



# **2018-19 LEGISLATIVE BUDGET CONFERENCE COMMITTEE**

**PHIL TING, CHAIR**

**ROOM 4202  
FRIDAY, JUNE 8, 2018**

**CLOSE OUT  
AGENDA**









## STAFF COMMENTS

## ISSUE 1: CONFERENCE REVENUES AND PROPOSITION 2

### Various

The overall budget agreement outlined in the Conference agreement is based upon the following assumptions:

- **Fully Funds the Rainy Day Fund** – Provides funding to fully fund the Proposition 2 Budget Stabilization Account.
- **Reflects May Revision Revenues** – Assumes Governor's May Revision revenues, adjusted to reflect updated property tax growth rates.
- **Reflects May Revision Proposition 2 Debt Payments.**
- **Allocates Proposition 2 Infrastructure Revenues** — Makes the following allocation of Proposition 2 infrastructure funding after the Budget Stabilization Account if full:
  - The first funding, about \$400 million, would be dedicated to State Building Infrastructure
  - Additional Funds beyond that amount will be split between affordable housing development and rail projects on shared passenger and freight corridors.

**Action: Adopt the Revenues and Proposition 2 Conference Compromise**

## STAFF COMMENTS



## **ISSUE 2: PROPOSITION 98 CERTIFICATION TRAILER BILL LANGUAGE**

### **Department of Education**

The Conference Compromise approves the Governor's proposed Proposition 98 certification trailer bill language, with the following modifications:

- Adjust timeline to allow for a Legislative review period, prior to final certification of the Proposition 98 minimum guarantee.
- Retain the Legislature's ability to adopt an alternative plan for allocating any settle-up funds owed to schools.

**Action: Adopt the Conference Compromise for Proposition 98 Certification Trailer Bill Language.**

## STAFF COMMENTS

## ISSUE 3: LOCAL CONTROL FUNDING FORMULA AND SPECIAL EDUCATION

### Department of Education

The Conference Compromise includes the following actions for related to the Local Control Funding Formula (LCFF):

- Provide \$3.67 billion ongoing Proposition 98 for implementation of the LCFF, \$407 million above the Governor's proposed level.
- Does not include Legislative intent to increase the LCFF target base rates in 2019-20 to reach the top ten percent of states in average per-student spending.
- Does not approve ongoing funding to apply the supplemental grant also to the lowest performing student subgroup.
- Approve \$300 million in one-time Proposition 98 funding to allocate for low-performing students.
- Include \$200,000 for redesigning the Local Control Accountability Plan template and \$200,000 to develop the Budget Summary for Parents to improve LCFF transparency. Adopt Legislative intent to enact legislation in the 2017-18 Regular Session to redesign the Local Control Accountability Plan template.

The Conference Compromise includes no new funding for special education equalization.

**Action: Adopt the Conference Compromise for Local Control Funding Formula and Special Education.**

## STAFF COMMENTS

## ISSUE 4: K-12 ONE-TIME FUNDING AUGMENTATIONS

### Department of Education

The Conference Compromise includes a total of \$1 billion in one-time Proposition 98 discretionary funding for school districts, charter schools and county offices of education. The Conference Compromise also includes the following actions related to one-time funding:

Legislative Augmentation (In Millions)	Senate	Assembly	Action
Special Olympics Unified Champion Schools Program	2 (GF)	2 (Prop98)	Senate Version
Multi-Tiered System of Support	15	20	Senate Version
After School Kids Code Grant Program	0.0	25	Conference Compromise to provide \$15 million one-time Prop 98 funding
Breakfast After the Bell Grants	0.0	1.0	Senate Version
Suicide Prevention Training	0.0	1.7	Conference Compromise to provide one-time Proposition 98 funding
Teaching About Labor Pilot Program	0.0	2.7	Senate Version
Food Literacy for Sacramento Unified School District	0.0	2.0	Senate Version
Farmworker Institute of Education and Leadership Development Program	0.0	2.7	Senate Version
Bilingual Professional Development Program	0.0	5.0	Senate Version
Prop 98 Reappropriation for the History Social Science Framework-Genocide Awareness Resources	.5	0.0	Senate Version
Facility Upgrades for Sweetwater Unified School District	0.0	2	Assembly Version
Facility Upgrades for San Francisco Unified School District	0.0	4	Assembly Version
Education Commission of the States	0.0	0.0	Conference Compromise to include \$150,000 one-time non-Prop 98 funding
Homeless Students Grant	0.0	0.0	Conference Compromise to include \$250,000 in one-time Proposition 98
Charter School Authorizer support	0.0	10.0	Senate Version
California Grown School Meals Grant	0.0	0.0	Conference Compromise \$1 M

**Action: Adopt the Conference Compromise One-Time Funding Augmentations.**

## STAFF COMMENTS

## **ISSUE 5: CAREER TECHNICAL EDUCATION**

### **Department of Education/California Community Colleges**

The Conference Compromise includes the following actions related to K-12 Career Technical Education:

- Provide \$150 million ongoing Proposition 98 for the Career Technical Education Incentive Grant program, administered by the Department of Education.
- Provide \$150 million ongoing Proposition 98 for the Governor's proposed K-12 CTE program administered through the community college Strong Workforce program.
- Include \$14 million ongoing Proposition 98 to support the Workforce Pathway Coordinators, K-14 Technical Assistance Providers, and the consortia administrative costs.

**Action: Adopt the Conference Compromise for Career Technical Education.**

## STAFF COMMENTS



## **ISSUE 6: KINDERGARTEN, PRESCHOOL AND AFTER SCHOOL**

### **Department of Education**

The Conference Compromise includes the following actions related to Kindergarten, Preschool and After School:

- Does not provide an ongoing increased rate for full-day Kindergarten.
- Provide \$100 million one-time non-Proposition 98 General Fund for facility grants for full-day Kindergarten programs.
- Does not provide one-time funding for facility grants for school-based State Preschool programs.
- No new slots for State Preschool.
- Does not provide one-time funding for county offices of education to assist school districts in expanding pre-Kindergarten programs.
- No increase for the After School Education and Safety program.

**Action: Adopt the Conference Compromise for Kindergarten, Preschool and After School.**

## STAFF COMMENTS

## **ISSUE 7: TEACHER WORKFORCE INVESTMENTS**

### **Commission on Teacher Credentialing**

The Conference Compromise includes the following actions related to the teacher workforce:

- Provide \$50 million one-time Proposition 98 for the Local Solutions Grant program to provide grants to local educational agencies to develop new or expand existing locally identified solutions that address a local need for special education teachers.
- Include \$75 million one-time Proposition 98 for the Teacher Residency Grant Program. Specify that \$50 million is set aside for special education and \$25 million for other teacher shortage areas, including Science, Technology, Engineering and Math (STEM) and bilingual education.
- Does not provide one-time funding for teacher scholarships.
- Requires a data sharing agreement between CTC and SDE for the teacher assignments/misassignments match process.

**Action: Adopt the Conference Compromise Teacher Workforce Investments.**

## STAFF COMMENTS

## ISSUE 8: DEPARTMENT OF EDUCATION STATE OPERATIONS

### Department of Education

The Conference Compromise includes the following actions related to the Department of Education's state operations funding:

Legislative Augmentation (In Millions)	Senate	Assembly	Action
Add Funding to Establish the Office of School Based Health within the State Department of Education	0	.25	Senate Version
Add Funding for the Administration of the Career Technical Education Incentive Grant	0	.4	Senate Version
Ongoing Support for the Distinguished After School Health Recognition Program	.1	0	Assembly Version
Personnel Funding to Support for the Kids Code Program	0	.9	Senate Version
Personnel Funding to Support a Centralized Uniform Complaint Procedures Process and Database	.1	0	Senate Version
Personnel Funding to Support Additional Child Care Slots	0	0	Conference Compromise to provide \$135,000 federal CCDBG for CDE state operations for workload for additional child care slots

**Action: Adopt the Conference Compromise for CDE's State Operations.**

## STAFF COMMENTS

## **ISSUE 9: K-12 FEDERAL FUNDS**

### **Department of Education**

The Conference Compromise includes the following actions related to federal funding:

- Adopt Conference Compromise to maintain \$2 million in federal Title III funding to be allocated to the 11 regional county offices of education, as currently allocated. Adopt Budget Bill Language requiring the 11 county offices of education to meet specified metrics in order to be held accountable for improving performance for English learners within their respective regions.
- Provide \$437,000 in one-time federal Title III carryover funding and adopt trailer bill language for the Department of Education to create standardization of the English learner reclassification process.
- Does not provide federal IDEA funding for Family Empowerment Centers.
- Include \$44 million in one-time federal Title IV funding for grants prioritized for 1) enhancing visual and performing arts education, or 2) expanding access to physical and mental health care, including dental and vision care, in schools by supporting school health centers.
- Reduce the amount of federal funds allocated to the Early Math Initiative by \$670,000 and shift a like amount to fund private school equitable services.

**Action: Adopt the Conference Compromise Federal Funds.**

## STAFF COMMENTS



## **ISSUE 10: K-12 TRAILER BILL LANGUAGE**

### **Department of Education**

The Conference Compromise includes the following actions related to trailer bill language:

- Approve the Governor's proposed trailer bill language related to the Academic Performance Index, with the clarification that alternative measures shall be used for the purposes of charter renewals.
- Does not include charter schools to the willful defiance provision.
- Does not include trailer bill language requiring the Office of Public School Construction to process \$1.5 billion worth of Proposition 51 bond applications each year from 2018-19 through 2021-22 and requiring the State Allocation Board to encumber the funds by June 30, 2023.
- Approve trailer bill language to provide a third year of average daily attendance (ADA) relief for school districts impacted by wildfires.
- Approve Conference Compromise to eliminate the recently repealed California High School Exit Exam from the K-12 mandate reimbursement item and the K-12 Mandates Block Grant and make conforming changes to the Budget Bill.

