget Bill Items 0820-001-0001, 0820-001-0378, and 0820-001-0890,
Support, Department of Justice**

It is requested that Item 0820-001-0378 be increased by \$780,000 and Item 0820-001-0890 be increased by \$2,339,000, to provide the Department of Justice's Bureau of Medical Fraud and Elder Abuse (Bureau) with additional resources to support False Claims Act workload. The Bureau will use these funds to address backlogged cases that are anticipated to result in recoveries for the Medi-Cal system as well as the General Fund.

It is further requested that provisional language be added to Item 0820-001-0378 (Attachment I) and that Item 0820-001-0001 be amended to reflect these changes.

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/ Ana J. Matosantos

ANA J. MATOSANTOS

Chief Deputy Director

Attachment

cc: On following page

APR 01 2009

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Dutton, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Kevin de Leon, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Mark DeSaulnier, Chair, Senate Budget and Fiscal Review Subcommittee No. 4
Honorable Juan Arambula, Chair, Assembly Budget Subcommittee No. 4
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Mr. Jim Humes, Chief Deputy Attorney General, Department of Justice
Ms. Sue Johnsrud, Director, Division of Administrative Support, Department of Justice
Mr. David Harper, Deputy Director, Division of Administrative Support, Department of Justice

APR 01 2009

Suggested Budget Bill language to be added to Item 0820-001-0378

x. No later than March 1, 2011, the department shall report to the Department of Finance, the Legislative Analyst, and the Chairperson of the Budget Committee in both houses of the Legislature on the results achieved in the investigation of Qui Tam (whistleblower) complaints from the funding provided in this item.



APR 01 2009

Honorable Denise Moreno Ducheny, Chair
Senate Budget and Fiscal Review Committee

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

Honorable Noreen Evans, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Amendment to Budget Bill Items 0840-001-0001 and 0840-001-0970, Support,
State Controller's Office**

It is requested that Item 0840-001-0970 be decreased by \$224,000 and 2.6 positions and that Item 0840-001-0001 be amended to reflect this change. This will conform to the adjustments made to Special Project Report (SPR) for the Unclaimed Property System Replacement Project. Both costs and savings estimates have changed since the prior SPR. Additionally, since expenditures are being decreased, the net amount of receipts to be transferred from the Unclaimed Property Fund to the General Fund will increase by \$224,000 in fiscal year 2009-10. Beginning in 2010-11, the request results in an additional decrease of \$140,000 in costs and 2.3 positions, along with an increased transfer from the Unclaimed Property Fund to the General Fund of \$140,000.

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 Oscar Chaves, Principal Program Budget Analyst, at (916) 445-5332.

MICHAEL C. GENEST
Director
By:

/s/ Ana J. Matosantos

ANA J. MATOSANTOS
Chief Deputy Director

Attachment

cc: On following page

APR 01 2009

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Dutton, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Kevin de Leon, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Mark DeSaulnier, Chair, Senate Budget and Fiscal Review Subcommittee No. 4
Honorable Juan Arambula, Chair, Assembly Budget Subcommittee No. 4
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Honorable John Chiang, State Controller
Mr. Collin Wong-Martinusen, Chief of Staff, State Controller's Office
Mr. Michael Carter, Chief Operating Officer, State Controller's Office
Mr. Jim Lombard, Chief Administrative Officer, State Controller's Office
Ms. Carol Nelson, Chief of Administration and Disbursements, State Controller's Office
Mr. Tom Yowell, Chief of Budgets and Contracts, State Controller's Office



APR - 1 2009

Honorable Denise Moreno Ducheny, Chair
Senate Budget and Fiscal Review Committee

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

Honorable Noreen Evans, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to Budget Bill Item 0855-111-0367, Local Assistance, California Gambling Control Commission

It is requested that Item 0855-111-0367 be amended by making technical corrections to Provisions 2 and 3. These provisions were not updated to reflect the new fiscal year and the ratification of a recent compact. Attachment I reflects the requested amendments.

