



May 14, 2020

Honorable Holly Mitchell, Chair  
Senate Budget and Fiscal Review Committee

Attention: Joe Stephenshaw, Staff Director (2)

Honorable Phil Ting, Chair  
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant (2)

### **Amendments to Various Budget Bill Items and Statutory Changes, Support and Local Assistance, General Government Departments**

On March 4, 2020, the Governor declared a state of emergency to help the state prepare and respond to COVID-19. The impact on the state has resulted in a severe drop in economic activity, with corresponding negative effects on anticipated revenues. As a result of these conditions, all budget change proposals were reevaluated within the context of a workload budget based on the merits of each proposal and ultimately subject to the availability of funding.

As a result, the Administration is withdrawing, without prejudice, specified requests within the General Government area that were included in the 2020-21 Governor's Budget. The Administration is also modifying specified requests in this area that were included in the 2020-21 Governor's Budget. Modifications could include either reductions or increases to specific items or programs, or delaying substantial implementation of a new program or activity. Withdrawn requests are included on **Attachment 1 (See rows 1 through 6)**. Additional details on modified requests are listed below and on **Attachment 1 (See rows 7 through 19)**. To the extent there are corresponding Budget Bill language or statutory changes to withdrawn or modified proposals, these are detailed in **Section 1 of Attachment 2**. Although these proposals have substantial merit and may be resubmitted for future consideration, we must pivot to prioritize immediate COVID-19 related needs.

As noted above, pursuant to Budget Letter 20-08, the Department of Finance conducted a thorough assessment of the most critical funding needs within the general framework of a workload budget, as defined in Government Code Section 13308.05, and based upon revised expected revenues. This assessment not only resulted in the changes described in the preceding paragraph, but also requires a number of new adjustments and requests that are respectfully submitted and detailed below. Funding detail for these adjustments can be found in **Attachment 1 (See rows 20 through 35)**, and any related Budget Bill or statutory language changes associated with these

adjustments can be found in **Section 2 of Attachment 2**. If necessary, additional information may be included in a Budget Change Proposal or other back-up documentation submitted to the Legislature.

Finally, after conducting a review of all 2020-21 Governor's Budget proposals, a number of requests are being sustained. Funding detail for these adjustments can be found on **Attachment 1 (See rows 36 through 56)**.

**Modified Governor's Budget Proposals:**

**Department of Human Resources: Administrative Workload and Funding Modifications—**

It is requested that the following items be adjusted to fund workload related to fiscal services, increased contract costs for the Employee Assistance and SavingsPlus programs, and shift funding sources for the Legal Division:

- Item 7501-001-0001 be decreased by \$995,000 and 2 positions
- Item 7501-001-0821 be decreased by \$2,000
- Item 7501-001-0915 be decreased by \$21,000
- Item 7501-001-9740 be decreased by \$40,000
- Reimbursements be increased by \$822,000

**(See row 7 of Attachment 1)**

**Department of Human Resources: Departmental Data Solutions—**It is requested that the following items be adjusted to fund information technology security workload:

- Item 7501-001-0001 be decreased by \$2,145,000 and 6.9 positions
- Item 7501-001-0821 be decreased by \$1,000
- Item 7501-001-0915 be decreased by \$15,000
- Item 7501-001-9740 be decreased by \$1,138,000 and 1.1 positions
- Reimbursements be decreased by \$692,000

**(See row 8 of Attachment 1)**

**Department of Technology: Statewide Technology Procurement Level of Service —**It is requested that Item 7502-001-9730 be decreased by \$460,000 and 3 positions to reflect reduced workload expectations for technology procurement staff as compared to projections at Governor's Budget. **(See row 9 of Attachment 1)**

**Department of Technology: Workload Increase —**It is requested that Item 7502-001-0001 be decreased by \$458,000 and 3 positions, and that Item 7502-001-9730 be reduced by \$196,000 and 1 position, relative to the Governor's Budget proposal. This will allow the Department of Technology to support critical workload, including efforts on the CA.gov website. **(See row 10 of Attachment 1)**

