



May 1, 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 Transportation

Capital Outlay Support—It is requested that various Budget Bill items be increased by \$206,267,000 and 393 positions to provide resources to address the anticipated Capital Outlay Support Program workload, including increased workload resulting from the Road Repair and Accountability Act of 2017 (SB 1). This request provides resources for the Department to hire all qualified candidates throughout the year. Hiring progress will be reported to the Legislature each month. These resources will allow the Department to achieve the traditional 90 percent state staff and 10 percent contract staff split by the end of fiscal year 2018-19. This request includes changes to the following items:

- Increase Item 2660-001-0042 by \$76,217,000 and decrease positions by 184.9, and decrease reimbursements by \$31,753,000 and 81.1 positions
- Increase Item 2660-001-0890 by \$97,521,000 and 419.7 positions
- Increase Item 2660-001-3291 by \$9,895,000 and 40.8 positions
- Increase Item 2660-002-3007 by \$4,881,000 and 16.1 positions
- Decrease Item 2660-004-6055 by \$765,000 and 1 position
- Decrease Item 2660-004-6056 by \$768,000 and 2 positions
- Increase Item 2660-004-6058 by \$979,000 and 6 positions
- Decrease Item 2660-004-6060 by \$686,000 and 3 positions
- Increase Item 2660-004-6064 by \$833,000 and 4.2 positions
- Decrease Item 2660-004-6072 by \$792,000 and 1 position
- Increase Item 2660-009-0042 by \$1,233,000 and 5.5 positions
- Increase Government Code section 8897.3 by \$47,000 and 0.3 position
- Increase Streets and Highways Code section 2023(h)(1) by \$49,425,000 and 173.4 positions

It is also requested that Provision 15 of Item 2660-001-0042 be eliminated, and that provisional language be added to Item 2660-001-0042 to specify the Department's hiring plan and the intended use of the funds in Program 1835010-Capital Outlay Support (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 Steve Wells, Principal Program Budget Analyst, at (916) 322-2263.

MICHAEL COHEN

Director

By:

/s/ Amy M. Costa

AMY M. COSTA

Chief Deputy Director

Attachment

cc: Honorable Ricardo Lara, Chair, Senate Appropriations Committee
Attention: Mr. Mark McKenzie, Staff Director
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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
Ms. Laurie Berman, Director, California Department of Transportation
Mr. Steven Keck, Chief, Division of Budgets, California Department of Transportation

Add the following provision to Item 2660-001-0042:

24. Funds scheduled in Program 1835010-Capital Outlay Support includes funding and expenditure authority for the Department to hire a total of 1,200 employees in fiscal year 2018-19, assuming the program's historical 5 percent attrition rate. This hiring level is intended to achieve the traditional 90 percent state staff and 10 percent contract staff split by the end of 2018-19, with a total of 8,779 state positions in the program. The Department will diligently and aggressively pursue hiring as many qualified individuals as quickly as possible throughout the year, and is authorized to use professional services contract funding for personal services when it hires at a greater rate than anticipated. Similarly, in any month in which hiring is insufficient to address the program's workload, any unused funds are available to the Department to fund additional state staff or professional services contracts in subsequent months, such that the program is able to complete its identified workload. The Department shall report its hiring progress and attrition on a monthly basis to the Legislature, identify any professional services contract funding that is used to fund higher than anticipated staffing levels, and identify any personal services funding that is used to fund professional services contracts if hiring is at lower levels than anticipated or insufficient to address identified workload.



May 11, 2018

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Honorable Phil Ting, Chair
Assembly Budget Committee

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

Addition of Budget Bill Item 2660-492, Local Assistance, Department of Transportation

Active Transportation Program—It is requested that Item 2660-492 be added to extend the allocation and liquidation periods for the \$10 million Greenhouse Gas Reduction Fund provided for the Active Transportation Program by the Budget Act of 2016 (Chapter 23, Statutes of 2016, as added by Chapter 370, Statutes of 2016) (see Attachment 1). The allocation period for the existing funding is set to expire on June 30, 2018, and the encumbrance and liquidation period is set to expire on June 30, 2020.

