



May 11, 2018

Honorable Holly Mitchell, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Joe Stephenshaw, Staff Director (2)

Honorable Phil Ting, Chair
Assembly Budget Committee

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

Addition of Budget Bill Item 3340-492, Capital Outlay, California Conservation Corps

Delta Service District Center (Issue 450)—It is requested that Item 3340-492 be added to extend the liquidation period for the construction phase of this project (see Attachment 1). Construction of this project will be completed in May 2018 and the extension of liquidation is necessary to pay outstanding invoices.

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 Andrea Scharffer, Principal Program Budget Analyst, at (916) 445-9694.

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: Mr. Kirk Feely, Budget Fiscal Director
Honorable Lorena Gonzalez Fletcher, Chair, Assembly Appropriations Committee
Attention: Mr. Jay Dickenson, Chief Consultant
Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee
Attention: Ms. Cyndi Hillery, Staff Director
Honorable Bob Wieckowski, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Bloom, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Christopher Woods, Senate President pro Tempore's Office (2)
Mr. Jason Sisney, Assembly Speaker's Office (2)
Ms. Cheri West, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office
Mr. Jim Richardson, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Bruce Saito, Director, California Conservation Corps
Ms. Amy Cameron, Chief Deputy Director, California Conservation Corps
Ms. Dawne Bortolazzo, Chief, Administrative Division, California Conservation Corps
Ms. Sui Lim, Budget Officer, California Conservation Corps

3340-492—Reappropriation, California Conservation Corps. Notwithstanding any other provision of law, the period to liquidate encumbrances of the following citations is extended to June 30, 2019.

0660—Public Buildings Construction Fund

(1) Item 3340-301-0660, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005), as reappropriated by Item 3340-490, Budget Act of 2006 (Chs. 47 and 48, Stats. 2006), as reverted by Item 3340-495, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007), as reappropriated by Item 3340-491, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008), Item 3340-492, Budget Act of 2010 (Ch. 712, Stats. 2010), Item 3340-492, Budget Act of 2011 (Ch. 33, Stats. 2011), Item 3340-492, Budget Act of 2012 (Chs. 21 and 29, Stats. 2012), and Item 3340-491, Budget Act of 2013 (Chs. 20 and 354, Stats. 2013)

(1) 20.10.150-Delta Service District Center—Acquisition, preliminary plans, working drawings, and construction



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Honorable Holly Mitchell, Chair
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Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to and Addition of Various Budget Bill Items, Support and Local Assistance, Energy Resources Conservation and Development Commission and Department of General Services

Energy Resources Programs Account (ERPA) Structural Deficit Relief—The Energy Resources and Development Commission (Energy Commission) proposes a series of actions, which include increasing revenues and shifting some expenditures to other funds, to address the structural deficit in the ERPA.

ERPA's revenue source is a surcharge on statewide electricity consumption which funds the Energy Commission, Department of General Services, Department of Water Resources, and California Alternative Energy and Advanced Transportation Financing Authority who administer a variety of statewide energy programs, such as appliance and building energy efficiency and renewable self-generation of electricity, both of which are critical in implementing California's aggressive climate change policies. Since the Energy Commission's programs have been successful in decreasing energy consumption and increasing generation of off-grid electricity, revenues generated by the ERPA surcharge have leveled off and are projected to remain flat over time. Meanwhile, increasing program demands on the Energy Commission, including the California Clean Energy Jobs Act (Proposition 39), Building Energy Benchmarking Program (Chapter 590, Statutes of 2015), and Comprehensive Energy Efficiency Program for Existing Buildings (Chapter 470, Statutes of 2009), have required higher ERPA appropriations, with expenditures now exceeding revenues. To keep ERPA solvent and continue funding these important programs, the Energy Commission proposes to convert a portion of ERPA and Renewable Resource Trust Fund (RRTF) expenditures to other appropriate funding sources. RRTF supports California's renewables portfolio standard (RPS), but its revenue source expired in 2012. When the ongoing RPS program depletes RRTF funding, it will place additional demands on ERPA.

Therefore, it is requested that Item 3360-001-0382 be decreased by \$2.1 million and 14 positions, Item 3360-001-0465 be decreased by \$7,345,000 and 43 positions, Item 3360-001-3062 be amended to add 13 positions, and Item 3360-001-3237 be increased by \$8,169,000 and 44 positions. These adjustments are necessary to reflect the conversion of 57 positions from RRTF and ERPA to the Cost of Implementation Account, Air Pollution Control Fund (COIA) and the Energy Facility License and Compliance Fund. Of the approximate \$8.2 million COIA amount, \$7.6 million reflects the conversion of RRTF and ERPA expenditures to COIA, and the additional \$600,000 reflects the conversion of the triennial cycle appropriation to conduct vehicle surveys.

It is also requested that Item 7760-001-0140 be increased by \$1,990,000 and 7.8 positions one-time and Item 7760-001-0465 be decreased by \$1,990,000 and 7.8 positions, to shift the Department of General Service's (DGS) expenditures for energy efficiency, conservation, and clean generation for state agencies to the California Environmental License Plate Fund. DGS will evaluate appropriate mechanisms to fund these expenditures, beginning in fiscal year 2019-20.

The Energy Commission also proposes to increase the ERPA surcharge on energy consumption, from \$0.00029 per kilowatt hour to the statutory cap of \$0.0003 per kilowatt hour. If effective January 2019, the surcharge increase would raise ERPA revenues by \$1,250,000 in 2018-19 and \$2.5 million ongoing.

Agricultural Energy Efficiency Program—It is also requested that Item 3360-101-0001 be added in the amount of \$30 million one-time for the Agricultural Efficiency Program (see Attachment 1). This proposal supplements the amount of grant funding provided in the February 2, 2018 Cap and Trade Expenditure Plan Spring Finance Letter for energy efficiency and greenhouse gas emissions reductions in the food processing sector.

Disadvantage Community Advisory Group (Advisory Group)—It is requested that trailer bill language be added to provide reimbursement for reasonable expenses and a per diem for members of the Advisory Group authorized under the Clean Energy and Pollution Reduction Act of 2015 (Chapter 547, Statutes of 2015). Authorization to reimburse members for their participation in the Advisory Group will enable proper rural and urban, cultural and ethnic, and geographic representation. These members are not paid to serve on the Advisory Group. If reimbursements cannot be provided to members who must travel from all parts of the state, it creates a disincentive to serve on this critical advisory group and risks underrepresentation from certain groups or regions where the financial burden of participation is most acute.

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 Amanda Martin, Principal Program Budget Analyst, at (916) 322-2263.