**Department of Technology: Endpoint Protection Platform —**It is requested Item 7502-001-0001 be decreased by \$5,069,000, and that Item 7502-001-9730 be increased by \$2,535,000 to allow the Department of Technology to recover the cost for

providing state entities with endpoint protection (i.e. data protection and information security). **(See row 11 of Attachment 1)**

**Department of Technology: Security Operations Center and Audit Program Funding**—It is requested Item 7502-001-0001 be decreased by \$15,099,000, and that Item 7502-001-9730 be increased by \$15,099,000 to allow the Department of Technology to continue cost recovery for operational costs to run the Security Operations Center and conduct information security audits. The associated statutory changes amending Government Code Section 11549.3 to allow implementation of the Governor's Budget proposal is being withdrawn. **(See row 12 of Attachment 1)**

**Department of General Services: May Revision Facilities Management Division Elevator Deferred Maintenance**—It is requested that Item 7760-001-0001 be decreased by \$14,196,000 to remove funding and delay the replacement of the elevators in the Hiram Johnson building to a future date. This request does not reduce funding for the replacement of elevators in the Ronald Reagan, Elihu Harris, and Earl Warren buildings. **(See row 13 of Attachment 1 and Section 1 of Attachment 2)**

**Department of General Services: May Revision Electric Vehicle Service Equipment Infrastructure Assessments and Installations**—It is requested that Item 7760-001-0001 be decreased by \$14,956,000 for the performance of site assessments for and installations of electric vehicle service equipment. The request does not reduce the expenditure authority proposed in the Governor's Budget for Item 7760-001-0666 so that site assessments for and installations of electric vehicle service equipment may continue on a cost recovery basis. **(See row 14 of Attachment and Section 1 of Attachment 2)**

**Department of General Services: May Revision Office of Administrative Hearings Special Education Division Workload Increase**—It is requested that Item 7760-001-0666 be decreased by \$1,232,000 for the Office of Administrative Hearings' Special Education Division. The request does not reduce the Governor's Budget proposal to permanently establish 10 currently filled temporary help positions that were administratively established to address increased workload. The effect of this request is the maintenance of appropriate staffing levels without increasing authorized levels of expenditure authority. **(See row 15 of Attachment 1)**

**Office of the State Public Defender: Indigent Defense**—It is requested that Item 8140-001-0001 be decreased by \$1,906,000. **(See row 16 of Attachment 1)**

**Department of Veterans Affairs: Legal Affairs and Investigation Division**—It is requested that Item 8955-001-0001 be decreased by \$901,000 and 5 positions and Item 8955-001-0592 be decreased by \$159,000. **(See row 17 of Attachment 1)**

**Department of Veterans Affairs: Strategic Realignment and Mental Health Support**—It is requested that Item 8955-001-0001 be decreased by \$1,191,000 and 7 positions to reflect the removal of Barstow realignment from the proposal, a one-year delay in realignment implementation, and a six-month delay in the provision of additional mental health support staff. **(See row 18 of Attachment 1)**

**Department of Veterans Affairs: FI\$Cal Workload**—It is requested that Item 8955-001-0001 be decreased by \$398,000 and 4 positions and Item 8955-001-0592 be decreased by \$74,000. **(See row 19 of Attachment 1)**

**New Requests for May Revision:**

**Department of General Services: Real Estate Services Division Implementation of SB 6 and AB 1255**—It is requested that Item 7760-001-0001 be increased by \$1,307,000 and 5 positions in fiscal year 2021-22 to implement a database pursuant to Chapter 667, Statutes of 2019 (SB 6) and Chapter 661, Statutes 2019 (AB 1255). Funding in the amount of \$1,307,000 supports the development and implementation of the database. Of the amount requested, \$208,000 is ongoing and \$794,000 is three-year limited-term funding. The ongoing funding supports a permanent information technology position and database related support expenditures. Limited-term funding supports initial workload related to loading property records manually into the database and updating records annually, as well as fund the remaining 4 positions so that workload may be re-evaluated, as the Department of Housing and Community Development is in the process of developing new standards for the submission of these property records by local governments. **(See row 20 of Attachment 1)**

**Department of General Services: Toxic Substances Control Account Appropriation for Government Claim Payment**—It is requested that Item 7760-001-0557 be increased by \$25,000 to pay a government claim pursuant to Health and Safety Code Section 25372, which authorizes persons to submit claims related to the release of hazardous materials. **(See row 21 of Attachment 1 and Section 2 of Attachment 2)**