**Action: Adopt the Conference Compromise Trailer Bill Language.**

## STAFF COMMENTS

## ISSUE 11: CHILD CARE

### Department of Education

The Conference child care Conference Compromise package provides the following elements:

- **Alternative Payment Programs slots** – Creates 13,407 new Alternative Payment slots, of which 11,307 are available until June 30, 2022. These slots are funded with \$19 million ongoing General Fund (\$15.8 million in 2018-19) and a total of \$409.2 million limited-term Federal Funds.
- **Increases adjustment factors for Infants, Toddlers, and Special Needs Children** - Provides \$40.2 million for these increased rate increments, growing to \$80.3 million in future years.
- **Provides One-Time Quality Funding** – Includes \$10 million for County Pilot for inclusive care, \$5 million for Licensed Child Care Teacher Professional Development, \$5 million for the California Child Care Initiative, and \$6 million for other one-time quality activities.
- **Includes Earlier Expansion Agreements** – Includes \$64.4 million General Fund and \$59.2 million Proposition 98 funding to reflect rate increases and 2,959 new full day preschool slots agreed to in 2016. Senate version on additional expansions.
- **Trailer Bill** — Includes language conform the Uniform Complaint Procedure issues identified by the Legislative Analyst's Office and adopts language to allow for the braiding of preschool funding. No trailer bill language regarding a child care administration work group.
- **Federal Compliance** — Includes \$26.4 million for federal compliance activities, specifically annual inspections for licensed child care providers.
- No new funding for child nutrition, breakfast after the bell grants, child development database and the Little-by-Little School Readiness program.
- Does not make changes to the Child Care Facilities Revolving Loan Fund.

**Action: Adopt the Child Care Conference Compromise.**

## STAFF COMMENTS

## ISSUE 12: UNIVERSITY OF CALIFORNIA PACKAGE

### University of California

The UC conference compromise package assumes the Governor's Budget proposal of a \$92.1 million ongoing General Fund increase over the current year plus an increase of \$5 million ongoing and \$177.1 million one-time General Fund.

The funding is distributed in the following way:

- \$5 million ongoing to support 2018-19 enrollment growth of 500 undergraduate students.
- \$105 million one-time for general university needs.
- \$35 million one-time for deferred maintenance.
- \$25 million one-time for UC Berkeley to address the campus' operating deficit. This funding will be released after the campus presents a plan to eliminate its deficit to the Department of Finance and Joint Legislative Budget Committee.
- \$12 million one-time to support research related to Jordan's Syndrome.
- \$4 million one-time to provide legal services for undocumented and immigrant students, faculty and staff.
- \$2.8 million one-time to support UC Davis Aggie Square planning costs.
- \$2 million one-time to support equal employment opportunity practices.
- \$1.8 million one-time for the UCLA Ralph J Bunche Center for African American Studies
- \$1.5 million one-time to support campus efforts to address student hunger and basic needs.

The package also includes the following budget bill and trailer bill language:

- Requires UC to provide an annual report on systemwide programs and initiatives, including costs and justification for how the program or initiative enhances the mission of the university.

- Encourages UC to annually post employee demographic and compensation information.
- Approves the May Revision proposal to redirect funding from the Office of the President to the campus budget to support 2018-19 enrollment growth of 1,500 undergraduate students.
- Adopts Senate version of language withholding \$50 million until UC completes audit activities in April 2019 (no language)
- Adopts Assembly version of cost of living adjustment beginning in 2019-20 (no adjustment)
- Adopts Assembly version of trailer bill language requiring campuses to report on uses of funding and outcomes related to efforts to address student hunger and basic needs, and to create a working group between higher education segments and county and state social service providers to improve coordination around student benefits.
- Adopts May Revision proposal to eliminate one of two annual financial aid reports, with modifications to require reporting on the percentage of students who receive institutional aid and the number of low-income students who do not receive aid.
- Adopts Assembly version of UC Path language allowing supplemental campus assessment and stipulating that state funds shall only be used to support UC Path costs associated with state-funded programs.
- Creates a new budget item for the Agriculture and Natural Resources Division, which has previously been included within the budget of the Office of the President. Funding for the division is \$113.4 million General Fund in 2018-19. This action does not change the level of funding for the division; it merely increases transparency in UC funding.

Adopts Assembly version of funding for mental health services. (No funding)

Adopts Senate version of funding for opioid research, sugar research, and firearms research, and Proposition 2 funding and language (no funding.) Provides no specific funding for 2019-20 enrollment growth or current overenrollment.

(blank page)

## STAFF COMMENTS



## **ISSUE 13: CALIFORNIA STATE UNIVERSITY PACKAGE**

### **California State University**

The CSU conference compromise assumes the Governor's Budget proposal of a \$92.1 million ongoing General Fund increase over the current year plus an increase of \$105 million ongoing General Fund about \$167 million one-time General Fund.

The funding is distributed in the following way:

- \$75 million ongoing to support the Graduation Initiative
- \$30 million ongoing for general university needs
- \$120 million one-time to support enrollment growth of 3,641 full-time equivalent students, which will allow about \$30 million per year to support this cohort of students for four years.
- \$35 million one-time for deferred maintenance
- \$7 million one-time to provide legal services for undocumented and immigrant students, faculty and staff. This funding will be provided to the Department of Social Services to administer.
- \$3.75 million one-time for shark research and beach safety activities at CSU Long Beach.
- \$1.5 million one-time to support campus efforts to address student hunger and basic needs.
- \$1 million one-time for the Mervyn M. Dymally African American Political and Economic Institute at CSU Dominguez Hills.
- \$350,000 one-time to establish the California Council on Science and Technology Policy Fellowship Program.
- \$24,000 ongoing increase for the Sacramento Semester program.

The package also includes the following budget bill and trailer bill language:

- Requires CSU to report on the impacts of admissions policy changes that require admissions preferences for local students applying to impacted programs and

allow qualified students to be redirected to nonimpacted campuses if they are denied admission to an impacted campus.

- Requires CSU to earmark at least \$25 million to increase the percentage of tenure-track faculty and report on how the funding was used and how it increased the number of tenure track faculty and lecturers by campus.
- Allows CSU to contract with eligible non-profit organizations to provide various legal services to undocumented and immigrant students, faculty and staff, such as assistance with the application process for initial or renewal requests of the DACA program and assistance with the naturalization process and any appeals arising from the process.
- Requires CSU to report on Graduation Initiative spending and activities, as well as faculty, staff and administrative hiring.
- Adopts May Revision proposal to eliminate one of two annual financial aid reports, with modifications to require reporting on the percentage of students who receive institutional aid and the number of low-income students who do not receive aid.
- Adopts Assembly version of trailer bill language requiring campuses to report on uses of funding and outcomes related to efforts to address student hunger and basic needs, and to create a working group between higher education segments and county and state social service providers to improve coordination around student benefits.
- Adopts Assembly version of cost of living adjustment beginning in 2019-20 (no adjustment)

Adopts Senate version of funding for equal employment opportunity practices, and emergency housing pilot program (no funding.)

Adopts Senate version of trailer bill language allowing the CSU Trustees' investment committee to meet in closed session (no language.)

(blank page)

## STAFF COMMENTS

## **ISSUE 14: HASTINGS COLLEGE OF LAW DIVERSITY PIPELINE SCHOLARSHIPS**

### **Hastings College of Law**

Adopts Senate version on Diversity Pipeline Scholarships. Provides \$4.5 million one-time General Fund over four years to provide scholarships to cover tuition and a majority of living costs for 24 California students from Historically Black Colleges and Universities and the American University in Armenia to attend Hastings College of Law.

## STAFF COMMENTS

## **ISSUE 15: CALIFORNIA EDUCATION LEARNING LAB**

### **Office of Planning and Research**

This is a not-in-conference issue. Approves the Governor's Budget proposal to provide \$10 million General Fund to support the California Education Learning Lab within the Office of Planning and Research (OPR). The program would initially focus exclusively on creating new and redesigning existing lower-division online and hybrid courses in science, technology, engineering, and math (STEM) at the three segments. After three years, the program would be permitted to add online and hybrid courses in other disciplines.

Under the proposal, OPR, which undertakes various projects on behalf of the Governor, would operate and oversee the program. Specifically, OPR staff would (1) solicit requests for proposals from faculty at the three segments, (2) recruit members of a selection committee to score proposals and recommend awards, (3) monitor progress of award recipients, and (4) evaluate projects upon completion.

## STAFF COMMENTS



## **ISSUE 16: CALIFORNIA STATE LIBRARY AUGMENTATIONS**

### **California State Library**

The California State Library conference compromise includes:

- \$1 million one-time General Fund for the Lunch at the Library program, which supports libraries in developing summer free-meal programs. Funding will help libraries connect with meal sponsors and the USDA's Summer Food Service Program and establish a free-meal program. Senate version.
- \$1 million one-time General Fund to support completion of the Felton Library and Nature Discovery Park. The funding will combine with local funding to create a community learning center and park within walking distance of downtown Felton and nearby schools. Assembly version.
- \$1 million one-time General Fund and trailer bill language to create the Student Authors program, which will provide competitive grants to nonprofit organizations to work with and publish the writings of student authors in public housing developments. Assembly version.
- \$1 million one-time General Fund for the Career Online High School. Assembly version.
- \$500,000 one-time General Fund to support operations at the Braille Institute Library in Los Angeles. Federal funding for this program has been reduced in recent years. Modified Assembly version.
- Trailer bill language eliminating the sunset provision of a law requiring cities seeking to contract for library services with a for-profit company to conduct a public notice and competitive bidding process. Assembly version.
- Adopts May Revision proposal on the oral histories program. Senate version.

## STAFF COMMENTS

## **ISSUE 17: CALIFORNIA STUDENT AID COMMISSION AUGMENTATIONS**

### **California Student Aid Commission**

The California Student Aid Commission conference compromise includes:

- \$5.2 million ongoing General Fund to expand Cal Grant eligibility for former foster youth. The expansion would allow former foster youth up to age 26 to be eligible for the Cal Grant entitlement program, and allow these students to receive a Cal Grant for up to 8 years. Assembly and Senate versions.
- Senate version of funding for the Cal Grant B Service Incentive Grant (no funding.)
- Governor's Budget version of maximum Cal Grant for students attending accredited for-profit institutions.