The Department of Transportation requests an extension of the allocation period to June 30, 2021, and an extension of the encumbrance and liquidation period to June 30, 2024. The additional time is needed to allow projects to reach the point at which project sponsors can request allocations.

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 Steve Wells, 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. Jim Richardson, Policy and Fiscal Director, Assembly Republican Leader's Office
Ms. Laurie Berman, Director, California Department of Transportation
Mr. Steven Keck, Chief, Division of Budgets, California Department of Transportation

2660-492—Reappropriation, Department of Transportation. 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 allocation until June 30, 2021, and encumbrance or expenditure and liquidation until June 30, 2024:

3228—Greenhouse Gas Reduction Fund

(1) Item 2660-108-3228, Budget Act of 2016 (Ch. 23, Stats. 2016), as added by Chapter 370 of the Statutes of 2016, for the Active Transportation Program.



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Addition of Trailer Bill Language, Capital Outlay, California Highway Patrol

It is requested that trailer bill language be added to authorize the California Highway Patrol to pursue a build-to-suit lease procurement process for the replacement of the Tracy area office (see Attachment 1). Authority for this project was initially provided in the 2008 Budget Act and has since expired. This request will restore the authority and will allow this priority project to proceed expeditiously.

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 Sally Lukenbill, 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
Mr. Brian Annis, Secretary, California State Transportation Agency
Ms. Christine Inouye, Undersecretary, California State Transportation Agency
Mr. Warren A. Stanley, Commissioner, California Highway Patrol
Ms. Rebecca Metz, Section Commander, Administrative Services Division, California Highway
Patrol

Section 14669.18 is added to the Government Code as follows:

(a) The Department of General Services, with the consent of the Department of the California Highway Patrol, may enter into a lease-purchase, or lease with an option to purchase, for a build-to-suit office facility to replace the Highway Patrol area office in Tracy, San Joaquin County. The new facility will be designed and built to standards prescribed in the Essential Services Buildings Seismic Safety Act of 1986 (Chapter 2 (commencing with Section 16000) of Division 12.5 of the Health and Safety Code). This replacement facility project shall have oversight and inspection in a manner consistent with state infrastructure projects. The facility is anticipated to contain approximately 25,000 square feet of office space together with ancillary improvements to include, but not be limited to, an automotive service area, a fuel island, a truck and bus citation clearance area, a communications tower with radio vault, public parking for the main building, and secured parking for patrol vehicles.

(b) Any lease and all related agreements authorized by this section, are subject to Department of Finance approval, the legislative notice requirements in section 13332.10, and Property Acquisition Law (Part 11 (commencing with Section 15850)).



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Honorable Phil Ting, Chair
Assembly Budget Committee

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

Amendment to Budget Bill Item 2720-001-0044 and Addition of Item 2720-490, Support, California Highway Patrol

Wireless Mobile Video/Audio Recording Systems (Dashboard Cameras)—It is requested that Item 2720-001-0044 be increased by \$5,039,000 and 4 positions to provide deployment of 3,000 new dashboard cameras and to maintain the inventory of recordings and systems. The total request is for \$52.5 million and 12 positions over three years and, beginning in fiscal year 2021-22, an annual baseline augmentation of \$14.4 million for support, operations, and maintenance. The manufacturer will no longer support the existing camera system after June 30, 2018.