**Department of General Services: Funding for Unreimbursed Camp Fire Expenditures**—It is requested that Item 7760-001-0001, Budget Act of 2019 be increased by \$11.7 million to reimburse the Department of General Services for costs incurred in response to the Camp Fire. These costs were incurred as late as February 2020 for clean-up and other activities. **(See row 22 of Attachment 1)**

**Department of General Services: Loan from Disability Access Account to General Fund**—It is requested that Item 7760-011-0006 be added in the amount of \$35 million to authorize the Department of Finance to make a loan to the General Fund from the Disability Access Account. **(See row 23 of Attachment 1 and Section 2 of Attachment 2)**

**Department of General Services: Loan from Public School Planning, Design and Construction Review Revolving Fund to General Fund**—It is requested that Item 7760-011-0328 be added in the amount of \$35 million to authorize the Department of Finance to make a loan to the General Fund from the Public School Planning, Design, and Construction Review Revolving Fund. **(See row 24 of Attachment 1 and Section 2 of Attachment 2)**

**Department of General Services: Loan from Building Standards Administration Special Revolving Fund to General Fund**—It is requested that Item 7760-011-3144 be added in the amount of \$7.4 million to authorize the Department of Finance to make a loan to

the General Fund from the Building Standards Administration Special Revolving Fund. **(See row 25 of Attachment 1 and Section 2 of Attachment 2)**

**Victim Compensation Board: Restitution Fund Provisional Language**—It is requested that provisional language be added to Item 7870-011-0001 to allow the Department of Finance to augment this item if the slowdown in court operations caused by the COVID-19 pandemic results in a decline in fine and fee revenues deposited in the Restitution Fund to a degree that threatens the fund's solvency. **(See row 26 of Attachment 1 and Section 2 of Attachment 2)**

**Commission on Peace Officer Standards and Training: Increased Distance Learning Training Opportunities**—It is requested that Item 8120-490 be added to reappropriate \$10 million in local assistance funds originally authorized in Item 8120-102-0001, Budget Act of 2018. These resources will support the Commission on Peace Officer Standards and Training in establishing a Distance Learning Grant Program, updating the online Learning Portal, and upgrading distance learning courses and materials. These activities will expand online and remote training opportunities for law enforcement to continue critical training while meeting physical distancing requirements. This proposal also includes a fiscal year 2019-20 reversion of savings and associated Budget Bill Language. **(See row 27 of Attachment 1 and Section 2 of Attachment 2)**

**California Arts Council: Reversion of Funding for the Korean American National Museum**—It is requested that Item 8260-495 be added for a fiscal year 2019-20 reversion of savings and associated Budget Bill Language. **(See row 28 of Attachment 1 and Section 2 of Attachment 2)**

**Department of Finance: Safe, Affordable Provision of Utilities**—It is requested that Item 8860-001-0001 be increased by \$10 million to ensure that California is prepared to address the safe, affordable provision of utilities regardless of the outcome of the Pacific Gas and Electric (PG&E) bankruptcy proceedings. PG&E's bankruptcy plan is currently scheduled to be confirmed by the bankruptcy court on or before June 30, 2020, so that the company can exit bankruptcy by September 30, 2020. The funds will be used for legal and financial advisors with specialized knowledge regarding municipal and corporate finance, corporate governance, bankruptcy and utility regulation to advise the state of California and the Governor regarding any legal and financial issues that arise during this critical and complex period in the bankruptcy proceeding. In addition, the consultants will support efforts to develop a contingency plan to facilitate an orderly transition of the utility to new ownership in the event that PG&E is unable to successfully and timely exit bankruptcy. This complex legal and financial work is critical to ensure that the state is prepared to immediately step in if PG&E is unable to exit bankruptcy so that the company can be transitioned to new ownership quickly and in an orderly manner, ideally before the height of the 2021 fire season. **(See row 29 of Attachment 1 and Section 2 of Attachment 2)**

