



DEPARTMENT OF
FINANCE
OFFICE OF THE DIRECTOR

EDMUND G. BROWN JR. • GOVERNOR

STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

APR 1 2013

Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

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

Amendment to Budget Bill Item 1111-002-0305, Support, Department of Consumer Affairs

Bureau for Private Postsecondary Education (Issue 201)—It is requested that Item 1111-002-0305 be increased by \$853,000. This augmentation will provide the necessary resources of 8.0 three year limited-term positions for the Bureau for Private Postsecondary Education (Bureau) within the Department of Consumer Affairs to reduce its backlog of institutional licensing applications. The backlog of applications has grown over the past two years due in part to vacancies not being filled during the recent hiring freeze.

It is also requested that Item 1111-002-0305 be revised by adding the following provisional Budget Bill language to suspend the statutory six-month reserve limit on the Private Postsecondary Education Administration Fund for fiscal year 2013-14:

X. The Private Postsecondary Education Administration Fund reserve limit of six months of operating expenses pursuant to Education Code section 94930 (b) shall be suspended until June 30, 2014.

Finally, trailer bill language is proposed to authorize an institution currently exempt from the Bureau's oversight to waive their exempt status and to voluntarily opt in to the Bureau's oversight to comply with federal regulations so their students remain eligible for federal financial aid (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 Jeff Carosone, Principal Program Budget Analyst, at (916) 445-8913.

ANA J. MATOSANTOS
Director
By:

/s/ Michael Cohen

MICHAEL COHEN
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Kevin de León, Chair, Senate Appropriations Committee
Attention: Mr. Mark McKenzie, Staff Director
Honorable Bill Emmerson, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Mike Gatto, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jeff Gorell, Vice Chair, Assembly Budget Committee
Attention: Mr. Eric Swanson, Staff Director
Honorable Richard Roth, Chair, Senate Budget and Fiscal Review Subcommittee No. 4
Honorable Tom Daly, Chair, Assembly Budget Subcommittee No. 4
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Honorable Anna M. Caballero, Secretary, State and Consumer Services Agency
Ms. Jennifer Osborn, Deputy Secretary, Fiscal Operations, State and Consumer Services Agency
Ms. Denise Brown, Director, Department of Consumer Affairs
Ms. Sandra Mayorga, Deputy Director, Office of Administrative Services, Department of
Consumer Affairs
Ms. Janice Shintaku-Enkoji, Fiscal Officer, Department of Consumer Affairs
Mr. Taylor Schick, Budget Officer, Department of Consumer Affairs

Attachment I

**Proposed Trailer Bill Language
Bureau for Private Postsecondary Education Federal Financial Aid Compliance**

Section 94874.8 is added to the Education Code to read:

94874.8 (a) An institution exempt from all, or part, of this chapter pursuant to sections 94874 or 94874.1 may apply for an approval to operate, subject to the following provisions:

(1) Notwithstanding any other provision of law, a previously exempt institution that obtained an approval to operate is no longer exempt pursuant to sections 94874 or 94874.1. This section applies to any previously exempt institution that was issued an approval to operate on or after February 1, 2013.

(2) Upon issuance of an approval to operate, the institution is subject to all provisions of this chapter, and any regulations adopted pursuant to it.

(3) With respect to the information required to be collected, calculated and reported by article 16 of this chapter, commencing with section 94928, an institution need not report any data it was not required to collect and does not have available to it prior to issuance of the approval to operate. An institution shall, however, report any applicable available data, regardless of the purpose for which the data was collected. If the required data is unavailable, an institution shall also disclose the unavailability of such data on all documents required by this chapter and regulations adopted pursuant to it. A previously exempt institution that was issued an approval to operate on or after February 1, 2013 is required to collect, calculate and report all information as required by article 16 of this chapter, commencing with section 94928, once it receives approval to operate.

(b) This section shall remain in effect until January 1, 2016, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2016, deletes or extends that date.



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Amendment to Budget Bill Item 1750-001-3153, Support, California Horse Racing Board

Oversight of Exchange Wagering (Issue 201)—It is requested that Item 1750-001-3153 be increased by \$443,000 to provide the California Horse Racing Board (Board) with sufficient resources to regulate and oversee exchange wagering as authorized by Chapter 283, Statutes of 2010. These resources will allow the Board to perform audits, investigations, and disciplinary hearings related to ensuring the integrity of exchange wagering.

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 Jeff Carosone, Principal Program Budget Analyst, at (916) 445-8913.

ANA J. MATOSANTOS
Director
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/s/ Michael Cohen

MICHAEL COHEN
Chief Deputy Director

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Honorable Tom Daly, Chair, Assembly Budget Subcommittee No. 4
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Kirk E. Breed, Executive Director, California Horse Racing Board
Ms. Wendy Voss, Chief of Administration, California Horse Racing Board



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Senate Budget and Fiscal Review Committee

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

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

Amendment to Budget Bill Item 2240-101-6071, Local Assistance, Department of Housing and Community Development

Housing Related Parks Program (Issue 201)—It is requested that Item 2240-101-6071 be increased by \$25 million to provide Proposition 1C funds for the Housing Related Parks Program (HRPP). The HRPP encourages the construction of low-income and very-low-income housing units by providing funding to cities and counties that can be used for the development and renovation of parks for each qualified housing permit they issue.

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 Jeff Carosone, Principal Program Budget Analyst, at (916) 445-8913.

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Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Brian Kelly, Acting Secretary, Business, Transportation, and Housing Agency
Mr. Bill Davidson, Deputy Secretary, Administration and Finance, Business, Transportation, and
Housing Agency
Mr. Randall Deems, Chief Deputy Director, California Department of Housing and
Community Development
Ms. Terrie Watson, Deputy Director, Administration and Management Division, Department
of Housing and Community Development
Mr. Nesrudin Mohamed, Chief, Fiscal Management Branch, Administration and
Management Division, Department of Housing and Community Development