## STAFF COMMENTS

## **ISSUE 18: ONLINE COLLEGE**

### **California Community Colleges**

The final online college action approves the Senate version with modifications. The action includes:

- \$100 million one-time Proposition 98 and \$20 million ongoing Proposition 98 to create a new online community college to be administered by the Board of Governors. The new college would develop courses and programs that lead to short-term credentials and certifications with labor market value and are not duplicative of programs offered at existing colleges.
- \$35 million one-time Proposition 98 to the Online Education Initiative for competitive grants to community college districts to develop online programs, courses and content.
- Requires new CEO to be part of collective bargaining.
- Removes the 10-year sunset.
- Establishes a timeline for accreditation by requiring the new college to provide evidence to the Department of Finance and the Legislature that it has achieved accreditation candidacy or pre-accreditation by 2022 and full accreditation by 2025.
- Prohibits the new college from charging fees higher than a traditional college.
- Requires new college to develop short-term programs that lead into pathways offered at existing community colleges.
- Requires the Chancellor's Office to review and make recommendations on (1) noncredit funding rates, and make recommendations to encourage the development of competency-based programs, and (2) the statewide approval process to offer an online course under a flexible calendar.

## STAFF COMMENTS

## ISSUE 19: COMMUNITY COLLEGE FUNDING FORMULA

### California Community Colleges

The conference compromise on the Community College Funding Formula adopts a new formula for colleges that includes the following:

- A three-year phase-in that begins by providing 70% enrollment-based funding, 20% funding based on the enrollment of low-income students, and 10% funding based on performance outcomes. Over a three-year period the formula would shift to 60% enrollment-based funding, 20% funding based on the enrollment of low-income students, and 20% funding based on performance outcomes.
- A hold-harmless provision that will guarantee all colleges at least a cost-of-living increase for three years. The conference compromise provides an increase to community college apportionments of \$378 million Proposition 98 in 2018-19. . Of this funding, \$151 million is for the base allocation, \$24 million is for the hold-harmless provision, and \$34 million is one-time discretionary funding for colleges.
- A definition of low-income students that includes students eligible for the Pell Grant or the California Promise Grant (formerly BOG Fee Waiver.)
- A blended equity success measure that rewards colleges for successful outcomes for both Pell-eligible and California Promise Grant students.
- The May Revision success metrics, which reward colleges for associate's degrees awarded, associate degree for transfer's awarded, certificates of 18 or more units awarded, completion of 9 or more CTE units, transfers to a four-year institution, completion of transfer-level math or English, and attainment of a living wage. Extra points are earned for any of these successes for low-income students.
- The creation of an oversight entity, with representatives chosen by the Governor, Senate Rules Committee and the Speaker to continually monitor implementation of the funding formula and make recommendations to the Legislature, Governor and Chancellor for its improvement.

## STAFF COMMENTS



## ISSUE 20: COMMUNITY COLLEGE AUGMENTATIONS

### California Community Colleges

The California Community College conference compromise includes the following actions. All funding is Proposition 98.

ISSUE	ASSEMBLY	SENATE	FINAL ACTION
INCREASE FULL-TIME FACULTY	\$40 M ONGOING	\$40 M ONGOING	\$50 M ONGOING
INCREASE PART-TIME FACULTY OFFICE HOURS	\$13.9 M ONGOING	\$25.8 M ONGOING	\$50 M ONE-TIME
INNOVATION AWARDS	REJECT	\$20 M ONE-TIME	ASSEMBLY VERSION
FUND FOR STUDENT SUCCESS/PUENTE AUGMENTATION	\$6 M ONGOING	COLA	NO INCREASE
LOS ANGELES VALLEY COLLEGE FAMILY RESOURCE CENTER	\$750,000 ONE-TIME	NO ACTION	\$800,000 ONE-TIME
CTE REAPPROPRIATION	REAPPROPRIATE \$8M ONE-TIME FROM 2017 BUDGET ACT	NO ACTION	ASSEMBLY VERSION
GLENDALE COMMUNITY COLLEGE ARMENIAN GENOCIDE REMEMBRANCE	NO ACTION	\$517,000 ONGOING	ASSEMBLY VERSION
STUDENT HUNGER/BASIC NEEDS	\$20 M ONE-TIME	NO ACTION	\$10 M ONE-TIME
VETERANS RESOURCE CENTERS	\$15 M ONE-TIME	NO ACTION	\$8.5 M ONE-TIME
EL CAMINO COMMUNITY COLLEGE PUBLIC SAFETY CENTER	\$15 M ONE-TIME	NO ACTION	\$10 M ONE-TIME GF
NORCO COMMUNITY COLLEGE EARLY CHILDHOOD EDUCATION CENTER	\$5 M ONE-TIME	NO ACTION	\$5 M ONE-TIME GF
VENTURA COMMUNITY COLLEGE SANTA PAULA SITE	\$1.2 M ONE-TIME	NO ACTION	SENATE VERSION

<b>ISSUE</b>	<b>ASSEMBLY</b>	<b>SENATE</b>	<b>FINAL ACTION</b>
P-TECH PROGRAM	NO ACTION	\$20 M ONE-TIME	\$10 M ONE-TIME
DEFERRED MAINTENANCE	\$171 M ONE-TIME	\$144 M ONE-TIME	\$23 M ONE-TIME
RE-ENTRY PROGRAMS FOR FORMERLY INCARCERATED	\$5 M ONE-TIME	\$5 M ONE-TIME	\$5 M ONE-TIME
MENTAL HEALTH SERVICES	\$20 M ONE-TIME	\$20 M ONE-TIME	\$10 M ONE-TIME
LEGAL SERVICES FOR UNDOCUMENTED OR IMMIGRANT STUDENTS	\$15 M ONE-TIME	\$15 M ONE-TIME	\$10 M ONE-TIME
REAPPROPRIATION OF UNDERGROUND SCHOLARS FUNDING	NO ACTION	NO ACTION	REAPPROPRIATE \$250,000 ONE-TIME FROM 2017 BUDGET ACT TO SUPPORT UNDERGROUND SCHOLARS PROGRAM
CHANCELLOR'S OFFICE STAFF	MODIFIED GOVERNOR'S BUDGET	APPROVED GOVERNOR'S BUDGET	SENATE VERSION
PROP 51 CAPITAL OUTLAY PROJECTS	APPROVED 8 PROJECTS PLUS ADMINISTRATION-APPROVED PROJECTS	APPROVED 8 PROJECTS PLUS ADMINISTRATION-APPROVED PROJECTS	APPROVE ADMINISTRATION-APPROVED PROJECTS

(blank page)

## STAFF COMMENTS

## ISSUE 21: HEALTH CARE COVERAGE EXPANSION/AFFORDABILITY

**Department of Health Care Services, Department of Public Health, Franchise Tax Board, Office of Statewide Health Planning and Development, University of California**

This issue covers various actions taken by both houses related to health care coverage expansion, affordability, cost-containment, transparency, and healthcare workforce.

### **Action: Conference Compromise**

- Approve \$60 million one-time GF and trailer bill to implement an All Payers Claims Database.
- Approve \$5 million GF one-time to establish a task force and trailer bill establishing intent to accomplish universal coverage and a unified publicly financed health care system.
- Approve trailer bill, in connection with the task force action above, to direct Covered California to present options for a subsidy program for legislative consideration next year.
- Approve May Revision (no additional resources or policy changes) for all of the following:
  - Providing premium assistance or tax credits for individuals 200-600 percent of federal poverty covered through Covered California.
  - Increasing Medi-Cal eligibility up to 138 percent of federal poverty for the aged, blind and disabled.
  - Expanding Medi-Cal eligibility to young adults or seniors, regardless of immigration status.
  - Implementing the WIC Express Lane.
  - Expanding Transitional Medi-Cal.
  - Funding for health care outreach and enrollment.
  - Funding for the Song Brown Program at OSHPD or for the U.C. PRIME Program.

## STAFF COMMENTS

## ISSUE 22: HEALTH CARE WORKFORCE

### Office of Statewide Health Planning and Development, University of California

This issue covers various healthcare workforce proposals approved by both houses and proposed by the Governor, including funding for workforce programs at OSHPD and Graduate Medical Education programs at the University of California.

#### **Action: Conference Compromise**

- Approve \$40 million GF one-time for Graduate Medical Education within U.C.
- Approve \$15 million GF one-time and budget bill language for Psychiatric Graduate Medical Education utilizing psychiatric telemedicine within U.C.
- Approve \$10 million one-time (Prop 63 State Admin Fund) and budget bill language for the WET Program at OSHPD.
- Approve \$1 million one-time (Prop 63 State Admin Fund) and budget bill language for OSHPD program to provide scholarships for the U.C. Primary Care Mental Health Fellowship program.
- Approve May Revision (no additional resources or policy changes) for all of the following:
  - Funding for Song Brown at OSHPD.
  - Funding for the U.C. PRIME Program.
  - Funding for the U.C. Medical School Postbaccalaureate Programs.

## STAFF COMMENTS



## ISSUE 23: PROVIDER RATES AND PROPOSITION 56 FUNDS IN MEDI-CAL

### Department of Health Care Services, Office of Statewide Health Planning and Development

This issue covers various actions taken by both houses and proposals by the Governor on Proposition 56 Medi-Cal expenditures and Medi-Cal provider rate increases.

#### **Action: Conference Compromise**

- Approve of placing \$1,022.3 billion in Proposition 56 funding into a non-budget item to be appropriated through a future bill.
- Approve budget bill and \$8.9 million (\$7 million Proposition 56, \$1.6 million GF at Health Care Services and \$350,000 General Fund at Developmental Services) in 2018-19, \$9.7 million in 2019-20, \$10.3 million in 2020-21, and \$10.8 million in 2021-22 for Pediatric Day Health Care services.
- Approve May Revision (no additional resources or policy changes) for all of the following:
  - Pediatric free-standing subacute facilities.
  - Air ambulance providers.
  - Non-emergency medical transportation.
  - Adult Day Health Care programs in San Francisco.
  - Breast pumps.
  - Incentive payments for providers.

## STAFF COMMENTS

## ISSUE 24: HEALTH CARE LEGISLATIVE AUGMENTATIONS

### Department of Health Care Services

This issue covers various augmentations made by both houses to the Medi-Cal program and to non-Medi-Cal health care programs within the Department of Health Care Services.

