



May 13, 2016

Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Mark Ibele, Staff Director (2)

Honorable Phil Ting, Chair
Assembly Budget Committee

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

Amendment to Budget Bill Item 7730-001-0001, Support, Franchise Tax Board

It is requested that Item 7730-001-0001 be increased by \$2 million to expand the existing statewide outreach efforts to increase the level of Earned Income Tax Credit Program participation. Resources will be provided through grants to non-profits, community-based organizations, and other state and local government agencies.

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 Mark Tollefson, Principal Program Budget Analyst, at (916) 322-2263.

MICHAEL COHEN
Director
By:

/s/ Amy M. Costa

AMY M. COSTA
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Ricardo Lara, Chair, Senate Appropriations Committee
Attention: Mr. Mark McKenzie, Staff Director
Honorable Jim Nielsen, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Vacant, Appropriations Fiscal Director
Attention: Mr. Kirk Feely, Budget Fiscal Director
Honorable Lorena Gonzalez, Chair, Assembly Appropriations Committee
Attention: Mr. Pedro R. Reyes, Chief Consultant
Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee
Attention: Mr. Eric Swanson, Staff Director
Honorable Richard Roth, Chair, Senate Budget and Fiscal Review Subcommittee No. 4
Honorable Adrin Nazarian, 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)
Mr. Seren Taylor, Director of Strategic Policy, Assembly Republican Leader's Office
Mr. Jim Richardson, Policy and Fiscal Director, Assembly Republican Leader's Office
Ms. Selvi Stanislaus, Executive Director, Franchise Tax Board
Ms. Jeanne Harriman, Chief Financial Officer, Franchise Tax Board
Mr. Marco Esquivel, Director, Financial Management Bureau, Franchise Tax Board
Ms. Marybel Batjer, Secretary, California Government Operations Agency
Ms. Jennifer Osborn, Deputy Secretary, Fiscal Administration, California Government Operations Agency



**DEPARTMENT OF
FINANCE**
OFFICE OF THE DIRECTOR

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

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Honorable Phil Ting, Chair
Assembly Budget Committee

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

Amendment to Budget Bill Items 7760-001-6057 and 7760-002-0666, Support, Department of General Services

Office of Public School Construction Reduction—It is requested that Item 7760-001-6057 be decreased by \$690,000 and 6 positions to align administrative resources with workload for the School Facilities Program.

Technical Adjustment—It is requested that Item 7760-002-0666 be decreased by \$943,000 to reflect reduced lease rental payments due to the refinancing of the original lease revenue bonds.

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 Chris Ferguson, Principal Program Budget Analyst at (916) 445-0328, John Fitzpatrick, Principal Program Budget Analyst at (916) 445-8913, or Koreen Hansen, Principal Program Budget Analyst at (916) 445-9694.

MICHAEL COHEN

Director

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/s/ Amy M. Costa

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Chief Deputy Director

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Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee
Attention: Mr. Eric Swanson, Staff Director
Honorable Marty Block, Chair, Senate Budget and Fiscal Review Subcommittee No. 1
Honorable Richard Roth, Chair, Senate Budget and Fiscal Review Subcommittee No. 4
Honorable Kevin McCarty, Chair, Assembly Budget Subcommittee No. 2
Honorable Adrin Nazarian, 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)
Mr. Seren Taylor, Director of Strategic Policy, Assembly Republican Leader's Office
Mr. Jim Richardson, Policy and Fiscal Director, Assembly Republican Leader's Office
Ms. Marybel Batjer, Secretary, Government Operations Agency
Ms. Jennifer Osborn, Deputy Secretary-Fiscal, Government Operations Agency
Mr. Daniel C. Kim, Director, Department of General Services
Mr. Miles Burnett, Chief, Administrative Services, Department of General Services
Ms. Rhonda Basarich, Chief, Office of Fiscal Services, Department of General Services
Mr. Justin Smith, Budget Officer, Department of General Services
Ms. Lisa Silverman, Executive Officer, Office of Public School Construction