MICHAEL COHEN
Director
By:

/s/ Amy M. Costa

AMY M. COSTA
Chief Deputy Director

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Mr. Jason Sisney, Assembly Speaker's Office (2)
Ms. Cheri West, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office
Mr. Jim Richardson, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Bryan Cash, Assistant Secretary of Administration and Finance, Natural Resources Agency
Mr. Drew Bohan, Executive Director, Energy Resources Conservation and Development
Commission
Mr. Rob Cooke, Deputy Director, Administrative Services Division, Energy Resources
Conservation and Development Commission
Mr. Barry Steinhart, Director, Office of Governmental Affairs, Energy Resources Conservation and
Development Commission
Ms. Melanie Vail, Budget Officer, Energy Resources Conservation and Development Commission
Ms. Marybel Batjer, Secretary, Government Operations Agency
Mr. Michael Miyao, Deputy Secretary, Government Operations Agency
Mr. Daniel C. Kim, Director, Department of General Services
Mr. Andrew Sturmfels, Chief, Administrative Services, Department of General Services
Ms. Rhonda Basarich, Chief, Office of Fiscal Services, Department of General Services
Ms. Jerianne Brennan, Budget Officer, Department of General Services
Mr. Richard Corey, Executive Officer, Air Resources Board
Ms. Edie Chang, Deputy Executive Director, Air Resources Board
Ms. Pam Biggins, Branch Chief, Budget, Contracts, and Grants Branch, Air Resources Board
Ms. Kelley Moss, Budget Officer, Air Resources Board
Mr. Matthew Rodriguez, Secretary, California Environmental Protection Agency
Mr. Eric Jarvis, Assistant Secretary, California Environmental Protection Agency

3360-101-0001—For local assistance, State Energy Resources Conservation and Development Commission 30,000,000

Schedule:

(1) 2390019—Research and Development.....30,000,000

Provisions:

1. Notwithstanding any other law, funds appropriated in Schedule (1) shall be used to provide grants, loans, or any financial incentives to food processors to implement projects that reduce greenhouse gas emissions.
2. Notwithstanding subdivision (a) of Section 1.80, funds appropriated in this item shall be available for expenditure or encumbrance during the 2018-19 and 2019-20 fiscal years.
3. Notwithstanding Section 16304.1 of the Government Code, funds appropriated in this item shall be available for liquidation of encumbrances or expenditure until June 30, 2024.



May 11, 2018

Honorable Holly Mitchell, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Joe Stephenshaw, Staff Director (2)

Honorable Phil Ting, Chair
Assembly Budget Committee

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

Amendment to Various Budget Bill Items and Reimbursements, Support, Department of Forestry and Fire Protection

Climate Change Fire Severity—It is requested that the following items be amended to provide the Department with additional resources to meet the demands of the extended fire season and increases in the number and severity of wildfire events.

- Increase Item 3540-001-0001 by \$9,607,000 and 52 positions, and reimbursements by \$1,225,000
- Increase Item 3540-001-0102 by \$12,000
- Increase Item 3540-001-0198 by \$10,000
- Increase Item 3540-001-0209 by \$13,000
- Increase Item 3540-001-3212 by \$55,000

This proposal will: (1) add 25 Heavy Equipment Mechanics to perform scheduled maintenance and critical on-site repairs to keep frontline assets operational during wildfire events, (2) provide additional mobile equipment repair and maintenance funding, and (3) support 27 mission critical administrative positions to address incident-driven workload.

The resources requested in this proposal have been funded at varying levels through drought-related augmentations provided to the Department over the past several years. As with the fiscal year 2017-18 Climate Adaptation Extended Fire Season Budget Change Proposal, this request recognizes the need to make these resources permanent in light of the continued increase in fire activity across the state.

Office of the State Fire Marshal, Fire and Life Safety Division—It is requested that Item 3540-001-0001 be amended by increasing reimbursements by \$4,029,000 and 15 positions to support the Office of the State Fire Marshal's Fire and Life Safety Division's increased workload related to its plan review, construction inspection, and mandated interval inspection activities. It is also requested that provisional language be added to authorize a General Fund loan of up to \$2.3 million to be repaid over three years (see Attachment 1). These requests are initial outcomes of an ongoing Mission Based Budget review the Department of Finance is performing with the Office of the State Fire Marshal.

Fireworks Program—It is requested that Item 3540-001-0140 be increased by \$3.6 million and 2 positions to provide the Office of the State Fire Marshal's Fire Engineering Division with additional resources to (1) fund one-time disposal costs to address the Division's current stockpile of damaged illegal and dangerous fireworks and (2) reflect changes to its fireworks management and disposal program. It is also requested that provisional language be added to make this funding subject to the enactment of pending legislation that would establish an extended producer responsibility program for fireworks (see Attachment 2).

Reappropriation of Control Section 6.10 Deferred Maintenance Funding—It is requested that Item 3540-492 be amended to reappropriate the unencumbered balance of the deferred maintenance funding appropriated pursuant to Control Section 6.10 of the Budget Act of 2016 with funding available for encumbrance or expenditure until June 30, 2019 (see Attachment 3).

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 Stephen Benson, Principal Program Budget Analyst, at (916) 324-0043.

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: Mr. Kirk Feely, Budget Fiscal Director
Honorable Lorena Gonzalez Fletcher, Chair, Assembly Appropriations Committee
Attention: Mr. Jay Dickenson, Chief Consultant
Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee
Attention: Ms. Cyndi Hillery, Staff Director
Honorable Bob Wieckowski, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Bloom, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Christopher W. Woods, Senate President pro Tempore's Office (2)
Mr. Jason Sisney, Assembly Speaker's Office (2)
Ms. Cheri West, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office
Mr. Jim Richardson, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Bryan Cash, Assistant Secretary for Administration and Finance, Natural Resources Agency
Mr. Ken Pimlott, Director, Department of Forestry and Fire Protection
Mr. Dennis Mathisen, State Fire Marshal, Office of the State Fire Marshal, Department of Forestry
and Fire Protection
Ms. Janet Barentson, Chief Deputy Director, Department of Forestry and Fire Protection
Mr. Mike Richwine, Assistant State Fire Marshal, Office of the State Fire Marshal, Department of
Forestry and Fire Protection
Mr. Tony Favro, Deputy Director, Department of Forestry and Fire Protection
Ms. Melissa Gamer, Chief of Budgets, Department of Forestry and Fire Protection

Attachment 1

Add the following provision to Item 3540-001-0001:

9. Notwithstanding any other provision of law, the Department of Finance may authorize a cash loan from the General Fund to the Department of Forestry and Fire Protection for Program 2461-Office of the State Fire Marshal in an amount not to exceed \$2,300,000 subject to the following conditions:

- (a) The loan is to meet cashflow needs and shall be repaid from the collection of fees over three years.
- (b) The outstanding loan amount shall be repaid by June 30, 2021.
- (c) Interest charges may be waived pursuant to subdivision (e) of Section 16314 of the Government Code.

Amend Item 3540-001-0140 as follows:

“3540-001-0140—For support of Department of Forestry and Fire Protection, payable from the California Environmental License Plate Fund~~608,000~~ 4,208,000”

Schedule:

(0.5) 2461-Office of the State Fire Marshal3,600,000
(1) 2470-Resource Management608,000

Provisions:

1. The funds appropriated in Schedule (0.5) of this item shall be available, upon the approval by the Department of Finance, for fireworks management and disposal subject to the enactment of pending legislation and adoption of an extended producer responsibility program.”