**Military Department: State Network**—It is requested that Item 8940-001-0001 be increased by \$3,914,000 and 9 positions to develop and implement a state information technology network to allow state service members and employees to administer state functions independently of the federal computer network, as the federal government

has issued guidelines requiring state functions to be performed outside of the federal network. **(See row 30 of Attachment 1)**

**Military Department: State Active Duty Compensation Adjustment**—It is requested that Item 8940-001-0001 be increased by \$81,000, Item 8940-001-0890 be increased by \$22,000, and Item 8940-001-3085 be increased by \$1,000 and reimbursements be increased by \$4,000 to align the pay of the Department's State Active Duty employees to the pay of service members of similar grade in the United States Army, Air Force, and Navy. **(See row 31 of Attachment 1)**

**Military Department: Lathrop-Roth Training Complex: Utilities Connection**—It is requested that Item 8940-001-0001 be increased by \$1.8 million on a one-time basis to complete the construction of water, electrical, and sewer utility connections at the Lathrop-Roth Training Complex. The increase will address challenges confronted while designing and constructing the sewer and electrical utility connections. Initial funding for this project was provided in the 2019 Budget Act. **(See row 32 of Attachment 1)**

**Military Department: Reduction to Cadet Corps**—It is requested that Item 8940-001-0001 be decreased by \$6,286,000 and 10 positions to reduce the California Cadet Corps expansion included in the 2018 Budget Act. **(See row 33 of Attachment 1)**

**Department of Veterans Affairs: Closure of Barstow Veterans Home**—It is requested that Item 8955-001-0001 be decreased by \$400,000 and 2 positions to initiate the closure of the Barstow Veterans Home. **(See row 34 of Attachment 1)**

**Department of Veterans Affairs: Reversion of Funding for the Veterans Career Pathways in the City of Los Angeles**—It is requested that Item 8955-496 be added for a fiscal year 2019-20 reversion of savings and associated Budget Bill Language. **(See row 35 of Attachment 1 and Section 2 of Attachment 2)**

If you have any questions or need additional information regarding this matter, please contact the appropriate Principal Program Budget Analyst for that subject matter area.

KEELY MARTIN BOSLER

Director

By:

/s/ Vivek Viswanathan

VIVEK VISWANATHAN

Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee  
Attention: Mark McKenzie, Staff Director  
Honorable Jim Nielsen, Vice Chair, Senate Budget and Fiscal Review Committee  
Attention: Kirk Feely, Budget Fiscal Director  
Honorable Lorena Gonzalez, Chair, Assembly Appropriations Committee  
Attention: Jay Dickenson, Chief Consultant  
Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee  
Attention: Cyndi Hillery, Budget Director  
Honorable Anna M. Caballero, Chair, Senate Budget and Fiscal Review Subcommittee No.4  
Honorable Jim Cooper, Chair, Assembly Budget Subcommittee No. 4  
Honorable Nancy Skinner, Chair, Senate Budget and Fiscal Review Subcommittee No. 5  
Honorable Shirley Weber, Chair, Assembly Budget Subcommittee No. 5  
Honorable Phil Ting, Chair, Assembly Budget Subcommittee No. 6  
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Miles Burnett, Deputy Director, Administration Division, Department of Technology  
Tammy Parkinson, Budget Officer, Department of Technology  
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Jacqueline Champion, Budget Officer, Department of General Services  
Honorable Vito Imbasciani M.D., Secretary, Department of Veterans Affairs  
Russell Atterberry, Undersecretary, Department of Veterans Affairs  
Sherri Gastinell, Deputy Secretary, Administrative Services Division, Department of Veterans  
Affairs  
Patty Ingram, Budget Officer, Department of Veterans Affairs  
Major General David Baldwin, The Adjutant General, California Military Department  
Colonel Craig Sandman, Comptroller, California Military Department  
Lynda Gledhill, Interim Executive Officer, Victim Compensation Board  
Jeannine Fenton, Deputy Executive Officer, Administrative and Finance, Victim  
Compensation Board  
Anne Bown-Crawford, Executive Director, California Arts Council  
Ayanna Kiburi, Deputy Director, California Arts Council  
Manny Alvarez, Executive Director, Commission on Peace Officer Standards and Training  
Maria Sandoval, Assistant Executive Director, Commission on Peace Officer Standards and  
Training  
Scott Campbell, Bureau Chief, Commission on Peace Officer Standards and Training  
Mary McComb, State Public Defender  
Charlene Bennett, Chief of Administration, Office of the State Public Defender