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Assembly Budget Committee

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

**Amendment to, Addition of, and Elimination of Various Budget Bill Items, Support,
California Public Employees' Retirement System**

It is requested that Item 7900-003-0830 be decreased by \$26,442,000, Item 7900-015-0815 be increased by \$515,000, Item 7900-015-0820 be increased by \$117,000, Item 7900-015-0830 be increased by \$510,000, Item 7900-015-0833 be increased by \$1,526,000, Item 7900-015-0849 be increased by \$7,000, Item 7900-015-0884 be increased by \$615,000, and an increase of 39 positions to reflect the request by the California Public Employees' Retirement System (CalPERS) to incorporate their board approved budget into the Budget Act.

The Budget Bill items mentioned above are display items for informational purposes to reflect a corresponding change in CalPERS' continuous appropriation authority. These changes reflect the fiscal year 2016-17 budget approved during the April 18, 2016 CalPERS board meeting. The budget approved by the CalPERS board reflects a reduction of \$16,264,000 primarily driven by higher than anticipated position vacancies and lower than anticipated outside counsel and third party investment management fees.

It is requested that Item 7900-001-0822 be added in the amount of \$40,518,000 to replace Item 7900-015-0822, which is being eliminated. The funds and authority in Item 7900-015-0822 are being transferred to Item 7900-001-0822. This includes an increase of \$6,888,000 to reflect the budget approved by the CalPERS board.

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 Evelyn Suess, Principal Program Budget Analyst, at (916) 445-3274.

MICHAEL COHEN
Director
By:

/s/ Amy M. Costa

AMY M. COSTA
Chief Deputy Director

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Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee
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Honorable Loni Hancock, Chair, Senate Budget and Fiscal Review Subcommittee No. 5
Honorable Adrin Nazarian, 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)
Mr. Seren Taylor, Director of Strategic Policy, Assembly Republican Leader's Office
Mr. Jim Richardson, Policy and Fiscal Director, Assembly Republican Leader's Office
Ms. Cheryl Eason, Chief Financial Officer, California Public Employees' Retirement System
Ms. Rose McAuliffe, Chief, California Public Employees' Retirement System
Mr. Michael Siu, Budget Manager, California Public Employees' Retirement System
Ms. Jennifer Osborn, Deputy Secretary, Fiscal Operations, Government Operations Agency



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Assembly Budget Committee

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

Amendment to Budget Bill Item 7920-011-0001, Support, California State Teachers' Retirement System

It is requested that Item 7920-011-0001 be increased by \$4,571,000 due to an increase in creditable compensation reported by the California State Teachers' Retirement System for fiscal year 2014-15. The Defined Benefit payment will be increased by \$1,044,000, the Pre-1990 Defined Benefit Level payment will be increased by \$2,232,000, and the Supplemental Benefit Maintenance Account contribution will be increased by \$1,295,000. These adjustments represent existing statutory funding requirements.

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 Evelyn Suess, Principal Program Budget Analyst, at (916) 445-3274.

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Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee
Attention: Mr. Eric Swanson, Staff Director
Honorable Loni Hancock, Chair, Senate Budget and Fiscal Review Subcommittee No. 5
Honorable Nora Campos, Chair, Assembly Budget Subcommittee No. 5
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)
Mr. Seren Taylor, Director of Strategic Policy, Assembly Republican Leader's Office
Mr. Jim Richardson, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Jack Ehnes, Chief Executive Officer, California State Teachers' Retirement System
Mr. Ed Derman, Deputy Chief Executive Officer, California State Teachers' Retirement System
Ms. Robin Madsen, Chief Financial Officer, California State Teachers' Retirement System
Mr. Art Martinez, Assistant Chief Financial Officer, California State Teachers' Retirement System
Ms. Anela Hanohano-Pompei, Budget Manager, California State Teachers' Retirement System
Ms. Jennifer Osborn, Deputy Secretary, Fiscal Operations, Government Operations Agency