#### **Action: Conference Compromise**

- Deny trailer bill to reform the 340B Drug Pricing Program, and approving of \$26.2 million GF savings in 2019-20 and \$16.6 million GF costs in 2020-21 and 2021-22.
- Approve \$2 million GF one-time for a Whole Genome Sequencing pilot program.
- Approve \$340,000 GF one-time for Diabetes Prevention Program Curricula Translation Services.
- Approve \$1 million GF one-time for pediatric mobile optometry services.
- Approve May Revision (no additional resources or policy changes) for all of the following:
  - Continuous Glucose Monitors.
  - Silver Diamine Fluoride.
  - California Community Transitions Program.
  - Data Collection on Asian Pacific Islander Populations.
  - Medi-Cal Optional Benefits.
  - Clinic billing for same-day mental health services.
  - Substance abuse counselors in emergency departments.
  - Friday Night Live Partnership.
  - Asthma management and prevention services.
  - Screening, Brief Intervention, Referral and Treatment (SBIRT) tool.

## STAFF COMMENTS

## ISSUE 25: HEALTH CARE NO COST LEGISLATIVE ACTIONS

### Department of Health Care Services

This issue covers various no-cost proposals related to programs within the Department of Health Care Services.

#### Action: Conference Compromise

- Approve of trailer bill to streamline the implementation of the Diabetes Prevention Program.
- Approve of budget bill language to extend the expenditure authority for the Medical Interpreters study and pilot program, and deny trailer bill to allow implementation of the pilot prior to completion of the study.
- Approve of the May Revision Budget Change Proposal on Mental Health Oversight as proposed, denying trailer bill language to require an estimate package on MHSA as part of the proposed January and May budgets.
- Approve trailer bill to work with providers on an erroneous payments recoupment process in Medi-Cal upon request by a provider.
- Approve of modifications to the Governor's proposed trailer bill related to General Fund loans to the Medi-Cal program to require legislative notification.
- Approve of modifications to the Governor's proposed budget bill language related to resources for outreach to homeless mentally ill individuals by making the City of Berkeley and the Tri-Cities eligible entities to receive funding.
- Approve Supplemental Report Language requesting information from the Department of Health Care Services on their proposed new rate-setting methodology for blood clotting factor.
- Deny budget bill language that delayed the mandated implementation of the CANS tool and required an evaluation of CANS.
- Deny trailer bill to create a school-funds diversion mechanism to the California Department of Education to support an Office of School Based Health.

## STAFF COMMENTS

## ISSUE 26: PUBLIC HEALTH LEGISLATIVE AUGMENTATIONS

### Department of Public Health University of California

This issue covers various public health augmentations approved by either or both houses within the Department of Public Health or the University of California.

#### **Action: Conference Compromise**

- Approve \$9 million GF one-time and budget bill language over 3 years to support the ALS System of Care.
- Approve \$8 million GF ongoing, trailer bill and budget bill language, to expand the Black Infant Health Program.
- Approve \$5 million GF one-time and budget bill language for HIV/AIDS prevention.
- Approve \$2.5 million GF one-time (with expenditure authority for 2 years) and budget bill language for a Diabetes outreach and awareness campaign.
- Approve \$2 million GF one-time and budget bill language for STD prevention.
- Approve \$8 million GF one-time for Valley Fever Outreach and Research as follows: \$2 million for outreach and awareness at DPH (including budget bill language that authorizes expenditure authority of these funds for 2 years), \$3 million for research at the Valley Fever Institute at Kern Medical (through DPH), and \$3 million for research directly to the University of California.
- Approve \$10 million (Prop 63 State Admin Fund) one-time, over 3 years, and trailer bill or budget bill language, to implement the All Children Thrive Program.
- Approve \$300,000 GF ongoing (and corresponding federal funds change) to backfill the loss of federal funds for border health efforts.
- Approve \$500,000 GF one-time for the CalSurv mosquito surveillance system directly to U.C Davis.
- Approve an additional \$700,000 (Licensing and Certification Program Fund) and budget bill language that authorizes the Department of Public Health to increase funding for Los Angeles County for Licensing and Certification as needed based on actual cost information that becomes available during 2018-19.

- Approve May Revision (no additional resources or policy changes) for all of the following:
  - HIV/STD Prevention Education for Medical Providers.
  - HIV demonstration projects on older individuals and transgender women.
  - Safe Cosmetics Program.
  - Treatment Navigation for Opioid Users.
  - Hepatitis C prevention.



(blank page)

## STAFF COMMENTS

## **ISSUE 27: PUBLIC HEALTH NO COST LEGISLATIVE ACTIONS**

### **Department of Public Health**

This issue covers various no-cost public health proposals adopted by either or both houses affecting the Department of Public Health.

#### **Action: Conference Compromise**

- Approve of the May Revise proposal to continuously appropriate Proposition 56 funds in the following departments: Department of Public Health, Department of Education, Department of Justice, University of California, and the Department of Tax and Fee Administration.
- Approve of placeholder Supplemental Report Language to request the Department of Public Health to provide public health data to the Legislature no later than the start of budget subcommittee hearings in 2019.
- Deny trailer bill to authorize county roll-over of Prop 56 funds in the Department of Public Health.
- Deny trailer bill to authorize hospital employees to meet privately with state hospital inspectors during hospital inspections.

## STAFF COMMENTS

## **ISSUE 28: MENTAL HEALTH LEGISLATIVE AUGMENTATIONS**

### **Department of State Hospitals Mental Health Services Oversight and Accountability Commission**

This issue covers various mental health proposals and augmentations approved by either house or proposed by the Governor, including proposals for Proposition 63 State Administration Fund funding.

#### **Action: Conference Compromise**

- Approve modified trailer bill to establish an Incompetent to Stand Trial (ST) mental health diversion program that requires approval of county plans by both the Department of State Hospitals and the Council on Criminal Justice and Behavioral Health. Provides \$150,000 (Prop 63 State Admin) per year for 3 years and 1 position to the Council.
- Approve a Proposition 63 State Administration Fund Cap Package as follows:
  - Approve \$4.3 million ongoing through DHCS for suicide hotlines.
  - Approve of \$1 million ongoing through the Department of Veterans Affairs to support mental health services for veterans.
  - Approve \$670,000 ongoing for the Commission to establish a consumer contract to represent immigrant and refugee communities.
  - Approve \$795,000 ongoing for the Council on Criminal Justice and Behavioral Health to establish a consumer contract to represent the mentally ill population that is involved with the criminal justice system (\$670,000) and 1 position to the Council (\$125,000).
  - Approve \$10 million one-time for the WET program at OSHPD for specified purposes detailed in budget bill language.
  - Approve \$10 million one-time, over 3 years, and budget bill language through DPH to implement the All Children Thrive program.
  - Approve \$1 million one-time and budget bill language for Primary Care Mental Health Fellowship scholarships through OSHPD.

- Reappropriate \$20 million in SB 82 triage funds, and approve an ongoing reduction in triage funding from \$32 million annually to \$20 million annually.
- Approve \$150,000 per year for 3 years to the Council on Criminal Justice and Behavioral Health to consult with the Department of State Hospitals on the IST mental health diversion program.
- Approve May Revision (no additional resources or policy changes) for all of the following:
  - Children's Innovation Incubator at the Commission.
  - Mental health substance abuse peer navigators in emergency departments pilot program.
  - Increased position authority within the Commission.

(blank page

## STAFF COMMENTS



## **ISSUE 29: SSI CASH-OUT REVERSAL**

### **Department of Social Services**

Adopt Conference Compromise, including:

- \$200 million General Fund (one-time) to support a reversal of the CalFresh cash-out policy for the SSI/SSP and SSP caseload, with placeholder trailer bill language.
- Holding current cases harmless and beginning the implementation process in 2018-19, with legislative intent language to address the concept of continuing the hold harmless policy for current cases.
- Additional administrative needs will be funded in part from the \$200 million designated for this purpose.

## STAFF COMMENTS

## **ISSUE 30: COUNTY ADMINISTRATION**

### **Department of Social Services**

Adopt Conference Compromise to augment the following programs in 2018-19 with one-time General Fund above the Governor's May Revision with the following amounts:

- For the CalWORKs Single Allocation, \$23.5 million to restore the cut to employment services.
- For the In-Home Supportive Services (IHSS) program, \$15.4 million to partially fund a shortfall in county administration.
- For the Resource Family Approval Process, \$6.3 million to assist with the continued effort to reduce the backlog in application processing and approvals.
- For the Level of Care Assessment, \$4.8 million to assist with the implementation of this new tool starting July 1, 2018.
- For the Child and Adolescent Needs Assessment (CANS), no funding for 2018-19 and adopt the following supplemental report language:

The California Department of Social Services shall work with the County Welfare Directors Association and the California State Association of Counties to estimate any net new one-time and ongoing workload and costs to county child welfare services agencies to implement the CANS assessment process beyond existing assessment requirements. By October 1, 2018, CDSS shall report the results of this analysis to the Department of Finance and the legislative budget committees for the purpose of advising development of the January 2019 budget proposal.

## STAFF COMMENTS

## **ISSUE 31: CALWORKS HOME VISITING INITIATIVE**

### **Department of Social Services**

Adopt Conference Compromise, including:

- Adopt placeholder trailer bill language, to offer the service to first-time parents and caregivers, and then allowing for the extension of the service to additional families with young children.
- Make the program subject to funding in the annual Budget Act.
- Implement in the first three years utilizing the TANF Reserve Fund pursuant to the Governor's Budget.

## STAFF COMMENTS

## **ISSUE 32: SAFETY NET RESERVE**

### **Department of Social Services**

Adopt Conference Compromise, including:

- Adopt placeholder trailer bill language to create the Safety Net Reserve, with Medi-Cal and CalWORKs subaccounts, and transfer \$200 million to the CalWORKs subaccount.
- Department of Finance to develop methodology for future funding of subaccounts in consultation the Legislative Analyst's Office and the Legislature.

## STAFF COMMENTS



## **ISSUE 33: NO CHILD IN DEEP POVERTY**

### **Department of Social Services**

Adopt Conference Compromise, including:

- Provide \$90 million General Fund beginning April 1, 2019 and \$360 million ongoing as first of three steps to get children and families to 50 percent of the Federal Poverty level.
- Second and third steps do not take effect until they are fully funded in the budget.
- Adopt placeholder trailer bill language to effectuate this action.

