



April 1, 2022

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Joe Stephenshaw, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Budget Bill Item 1115-001-3288, Support, Department of Cannabis Control

It is requested that provisional language be added to Item 1115-001-3288 to allow for current year expenditure adjustments, upon the Legislature's approval, for potential increased costs associated with proprietary plant and package radio frequency identification tags. These tags are part of regulatory compliance with the California Cannabis Track and Trace system, and are used to track the movement of legal cannabis and cannabis products through the supply chain from seed to sale. The licensees order the identification tags through the California Track and Trace-Metric system themselves, so the Department of Cannabis Control does not control the rate or volume at which tag expenditures are made. The suggested Budget Bill Language (see Attachment 1), provides flexibility for the Department of Finance to augment the Department of Cannabis Controls' expenditure authority as needed to match Track and Trace tag order trends.

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 Kimberly Harbison, Principal Program Budget Analyst, at (916) 966-9790.

KEELY MARTIN BOSLER

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: On the 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, Fiscal Director

Honorable Chris R. Holden, Chair, Assembly Appropriations Committee

Attention: Jay Dickenson, Chief Consultant

Honorable Vince Fong, Vice Chair, Assembly Budget Committee

Attention: Joseph Shinstock, Fiscal Director

Honorable Sydney K. Kamlager, Chair, Senate Budget and Fiscal Review Subcommittee No. 4

Honorable Wendy Carrillo, Chair, Assembly Budget Subcommittee No. 4

Gabriel Petek, Legislative Analyst

Christopher W. Woods, Senate President pro Tempore's Office

Jason Sisney, Assembly Speaker's Office

Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office

Katja Townsend, Capitol Director, Assembly Republican Leader's Office

Luigi Luciano, Legislative Director, Assembly Republican Leader's Office

Lourdes M. Castro Ramírez, Secretary, Business, Consumer Services, and Housing Agency

Melinda Grant, Undersecretary, Business, Consumer Services, and Housing Agency

Tiffany Garcia, Deputy Secretary, Fiscal Policy and Administration, Business, Consumer Services,
and Housing Agency

Brian Skewis, Budget Manager, Business, Consumer Services, and Housing Agency

Nicole Elliott, Director, Department of Cannabis Control

Rasha Salama, Chief Deputy Director, Department of Cannabis Control

Melissa Edison, Deputy Director of Administration, Department of Cannabis Control

Tanya Silva, Branch Chief, Financial Management, Department of Cannabis Control

Add the following provision to Item 1115-001-3288:

2. The Department of Finance may augment this item by an amount not to exceed available funding in the Cannabis Control Fund, after review of a request submitted by the Department of Cannabis Control that demonstrates a need for additional resources for proprietary plant and package tags for the California Cannabis Track and Trace program associated with the implementation of the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) as specified in Chapter 27 of the Statutes of 2017. Any augmentation shall be authorized not sooner than 30 days after notification in writing to the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson, or their designee, may determine. The written notification to the chairperson for funds for proprietary plant and package tags shall include: (a) the total costs needed and (b) a description of the impacts and factors creating the need for additional funds.



April 1, 2022

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Joe Stephenshaw, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Budget Bill Item 1700-001-0001, Support, Department of Fair Employment and Housing

Enforcement Investigation and Conciliation Enhancements—It is requested that Item 1700-001-0001 be increased by \$1,442,000 to provide limited-term funding through fiscal year 2024-25 to decrease the wait time between complaint intakes and investigative appointments, and to increase the number of complaints successfully mediated and settled by investigators.

Information Technology Workload Support—It is requested that Item 1700-001-0001 be increased by \$521,000 and 3 positions to provide ongoing information technology and information security workload resources.

Administrative Resources—It is requested that Item 1700-001-0001 be increased by 1 position ongoing to provide support for the implementation of a Statewide Hate Crime Hotline. The 2021 Budget Act included \$10 million one-time available until June 30, 2025 for the Department of Fair Employment and Housing to administer and implement a Statewide Hate Crime Hotline, which will fund this position. This request modifies the department's Administrative Resources Budget Change Proposal included in the Governor's Budget.

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 Andrew March, Principal Program Budget Analyst, at (916) 445-3274.

KEELY MARTIN BOSLER
Director
By:

/s/ Erika Li

ERIKA LI
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, Fiscal Director
Honorable Chris R. Holden, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Sydney K. Kamlager, Chair, Senate Budget and Fiscal Review Subcommittee
No. 4
Honorable Wendy Carrillo, Chair, Assembly Budget Subcommittee No. 4
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Sasha Kergan, Deputy Secretary of Housing and Consumer Relations, Business, Consumer
Services, and Housing Agency
Tiffany Garcia, Deputy Secretary of Fiscal Policy and Administration, Business, Consumer
Services, and Housing Agency
Kevin Kish, Director, Department of Fair Employment and Housing
Mary Wheat, Chief Deputy Director, Department of Fair Employment and Housing
Mike Miller, Deputy Director of Administration, Department of Fair Employment and
Housing