Extension of Body-Worn Camera Pilot—It is requested that Item 2720-490 be added to extend the encumbrance period for the remaining balance of the initial \$1 million appropriated in the 2015 Budget Act for the Body-Worn Camera Pilot (see Attachment 1). The existing funding is set to expire on June 30, 2018. This reappropriation will provide the California Highway Patrol (CHP) with resources to continue the existing pilot originally authorized by Chapter 26, Statutes of 2015 (SB 85). The CHP conducted the initial pilot in two cities, Stockton and Oakland, to evaluate the use of body-worn cameras by CHP officers. The requested reappropriation of 2015-16 funding is to continue this pilot through 2018-19 to better understand implementation issues, such as alternatives for addressing privacy concerns, camera battery and charging options, potential cost efficiencies, and integration with CHP's new dashboard cameras.

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

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Mr. Brian Annis, Secretary, California State Transportation Agency
Ms. Christine Inouye, Undersecretary, California State Transportation Agency
Mr. Warren A. Stanley, Commissioner, California Highway Patrol
Mr. Bob Jones, Chief, California Highway Patrol
Mr. Rich Desmond, Assistant Chief, California Highway Patrol
Ms. Rebecca Metz, Section Commander, Administrative Services Division, California Highway Patrol
Mr. Greg Brown, Budget Officer, California Highway Patrol

2720-490—Reappropriation, California Highway Patrol. 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:

0044—Motor Vehicle Account, State Transportation Fund

(1) Item 2720-001-0044, Budget Act of 2015 (Chs. 10 and 11, Stats. 2015)



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Amendment to Budget Bill Items 2740-001-0001 and 2740-001-0044, and Addition of Item 2740-490, Support, Department of Motor Vehicles

California New Motor Voter Program and Electronic Driver License Application: One-time Additional Support—It is requested that Item 2740-001-0001 be increased by \$225,000 and Item 2740-001-0044 be increased by \$675,000 to provide resources for project documentation and training in support of the implementation of Chapter 729, Statutes of 2015 (AB 1461), the California New Motor Voter Program and the automation of the Driver License Application, respectively. The Motor Voter Program is an automated opt-out voter registration system. The electronic Driver License Application is a fully automated process in which all of the information that a customer enters electronically, in the field office or online, is automatically fed into the Department of Motor Vehicles (DMV) Driver Licensing system. Previously approved funding assumed full completion of this project by June 30, 2018. However, in the current year, development and coding efforts took longer than originally anticipated but at the same time the department was able to accelerate the functionality to meet the June 2018 General Election primary. This funding will extend the DMV's consultant contracts with the California Department of Technology to repair any defects, improve security, complete enhancements and documentation, and finish training staff.

Centralized Customer Flow Management and Appointment Systems Project—It is requested that Item 2740-490 be added to extend the liquidation period for the \$5.5 million to fund the System to June 30, 2019 (see Attachment 1). The liquidation period for the existing funding is set to expire on June 30, 2018. The System will provide DMV customer service representatives with real-time information on wait times, with the goal of reducing the percentage of customers waiting longer than 30 minutes. As of April 13, 2018, the System has been installed in 126 of 172 field offices.

While it is anticipated that the System will be installed in all field offices by June 30, 2018, the vendor contract allows DMV to withhold final payment until the System has 30 error-free days. If for any reason either the System is not installed in all offices by May 30, 2018, or there are any errors in the month of June, the requested extension of the liquidation period will allow DMV's final payment to the vendor to be delayed until fiscal year 2018-19 once the System is fully operational.

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.

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Mr. Jim Richardson, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Brian Annis, Secretary, California State Transportation Agency
Ms. Christine Inouye, Undersecretary, California State Transportation Agency
Ms. Jean Shiomoto, Director, Department of Motor Vehicles
Mr. Robert Crockett, Budget Officer, Department of Motor Vehicles

2740-490—Reappropriation, Department of Motor Vehicles. Notwithstanding any other provision of law, the period to liquidate encumbrances of the following citations is extended to June 30, 2019.

0044—Motor Vehicle Account, State Transportation Fund

(1) Item 2740-001-0044, Budget Act of 2014 (Chs. 25 and 663, Stats. 2014), as reappropriated by Item 2740-490, Budget Act of 2015 (Chs. 10 and 11, Stats. 2015)