Amend 3540-492 as follows:

“3540-492—Reappropriation, Department of Forestry and Fire Protection. The balances of the appropriations provided 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, 2019:

0001—General Fund

(1) Item 3540-001-0001, Budget Act of 2012 (Chs. 21 and 29, Stats. 2012), as reappropriated by Item 3540-492, Budget Act of 2013 (Chs. 20 and 354, Stats. 2013), Budget Act of 2014 (Chs. 25 and 663, Stats. 2014), Budget Act of 2015 (Chs. 10 and 11, Stats. 2015), Budget Act of 2016 (Ch. 23, Stats. 2016), and Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017)

(1) The unexpended balance in Schedule (4.5) Department of Justice Legal Services is available to pay the Department of Justice for legal services.

(2) The unencumbered balance of the appropriation provided in Item 3540-001-0001, Budget Act of 2016 (Ch. 23, Stats. 2016) authorized by Executive Order E 16/17-14 pursuant to Section 6.10, Budget Act of 2016 (Ch. 23, Stats. 2016) for deferred maintenance.”



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Honorable Phil Ting, Chair
Assembly Budget Committee

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

Addition of Budget Bill Item 3560-001-1018, Support, State Lands Commission

Lake Tahoe Rent Methodology Study—It is requested that Item 3560-001-1018 be added in the amount of \$250,000 to contract for an independent study and evaluation of rent-setting methodologies to better inform the State Lands Commission's leasing practices for sovereign land at Lake Tahoe. The Commission also requests provisional language be added to authorize the use of the funds for the requested purpose (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 Sergio Aguilar, Principal Program Budget Analyst, at (916) 324-0043.

MICHAEL COHEN
Director
By:

/s/ Amy M. Costa

AMY M. COSTA
Chief Deputy Director

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Honorable Richard Bloom, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Christopher W. Woods, Senate President pro Tempore's Office (2)
Mr. Jason Sisney, Assembly Speaker's Office (2)
Ms. Cheri West, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office
Mr. Jim Richardson, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Bryan Cash, Assistant Secretary for Administration and Finance, Natural Resources Agency
Ms. Julie Alvis, Deputy Assistant Secretary, Natural Resources Agency
Mr. Colin Connor, Assistant Executive Officer, State Lands Commission
Ms. Denise Cook, Chief of Administrative Services, State Lands Commission

3560-001-1018—For support of State Lands Commission, payable from the
Lake Tahoe Science and Lake Improvement Account, General
Fund..... 250,000

Schedule:

(1) 2565-Land Management.....250,000

Provisions:

1. Notwithstanding Section 6217.6.1 of the Public Resources Code, or any other provision of law, the funds in this item shall be available to contract for an evaluation of rent-setting methodologies for leasing sovereign land at Lake Tahoe.



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Honorable Phil Ting, Chair
Assembly Budget Committee

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

Amendment to Budget Bill Item 3790-101-0001, Local Assistance, Department of Parks and Recreation

Museum of Tolerance—It is requested that Item 3790-101-0001 be increased by \$10 million to provide a grant to renovate the Museum of Tolerance, the educational branch of the Simon Wiesenthal Center (see Attachment 1). It is also requested that Provision 1 be amended to reflect this change. This funding would provide half of the estimated cost of the renovation, and combined with matching private contributions, would fund critical capital improvements necessary to assist the Museum in its continuing educational mission.

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 Stephen Benson, Principal Program Budget Analyst, at (916) 324-0043.

MICHAEL COHEN

Director

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/s/ Amy M. Costa

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Mr. Jason Sisney, Assembly Speaker's Office (2)
Ms. Cheri West, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office
Mr. Jim Richardson, Policy and Fiscal Director, Assembly Republican Leader's Office
Ms. Lisa Mangat, Director, Department of Parks and Recreation
Mr. Will Schaffsma, Deputy Director, Administrative Services, Department of Parks and Recreation
Ms. Crystal Flores, Budget Officer, Department of Parks and Recreation

“3790-101-0001—For local assistance, Department of Parks and Recreation ~~9,500,000~~ 19,500,000

Schedule:

(1) 2855047-Local Grants ~~9,500,000~~ 19,500,000

Provisions:

- 1. The funds appropriated in this item shall be available for the following:
 - (a) \$2,000,000 shall be available for a grant to the California Museum.
 - (b) \$2,500,000 shall be available for local grants for the Fox Fullerton Theater Project.
 - (c) \$5,000,000 shall be available for local grants for the Anaheim Family YMCA Active Living Center.
 - (d) \$10,000,000 shall be available for a grant to the Simon Wiesenthal Center’s Museum of Tolerance”



May 11, 2018

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Attention: Mr. Joe Stephenshaw, Staff Director (2)

Honorable Phil Ting, Chair
Assembly Budget Committee

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

Amendment to Budget Bill Item 3790-496, and Addition of Items 3790-311-0001 and 3790-301-0005, Capital Outlay, Department of Parks and Recreation

Reversion (Issue 400)—It is requested that Item 3790-496 be amended to revert the unencumbered balance of funding, estimated to be \$189,000, for the Malibu Creek State Park: Restore Sepulveda Adobe project (see Attachment 1). Project completion is anticipated in fall 2018 and there are savings to be reverted.

California Indian Heritage Center (Issue 401)—It is requested that Item 3790-311-0001 be added in the amount of \$100 million for transfer to the Natural Resources and Parks Preservation Fund. It is also requested that trailer bill language be added to appropriate \$100 million for the design and construction of the California Indian Heritage Center project (see Attachment 2). This project will replace the State Indian Museum constructed in 1940 on the grounds of Sutter's Fort State Historic Park, and will bring to fruition a project whose conceptual planning was developed by the California Indian Cultural Center and Museum Task Force pursuant to Chapter 290, Statutes of 2002 (SB 2063).

Fort Ross State Historic Park: Cultural Trail (Issue 402)—It is requested that Item 3790-301-0005 be added in the amount of \$852,000 for the preliminary plans (\$537,000) and working drawings (\$315,000) phases of the Fort Ross State Historic Park Cultural Trail project (see Attachment 3). The project will create an interpretive multimedia experience by exploring stories from indigenous Kashia Band of Pomo Indians; Alaska Natives and others in the international community once associated with the Russian American Company's Ross Settlement; and the Call Ranch family's history.

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 Andrea Scharffer, Principal Program Budget Analyst, at (916) 445-9694.

MICHAEL COHEN

Director

By:

/s/ Amy M. Costa

AMY M. COSTA

Chief Deputy Director

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Ms. Cheri West, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office
Mr. Jim Richardson, Policy and Fiscal Director, Assembly Republican Leader's Office
Ms. Lisa Mangat, Director, Department of Parks and Recreation
Mr. Brian Dewey, Assistant Deputy Director, Acquisition and Development, Department of Parks and Recreation
Mr. Will Schaffsma, Deputy Director, Administrative Services, Department of Parks and Recreation
Ms. Crystal Flores, Budget Officer, Department of Parks and Recreation

“3790-496—Reversion, Department of Parks and Recreation.

As of June 30, 2018, the unencumbered balances of the appropriations provided in the following citations shall revert to the fund balances of the funds from which the appropriations were made.