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/ Ana J. Matosantos

ANA J. MATOSANTOS
Chief Deputy Director

Attachment

cc: On following page

APR - 1 2009

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Dutton, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Sereni Taylor, Staff Director
Honorable Kevin de Leon, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Mark DeSaulnier, Chair, Senate Budget and Fiscal Review Subcommittee No. 4
Honorable Juan Arambula, Chair, Assembly Budget Subcommittee No. 4
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Mr. Dean Shelton, Chairman, California Gambling Control Commission
Ms. Terri Ciau, Executive Director, California Gambling Control Commission
Ms. Anna Carr, Deputy Director, Legislation and Public Affairs, California Gambling Control
Commission
Mr. Dale Kuroda, Budget Officer, California Gambling Control Commission

Provisions 2 and 3 of Item 0855-111-0367 are amended to read:

"2. The Legislature finds and declares that the amount authorized in this item is expected to be sufficient to allow the Indian Gaming Revenue Sharing Trust Fund to distribute the quarterly payments described in Section 12012.90 of the Government Code during the ~~2008-09~~ 2009-10 fiscal year. Accordingly, the California Gambling Control Commission, acting for this purpose as the state gaming agency under various tribal-state compacts, shall not direct any funds to the Indian Gaming Revenue Sharing Trust Fund pursuant to Section 4.3.1(l) of the amended tribal-state compacts with the Morongo Band of Mission Indians, the Pechanga Band of Luiseno Indians, and the San Manuel Band of Mission Indians, ~~and the Sycuan Band of the Kumeyaay Nation,~~ Section 4.3.1(k) of the tribal-state compact with the Shingle Springs Band of Miwok Indians, and similar sections of any compacts ratified by the Legislature ~~in the 2008-09 fiscal year.~~ "

"3. The Chairperson of the California Gambling Control Commission shall immediately submit a report to the Director of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Legislative Analyst if he or she determines that the Indian Gaming Revenue Sharing Trust Fund will not have sufficient funds to distribute the quarterly payments described in Section 12012.90 of the Government Code during the ~~2008-09~~ 2009-10 fiscal year after consideration of the funds authorized for transfer by this item. No earlier than 15 days after submission of that report, the California Gambling Control Commission may direct funds to the Indian Gaming Revenue Sharing Trust Fund, notwithstanding the requirements of Provision 2."



APR 01 2009

Honorable Denise Moreno Ducheny, Chair
Senate Budget and Fiscal Review Committee

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

Honorable Noreen Evans, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Amendment to Budget Bill Item 0860-001-0001 and Reimbursements, Support
Board of Equalization**

New Special Taxing Jurisdictions (Issue 029)—It is requested that Item 0860-001-0001 be increased by \$570,000 and Reimbursements be increased by \$1,736,000 to permanently establish 22.5 positions (21.4 PYs) to perform the increased workload arising from the establishment of 52 additional Special Taxing Jurisdictions.

Sales and Use Tax—General Fund Administrative Cost Increase (Issue 031)—The 1 cent increase in the Sales and Use Tax (SUT) will affect the sharing of administrative costs of collection of the SUT between state and local governments in accordance with the cost-allocation model adopted by the Legislature in 2004-05. That model allocates cost based primarily on the amount of revenue collected for each level of government (the state, cities and counties, and Special Taxing Jurisdictions). The Board of Equalization estimates the 1 cent increase in the state rate will result in a cost shift from local government reimbursements to the General Fund of \$1,185,000 million in fiscal year 2008-09, \$6,438,000 million in 2009-10, and \$12.6 million in 2010-11.

Sales and Use Tax—1 Percent Rate Increase (Issue 032)—It is requested that Item 0860-001-0001 be increased by \$880,000 and Reimbursements be increased by \$342,000 to establish 13.3 limited-term positions (12.6 PYs) to administer the 1 cent temporary increase in the state's sales and use tax rate.

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

APR 01 2009

-2-

If you have any questions or need additional information regarding this matter, please call Chris Hill, Principal Program Budget Analyst, at (916) 322-2263.