## STAFF COMMENTS

## **ISSUE 34: COST OF LIVING ADJUSTMENTS**

### **Department of Social Services**

Adopt Conference Compromise, including:

- Trailer bill language to codify cost-of-living adjustments (COLAs) to the State Supplemental Payment and CalWORKs grants beginning 2022-23
- Allow for the COLAs to be subject to funding in the annual Budget Act.

## STAFF COMMENTS

## **ISSUE 35: WAIVER PERSONAL CARE SERVICES**

### **Department of Social Services**

Adopt Conference Compromise, including:

- \$3.0 million General Fund ongoing and placeholder trailer bill language to establish the county public authorities and nonprofit consortia as the employers of record for providers of waiver personal care services (WPCS) and adopts related changes in order to establish parity between WPCS and In-Home Supportive Services (IHSS) providers.
- The proposal differs from what was passed by both houses in that there is an added requirement that wages and benefits for WPCS providers are to be equal to the rates in each county for the individual provider mode of services in the IHSS program, and specifies that eligibility for health benefits shall be based on the aggregate number of monthly hours worked between IHSS and WPCS.

## STAFF COMMENTS

## ISSUE 36: IHSS SICK LEAVE / PROVIDER BACK UP SYSTEM

### Department of Social Services

Approve Conference Compromise to do the following:

- Adopt placeholder trailer bill language as follows:

Amend Section 246 of the Labor Code to read:

(o) No later than February 1, 2019, the State Department of Social Services, in consultation with the Department of Finance and stakeholders, shall reconvene the paid sick leave workgroup for in-home supportive services providers. The workgroup shall discuss how paid sick leave affects the provision of IHSS services. The workgroup shall consider the potential need for a process to cover the IHSS recipients' authorized hours when a provider should need to utilize their accrued sick time. This workgroup shall finish its work by November 1, 2019.

- Adopt Supplemental Report Language as follows:

### Department of Social Services

*Implementation of Senate Bill 3 (2016): IHSS Paid sick days.* No later than September 1, 2019, the California Department of Social Services shall provide an update to the Department of Finance and the health and human services budget subcommittees in both houses, that shall include, but not be limited to, the following:

- (a) The number of paid sick leave hours earned, and the number of paid sick leave hours taken by in-home supportive services providers, by county.
- (b) For up to 10 counties, reflecting the diversity of California's counties (including, but not limited to, population, age, ethnicity, rural and urban), the number of instances broken down by county, in which the county receives a request from an IHSS recipient for a back-up provider due to his or her regular provider using paid sick leave.
  - (i) This shall be for the time period of September 1, 2018 through June 30, 2019.
  - (ii) Counties shall be selected in consultation with the County Welfare Directors Association, California Association of Public Authorities, and stakeholders.
- (c) For the same counties as outlined in (b), the number of instances broken down by county, in which the Public Authority receives a request from an IHSS recipient for a back-up provider due to his or her regular provider using paid sick leave.
  - (i) This shall be for the time period of September 1, 2018 through June 30, 2019.
- (d) For each instance outlined in (b) and (c), each county and its Public Authority may coordinate to provide data to the department on the number of requests for a backup provider that were fulfilled and the number of requests for a backup provider that were unable to be fulfilled.

## STAFF COMMENTS



## **ISSUE 37: MAY REVISION TBL ON HOME-BASED FAMILY RATE**

### **Department of Social Services**

Approve Governor's May Revision TBL for this issue.

## STAFF COMMENTS

## ISSUE 38: OTHER LEGISLATIVE AUGMENTATIONS IN CONFERENCE

### Department of Social Services and Department of Aging

Issue	Action
1. Food Bank Infrastructure	Approve \$5.5 million GF one-time, with placeholder TBL/BBL per consultation with DOF
2. CalFood Emergency Food Assistance	Approve May Revision
3. Long-Term Care Ombudsman	Approve \$2.3 million GF on-going, with placeholder TBL, and Assembly version on BBL
4. Meals on Wheels and Congregate Nutrition	Approve May Revision
5. Alzheimer's Disease Awareness Campaign	Approve May Revision
6. California Senior Legislature	Approve May Revision
7. Services for Temporary Protective Status (TPS) Recipients and Unaccompanied Undocumented Minors (UUM)	Approve \$10 million GF one-time, with placeholder BBL
8. Revolving Immigration Bond Fund	Approve May Revision
9. Rural Justice Fellows Project	Approve May Revision
10. Immigration Court Representation	Approve May Revision
11. Foster Parent Retention, Recruitment, and Support (FPRRS)	Approve May Revision
12. Family Urgent Response System (FURS)	Approve May Revision
13. Chafee Grant Eligibility Age Increase	Approve \$4 million GF on-going, with placeholder TBL
14. Older Youth in Group Homes and Shelters	Approve \$4 million GF one-time, with placeholder TBL
15. Diaper Distribution	Approve \$10 million GF one-time, with placeholder BBL
16. Deaf Access Program	Approve \$4 million GF on-going, with placeholder TBL
17. Holocaust Survivor Assistance	Approve \$3.6 million GF one-time, with placeholder BBL
18. Case Management and Information Payrolling System (CMIPS) II Backlog	Approve May Revision, no TBL
19. CalWORKs Homeless Assistance Program	Approve May Revision

## STAFF COMMENTS

## ISSUE 39: OTHER LEGISLATIVE AUGMENTATIONS NOT IN CONFERENCE

### Department of Social Services and Department of Child Support Services

Issue	Action
1. Extended Foster Care Definitions for Entrance and Re-Entry	Approve May Revision
2. Indian Health Clinics	Approve May Revision
3. IHSS Provider Enrollment	Approve May Revision
4. Multipurpose Senior Services Program	Approve May Revision
5. Child Support Administrative Augmentation	Rescind prior actions, approve \$3 million GF on-going, with placeholder TBL/BBL per consultation with DOF
6. Youth Civic Engagement	Approve \$2 million GF one-time (as the houses acted prior to Conference), no TBL, adopt placeholder BBL
7. Immigration Services for California State University Faculties, Students, and Staff through the Immigration Services Funding program at DSS	Approve \$7 million GF one-time, with placeholder BBL

## STAFF COMMENTS

## **ISSUE 40: HUMAN SERVICES LANGUAGE ONLY ISSUES**

### **1. Case Management and Information Payrolling System II Governance**

Approve supplemental report language as follows:

The California Department of Social Services shall provide an update to the Legislature and stakeholders, as part of the 2019-2020 budget process, on the engagement of counties in the implementation of the Case Management, Information and Payrolling System for the In-Home Supportive Services Program. The update shall including, but not be limited to, the following:

1. The steps the state has taken to engage the counties in the governance of the project throughout the change management process;
2. The criteria by which the state and county-driven change requests are approved or denied;
3. The process the state has engaged in managing the implementation and prioritization of state and county-driven change requests; and
4. The roles and responsibilities of the state and counties in the change management process.

### **2. CalWORKs Welfare to Work Study Time**

Approve Assembly version on placeholder TBL.

### **3. File Clearance Process Codification**

Approve Senate version, no TBL.

### **4. SRL on Application Hub**

Approve Assembly version.

### **5. Meds Modernization**

Approve modified supplemental report language as follows:

During the 2019-budget process, the Department of Health Care Services, Department of Social Services, and the California Health and Human Services Agency shall jointly update the Legislature on the status of identifying opportunities to improve the efficiency and accuracy of the “file (index) clearance process” for CalWORKs, CalFresh, and Medi-Cal in the Medi-Cal Eligibility Data System (MEDS) utilizing Master Data Management (MDM) technologies.

The initial scope of the MEDS Modernization project includes the development of an MDM strategy. The implementation of MDM in MEDS is intended to be part of the future scope of the project. The update described in subdivision (a), developed in consultation with counties, shall specifically identify the proposed strategy for implementation of MDM technologies, and include preliminary estimates of costs and timeframe to implement.

## 6. SRL on Older Foster Youth

Approve supplemental report language as follows:

The Legislative Analyst's Office, with assistance from the Department of Social Services, shall review data about the reporting of child abuse or neglect incidents among children who are aged 14 to 17. Where feasible, the LAO's analysis shall consider for each of those ages, and compared to data for other ages, the following questions:

- Rate of reporting
- Outcomes of reporting
- Source of the report, if it can be determined, including whether the child self-reported abuse or neglect
- Whether the child was living with the parent or guardian at the time of the report
- Whether the child was homeless at the time of the report
- Information on the timeframe of the child welfare agency's response to reporting of abuse or neglect.
- Number of prior reports.
- Number of petitions filed under WIC 329, and timeframe of the filing, if known.

The Legislative Analyst's Office may seek data from any sources it needs to fulfill the requirement of this SRL, including convening a working group, if appropriate. Depending on the availability of data, the LAO may analyze the data for the state as a whole or for a representative sample of counties." The Legislative Analyst's Office shall report results of this evaluation to appropriate budget and policy committees of the Legislature not later than March 15, 2019.



**(blank page)**

## STAFF COMMENTS

## **ISSUE 41: BUDGET BILL LANGUAGE FOR LONG-TERM CARE OMBUDSMAN**

### **Department of Public Health**

Approve Assembly version.

## STAFF COMMENTS

## **ISSUE 42: BUDGET BILL LANGUAGE FOR EITC OUTREACH**

### **Department of Community Services and Development**

Approve Assembly version.