0005—Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund

- (1) Item 3790-301-0005, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005), as reappropriated by Item 3790-491, Budget Act of 2006 (Chs. 47 and 48, Stats. 2006), Budget Act of 2007 (Chs. 171 and 172, Stats. 2007), Budget Act of 2008 (Chs. 268 and 269, Stats. 2008), Budget Act of 2009 (Ch. 1, 2009–10 3rd Ex. Sess., as revised by Ch. 1, 2009–10 4th Ex. Sess.), Budget Act of 2010 (Ch. 712, Stats. 2010), Budget Act of 2011 (Ch. 33, Stats. 2011), Budget Act of 2012 (Chs. 21 and 29, Stats. 2012), and Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), and as partially reverted by Item 3790-495, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007), and Item 3790-493, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008)
(1.1) 90.EX.101-Malibu Creek SP: Restore Sepulveda

Adobe—Construction

6051—Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006

- (1) Item 3790-301-6051, Budget Act of 2014 (Chs. 25 and 663, Stats. 2014), as reappropriated by Item 3790-491 and partially reverted by Item 3790-496, Budget Act of 2015 (Chs. 10 and 11, Stats. 2015), as reappropriated by Item 3790-491, Budget Act of 2016 (Ch. 23, Stats. 2016), and as reappropriated by Item 3790-491, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017)
- (3) 0000219-EI Capitan SB: Construct New Lifeguard Operations Facility—Preliminary plans
- (2) Item 3790-301-6051, Budget Act of 2015, (Chs. 10 and 11, Stats. 2015), as reappropriated by Item 3790-491, Budget Act of 2016 (Ch. 23, Stats. 2016), and as reappropriated by Item 3790-491, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017)
- (1) 0000219-EI Capitan SB: Construct New Lifeguard Operations Facility—Working drawings
- (3) Item 3790-301-6051, Budget Act of 2016 (Ch. 23, Stats. 2016), and as reappropriated by Item 3790-491, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017)
- (8) 0000219-EI Capitan SB: Construct New Lifeguard Operations Facility—Construction and equipment”

Add the following section to Public Resources Code:

5077.994. (a) It is the intent of the Legislature that the Department of Parks and Recreation develop a California Indian Heritage Center for cultural preservation, learning and exchange, land stewardship, and a place to engage all visitors in celebrating the Living Cultures of California Tribes.

(b) The sum of \$100,000,000 is hereby appropriated from the Natural Resources and Parks Preservation Fund for the design and construction of the California Indian Heritage Center, as follows:

- (1) Preliminary plans..... 4,690,000
- (2) Working drawings..... 4,690,000
- (3) Construction..... 90,620,000
- (4) The Department of Finance may authorize subschedule transfers within this appropriation in instances where the transfers are necessary for the efficient and cost-effective implementation of the project.

(c) The sum of \$100,000,000 is hereby appropriated from the State Parks and Recreation Contingent Fund for the construction of the California Heritage Center, from funds deposited for the development of the project.

(d) The Department of Parks and Recreation may pursue construction of the project in phases.

(e) The funds appropriated in this section shall be available for encumbrance or expenditure until June 30, 2023.

3790-301-0005—For capital outlay, Department of Parks and Recreation, payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund..... 852,000

Schedule:

- (1) 0004005-Fort Ross SHP: Cultural Trial Center 852,000
 - (a) Preliminary plans..... 537,000
 - (b) Working drawings..... 315,000

Provisions:

Notwithstanding any other provision of law, the funds appropriated in Schedule 1 of this item shall be available for encumbrance or expenditure until June 30, 2020.



May 11, 2018

Honorable Holly Mitchell, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Joe Stephenshaw, Staff Director (2)

Honorable Phil Ting, Chair
Assembly Budget Committee

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

Amendment to Budget Bill Item 3820-001-0001, Support, San Francisco Bay Conservation and Development Commission

Relocation to Bay Area Metro Center—It is requested that Item 3820-001-0001 be increased by \$3,020,000 and provisional language be added to provide one-time funding for tenant improvement and moving costs associated with the San Francisco Bay Conservation and Development Commission's (BCDC) relocation to the Metropolitan Transportation Commission's Bay Area Metro Center (see Attachment 1). By statute, BCDC's headquarters is required to be in San Francisco. Currently, BCDC is located in the Hiram Johnson State Office Building. This move will allow BCDC to maximize coordination with local planning agencies, provide an appropriate and accessible venue for Commission meetings, and better utilize staff resources and time. The Department of Justice will backfill BCDC's space in the Hiram Johnson State Office Building.

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 Sergio Aguilar, Principal Program Budget Analyst, at (916) 324-0043.

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: Mr. Kirk Feely, Budget Fiscal Director
Honorable Lorena Gonzalez Fletcher, Chair, Assembly Appropriations Committee
Attention: Mr. Jay Dickenson, Chief Consultant
Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee
Attention: Ms. Cyndi Hillery, Staff Director
Honorable Bob Wieckowski, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Bloom, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Christopher W. Woods, Senate President pro Tempore's Office (2)
Mr. Jason Sisney, Assembly Speaker's Office (2)
Ms. Cheri West, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office
Mr. Jim Richardson, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Bryan Cash, Assistant Secretary for Administration and Finance, Natural Resources Agency
Ms. Julie Alvis, Deputy Assistant Secretary, Natural Resources Agency
Mr. Larry Goldzband, Executive Director, San Francisco Bay Conservation and Development
Commission
Mr. Steven Goldbeck, Chief Deputy Director, San Francisco Bay Conservation and Development
Commission
Ms. Sharon Louie, Director of Administrative and Technology Services, San Francisco Bay
Conservation and Development Commission
Ms. Chenee Williams, Budget Officer, San Francisco Bay Conservation and Development
Commission

Add the following provision to Item 3820-001-0001:

1. Of the amount appropriated in this Item, \$3,020,000 shall be available for tenant improvement and moving costs associated with the San Francisco Bay Conservation and Development Commission's relocation to the Bay Area Metro Center, contingent upon the Commission entering into a long-term lease agreement with the Bay Area Toll Authority.



May 11, 2018

Honorable Holly Mitchell, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Joe Stephenshaw, Staff Director (2)

Honorable Phil Ting, Chair
Assembly Budget Committee

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

Amendment to and Addition of Various Budget Bill Items, Support, Capital Outlay, and Trailer Bill Language, Department of Water Resources, Department of Fish and Wildlife, and State Water Resources Control Board

Flood Control Infrastructure—It is requested that Item 3860-001-0001 be increased by \$45 million to: (1) provide the support costs associated with urban flood control projects, and (2) support ongoing levee maintenance. Funds for operations and maintenance will provide incentives for cost-sharing with local maintaining agencies by encouraging a regional flood governance model and updating assurance agreements to clarify levee maintenance responsibilities. It is also requested that provisional language be added to specify funding available for each of the above activities and associated encumbrance periods (see Attachment 1).