MICHAEL C. GENEST
Director
By:

/s/ Ana J. Matosantos

ANA J. MATOSANTOS
Chief Deputy Director

Attachment

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Dutton, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Kevin de Leon, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Denise Moreno Ducheny, Chair, Senate Budget and Fiscal Review Subcommittee No. 5
Honorable Juan Arambula, Chair, Assembly Budget Subcommittee No. 4
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Mr. Ramon Hirsig, Executive Director, Board of Equalization
Ms. Elizabeth Hauser, Deputy Director, Board of Equalization



APR - 1 2009

Honorable Denise Moreno Ducheny, Chair
Senate Budget and Fiscal Review Committee

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

Honorable Noreen Evans, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Addition of Budget Bill Item 0911-001-0001, Support, Citizens Redistricting Initiative

It is requested that Item 0911-001-0001 be added to provide \$3.0 million for implementation of the "Voters FIRST Act" (Proposition 11) which was approved by the voters in the fall of 2008.

Proposition 11 requires that \$3.0 million be included in the 2009-10 Budget for the Citizens Redistricting Initiative. It also requires that the appropriation be made available for a three-year period for the Citizens Redistricting Commission (Commission), the Secretary of State (SOS), and the Bureau of State Audits (BSA) in carrying out their responsibilities defined in the initiative.

Therefore, it is requested that Item 0911-001-0001 be added appropriating \$3.0 million. It is also requested that Budget Bill language be added to make the funding available for three years, and to require the Department of Finance to allocate the \$3.0 million among the Commission, the SOS, and the BSA.

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 Robin E. Baker, Principal Program Budget Analyst, at (916) 445-8913.

MICHAEL C. GENEST
Director
By:

/s/ Ana J. Matosantos

ANA J. MATOSANTOS
Chief Deputy Director

Attachment

cc: On following page

APR - 1 2009

-2-

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Dutton, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Kevin de Leon, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Mark DeSaulnier, Chair, Senate Budget and Fiscal Review Subcommittee No. 4
Honorable Juan Arambula, Chair, Assembly Budget Subcommittee No. 4
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Ms. Dora Mejia, Chief Management Services, Secretary of State
Ms. Kristin Dagher, Budget Officer, Secretary of State
Ms. Kim Anderson, Administrative Deputy, Bureau of State Audits
Ms. Ana Clark, Budget Officer, Bureau of State Audits



DEPARTMENT OF
FINANCE
OFFICE OF THE DIRECTOR

ARNOLD SCHWARZENEGGER, GOVERNOR
STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

APR - 1 2009

Honorable Denise Moreno Ducheny, Chair
Senate Budget and Fiscal Review Committee

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

Honorable Noreen Evans, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Amendment to Budget Bill Items 0950-001-0001, 0950-001-9740, and Reimbursements,
Support, State Treasurer**

It is requested that Item 0950-001-0001 be increased by \$426,000 to reflect a correction in the allocation of the Governor's veto among the fund sources.

It is further requested that Item 0950-001-9740 be increased by \$194,000 and Treasurer's reimbursement authority be decreased by \$620,000 to conform to the requested amendment to Item 0950-001-0001 (above). The net effect of the changes is zero.

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 Douglas Craig, Principal Program Budget Analyst, at (916) 445-5332.

MICHAEL C. GENEST
Director
By:

/s/ Ana J. Matosantos

ANA J. MATOSANTOS
Chief Deputy Director

Attachment

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APR - 1 2009

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Attention: Mr. Seren Taylor, Staff Director
Honorable Kevin de Leon, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
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Honorable Mark DeSaulnier, Chair, Senate Budget and Fiscal Review Subcommittee No. 4
Honorable Juan Arambula, Chair, Assembly Budget Subcommittee No. 4
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Honorable Bill Lockyer, State Treasurer
Mr. Steve Coony, Chief of Staff, State Treasurer's Office
Mr. Hugo Lopez, Chief of Administration, State Treasurer's Office
Ms. Becky Grajski, Budget Officer, State Treasurer's Office