April 1, 2022

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Joe Stephenshaw, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Budget Bill Item 1701-001-0001, State Operations, and Addition of Item 1701-102-0001, Local Assistance, Department of Financial Protection and Innovation

Student Loan Borrower Assistance Program—It is requested that Item 1701-001-0001 be decreased by \$4,250,000 one-time and Item 1701-102-0001 be increased by \$4,250,000 one-time to shift some of the funding included in the Governor’s Budget from State Operations to Local Assistance that will be used to support grants offered through the Student Loan Borrower Assistance Program. This grant funding will connect borrowers to community-based organizations and legal aid groups that will be able to provide individual case management, and inform, advise, and assist student borrowers across the state.

It is further requested that provisional language in Item 1701-001-0001 and Item 1701-102-0001 be added to conform to this action (see Attachment 1 and Attachment 2).

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 Kimberly Harbison, Principal Program Budget Analyst, at (916) 996-9790.

KEELY MARTIN BOSLER
Director
By:

/s/ Erika Li

ERIKA LI
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, Fiscal Director
Honorable Chris R. Holden, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Sydney K. Kamlager, Chair, Senate Budget and Fiscal Review Subcommittee
No. 4
Honorable Wendy Carrillo, Chair, Assembly Budget Subcommittee No. 4
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Lourdes M. Castro Ramirez, Secretary, Business, Consumer Services, and Housing Agency
Melinda Grant, Undersecretary, Business, Consumer Services, and Housing Agency
Tiffany Garcia, Deputy Secretary, Fiscal Policy and Administration, Business, Consumer
Services, and Housing Agency
Brian Skewis, Budget Manager, Business, Consumer Services, and Housing Agency
Clothilde Hewlett, Commissioner, Department of Financial Protection and Innovation
Christopher Schultz, Chief Deputy Commissioner, Department of Financial Protection and
Innovation
Betsy Barnhart, Deputy Commissioner Administration, Department of Financial Protection
and Innovation
April Levens, Budget Officer, Department of Financial Protection and Innovation

"1701-001-0001 For support of Department of Financial Protection and Innovation
~~10,000,000~~ 5,750,000

Schedule:

(1) 1520-Licensing and Supervision of Banks and Trust Companies

~~10,000,000~~ 5,750,000

Provision:

1. The amount appropriated in this item is available for the Student Loan Borrower Assistance Program to create a statewide marketing and communication campaign focused on student borrower education and outreach.
2. Of the amount appropriated in Schedule (1), up to \$750,000 may be used by the Department of Financial Protection and Innovation for the administration, marketing, and communication campaign of the Student Loan Borrower Assistance Program, including the grant program authorized by 1701-102-0001.
3. The amount appropriated in this item shall be available for encumbrance or expenditure until June 30, 2024."

1701-102-0001 For Local Assistance

4,250,000

Schedule:

- (1) 1520-Licensing and Supervision of Banks and Trust Companies
4,250,000

Provisions:

1. The amount appropriated in this item is available to provide grants to educate and assist student borrowers and provide access to legal aid groups and community-based organizations.
 - (a) The Department of Financial Protection and Innovation shall administer an application process for grants designated for the Student Loan Borrower Assistance Program or shall designate an independent third party to do so on the Department's behalf. To be eligible for selection by the Department to administer the grant program, an independent third party must cap its administrative fees at no more than 10 percent of the grant moneys it administers on the department's behalf.
 - (b) An applicant shall apply to the Department or to an independent third party designated by the Department for a grant in a form and manner prescribed by the Department or the independent third party. To be eligible for a grant, an applicant must meet both of the following criteria:
 - (1) The organization is exempt from federal income taxes under the Internal Revenue Code.
 - (2) No part of the net earnings of the organization shall inure to the benefit of a private shareholder or individual.
 - (c) Each applicant shall submit the following information with the application:
 - (1) Current tax-exempt status of the organization under Internal Revenue Code and the organization's determination letter issued by the Internal Revenue Service.
 - (2) Other types of documentation determined by the Department of Financial Protection and Innovation as outlined in the guidelines posted to their website.
 - (d) A grantee shall only use grant moneys for the following purposes:
 - (1) Designing, developing, or offering, free of charge to student loan borrowers, classroom- or web-based financial education and empowerment content intended to help borrowers manage their student loans, access federal repayment and forgiveness benefits, or lower their debt balance.
 - (2) Providing individualized, free financial coaching or direct legal services to student loan borrowers.
 - (e) A grantee shall use no more than 15 percent of its grant to cover its administrative costs. Failure to comply with this requirement shall render the organization ineligible for future grant programs or contracts with Department of Financial Protection and Innovation.
 - (f) Every project funded with a grant shall meet all of the following criteria:
 - (1) Promote and enhance the economic security of student loan borrowers.

