



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)

**Amendment to and Addition of Various Budget Bill Items, Support and Local Assistance, Office of Emergency Services**

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 related the Office of Emergency Services 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 Withdrawn requests are included on **Attachment 1 (See rows 1 through 4)**. Additional details on modified requests are listed below and on **Attachment 1 (See rows 5 and 7)**. To the extent there are corresponding Budget Bill language for withdrawn or modified proposals, these are detailed in **Section 1 of Attachment 2**.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 8 through 10)**, and any related Budget Bill 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 11 through 16).**

**Modified Governor's Budget Proposals:**

**Modification of Seismic Safety Commission Transfer**—It is requested that Item 0690-001-0001 be decreased by \$446,000 and 1 position to reflect reduced General Fund resources for this proposal. **(See rows 5 of Attachment 1)**

**Modification of California Earthquake Early Warning System**—It is requested that Item 0690-012-0001 be eliminated and Item 0690-011-0347 be added to reflect shifting the source of the \$17,283,000 loan to the California Earthquake Safety Fund. This action will provide a loan from the School Land Bank Fund instead of the General Fund, as was originally proposed in the Governor's Budget. **(See row 6 of Attachment 1 and Section 1 of Attachment 2)**

**Modification of Wildfire Forecast and Threat Intelligence Integration Center (SB 209)**—It is requested that Item 0690-001-0001 be decreased by \$359,000 and 5 positions, which will result in \$2 million for this proposal. Provisional language is also requested to allow this remaining funding to be allocated, upon the order of the Department of Finance, to other state entities, as necessary, to support the purposes of this proposal. Overall, the total May Revision reduction for this proposal across all agencies is \$6,794,000 General Fund, \$191,000 Public Utilities Commission Utilities Reimbursement Account, and 22 positions. The corresponding reductions for the California Military Department, Department of Forestry and Fire Protection, and Public Utilities Commission are reflected in their respective May Finance Letters. **(See row 7 of Attachment 1 and Section 1 of Attachment 2)**

**New Requests for May Revision:**

**California Disaster Assistance Act Adjustment**—It is requested that Item 0690-112-0001 be increased by \$21,499,000 to reflect updated California Disaster Assistance Act (CDAA) projections. CDAA is a disaster assistance program administered by the Office of Emergency Services that provides financial assistance to local governments for costs incurred as a result of a disaster. Because it is difficult to estimate the annual CDAA need, this appropriation is adjusted at both Governor's Budget and May Revision, as updated projections are available. **(See row 8 of Attachment 1)**

**Reversion of Legislative Investments**—It is requested that Item 0690-101-0001 be decreased by \$5 million and Item 0690-495 be added to revert the unencumbered

balances of various 2019 legislative investments. **(See row 9 of Attachment 1 and Section 2 of Attachment 2)**

**Nuclear Planning Assessment Special Account Consumer Price Index Technical Adjustment**—It is requested that Item 0690-001-0029 be increased by \$15,000 and Item 0690-101-0029 be increased by \$75,000, a total increase of \$90,000, for a consumer price index adjustment allowable under Government Code Section 8610.5(e). **(See row 10 of Attachment 1)**

If you have any questions or need additional information regarding this matter, please contact Stephen Benson, Principal Program Budget Analyst, at (916) 324-0043.

KEELY MARTIN BOSLER  
Director  
By:

/s/ Vivek Viswanathan

VIVEK VISWANATHAN  
Chief Deputy Director

Attachment

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 Bob Wieckowski, Chair, Senate Budget and Fiscal Review Subcommittee No. 2  
Honorable Richard Bloom, Chair, Assembly Budget Subcommittee No. 3  
Honorable Anna M. Caballero, Chair, Senate Budget and Fiscal Review Subcommittee No. 4  
Honorable Nancy Skinner, Chair, Senate Budget and Fiscal Review Subcommittee No. 5  
Honorable Shirley Weber, Chair, Assembly Budget Subcommittee No. 5  
Gabriel Petek, Legislative Analyst (4)  
Christopher W. Woods, Senate President pro Tempore's Office (2)  
Jason Sisney, Assembly Speaker's Office (2)  
Jayme Chick, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office  
Alex Khan, Chief Consultant, Assembly Republican Leader's Office  
Mark Ghilarducci, Director, Office of Emergency Services  
Christina Curry, Chief Deputy Director, Office of Emergency Services  
Tim Perry, Chief of Staff, Office of Emergency Services  
Tabitha Stout, Deputy Director of Finance and Administration, Office of Emergency Services