## STAFF COMMENTS

## **ISSUE 43: BUDGET BILL LANGUAGE FOR ELECTRONIC VISIT VERIFICATION FOR IN-HOME SUPPORTIVE SERVICES**

### **Department of Social Services**

Approve Conference Compromise, per the budget bill language below:

**Add the following provision to Item 5180-111-0001:**

6. (a) The Department of Finance may increase expenditure authority in Schedule (2) by up to \$1 million General Fund to comply with electronic visit verification requirements set forth in Section 12006 of Public Law 114-255, known as the federal 21<sup>st</sup> Century Cures Act. This increase shall not be effective until 30 days following written notification to the Chairperson of the Joint Legislative Budget Committee of the following:
  - (1) Justification for the increased expenditures, including, but not limited to, a written plan that describes the proposed approach for the In-Home Supportive Services program to achieve compliance with this federal law, including a description of the solution;
  - (2) A description of the stakeholder engagement activities and input that resulted in the proposed plan, and a description of any significant input or concerns that are not addressed in the proposed solution;
  - (3) The timing and substance of the various necessary steps toward implementation of the proposed solution; and
  - (4) A cost estimate for 2018-19, and of overall costs of compliance.
- (b) The Department of Finance may authorize the transfer of funds appropriated pursuant to paragraph (a) to Item 5180-001-0001, for activities related to electronic visit verification requirements, including, but not limited to, necessary personal services expenditures, interagency agreements, and contracts.
- (c) The Legislature recognizes that the federal statute remains subject to federal interpretation and guidance, which has not yet been issued and remains uncertain. Therefore, after the end of the 30-day notification period pursuant to subdivision (a), and notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), and only until the end of the 2018-19 fiscal year, the department may implement, interpret or make specific activities related to electronic visit verification requirements set forth in Section 12006 of Public Law 114-255, known as the federal 21<sup>st</sup> Century Cures Act, by means of all-county letters or similar instructions, following consultation with In-Home Supportive Services program stakeholders, without taking further regulatory action.
- (d) The solution proposed by the Administration pursuant to this provision shall adhere to the following general principles:
  - (1) It shall be developed and implemented in a manner and timeframe that avoids the payment of the federal financial participation penalties described in Public Law 114-255.
  - (2) Consistent with the requirements of Public Law 114-255, it shall be developed through a collaborative stakeholder process, and be as minimally burdensome to providers and consumers as is necessary to comply with the federal mandate to implement electronic visit verification.

- (3) It shall not infringe upon the *Olmstead* rights of IHSS consumers.
- (4) It shall not utilize geo-tracking nor global positioning system capabilities.
- (5) To the maximum extent possible, it shall leverage the existing electronic and telephonic timesheet systems.
- (6) It shall utilize the maximum flexibility allowed by the federal government in the definitions of the terms “personal care services” and “location of services” and “start and stop time of each service”.
- (7) The Department shall not implement a violations policy or process for in-home supportive service providers as part of electronic visit verification and social workers must continue to do individual assessments, and information from EVV cannot be used to reduce a consumers’ hours.
- (8) Consistent with the requirements of Public Law 114-255, in-home supportive service providers and recipients will be provided with training on the use of the state’s EVV system.



(blank page)

## STAFF COMMENTS

## **ISSUE 44: OFFICE OF LAW ENFORCEMENT SUPPORT**

### **Health and Human Services Agency**

Approve Conference Compromise:

- In place of the Governor's original BCP, establish 1.0 attorney IV and fund 7.0 investigators, and 2.0 supervising special investigators paid at top step, estimated to be \$620k GF in 2018-19 and \$555k GF on-going.

## STAFF COMMENTS

## ISSUE 45: DEVELOPMENTAL SERVICES ISSUES IN CONFERENCE

### Department of Developmental Services

Issue	Action
1. Bridge Rate Increase for DD Providers	Approve Conference Compromise of \$25 million one-time for a pass-through rate increase for direct care staff, with placeholder BBL
2. Half Day Billing Repeal	Approve Senate Version
3. Best Buddies	Approve \$1.5 million GF one-time
4. Kern Regional Center	Approve \$300k GF one-time with placeholder BBL regarding accountability and placeholder SRL regarding ongoing legislative oversight

## STAFF COMMENTS

## ISSUE 46: DEVELOPMENTAL SERVICES ISSUES NOT IN CONFERENCE

### Department of Developmental Services

Issue	Action
1. Uniform Holiday Schedule	Restore all 14 Days in Uniform Holiday Schedule with \$29.3 million GF one-time, until 7/1/19, with placeholder BBL
2. Social Recreation and Camp	Approve May Revision
3. Trailer Bill on Institutes for Mental Disease	Approve May Revision
4. Safety Net Augmentation	Approve May Revision

## STAFF COMMENTS



## **ISSUE 47: SUSTAINABLE FUNDING FOR FISH AND WILDLIFE**

### **Department of Fish and Wildlife**

The conference compromise on this issue includes funding for 3 years to address the structural deficit of the Fish and Game Preservation Fund, with additional supplemental funding from the Tire Fund and General Fund.

Adopt a total of \$29.6 million on a 3 year limited-term basis (\$24.6 million in General Fund and \$5 million Tire Fund) with provisional language, trailer bill language, and \$2 million General Fund one-time for the Department to contract with an independent entity to conduct a service based budget review, consult on the development of a budget tracking system, and for the department to fund a statewide department management team to participate in the service based budget review and develop the budget tracking system. The scope and timeline for this review will be detailed in the trailer bill.

## STAFF COMMENTS

## **ISSUE 48: CLEAN DRINKING WATER**

### **State Water Resources Control Board**

This issue reflects the conference compromise package on clean drinking water. This package includes:

- **Safe and Affordable Drinking Water BCP+TBL**  
Do not adopt the Administration's proposal
- **Legislative Investments: \$23.5 million in General Fund for Emergency Relief Funding for Wells and Septic Systems, Drinking Water for Schools Program, and Emergency Relief Funding for Water Tanks.**  
No action on these proposals at this time. Set aside \$23.5 million General Fund for allocation to safe drinking water actions later in this legislative session.
- **Legislative Investments: Lead Testing, Remediation, and Technical Assistance for Child Care Centers**  
Adopt conference compromise to provide \$5 million in General Fund for the State Water Resources Control Board to provide lead testing, remediation, and technical assistance for child care centers.

## STAFF COMMENTS

## ISSUE 49: PROPOSITION 68 ALLOCATIONS

### Various Departments

This issue reflects the conference compromise package on additional Proposition 68 investments above the Governor's May Revision. This package includes:

- **Proposition 68: Sutter Butte Flood Management Agency - Sediment Management**  
Adopt conference compromise of \$5 million from Section 80100(a)(8) of Prop 68 for the Sutter Butte Flood Management Agency for sediment management with provisional language to specify the project is consistent with the requirements of this section.
- **Proposition 68: Competitive Grants**  
Adopt Assembly version to appropriate \$40 million for the Natural Resources Agency to provide competitive grants.
- **Proposition 68: Watershed Restoration and Conservation Projects**  
Adopt Senate version to appropriate \$1 million for the Department of Conservation for watershed restoration and conservation projects.
- **Proposition 68: San Francisco Bay Wetlands Restoration**  
Adopt Senate version to appropriate \$25 million for the State Coastal Conservancy for San Francisco Bay wetland restoration.
- **Lower American River Conservancy Program and Conservation Project Grants (SB 5)**  
Adopt Senate version to provide the Wildlife Conservation Board \$21 million for the Lower American River Conservancy Program and Conservation Project grants.
- **Proposition 68: Wildlife Corridor Infrastructure Projects**  
Adopt Assembly version to provide the Wildlife Conservation Board \$10 million for wildlife corridor infrastructure projects.

- Proposition 68: State Coastal Conservancy: Santa Margarita River  
Adopt Senate version to provide the State Coastal Conservancy \$10 million for the Santa Margarita River.
- Proposition 68: State Coastal Conservancy: Coastal Watershed  
Adopt Senate version to provide the State Coastal Conservancy \$19.4 million for coastal watershed.
- Augmentation for Deferred Maintenance for the California Exposition and State Fair  
Adopt Senate version.
- Proposition 68: Pure Water San Diego  
Adopt conference compromise to appropriate \$30 million in Prop 68 funds for Pure Water San Diego.
- SB 5/Proposition 68 Investments  
Adopt Assembly version.

(blank page)

## STAFF COMMENTS



## **ISSUE 50: INVASIVE PESTS**

### **California Department of Food and Agriculture**

This issue reflects the conference compromise package on various legislative augmentations for invasive pest suppression activities. This package includes:

- **General Fund Augmentation for Polyphagous and Kuroshio Shot Hole Borer**  
Adopt Assembly version to provide \$5 million for the Department to coordinate with CalFire on suppression activities related to the shot hole borer with provisional language.
- **Citrus Pest and Disease Prevention Program**  
Adopt Assembly version to augment the Governor's BCP on the Citrus Pest and Disease Prevention Program with an additional \$10 million in General Fund.
- **General Fund Augmentation for Statewide Invasive Species Issues**  
Adopt conference compromise to provide \$2 million for statewide invasive species issues.

## STAFF COMMENTS

## **ISSUE 51: VARIOUS ISSUES IN CDFA**

### **California Department of Food and Agriculture**

This issue reflects the conference compromise package on various items under the Department of Food and Agriculture. This package includes:

- **San Joaquin Valley Grant**  
Adopt Assembly version to provide a \$500,000 grant to the California Partnership for the San Joaquin Valley.
- **Bee Safe**  
Adopt conference compromise to approve \$1.9 million on a three-year limited-term basis and complete the proposed report by January 10, 2021.

## STAFF COMMENTS

## **ISSUE 52: VARIOUS ISSUES IN CALEPA**

### **California Environmental Protection Agency**

This issue reflects the conference compromise package on various items under the California Environmental Protection Agency, its Departments, Boards, and Offices. This package includes:

- Off-Road Vehicle/After-Market Parts Certification and Compliance TBL  
Adopt conference compromise trailer bill language.
- Agricultural Diesel Engine Replacement and Upgrades  
Reverse action to appropriate \$30 million for agricultural diesel engine replacements and defer action on this item for a later date.
- AB 617 Implementation  
Defer action on this issue to be discussed with the Cap&Trade items.
- Exide Enforcement Order  
Adopt Assembly version to approve Administration's May Revision proposal as budgeted and add provisional language requiring DTSC to report to the Legislature when reimbursements are received from Exide.
- Cost Recovery Program Implementation  
Adopt Assembly version.
- Cost Recovery Management System  
Adopt Senate version.
- Safer Consumer Products Implementation  
Adopt conference compromise to transfer funds from the Lead Acid Battery Fund into the General Fund and fund the BCP with General Fund.
- Enforcement in Vulnerable Communities  
Adopt conference compromise to transfer funds from the Lead Acid Battery Fund into the General Fund and fund the BCP with General Fund.