It is requested that Item 3860-301-0001 be increased by \$150 million to support the state cost-share of U.S. Army Corps of Engineers' urban flood control projects that will contribute to a 200-year level of flood protection in urban areas of the Central Valley and will strengthen the state's ability to leverage approximately \$690 million in federal funding. It is also requested that provisional language be added to specify which urban flood control projects may be funded and to provide an extended encumbrance until June 30, 2023 (see Attachment 2).

It is further requested that trailer bill language be adopted to make various changes to the Delta Levee Maintenance Program.

Save our Water Campaign—It is requested that Item 3860-001-0140 be increased by \$300,000 to support outreach and advertising associated with the Save Our Water campaign to promote water conservation as a way of life. This proposal will allow the Department of Water Resources to continue advertising on major platforms including digital, radio, billboards, and other emerging media channels.

Open and Transparent Water Data Act (AB 1755)—It is requested that Item 3600-001-0140 be increased by \$150,000, Item 3860-001-0140 be increased by \$450,000, and Item 3940-001-0140 be increased by \$200,000 to continue implementation of Chapter 506, Statutes of 2016 (AB 1755). Additionally, it is requested that provisional language be added to these items to specify the purpose of this funding (see Attachment 3). This request provides two-year limited-term funding for the Department of Fish and Wildlife and the State Water Resources

Control Board to convert existing data for inclusion in the water data platform required by AB 1755, as well as consultation with the Department of Water Resources. Ongoing funding for the Department of Water Resources will support the necessary IT software subscriptions for the water data platform.

Dam Safety Trailer Bill Language—It is requested that trailer bill language be adopted to clarify the process for dam owners where there is an existing or partial Emergency Action Plan (EAP) or inundation map as of March 1, 2017 (see Attachment 4). The amendments also require dam owners with partial EAPs or inundation maps to develop a timeline by which they will develop the comprehensive EAP and inundation maps.

Reappropriation and Technical Adjustment (Propositions 1 and 13)—It is requested that Provision 2 of Item 3860-001-6026 as added in the April 1 Finance Letter be amended to make funds available for support and local assistance (see Attachment 5). It is also requested that Item 3860-493 be added to reappropriate \$10 million or the balance of Item 3860-111-6083, Budget Act of 2015 (Chs. 10 and 11, Stats. 2015), with funding available for encumbrance or expenditure until June 30, 2020 (see Attachment 6).

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 Sergio Aguilar, Principal Program Budget Analyst, at (916) 324-0043.

MICHAEL COHEN
Director
By:

/s/ Amy M. Costa

AMY M. COSTA
Chief Deputy Director

Attachment

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cc: Honorable Ricardo Lara, Chair, Senate Appropriations Committee
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Mr. Bryan Cash, Assistant Secretary for Administration and Finance, Natural Resources Agency
Ms. Julie Alvis, Deputy Assistant Secretary, Natural Resources Agency
Ms. Karla Nemeth, Director, Department of Water Resources
Ms. Kathie Kishaba, Deputy Director, Business Operations, Department of Water Resources
Mr. Duard MacFarland, Budget Officer, Department of Water Resources
Mr. Michael Tufts, Bond Accountability Manager, Department of Water Resources
Mr. Ken Alex, Director, Office of Planning and Research
Mr. Scott Morgan, Deputy Director, Office of Planning and Research
Ms. Mai Yang, Budget Officer, Office of Planning and Research
Ms. Eileen Sobeck, Executive Director, State Water Resources Control Board
Ms. Susan Montoya, Budget Officer, State Water Resources Control Board
Mr. Gabe Tiffany, Deputy Director, Administrative Division, Department of Fish and Wildlife
Mr. Dan Reagan, Assistant Deputy Director, Administrative Division, Department of Fish
and Wildlife
Mr. Tyrone Williams, Budget Officer, Department of Fish and Wildlife

"3860-001-0001—For support of Department of Water Resources.....~~118,382,000~~ 163,382,000

Schedule:

(1) 3230-Continuing Formulation of the California Water Plan.....	77,881,000
(2) 3240-Implementation of the State Water Resources Development System.....	386,000
(3) 3245-Public Safety and Prevention of Damage.....	61,801,000 <u>105,501,000</u>
(4) 3250-Central Valley Flood Protection Board.....	17,627,000 <u>18,927,000</u>
(5) 3255-Services.....	6,935,000
(6) 9900100-Administration.....	104,220,000
(7) 9900200-Administration—Distributed.....	-104,220,000
(8) Reimbursements to 3230-Continuing Formulation of the California Water Plan...	-21,412,000
(9) Reimbursements to 3240-Implementation of the State Water Resources Development System.....	-386,000
(10) Reimbursements to 3245-Public Safety and Prevention of Damage.....	-9,491,000
(11) Reimbursements to 3250-Central Valley Flood Protection Board.....	-8,024,000
(12) Reimbursements to 3255-Services.....	-6,935,000

Provisions:

1. The amounts appropriated in this item may be transferred to the Water Resources Revolving Fund (0691) for direct expenditure in such amounts as needed to meet operational needs.
2. Of the funds appropriated in Schedule (3), \$60,000,000 shall be used as follows:
 - (a) \$20,000,000 shall be used for support costs associated with urban levee projects, and shall be available for encumbrance or expenditure until June 30, 2023.
 - (b) \$40,000,000 shall be used for operations, maintenance, repair, rehabilitation, and replacement of state flood control levees and infrastructure that reduce state liability, and shall be available for support or local assistance. Local assistance funds shall be awarded as competitive grants or direct expenditures for operations and maintenance of locally maintained levees and related activities consistent with program guidelines to be developed by the Department of Water Resources by January 1, 2019.
3. Of the funds appropriated in Schedule (4), \$1,300,000 shall be used for the Sacramento-San Joaquin Drainage District assessment feasibility study, and shall be available for encumbrance or expenditure until June 30, 2020."

“3860-301-0001—For capital outlay, Department of Water Resources0 150,000,000

Schedule:

(0.5) 0000743-Urban Flood Risk Reduction Program.....	150,000,000
(a) Study.....	10,000,000
(b) Preliminary plans.....	20,000,000
(c) Construction.....	120,000,000
(1) 0000958-Salton Sea Management Plan.....	23,910,000
(a) Study.....	3,200,000
(b) Acquisition.....	2,400,000
(c) Preliminary plans.....	4,000,000
(d) Working drawings.....	2,400,000
(e) Design build.....	11,910,000
(2) Reimbursements to 0000958-Salton Sea Management Plan.....	-23,910,000
(a) Study.....	-3,200,000
(b) Acquisition.....	-2,400,000
(c) Preliminary plans.....	-4,000,000
(d) Working drawings.....	-2,400,000
(e) Design build.....	-11,910,000

Provisions:

1. The funds appropriated in Schedule (0.5) shall be available for the following urban levee projects: Natomas Levee Project; Folsom Dam Raise; American River Common Features; Lower San Joaquin River Levee Project; West Sacramento Area Flood Control Agency Flood Improvements; and Merced Streams Project. Any request to shift funding to urban levee projects other than those identified in this provision shall require notification to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee no later than 30 days prior to encumbering the funds.
2. Notwithstanding any other law, the funds appropriated in Schedule (0.5) shall be available for encumbrance or expenditure until June 30, 2023.”