(2) Adhere to the five principles of effective financial education described in the June 14, 2017 report, "Effective Financial Education: Five Principles and How to Use Them," issued by the federal Consumer Financial Protection Bureau.

(3) Include one or more specific outcome targets.

(4) Include an evaluation component designed to measure and document the extent to which the project achieves its intended outcomes and increases student loan borrowers' financial well-being.

(g) Each grantee shall submit a report, in a form and by a date acceptable to the Department, documenting how the grant funds were used and the number of individuals aided, and providing quantitative results of the impact of grant funding. Failure to submit a report shall render the organization ineligible for future grant programs or contracts with Department of Financial Protection and Innovation.

2. The Department of Financial Protection and Innovation may review, adopt, amend, and repeal guidelines to implement uniform standards, criteria, requirements, or forms that supplement or clarify the terms, references, or standards set forth in this item. In administering the grant program in this item, the Department shall not be subject to the rulemaking provisions of the Administrative Procedures Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).
3. The amount appropriated in this item shall be available for encumbrance or expenditure until June 30, 2024.



April 1, 2022

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Joe Stephenshaw, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to and Addition of Various Budget Bill Items, Support and Local Assistance, Department of Housing and Community Development

HOME Investment Partnerships Program - American Rescue Plan—It is requested that Item 2240-001-0890 be increased by \$2,883,000 and 15 positions ongoing and that Item 2240-101-0890 be increased by \$131,939,000 on a one-time basis to implement the federal HOME Investment Partnerships Program included in the American Rescue Plan Act. It is also requested that provisional language be included to provide an extended encumbrance period for the local assistance funding to September 30, 2030. Additionally, it is requested that statutory changes be adopted to authorize the Department of Housing and Community Development to utilize a guideline process for the HOME program and the Emergency Solutions Grant program implementation (see Attachment 1).

California Surplus Land Unit—It is requested that Item 2240-001-0001 be increased by \$2,358,000 and 12 positions ongoing to establish the California Surplus Land Unit pursuant to Chapter 366, Statutes of 2021 (SB 791).

2018 Community Development Block Grant-Mitigation Program—It is requested that Item 2240-001-0890 be increased by \$885,000 and 4 positions ongoing and Item 2240-101-0890 be increased by \$55,172,000 on a one-time basis to implement the federal 2018 Community Development Block Grant-Mitigation program associated with the 2017 and 2018 wildfires. It is also requested that provisional language be included to provide an extended encumbrance period for the local assistance funding to August 31, 2033 (see Attachment 1).

Technical Adjustments: Reappropriation and Extension of Liquidation—It is requested that Item 2240-490 be added to reappropriate \$10 million from the 2021 Budget Act for a Commercial Property Reuse Pilot Program (see Attachment 2).

It is also requested that Item 2240-491 be added to extend the liquidation period from June 30, 2022 to December 31, 2023 for funding from the 2018 Budget Act appropriated pursuant to Health and Safety Code section 50470(b)(1)(A)(ii). (See Attachment 3).

The effect of my requested action is reflected on the attachments.

If you have any questions or need additional information regarding this matter, please call Andrew March, Principal Program Budget Analyst, at (916) 445-3274.

KEELY MARTIN BOSLER

Director

By:

/s/ Erika Li

ERIKA LI

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, Fiscal Director
Honorable Chris R. Holden, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Sydney K. Kamlager, Chair, Senate Budget and Fiscal Review Subcommittee
No. 4
Honorable Wendy Carrillo, Chair, Assembly Budget Subcommittee No. 4
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Sasha Kergan, Deputy Secretary of Housing and Consumer Relations, Business, Consumer
Services, and Housing Agency
Tiffany Garcia, Deputy Secretary of Fiscal Policy and Administration, Business, Consumer
Services, and Housing Agency
Gustavo Velazquez, Director, Department of Housing and Community Development
Zack Olmstead, Chief Deputy Director, Department of Housing and Community
Development
KC Mohseni, Deputy Director, Administration and Management, Department of Housing
and Community Development

Amend and add provisions to Item 2240-101-0890 as follows:

"2240-101-0890—For local assistance, Department of Housing and Community Development, payable from the Federal Trust Fund~~121,570,000~~ 308,681,000
Schedule:
(1) 1665-Financial Assistance Program~~121,570,000~~ 308,861,000

Provisions:

1. Of the funds appropriated in this item, \$131,939,000 shall be available for encumbrance or expenditure until September 30, 2030.
2. Of the funds appropriated in this item, \$55,172,000 shall be available for encumbrance or expenditure until August 31, 2033."

2240-490—Reappropriation, Department of Housing and Community Development. 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, 2027.

0001—General Fund

(1) Provision 5 of Item 2240-106-0001, Budget Act of 2021

2240-491—Reappropriation. Department of Housing and Community Development. Notwithstanding any other law, the period to liquidate encumbrances of the following citations is extended to December 31, 2023.

3317—Building Homes and Jobs Trust Fund

(1) Item 2240-102-3317, Budget Act of 2018