- Reappropriation for Exide Technologies Clean-up  
Adopt conference compromise to approve May Revision with an additional \$1.5 million in Environmental License Plate Fund and \$5 million in General Fund for the testing and remediation of parkways along with provisional language.
- Bottle Bill TBL: Plastic Market Development Payments/CHP Enforcement  
Adopt Senate version to adopt the trailer bill as proposed.
- Disaster Recovery Assistance Program  
Adopt Assembly version to approve the Administration's May Revision proposal as budgeted.
- Public health goal review for certain contaminants  
Adopt Assembly version to include trailer bill language relating to public health goal reviews of contaminants.
- Position Authority for biopesticide applications  
Adopt Assembly version to provide 9 positions for the Department of Pesticide Regulation to reduce the backlog of biopesticide applications.

(blank page)

## STAFF COMMENTS



## **ISSUE 53: VARIOUS ISSUES IN CNRA**

### **Natural Resources Agency**

This issue reflects the conference compromise package on various items under the Natural Resources Agency, its Departments, Boards, and Offices. This package includes:

- South Yuba River SP: Historic Covered Bridge  
Adopt conference compromise to provide \$2.8 million in Proposition 84 funds for the South Yuba River SP: Historic Covered Bridge.
- Salton Sea Boating Access  
Adopt Assembly version to include provisional language relating to Salton Sea boating access.
- Regulation Enforcement in the San Francisco Bay  
Adopt Assembly version to approve the requested resources on a 3-year limited term basis with provisional language for SFBCDC to report back to the Legislature on specified information.
- Relocation to Bay Area Metro Center  
Adopt Senate version.
- State Water Project Aging Infrastructure Improvements  
Adopt Assembly version to additionally include supplemental reporting language.
- Forest Carbon Plan  
Adopt Senate version
- Mallard  
Adopt Senate version.
- AB 142 Report Implementation  
Adopt Assembly version to include trailer bill language to implement the AB 142 report, which adds 37 miles of the upper Mokelumne River to the California Wild and Scenic Rivers System.
- Department of Fish and Game Commission Board Meetings  
Adopt Senate version.

## STAFF COMMENTS

## ISSUE 54: LEGISLATIVE INVESTMENTS IN CNRA

### Various Departments within the Natural Resources Agency

This issue reflects the conference compromise package on various legislative investments under the Natural Resources Agency, its Departments, Boards, and Offices. This package includes:

Department	Description	Action
Natural Resources Agency	Legislative Investments: Italian American Museum of Los Angeles	Adopt Senate version
Natural Resources Agency	Legislative Investments: Museum of Lesbian, Gay, Bisexual, Transgender, and Queer (LGBTQ) History and Culture	Adopt Senate version
Natural Resources Agency	Legislative Investments: Ocean Protection Council: Whale and Sea Turtle Entanglement	Adopt Assembly Version
Natural Resources Agency	Legislative Investments: Lower Los Angeles River Community Restoration and Revitalization Projects	Approve \$20 million for the Lower Los Angeles River Community Restoration and Revitalization Projects. Additionally include provisional language to extend the encumbrance period for the LA River funding appropriated in 2017.
Natural Resources Agency	Legislative Investments: City of Santa Ana	Adopt Senate version
Natural Resources Agency	Legislative Investments: Muckenthaler Sprinkler System	Adopt Assembly Version
Natural Resources Agency	Legislative Investments: California Conservation Genomics	Adopt Senate version
Natural Resources Agency	Legislative Investments: Agoura Hills/Calabasas Community Center Roof Replacement	Adopt Senate version
Natural Resources Agency	Legislative Investments: City of San Francisco - Seawall Earthquake Safety and Disaster Prevention Center	Adopt Assembly version
Natural Resources Agency	Legislative Investments: City of Santa Ana - Advanced Water Metering Infrastructure	Adopt Assembly Version
Natural Resources Agency	Legislative Investments: Lassen Courthouse	Approve \$8,450,000
Natural Resources Agency	Legislative Investments: City of Daly City - Doelger Center Complex	Adopt Assembly Version
Natural Resources Agency	Legislative Investments: City of Colton - Fireman's Paseo Project	Approved \$600,000

California Conservation Corps	Legislative Investments: Local Conservation Corps Grants	Adopt Senate version
Department of Forestry and Fire Protection	Mobile Equipment	Adopt Assembly Version
Department of Forestry and Fire Protection	Legislative Investments: Capital Outlay Funding for Contract Counties	Adopt Senate version
Department of Forestry and Fire Protection	Legislative Investments: County of San Bernardino Type 3 Engine Funding	Adopt Assembly Version
State Lands Commission	Legislative Investments: Martins Beach Public Access	Adopt Senate Version
State Lands Commission	Legislative Investments: Granted Trust Lands Sea Level Rise Impact (AB 691)	Adopt Assembly Version
Department of Fish and Wildlife	Legislative Investment: California Waterfowl Habitat Program - Working Agricultural Rice Fields	Adopt Assembly Version
Wildlife Conservation Board	Legislative Investments: Recovering and Sustaining Populations of Monarch Butterflies and Other Pollinators	Adopt Assembly Version
State Coastal Conservancy	ELPF Appropriation for Explore the Coast	Adopt Senate Version
State Coastal Conservancy	Legislative Investments: Ellwood Mesa Habitat Management Plan and Restoration	Adopt Senate version
Department of Water Resources	Legislative Investments: Coastal and Bay Flood Prevention Funding	Adopt Assembly Version
State Coastal Conservancy	Legislative Investments: West Coyote Hills	Adopted Assembly Version
State Coastal Conservancy	Legislative Investments: Beneficial Pilot Reuse Program	Adopt Assembly Version
State Coastal Conservancy	Legislative Investments: Maritime Museum	Adopt Assembly Version
Department of Parks and Recreation	Legislative Investments: Pedestrian and Bicycle Access Plan for Los Angeles State Historic Park	Adopt Assembly Version
Department of Parks and Recreation	Legislative Investments: City of Whittier Parks and Trail Rehabilitation	Adopt Assembly Version
Department of Parks and Recreation	Legislative Investments: City of Whittier rehabilitation of the La Mirada Theatre for Performing Arts	Adopt Assembly Version
Department of Parks and Recreation	Legislative Investments: City of Los Angeles Cesar Chavez Park	Adopt Assembly Version
Department of Parks and Recreation	Legislative Investments: City of Lodi Erosion Control	Adopt Assembly version
Department of Parks and Recreation	Legislative Investments: City and County of San Francisco, Richmond Community Center	Include \$2 million General Fund for the Richmond Community Center in San Francisco

Department of Parks and Recreation	Legislative Investments: Sonoma County Community Center	Include \$5 million General Fund for the Sonoma Community Center
Department of Parks and Recreation	Legislative Investments: City of Los Angeles Mid Valley Multipurpose Center	Approve \$300,000
Department of Parks and Recreation	Legislative Investments: LA River Greenways	Adopt Assembly Version
Wildlife Conservation Board	Midpeninsula Regional Open Space District: land acquisition	Adopt Assembly Version
State Coastal Conservancy	Beach improvements for first responder access at Tunitas Creek.	Adopt Assembly Version
Natural Resources Agency	AIDS Monument project in West Hollywood	Adopt Senate Version
Department of Water Resources	Flood Control Infrastructure	Adopt Senate Version
Department of Water Resources	Legislative Investments: Reconstruction of the City of San Fernando's Reservoir	Adopt Senate version
Natural Resources Agency	Cheech Marin Center for Chicano Art, Culture & Industry	Approve \$9.7 million in General Fund for the Cheech Marin Center for Chicano Art, Culture, and Industry.
Natural Resources Agency	Oakland Museum	Approve \$250,000 for the Oakland Museum.
Department of Forestry and Fire Protection	Community Based Fire Prevention Work	Approve \$10M for community based fire prevention work.
State Coastal Conservancy	Santa Ana River Conservancy	Approve \$5 million for the Santa Ana River Conservancy
Department of Parks and Recreation	City of La Habra two "Splash Pads" at area parks	Approve \$1.2 million for the City of La Habra for two splash pads at area parks.
Department of Parks and Recreation	East Bay Regional Park District	Approve \$5 million for the East Bay Regional Park District
Department of Water Resources	Redwood Valley County Water District	Approve \$2 million for the Redwood Valley County Water District
Department of Toxic Substances Control	Additional Parkways Cleanup: Exide	Approve \$5 million for the cleanup of parkways affected by Exide.

Natural Resources Agency	Stanislaus County Camp Taylor	Approve \$2 million for the Stanislaus County Camp Taylor
--------------------------	-------------------------------	---

(blank page)

## STAFF COMMENTS



## ISSUE 55: LEGISLATIVE INVESTMENTS IN CALEPA

### California Environmental Protection Agency

This issue reflects the conference compromise package on various legislative investments under the California Environmental Protection Agency, its Departments, Boards, and Offices. This package includes:

Department	Description	Tentative Action
Office of Environmental Health Hazard Assessment	Legislative Investments: Food Dye Study	Adopt Senate version
California Department of Food and Agriculture	General Fund Augmentation for California Nutrition Incentive Program	Adopt Assembly Version
California Department of Food and Agriculture	General Augmentation for Grants to Small Businesses for Refrigeration Units	Adopt Assembly Version
California Department of Food and Agriculture	Codification of Alternative Manure Management Program, State Water Efficiency and Enhancement Program, and Pilot Technical Assistance Program	Adopt Senate version
California Department of Food and Agriculture	General Fund Augmentation for Healthy Soils Program	Adopt Senate version
State Water Resources Control Board	Legislative Investments: Emergency Repairs for Oxnard Waste Water Treatment Plant	Approve \$9.5 million
California Environmental Protection Agency	Legislative Investments: Green Business Network Program	Adopt Assembly Version

## STAFF COMMENTS

## **ISSUE 56: AGRICULTURAL ENERGY EFFICIENCY PROJECTS**

### **California Energy Commission**

Action is to adopt the Senate version which results in not providing \$30 million additional General Fund for these projects.