**GB WITHDRAWN ISSUES**

Row	Entity	Department	BR Title	General Fund	Other Funds	Positions	BBL	TBL	Assembly Consultant	Senate Consultant	LAO Consultant
1	BU 0690	Office of Emergency Services	Withdrawal of Statewide Smart 9-1-1 Feasibility Study (AB 911)	--	-350,000	--	No	Yes	JK	YS	DS
2	BU 0690	Office of Emergency Services	Withdrawal of FISCAL Resources	-1,367,000	--	-8.0	No	No	JK	YS	DS
3	BU 0690	Office of Emergency Services	Withdraw Funding for Wildfire Mitigation Financial Assistance Pilot Program (AB 38)	-25,839,000	-75,000,000	-4.0	Yes	No	JK	YS	DS
4	BU 0690	Office of Emergency Services	Withdraw Funding for Sexual Assault: Medical Evidentiary Examinations (AB 538)	-310,000	--	--	No	No	JK	YS	DS
<b>Totals, GB Withdrawn Issues</b>				-27,516,000	-75,350,000	-12.0					

**GB MODIFIED ISSUES**

Row	Entity	Department	BR Title	General Fund	Other Funds	Positions	BBL	TBL	Assembly Consultant	Senate Consultant	LAO Consultant
5	BU 0690	Office of Emergency Services	Modification of Seismic Safety Commission Transfer	-446,000	--	-1.0	No	Yes	JK	YS	DS
6	BU 0690	Office of Emergency Services	Modification of California Earthquake Early Warning System	-17,283,000	17,283,000	0.0	Yes	No	JK	YS	DS
7	BU 0690	Office of Emergency Services	Modification of Wildfire Forecast and Threat Intelligence Integration Center (SB 209)	-359,000	--	-5.0	Yes	No	JK	YS	DS
<b>Totals, GB Modified Issues</b>				-18,088,000	17,283,000	-6.0					

**NEW MR BCP ISSUES**

Row	Entity	Department	BR Title	General Fund	Other Funds	Positions	BBL	TBL	Assembly Consultant	Senate Consultant	LAO Consultant
8	BU 0690	Office of Emergency Services	California Disaster Assistance Act Adjustment	21,499,000	--	--	No	No	JK	YS	DS
9	BU 0690	Office of Emergency Services	Reversion of Legislative Investments	-5,000,000	0	--	Yes	No	JK	YS	DS
10	BU 0690	Office of Emergency Services	Nuclear Planning Assessment Special Account Consumer Price Index Technical Adjustment	--	90,000	--	No	No	JK	YS	DS

Row	Entity	Department	BR Title	General Fund	Other Funds	Positions	BBL	TBL	Assembly Consultant	Senate Consultant	LAO Consultant
<b>Totals, New MR BCP Issues</b>				16,499,000	90,000	0.0					

**GB SUSTAIN ISSUES**

Row	Entity	Department	BR Title	General Fund	Other Funds	Positions	BBL	TBL	Assembly Consultant	Senate Consultant	LAO Consultant
11	BU 0690	Office of Emergency Services	Disaster Planning, Preparedness, and Response	9,164,000	255,000	50.0	No	No	JK	YS	DS
12	BU 0690	Office of Emergency Services	Relocation of Resources Building Communication Site	929,000	--	--	No	No	JK	YS	DS
13	BU 0690	Office of Emergency Services	California Cybersecurity Integration Center	7,585,000	--	12.0	No	No	JK	YS	DS
14	BU 0690	Office of Emergency Services	Telecommunications Community Isolation Outages (SB 670)	--	311,000	1.0	No	No	JK	YS	DS
15	BU 0690	Office of Emergency Services	California Disaster Assistance Act Adjustment	16,704,000	--	--	No	No	JK	YS	DS
16	BU 0690	Office of Emergency Services	Community Power Resiliency	50,000,000	--	--	No	No	JK	YS	DS
<b>Totals, GB Sustain Issues</b>				84,382,000	566,000	63.0					