**GB Withdrawn**

Row	BU	Department	BR Title	General Fund BY	Other Funds BY	Positions BY	BBL	TBL	Assembly Consultant	Senate Consultant	LAO Consultant
1	8140	State Public Defender	Withdraw Complex Death Penalty Cases	-978,000	--	-	--	--	CG	JH	BU
2	8260	California Arts Council	Arts Council Investments	-10,500,000	-	-	Yes	--	CG	JS	DS
3	8940	Military Department	Reversion of Funding for Headquarters Relocation Move	-758,000	--	--	--	--	JK	YS	DS
4	8940	Military Department	Reversion of Emergency Preparedness and Response	-3,197,000	--	-21.0	--	--	JK	YS	DS
5	8940	Military Department	Eliminate Military Department from Wildfire Forecast and Threat Intelligence Integration Center (SB 209)	-827,000	--	-5.0	--	--	JK	YS	DS
6	8955	Department of Veterans Affairs	Withdrawal of Facilities Planning and Construction Management Staff	-497,000	--	-3.0	--	--	FB	YS	GBN
<b>Total, GB Withdrawn</b>				<b>-\$16,757,000</b>	<b>\$0</b>	<b>-29.0</b>					



GB Modified

Row	BU	Department	BR Title	General Fund BY	Other Funds BY	Positions BY	BBL	TBL	Assembly Consultant	Senate Consultant	LAO Consultant
7	7501	Department of Human Resources	Administrative Workload and Funding Modifications	-995,000	759,000	-2.0	--	--	GM	AL	GBN
8	7501	Department of Human Resources	Departmental Data Solutions	-2,145,000	-1,846,000	-8.0	--	--	GM	AL	GBN
9	7502	Department of Technology	Statewide Technology Procurement Level of Service	-	-460,000	-3.0	--	--	CG	YS	MN
10	7502	Department of Technology	California Department of Technology Workload Increase	-458,000	-196,000	-4.0	--	--	CG	YS	MN
11	7502	Department of Technology	Endpoint Protection Platform	-5,069,000	2,535,000	-	--	--	CG	YS	MN
12	7502	Department of Technology	Security Operations Center and Audit Program Funding	-15,099,000	15,099,000	-	--	Yes	CG	YS	MN
13	7760	Department of General Services	May Revision Facilities Management Division Elevator Deferred Maintenance	-14,196,000	-	-	Yes	--	CG	YS	HK
14	7760	Department of General Services	May Revision Electric Vehicle Service Equipment Assessments and Infrastructure	-14,956,000	-	-	Yes	--	CG	YS	HK
15	7760	Department of General Services	May Revision Office of Administrative Hearings Special Education Division Workload Increase	-	-1,232,000	-	--	--	CG	YS	HK
16	8140	State Public Defender	Modify Indigent Defense	-1,906,000	--	-10.0	--	--	JK	CF	DS
17	8955	Department of Veterans Affairs	Adjustment to Legal Affairs and Investigation Division Staffing	-901,000	-159,000	-5.0	--	--	FB	YS	GBN
18	8955	Department of Veterans Affairs	Adjustment to Strategic Realignment and Mental Health Support	-1,191,000	--	-7.0	--	--	FB	YS	GBN
19	8955	Department of Veterans Affairs	Adjustment to FISCAL Workload	-398,000	-74,000	-4.0	--	--	FB	YS	GBN
<b>Total, GB Modified</b>				<b>-\$57,314,000</b>	<b>\$14,426,000</b>	<b>-43.0</b>					