Add the following provision to Item 3600-001-0140:

1. Notwithstanding Section 21190 of the Public Resources Code, \$150,000 of the amount appropriated in this item may be used to support implementation of Chapter 506, Statutes of 2016 (Open and Transparent Water Data Act).

Add the following provision to Item 3860-001-0140:

2. Notwithstanding Section 21190 of the Public Resources Code, \$450,000 of the amount appropriated in this item may be used to support implementation of Chapter 506, Statutes of 2016 (Open and Transparent Water Data Act).

Add the following provision to Item 3940-001-0140:

1. Notwithstanding Section 21190 of the Public Resources Code, \$200,000 of the amount appropriated in this item may be used to support implementation of Chapter 506, Statutes of 2016 (Open and Transparent Water Data Act).

Section 6161 of the Water Code is amended to read:

(a)(1) An owner of a state jurisdictional dam, except an owner of a dam classified by the department pursuant to Section 6160 as a low hazard dam, shall submit electronically to the department an inundation map that shows the area that would be subject to flooding under various failure scenarios unique to the dam and the critical appurtenant structures of the dam.

(2) Before approval of an inundation map, the department shall review the map and may require the owner to make changes that the department deems necessary.

(3) Upon approval of the inundation map or maps by the department, the owner of the dam shall develop and submit electronically to the department and the Office of Emergency Services ~~based upon the approved inundation map or maps~~ an emergency action plan that is based upon the approved inundation map or maps.

(4) If an owner of a dam has an existing emergency action plan as of March 1, 2017, the department shall review an inundation map(s) contained in the plan. If the department determines that the inundation map(s) are sufficient, in one of the contexts described below, the owner of the dam shall submit the emergency action plan associated with those inundation map(s) to the department shall request the Office of Emergency Services to review the emergency action plan associated with that inundation map as provided below:

(A) If the emergency action plan that existed as of March 1, 2017, contains inundation maps for the dam and all critical appurtenant structures, where critical appurtenant structures exist, and the department determines that the inundation maps for the dam and all critical appurtenant structures, where critical appurtenant structures exist, are sufficient, then the owner of the dam shall submit the complete emergency action plan reflecting all critical appurtenant structures to the Office of Emergency Services for review within 30 days of department approval.

(B) If the emergency action plan that existed as of March 1, 2017, contains an inundation map for the dam but not for all of the critical appurtenant structures, then the department shall review the map included in the existing emergency action plan for sufficiency. Upon approval by the department, the owner of the dam shall submit the existing emergency action plan associated with the approved map to the Office of Emergency Services. The owner of the dam shall continue to prepare inundation maps, with due diligence, for the remaining critical appurtenant structures, submit to the department for review and approval. The Office of Emergency Services may defer review and approval of the new or updated emergency action plan until the Office of Emergency Services has received inundation maps approved by the department for the dam and all critical appurtenant structures. If the Office of Emergency Services approves the interim emergency action plan under this subsection, then an owner of a dam may use that emergency action plan that existed as of March 1, 2017, on an interim basis, pending approval of a new or updated emergency action plan that includes maps for the dam and all critical appurtenant structures.

(C) For purposes of this section, due diligence means that the owner of a dam is progressing toward completion of inundation maps for all critical appurtenant structures according to a reasonable schedule proposed by the owner of the dam and approved by the department.

When evaluating the time schedule, the department may consider, among other relevant factors, the hazard classification of the dam, the number of critical appurtenant structure inundation maps that are outstanding, and the complexity of the failure scenarios. An owner of the dam shall submit a time schedule no later than 60 days after the effective date of this provision. Failure to submit a time schedule or comply with an approved time schedule may result in the imposition of penalties, restrictions, or liens pursuant to Water Code Division 3, Part 1, Chapter 8. After the department approves the maps for the critical appurtenant structures, the dam owner shall submit the new or updated emergency action plan, including the approved maps, to the Office of Emergency Services within 60 days.

(b)(1) The Office of Emergency Services shall review and approve an emergency action plan no later than 60 days after receipt of the plan from the dam owner pursuant to Section 8589.5 of the Government Code. To the extent possible, the Office of Emergency Services shall give priority to a dam with the highest hazard classification as determined by the department pursuant to Section 6160.

(2) If the Office of Emergency Services determines a proposed emergency action plan does not meet the requirements of Section 8589.5 of the Government Code, the Office of Emergency Services shall inform the owner of the dam and require the owner of the dam to amend and resubmit the emergency action plan for approval. The Office of Emergency Services shall review and, if the emergency action plan meets the requirements of Section 8589.5 of the Government Code, approve a resubmitted emergency action plan within 30 days of receipt from the owner of the dam.

(3) Upon approval by the Office of Emergency Services of an emergency action plan, the Office of Emergency Services shall notify the department and the owner of the dam of the approval. The owner of the dam shall ensure that the approved emergency action plan is disseminated to appropriate public safety and emergency management agencies in potentially affected jurisdictions, to the extent these agencies ~~wish~~ want to receive approved emergency action plans.

(c)(1) The department shall make an approved inundation map, as well as any schedule submitted pursuant to subdivision (a)(4)(C), publicly available.

(2) Nothing in Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code shall be construed to require disclosure of an emergency action plan.

(d)(1) Pursuant to the classification by the department under Section 6160, an owner of a dam shall complete and submit an emergency action plan as follows:

- (A) On or before January 1, 2018, if the hazard classification of the dam is extremely high.
- (B) On or before January 1, 2019, if the hazard classification of the dam is high.
- (C) On or before January 1, 2021, if the hazard classification of the dam is significant.

(2) An owner of a dam who has an existing emergency action plan as of March 1, 2017, that the department determines has a sufficient inundation map and that the Office of Emergency Services determines has a sufficient emergency action plan pursuant to paragraph (4) of subdivision (a) is not subject to the timelines set forth in paragraph (1).

(e) An owner of a dam shall update an emergency action plan, including an inundation map, no less frequently than every 10 years, and sooner under conditions that include, but are not limited to, the following:

(1) A significant modification to the dam or a critical appurtenant structure, as determined by the department.

(2) A significant change to downstream development that involves people and property.

Amend Provision 2 of Item 3860-001-6026 as added in the April 1 Finance Letter, as follows:

"2. The funds appropriated in this item shall be available for encumbrance or expenditure until June 30, 2021, for support or local assistance."

3860-493—Reappropriation, Department of Water Resources. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for transfer by the Controller, upon the order of the Director of Finance until June 30, 2020:

6083—Water Quality, Supply, and Infrastructure Improvement Fund of 2014

(1) Item 3860-111-6083, Budget Act of 2015 (Chs. 10 and 11, Stats. 2015)

Provisions:

1. Upon order of the Director of Finance, the Controller shall transfer the amounts appropriated in this item to the CalConserve Water Use Efficiency Revolving Fund.
2. The funds appropriated and transferred pursuant to this item shall be used for purposes consistent with the requirements of the CalConserve Water Use Efficiency Revolving Fund.