**Section 1**

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

1. *Office of Emergency Services*: Withdrawal of Wildfire Mitigation Financial Assistance Pilot Program (AB 38) **(See row 3 of Attachment 1)**. To effectuate the withdrawal of funding for this proposal, the following Budget Bill language changes are necessary:

Provision 6 of Item 0690-101-0001 and Provision 2 of Item 0690-101-0890 are eliminated.

2. *Office of Emergency Services*: Modification of California Earthquake Early Warning System **(See row 6 of Attachment 1)**. To effectuate the modification of this proposal, the following Budget Bill language changes are necessary:

Item 0690-012-0001 is eliminated and Item 0690-011-0347 is added to read:

0690-011-0347—For transfer by the Controller, upon order of the Department of Finance, from the School Land Bank Fund to the California Earthquake Safety Fund as a loan.....(17,283,000)

Provisions:

1. Upon order of the Department of Finance, the Controller shall transfer \$17,283,000 from the School Land Bank Fund as a loan to the California Earthquake Safety Fund, which will be repaid upon order of the Department of Finance. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account at the time of transfer.
3. *Office of Emergency Services*: Modification of Wildfire Forecast and Threat Intelligence Integration Center (SB 209) **(See row 7 of Attachment 1)**. To effectuate the modification of this proposal, the following Budget Bill language changes are necessary:

Add Provisions 2 and 3 to Item 0690-001-0001 to read:

2. \$2,000,000 in Schedule (1) is for implementation of the Wildfire Forecast and Threat Intelligence Integration Center, pursuant to Chapter 405 of the Statutes of 2019 (SB 209). No portion of this funding may be encumbered or expended until the Department of Finance has approved a strategy and spending plan submitted by the Office of Emergency Services for this proposal.
3. Upon order of the Department of Finance, any portion of the \$2,000,000 appropriated in this item for implementation of the Wildfire Forecast and

Threat Intelligence Integration Center, pursuant to Chapter 405 of the Statutes of 2019 (SB 209) may be transferred to any other state entity to support activities related to that purpose.

## **Section 2**

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

4. *Office of Emergency Services*: Reversion of Legislative Investments (**See row 9 of Attachment 1**). Provision 5 of Item 0690-101-0001 is eliminated and add the following item:

0690-495—Office of Emergency Services. As of June 30, 2020, the balances specified below, of the appropriations provided in the following citations shall revert to the fund balances of the funds from which the appropriations were made.

0001—General Fund

- (1) (a) Item 0690-101-0001, Budget Act of 2019. Up to \$5,000,000 appropriated in Program 0385-Special Programs and Grant Management, appropriated for Internet Crimes Against Children Task Forces pursuant to Provision 5 of that item.
- (b) Item 0690-101-0001, Budget Act of 2019. Up to \$5,000,000 appropriated in Program 0385-Special Programs and Grant Management, appropriated for school safety and communications interoperability technology grants pursuant to Provision 6 of that item.
- (c) Item 0690-101-0001, Budget Act of 2019. Up to \$5,000,000 appropriated in Program 0385-Special Programs and Grant Management, appropriated for domestic and sexual violence prevention efforts pursuant to Provision 14 of that item.
- (d) Item 0690-101-0001, Budget Act of 2019. Up to \$6,670,000 appropriated in Program 0385-Special Programs and Grant Management, appropriated for the Office of Emergency Service's Homeless Youth Emergency Services and Housing Program pursuant to Provision 16 of that item.
- (2) Item 0690-105-0001, Budget Act of 2019. Up to \$10,000,000 appropriated in Program 0385-Special Programs and Grant Management, appropriated for the California Health Center Security Grant Program pursuant to Provision 1 of that item.