New May Revision BCPs

Row	BU	Department	BR Title	General Fund BY	Other Funds BY	Positions BY	BBL	TBL	Assembly Consultant	Senate Consultant	LAO Consultant
20	7760	Department of General Services	Real Estate Services Division Implementation of SB 6 and AB 1255	-	-	-	--	--	CG	YS	HK
21	7760	Department of General Services	Toxic Substances Control Account Appropriation for Government Claim Payment	-	25,000	0.0	Yes	--	CG	YS	HK
22	7760	Department of General Services	Funding for Unreimbursed Camp Fire Expenditures	-	-	-	--	--	CG	YS	HK
23	7760	Department of General Services	Loan from Disability Access Account (0006) to General Fund (0001) per Item 7760-011-0006, Budget Act 2020	-	-35,000,000	-	Yes	--	CG	YS	HK
24	7760	Department of General Services	Loan from Public School Planning, Design and Construction Review Revolving Fund (0328) to General Fund (0001) per Item 7760-011-0328, Budget Act of 2020	-	-35,000,000	-	Yes	--	CG	YS	HK
25	7760	Department of General Services	Loan from Building Standards Administration Special Revolving Fund (3144) to General Fund (0001) per Item 7760-011-3144, Budget Act of 2020	-	-7,400,000	-	Yes	--	CG	YS	HK
26	7870	California Victim Compensation Board	Restitution Fund Provisional Language	-	-	-	Yes	--	JK	YS	DS
27	8120	Commission on Peace Officer Standards and Training	Increased Distance Learning Training Opportunities (Reappropriation)	10,000,000	-	-	Yes	--	JK	CF	DS
28	8260	California Arts Council	Reversion of Funding for the Korean American National Museum	-	-	-	Yes	--	CG	JS	DS
29	8860	Department of Finance	Safe, Affordable Provision of Utilities	10,000,000	--	--	Yes	--	CG	JS	CBN
30	8940	Military Department	CMD State Network	3,914,000	--	9.0	--	--	JK	YS	DS
31	8940	Military Department	State Active Duty Compensation Adjustment	81,000	27,000	--	--	--	JK	YS	DS
32	8940	Military Department	Lathrop-Roth Training Complex: Utilities Connection	1,800,000	--	--	--	--	JK	YS	DS
33	8940	Military Department	Reduction to Cadet Corps	-6,286,000	--	-10.0	--	--	JK	YS	DS
34	8955	Department of Veterans Affairs	Closure of Barstow Veterans Home	-400,000	--	-2.0	--	--	FB	YS	GBN
35	8955	Department of Veterans Affairs	Reversion of Funding for the Veterans Career Pathways in the City of Los Angeles	-	--	-	Yes	--	FB	YS	GBN
<b>Total, New May Revision BCPs</b>				<b>\$19,109,000</b>	<b>-\$77,348,000</b>	<b>-3.0</b>					

GB Sustain

Row	BU	Department	BR Title	General Fund BY	Other Funds BY	Positions BY	BBL	TBL	Assembly Consultant	Senate Consultant	LAO Consultant
36	0511	Government Operations Agency	Funding Realignment BCP	252,000	-252,000	-	--	--	CG	YS	BU
37	0511	Government Operations Agency	Workload BCP	286,000	450,000	3.0	--	--	CG	YS	BU
38	7501	Department of Human Resources	Creation of Childcare Bargaining Division (AB 378)	1,341,000	--	6.0	--	--	GM	AL	GBN
39	7502	Department of Technology	California Cybersecurity Integration Center	1,268,000	-	-	--	--	CG	YS	MN
40	7760	Department of General Services	California Commission on Disability Access	700,000	-	2.0	--	--	CG	YS	HK
41	7760	Department of General Services	Facilities Management Division Fire Alarm System Deferred Maintenance	23,600,000	-	-	Yes	--	CG	YS	HK
42	7760	Department of General Services	Statewide Emergency Management Functions	-	295,000	2.0	--	--	CG	YS	HK
43	7760	Department of General Services	Enterprise Technology Solutions Permanent Positions	-	-	9.0	--	--	CG	YS	HK
44	7760	Department of General Services	California Pharmaceutical Collaborative Local Outreach	-	723,000	4.0	--	--	CG	YS	HK
45	7760	Department of General Services	Contracted Fiscal Services Workload Increase	710,000	1,570,000	15.0	--	--	CG	YS	HK
46	7760	Department of General Services	Shift Funding Source for School Facilities Program Administration	-	-	-	--	--	CG	YS	HK
47	7870	California Victim Compensation Board	Restitution Fund Backfill	23,500,000	-26,500,000	--	Yes	--	JK	YS	DS
48	7910	Office of Administrative Law	Right-size Funding for Staff and Contracted Services	386,000	258,000	1.0	--	--	GM	YS	GBN
49	8620	Fair Political Practices Commission	Contribution Limits (AB 571)	932,000	-	6.0	--	--	GM	YS	GBN
50	8820	Commission on the Status of Women and Girls	New Office Space	288,000	--	--	--	--	CG	YS	GBN
51	8820	Commission on the Status of Women and Girls	Position Authority to Implement SB 24	--	--	4.0	--	--	CG	YS	GBN
52	8940	Military Department	California Cybersecurity Integration Center	1,231,000	--	8.0	--	--	JK	YS	DS
53	8955	Department of Veterans Affairs	CalVet Electronic Health Record Project	1,195,000	--	--	--	--	FB	YS	GBN
54	8955	Department of Veterans Affairs	Funding for the California Central Coast Veterans Cemetery Phase II	356,000	--	2.4	--	--	FB	YS	GBN
55	8955	Department of Veterans Affairs	Care Staffing and Operations	7,322,000	--	2.0	--	--	FB	YS	GBN
56	8955	Department of Veterans Affairs	Cemetery Staffing	127,000	--	1.0	--	--	FB	YS	GBN
<b>Total, GB Sustain</b>				<b>\$63,494,000</b>	<b>-\$23,456,000</b>	<b>65.4</b>					