May 11, 2018

Honorable Holly Mitchell, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Joe Stephenshaw, Staff Director (2)

Honorable Phil Ting, Chair
Assembly Budget Committee

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

Amendment to Budget Bill Item 3860-301-0001, Capital Outlay, Department of Water Resources

Joint Operations Center Relocation (Issue 301)—It is requested that Item 3860-301-0001 be increased by \$964,000 to prepare a request for proposal to acquire a Joint Operations Center (JOC) (see Attachment 1). In addition, \$926,000 State Water Project funds will be used for this purpose. Provisional language is also requested to allow the Department of General Services, with consent from the Department of Water Resources, to enter into a build-to-suit lease for this project.

The proposed project, to be jointly occupied by the state and federal partners, is estimated to be approximately 282,000 square feet (247,000 sf state and 35,000 sf federal). The estimated total cost to acquire, design, and construct the JOC is \$265.2 million (\$116.3 million General Fund, \$111.8 million State Water Project, and \$37.1 million federal reimbursement). The state's portion will be comprised of 51 percent General Fund and 49 percent continuously appropriated State Water Project funds. A new JOC is necessary, as the current facilities no longer meet programmatic space needs, do not conform to federal requirements of being located outside of the 100-year floodplain, and lack enough perimeter setback space to meet federal security 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 Andrea Scharffer, Principal Program Budget Analyst, at (916) 445-9694.

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: Mr. Kirk Feely, Budget Fiscal Director
Honorable Lorena Gonzalez Fletcher, Chair, Assembly Appropriations Committee
Attention: Mr. Jay Dickenson, Chief Consultant
Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee
Attention: Ms. Cyndi Hillery, Staff Director
Honorable Bob Wieckowski, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Bloom, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Christopher W. Woods, Senate President pro Tempore's Office (2)
Mr. Jason Sisney, Assembly Speaker's Office (2)
Ms. Cheri West, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office
Mr. Jim Richardson, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Duard MacFarland, Chief, Budget Office, Department of Water Resources
Ms. Kathie Kishaba, Deputy Director, Business Operations, Department of Water Resources
Mr. Eric Koch, Deputy Director, Integrated Water Management, Department of Water Resources
Ms. Kasey Schimke, Assistant Director, Legislative Affairs Office, Department of Water Resources

"3860-301-0001—For capital outlay, Department of Water Resources.....0 964,000

Schedule:

(1) 0000958-Salton Sea Management Plan.....	23,910,000
(a) Study.....	3,200,000
(b) Acquisition.....	2,400,000
(c) Preliminary Plans.....	4,000,000
(d) Working Drawings.....	2,400,000
(e) Design Build.....	11,910,000
(2) Reimbursements to 0000958-Salton Sea Management Plan.....	-23,910,000
(a) Study.....	-3,200,000
(b) Acquisition.....	-2,400,000
(c) Preliminary Plans.....	-4,000,000
(d) Working Drawings.....	-2,400,000
(e) Design Build.....	-11,910,000
(3) <u>0003765-Joint Operations Center Relocation</u>	<u>964,000</u>
<u>(a) Acquisition.....</u>	<u>964,000</u>

Provisions:

1. For purposes of Schedule (3) of this item, notwithstanding Section 13332.10 of the Government Code, the Department of General Services, with the consent of the Department of the Water Resources, may enter into a lease-purchase or lease with an option to purchase for a built-to-suit facility to replace the Joint Operations Center in Sacramento County. Any such lease arrangement and all related agreements are subject to Department of Finance approval. This replacement facility project is to have oversight and inspection in a manner consistent with state infrastructure projects. This project shall be in accordance with the Property Acquisition Law (Part 11 (commencing with Section 15850) of Division 3 of Title 2 of the Government Code)."



May 11, 2018

Honorable Holly Mitchell, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Joe Stephenshaw, Staff Director (2)

Honorable Phil Ting, Chair
Assembly Budget Committee

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

Amendment to and Addition of Various Budget Bill Items, Support and Local Assistance, Various Departments, Forest Carbon Plan

The Forest Carbon Plan initiative provides \$96 million for programs and projects to improve the health and resiliency of California's forests to protect against the worsening threats of fire and disease driven by climate change.

Government Operations Agency

California Mass Timber Building Competition—It is requested that Item 0511-001-3212 be added in the amount of \$500,000 to support implementation of the California Mass Timber Building Competition (see Attachment 1). This funding will be used to develop the competition and provide grants to local jurisdictions to showcase the architectural design of mass timber buildings.

California Natural Resources Agency

Northern, Coastal, and Southern California Regional Forest Health Projects—It is requested that Item 0540-101-3228 be added in the amount of \$20 million for block grants to support regional implementation of landscape-level forest health projects (see Attachment 2). This will facilitate the expansion of the Sierra Nevada Conservancy's Watershed Improvement Program model to the Northern, Coastal, and Southern California regions.

Department of Conservation

Watershed Coordinator Grants for Priority Watersheds—It is requested that Item 3480-101-0140 be added in the amount of \$1,890,000 to provide local assistance grants to fund watershed coordinator positions to facilitate the development and implementation of regional watershed improvement plans (see Attachment 3).

Department of Forestry and Fire Protection

Joint Institute for Wood Products Innovation—It is requested that Item 3540-001-3212 be increased by \$750,000 and 1 position for the Board of Forestry and Fire Protection to develop and implement a Joint Institute for Wood Products Innovation to encourage markets for wood products (see Attachment 4).

Prescribed Fire and Fuels Reduction—It is requested that Item 3540-003-3228 be added in the amount of \$26,838,000 and 79 positions for the Department of Forestry and Fire Protection (CAL FIRE) to complete more prescribed fire and fuel reduction projects through various actions, including operation of six year-round prescribed fire crews and development of a research and monitoring program (see Attachment 5). This funding will enable CAL FIRE to increase the rate of fuels treatment to 60,000 acres per year consistent with the recommendations of the Forest Carbon Plan.

Department of Parks and Recreation

Legacy Forests at State Parks—It is requested that Item 3790-002-6088 be added in the amount of \$15 million to fund forest restoration activities in state parks with a focus on protecting legacy forests with significant natural resource values (see Attachment 6). This funding will support restoration efforts in state parks throughout the state, including coastal redwoods, central Sierra sequoias, coastal pines, and oak woodlands.

Sierra Nevada Conservancy

Sierra Regional Forest Health Projects—It is requested that Item 3855-001-6088 be increased by \$4 million and 2 positions, Item 3855-101-6088 be increased by \$15,325,000, and Item 3855-102-6088 be added in the amount of \$10,675,000 to support implementation of the Sierra Nevada Conservancy's Watershed Improvement Program and fund shovel-ready large landscape projects developed through cross-agency collaboration (see Attachment 7).

Rural Economic and Manufacturing Development—It is requested that Item 3855-101-3212 be added in the amount of \$1 million to provide grants to support mass timber and wood product manufacturing in the Sierra Nevada region (see Attachment 8).

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 Stephen Benson, Principal Program Budget Analyst, at (916) 324-0043.