## **Section 1**

### **Provisional and statutory changes for withdrawn and modified Governor's Budget proposals:**

1. *Department of Technology: Security Operations Center and Audit Program Funding.* Statutory changes as identified in RN 20 05890 dated January 31, 2020, are withdrawn **(See row 12 of Attachment 1)**.
2. *Department of General Services: Facilities Management Division funding decrease for elevator deferred maintenance* **(See row 13 of Attachment 1)**. To effectuate the withdrawal of funding for the Hiram Johnson Building elevator deferred maintenance, the following Budget Bill language change is necessary:

Provision 4 of Item 7760-001-0001 is amended to read:

"4. Of the amount appropriated in Schedule (1) of this item, ~~\$56,433,000~~ \$42,237,000 is for state building elevator repair and replacement projects. This funding is available for these projects only as each discrete project design is completed by the Department of General Services and as each discrete project cost is reviewed by the Department of Finance. Should these project costs total less than ~~\$56,433,000~~ \$42,237,000, the difference between total project costs and the amount made available pursuant to Provision 4 of this item shall revert to the General Fund."

3. *Department of General Services: Office of Sustainability funding decrease for electric vehicle service equipment assessments and installations* **(See row 14 Attachment 1)**. To effectuate the reduction in funding for these activities, the following Budget Bill language change is necessary:

Provision 6 of Item 7760-001-0001 is eliminated.

4. *California Arts Council: Arts Council Investments* **(See row 2 of Attachment 1)**. To effectuate the withdrawal of this proposal, the following Budget Bill language changes are necessary:

Item 8260-103-0001 is eliminated.

## **Section 2**

### **Provisional and statutory changes for new May Revision Budget Change Proposals:**

1. *Department of General Services: To effectuate the payment of a government claim approved pursuant to Health and Safety Code Section 25372, it is requested that the following item be added* **(See row 21 Attachment 1)**:

Item 7760-001-0557—For support of Department of General Services, payable from the Toxic Substances Control Account..... 25,000

Schedule:

(1) 6330037-Legal Services ..... 25,000

2. *Department of General Services*: To effectuate a loan to the General Fund from the Disability Access Account, it is requested that the following item be added **(See row 23 Attachment 1)**:

Item 7760-011-0006—For transfer by the Controller, upon order of the Department of Finance, from the Disability Access Account, to the General Fund .....(35,000,000)

Provisions:

1. The Department of Finance may transfer up to \$35,000,000 as a loan to the General Fund. The Department of Finance shall order the repayment of all or a portion of the loan if it determines that either of the following circumstances exists: (a) the fund or account from which the loan was made has a need for the moneys, or (b) there is no longer a need for the moneys in the fund or account that received the loan. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account at the time of transfer.
3. *Department of General Services*: To effectuate a loan to the General Fund from the Public School Planning, Design, and Construction Review Revolving Fund, it is requested that the following item be added **(See row 24 Attachment 1)**:

Item 7760-011-0328—For transfer by the Controller, upon order of the Department of Finance, from the Public School Planning, Design, and Construction Review Revolving Fund, to the General Fund ..... (35,000,000)

Provisions:

1. The Department of Finance may transfer up to \$35,000,000 as a loan to the General Fund. The Department of Finance shall order the repayment of all or a portion of the loan if it determines that either of the following circumstances exists: (a) the fund or account from which the loan was made has a need for the moneys, or (b) there is no longer a need for the moneys in the fund or account that received the loan. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account at the time of transfer.

4. *Department of General Services*: To effectuate a loan to the General Fund from the Building Standards Administration Special Revolving Fund, it is requested that the following Budget Bill item be established **(See row 25 Attachment 1)**:

Item 7760-011-3144– For transfer by the Controller, upon order of the Department of Finance, from the Building Standards Administration Special Revolving Fund, to the General Fund ..... (7,400,000)

Provisions:

1. The Department of Finance may transfer up \$7,400,000 as a loan to the General Fund. The Department of Finance shall order the repayment of all or a portion of the loan if it determines that either of the following circumstances exists: (a) the fund or account from which the loan was made has a need for the moneys, or (b) there is no longer a need for the moneys in the fund or account that received the loan. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account at the time of transfer.
5. *Victim Compensation Board*: Restitution Fund Provisional Language **(See row 26 of Attachment 1)**. Add the following provision to Item 7870-011-0001:
    1. Upon order of the Department of Finance, the amount available for transfer in this item may be increased by an amount sufficient to backfill the Restitution Fund if a determination is made that revenues are insufficient to support the Victim Compensation Board.
6. *Commission on Peace Officer Standards and Training*: Increased Distance Learning Training Opportunities **(See row 27 of Attachment 1)**. Add the following items:

8120-490—Reappropriation, Commission on Peace Officer Standards and Training. The amount specified in the following citations are reappropriated for the purposes specified below and shall be available for encumbrance or expenditure until June 30, 2021:

0001—General Fund

    - (1) \$10,000,000 in Item 8120-102-0001, Budget Act of 2018 for the purpose of establishing a Distance Learning Grant Program and increasing distance learning courses, videos, and resources available to local law enforcement.

8120-495—Reversion, Commission on Peace Officer Standards and Training. As of June 30, 2020, the balances specified below, of the appropriations provided in the following citations shall revert to the balances in the funds from which the appropriations were made.

0001—General Fund

(1) Item 8120-102-0001, Budget Act of 2019. Up to \$15,000,000 appropriated in Program 6510-Peace Officer Training.

(1) Item 8120-103-0001, Budget Act of 2016. Up to \$1,500,000 appropriated in Program 6510-Peace Officer Training.

7. *California Arts Council*: It is requested that the following budget bill item be established:

Item 8260-495—California Arts Council. As of June 30, 2020, 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 **(See row 28 of Attachment 1)**.

0001—General Fund

(1) Item 8260-103-0001, Budget Act of 2019

8. *Department of Finance: Safe, Affordable Provision of Utilities* **(See row 29 of Attachment 1)**. Add the following provision to Item 8860-001-0001:

7. Notwithstanding any other law, the Director of Finance is authorized to contract with auditors, lawyers, and other types of advisors and consultants to assist, advise, and represent the director and the Department of Finance in any issue related to public utility liability, the Pacific Gas and Electric bankruptcy, and alternatives for the safe, affordable provision of utilities. The resulting contracts for services shall not require the review, consent, or approval of the Department of General Services or any other state department or agency as they need not comply with requirements under the State Contracting Manual, the Public Contract Code, the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code, or any other law that otherwise would apply. Those contracts for services may include those terms and conditions that the Director of Finance finds to be in the state's best interest.

8. *Department of Veterans Affairs*: It is requested that the following item be added:

Item 8955-496—Reversion, Department of Veterans Affairs. As of June 30, 2020, 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 **(See row 35 of Attachment 1)**.

0001—General Fund

(1) Item 8955-102-0001, Budget Act of 2019