MICHAEL COHEN
Director
By:

/s/ Amy M. Costa

AMY M. COSTA
Chief Deputy Director

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Mr. Jim Richardson, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Kealii Bright, Deputy Secretary for Climate Change and Energy, Natural Resources Agency
Mr. Bryan Cash, Assistant Secretary of Administration and Finance, Natural Resources Agency
Ms. Marybel Batjer, Secretary, Government Operations Agency
Mr. Matt Henigan, Deputy Secretary for Sustainability, Government Operations Agency
Mr. Michael Miyao, Budget Officer, Government Operations Agency
Mr. David Bunn, Director, Department of Conservation
Mr. Ken Lehn, Budget Officer, Department of Conservation
Mr. Ken Pimlott, Director, Department of Forestry and Fire Protection
Ms. Janet Barentson, Chief Deputy Director, Department of Forestry and Fire Protection
Mr. Tony Favro, Deputy Director, Department of Forestry and Fire Protection
Ms. Melissa Gamer, Chief of Budgets, Department of Forestry and Fire Protection
Ms. Lisa Mangat, Director, Department of Parks and Recreation
Mr. Will Schaafsma, Deputy Director, Administrative Services, Department of Parks and Recreation
Ms. Crystal Flores, Budget Officer, Department of Parks and Recreation
Mr. Jim Branham, Executive Director, Sierra Nevada Conservancy
Ms. Amy Lussier, Administrative Services Chief, Sierra Nevada Conservancy
Ms. Lisa Primeaux, Budget Analyst, Sierra Nevada Conservancy

0511-001-3212—For support of Secretary of Government Operations, payable from the Timber Regulation and Forest Restoration Fund..... 500,000

Schedule:

(1) 0250-Administration of Government Operations Agency500,000

Provisions:

1. The funds appropriated in this item shall be available for encumbrance or expenditure until June 30, 2020, for support or local assistance, to implement the California Mass Timber Building Competition consistent with the recommendations of the Forest Carbon Plan.

0540-101-3228—For local assistance, Secretary of the Natural Resource Agency, payable from the Greenhouse Gas Reduction Fund.....20,000,000

Schedule:

(1) 0320-Administration of Natural Resources Agency20,000,000

Provisions:

1. The funds appropriated in this item shall be utilized for grants to support regional implementation of landscape-level forest health projects to expand the Sierra Nevada Conservancy's Watershed Improvement Program model to the Northern, Coastal, and Southern California regions consistent with the recommendations of the Forest Carbon Plan.

2. The funds appropriated in this item shall be available for encumbrance or expenditure until June 30, 2020, for support or local assistance. Not more than five percent of the amount appropriated in this item may be used for administrative costs.

3480-101-0140—For local assistance, Department of Conservation, payable from the California Environmental License Plate Fund.....1,890,000

Schedule:

(1) 2430-Land Resource Protection.....1,890,000

Provisions:

1. The funds appropriated in this item shall be utilized for grants to local entities to fund watershed coordinator positions to facilitate the development of watershed improvement plans consistent with the recommendations of the Forest Carbon Plan.

2. The funds appropriated in this item shall be available for encumbrance or expenditure until June 30, 2020.

“3540-001-3212—For support of Department of Forestry and Fire Protection, payable from the Timber Regulation and Forest Restoration Fund~~24,812,000~~ 25,562,000

Schedule:

(1) 2470-Resource Management24,406,000
(2) 2475-State Board of Forestry and Fire Protection~~406,000~~ 1,156,000

Provisions:

1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

2. Of the amount appropriated in Schedule (2) of this item, \$750,000 shall be available for the development and implementation of the Joint Institute for Wood Products Innovation consistent with the recommendations of the Forest Carbon Action Plan.

3. Of the amount appropriated in Schedule (2) of this item, \$400,000 shall be available for expenditure or encumbrance until June 30, 2020.”

3540-003-3228—For support of Department of Forestry and Fire Protection, payable from the Greenhouse Gas Reduction Fund26,838,000

Schedule:

(1) 2470-Resource Management26,838,000

Provisions:

1. The funds appropriated in this item shall be available to complete more prescribed fire and other fuel reduction projects through proven forestry practices consistent with the recommendations of the Forest Carbon Plan, including the operation of year-round prescribed fire crews and implementation of a research and monitoring program for climate change adaptation.

3790-002-6088—For support of Department of Parks and Recreation, payable from the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Fund. 15,000,000

Schedule:

(1) 2840-Support of the Department of Parks and Recreation 15,000,000

Provisions:

1. The funds appropriated in this item shall be available for purposes consistent with Section 80076 of the Public Resources Code and the recommendations of the Forest Carbon Plan.
2. The funds appropriated in this item shall be available for encumbrance or expenditure until June 30, 2020.

“3855-001-6088—For support of Sierra Nevada Conservancy, payable from the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Fund
.....1,045,000 5,045,000

Schedule:

(1) 3220-Sierra Nevada Conservancy1,045,000 5,045,000

Provisions:

1. ~~Of the~~ The funds appropriated in this item, ~~\$1,045,000~~ shall be available for the following:

(a) ~~\$903,000~~ \$2,703,000 shall be available for encumbrance or expenditure until June 30, 2020 for planning, monitoring, and administration of grants to implement the Sierra Nevada Watershed Improvement Program, consistent with subdivision (c) of Section 80135 of the Public Resources Code and the recommendations of the Forest Carbon Plan.

(b) ~~\$142,000~~ \$2,342,000 shall be available for encumbrance or expenditure until June 30, 2020 for planning, monitoring, and administration of Sierra Nevada Conservancy projects, consistent with paragraph 9 of subdivision (b) of Section 80110 of the Public Resources Code and the recommendations of the Forest Carbon Plan.”

“3855-101-6088—For local assistance, Sierra Nevada Conservancy, payable from the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Fund.....5,300,000 20,625,000

Schedule:

(1) 3220-Sierra Nevada Conservancy5,300,000 20,625,000

Provisions:

1. The funds appropriated in this item shall be available for grants to implement the Sierra Nevada Watershed Improvement Program, consistent with subdivision (c) of Section 80135 of the Public Resources Code and the recommendations of the Forest Carbon Plan.

2. The funds appropriated in this item shall be available for encumbrance or expenditure until June 30, 2020.”

3855-102-6088—For local assistance, Sierra Nevada Conservancy, payable from the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Fund.....10,675,000

Schedule:

(1) 3220-Sierra Nevada Conservancy10,675,000

Provisions:

1. The funds appropriated in this item shall be available for grants, consistent with subdivision (b) of Section 80110 of the Public Resources Code and the recommendations of the Forest Carbon Plan.
2. The funds appropriated in this item shall be available for encumbrance or expenditure until June 30, 2020.

3855-101-3212—For local assistance, Sierra Nevada Conservancy, payable from the Timber Regulation and Forest Restoration Fund1,000,000

Schedule:

(1) 3220-Sierra Nevada Conservancy1,000,000

Provisions:

1. The funds appropriated in this item shall be available for grants to support mass timber and wood product manufacturing consistent with the recommendations of the Forest Carbon Plan.

2. The funds appropriated in this item shall be available for encumbrance or expenditure until June 30, 2020.