## **ISSUE 57: CAP AND TRADE EXPENDITURE PLAN AND ELECTRIC VEHICLES AND ZERO-EMISSION EVs AND CHARGING INFRASTRUCTURE PLAN**

### **Various Departments**

Action is to remove funding for Greenhouse Gas Reduction Fund and Zero-Emission EV and charging infrastructure- related proposals and to fund staff to “keep the lights on” for the GGRF programs.

Funding plans and related legislation for these items will be acted on later.

Action is to adopt the Senate version of the Disadvantaged Communities Advisory Group per diem reimbursement trailer bill language and thereby approve the TBL.

## STAFF COMMENTS

## **ISSUE 58: SUPPLEMENTAL REPORTING REQUIREMENTS FOR TRANSPORTATION AND ENERGY**

### **Various Departments**

Action is to adopt supplemental reporting language for the following items:

- Energy Commission: Energy Resources Programs Account Structural Deficit
- California Public Utilities Commission: Lifeline Program Forecast
- California Department of Transportation: Bay Area Storm Water Permit Violations
- California Transportation Commission: Active Transportation Program Evaluation

## STAFF COMMENTS



## ISSUE 59: TRANSPORTATION LEGISLATIVE INVESTMENTS

### Various Departments

Proposed actions are as follows:

Department	Issue	Action
State Transportation Agency	California Autotech Testing and Development Project	Assembly version
State Transportation Agency	River to Rails Project	Senate version
State Transportation Agency	Shinn Station Feasibility Study	Senate version
California Department of Transportation	Sabercat Trail Bridge Project (State Highway Account)	Assembly version
State Transportation Agency	North Coast Rail Authority Dissolution	Assembly version
University of California	Transportation Research: Transit Pass Study: funding and TBL	Senate version
California Department of Transportation	Contractor Manager/General Contractor authority for the Golden Gate Bridge District TBL	Assembly version
California Department of	Ventura County Transportation Commission: City of Thousand	Assembly

Transportation	Oaks TBL	version
State Transportation Agency	Oakland Unified School District Bus Service/ AC Transit	Senate version

### **Perimeter Fencing at the Department of Motor Vehicle Field Offices**

Action is to adopt the Assembly version in order to provide funding for the fencing and reject the Senate proposal to fund security services at the offices.

(blank page)

## STAFF COMMENTS

## ISSUE 60: HOUSING AND HOMELESSNESS

### Business, Consumer Services and Housing Agency Department of Housing and Community Development

This issue reflects the agreement on the housing and homelessness package reached by all parties. The main components of the housing package include the following:

- **Emergency Aid Block Grants** – includes a Conference Compromise of \$500 million (\$250 million above May Revision) one-time General Fund for emergency aid for local governments to respond to homelessness. The funding would be allocated as follows:
  - \$250 million as proposed in the May Revision allocated to Continuums of Care.
  - \$150 million direct allocation to a city or city and county with a population over 330,000.
  - \$100 million allocated based on homeless population to the Continuums of Care.
- **Housing and Homelessness Trailer Bill Language** – includes the Senate action on No Place Like Home trailer bill language and the Assembly action with amendments to trailer bill language relating to the Office of Migrant Services.
- **Additionally the package takes the following actions:**
  - Homeless Council – Adopt Assembly version.
  - SB 2 Recording Fee Hardship Refund Pilot – Adopt Senate version.
  - Multi-Family Housing Program – Adopt Assembly version.
  - Housing for a Healthy California – Adopt Assembly version.
  - Low Income Housing Tax Credit – Conference Compromise which includes no action.

**Action: Adopt the Housing and Homelessness Package.**

## STAFF COMMENTS

## ISSUE 61: TAX PROVISIONS

### Franchise Tax Board

This issue reflects the agreement on tax credits reached through conference. The tax credits in the 2018-19 budget include the following:

- **Earned Income Tax Credit** – includes the Senate version – based on the Governor's proposal - which would expand the EITC to certain taxpayers who were previously ineligible due to their age and adjusts the credit to compensate for a rising minimum wage. Additionally includes a conference compromise to provide \$10 million for outreach and tax preparation services.
- **California Hiring Credit** - includes the Assembly Proposal – which rejects the Administration's proposal- and adopts language to extend the existing credit for five years.
- **Tribal Income Tax Exemption** – includes Senate version – to exempt the earnings of tribe's land from state income tax.
- **Additionally actions related to tax credits:**
  - Child Care Credit – Adopt Senate Version
  - Renter's Credit – Adopt Assembly Version
  - COIN Program – Adopt Assembly Version
  - Teacher Tax Deduction – Adopt Assembly Version
  - State Wildlife Area Payments in Lieu of Taxes – Adopt Assembly Version.

**Action: Adopt the tax credit proposal.**

## STAFF COMMENTS



## ISSUE 62: CANNABIS

### Various Departments

This item reflects the actions taken by the Governor, Senate, and Assembly with respect to Cannabis. Both houses adopted various legislative proposals with corresponding funding. The Cannabis action includes the following:

- **Legislative proposals** – rejects all three legislative proposals included in the budget.
- **Additional positions at Bureau of Cannabis Control** – Senate version.
- **Funding for grants for Equity issues** – Conference Compromise to allocate \$10 million for an equity program contingent on passage of legislation on social equity through the policy process.

**Action: Adopt Action on Cannabis proposals.**

## STAFF COMMENTS

## ISSUE 63: LEGISLATIVE REQUESTS

### Various Departments

This item includes actions on various legislative requests included under General Government. The actions are reflected below:

- Gateway Cities and Meadowview Area – Conference Compromise adopt \$50,000 for Gateway Cities.
- Funding for AB 1111 – Conference Compromise adopt funding at \$15 million.
- Breaking Barriers in Employment For Adults with Autism – Adopt Assembly version.
- Los Angeles CleanTech Incubator – Adopt Senate version.
- Domestic Workers Co-Enforcement Program – Adopt Conference Compromise including budget bill language for DIR to create a section on the website with resources for domestic workers and supplemental reporting language to assess domestic workers.
- Refugees Career Pathways – Conference compromise – adopt trailer bill language to establish program and fund it at \$5 million through Prop. 98.
- California Science Center – Conference Compromise adopt TBL for Phase III and TBL on Governance
- California Secure Choice Retirement Savings Investment Board – Adopt Senate version and BBL.
- GO-Biz local cash match for small business technical assistance centers – Adopt Assembly version.
- California Arts Council – Conference Compromise adopt \$8.8 million in funding.
- Lodi Lake – Conference Compromise adopt \$1 million.

**Action: Adopt conference action on legislative requests as outlined above.**

## STAFF COMMENTS

## ISSUE 64: MISCELLANEOUS ITEMS

### Various Departments

This item includes actions on miscellaneous items included under General Government. The actions are reflected below:

- State Controller's Office CalATERS BBL – Adopt Senate version
- State Controller's Office California Payroll System – Adopt Senate version.
- Public Employment Relations Board – Conference Compromise adopt \$2.4 million (GF) and budget bill language.
- AB 262 Buy Clean program – Conference Compromise adopt TBL to delay implementation date.
- Department of Fair Employment and Housing – Conference Compromise to adopt \$3 million to address backlog and outreach.
- Victim's Compensation: Technical Clean-Up – Conference Compromise adopt TBL.
- Control Section 3.60 – Adopt Assembly Version.
- State Mandates- Conference Compromise to reduce local government payment by \$31.7 million.
- Victim's Compensation – Conference Compromise to adopt TBL for East Area Victims.
- CalSTRS Reporting Language- Conference Compromise amends the date of the report to August 15, 2018.
- Prop. 56 – Conference Compromise to approve Prop. 56 funds as continuously appropriated non-Budget Act for California Department of Tax and Fee Administration.

**Action: Adopt conference action on miscellaneous items as outlined above.**

## STAFF COMMENTS

## **ISSUE 65: STATE VETERANS' HOMES**

### **California Department of Veterans Affairs**

Action is a conference compromise to adopt budget bill language, trailer bill language, and to approve \$241,000 General Fund ongoing (beginning in 2019-20) for two positions for the development of the state's Master Plan for the future of the veterans' homes.

Also, action to adopt Senate version and reject the Assembly proposed trailer bill language requiring reporting on leases at the state's veterans homes

## STAFF COMMENTS



## ISSUE 66: DEPARTMENT OF VETERANS AFFAIRS LEGISLATIVE INVESTMENTS

### California Department of Veterans Affairs

Proposed actions are as follows:

Department	Issue	Action
Department of Veterans Affairs	Veterans Mental Health Services \$1 million ongoing from Proposition 63	Compromise
Department of Veterans Affairs	Veterans Services Officers-Alameda County	Assembly

## STAFF COMMENTS

## **ISSUE 67: PRO RATA AND LEGISLATIVE INVESTMENTS**

### **Department of Consumer Affairs**

Action is to adopt the Assembly version and provide funding for two positions to conduct organization change management reviews of DCA's centralized administrative costs and budget bill language.

Action to adopt Senate version for the Transcript Reimbursement Fund.

## STAFF COMMENTS

## **ISSUE 68: AB 195 SUSPENSION**

### **Secretary of State**

The Assembly adopted trailer bill language to suspend for two years AB 195 (Obernolte, Chapter 105, Statutes of 2017) to allow time for concerns about changes required on ballot labels for local bonds to be addressed through the policy committee.

The Senate took no action.

Conference Action:

## STAFF COMMENTS

## **ISSUE 69: CYBER SECURITY OFFICE: LEGISLATIVE INVESTMENT**

### **Secretary of State**

Action is to adopt the Senate version and provide \$2 million General Fund ongoing and adopt BBL.

## STAFF COMMENTS



## **ISSUE 70: LANGUAGE FOR COUNTY VOTING SYSTEMS FUNDING**

### **Secretary of State**

Action is to adopt placeholder trailer bill language.

## STAFF COMMENTS

## **ISSUE 71: PRECISION MEDICINE**

### **Office of Planning and Research**

The Assembly adopted \$42 million for Precision Medicine, including \$12 million set aside for the UC Davis Institute for Regenerative Cures.

The Senate adopted the Governor proposed \$30 million allocation for this program and adopted modified trailer bill related to the Governor proposed California Institute to Advance Precision Health and Medicine.

The Conference Compromise would be the Senate version, but with budget bill language reflecting the current funding mechanism for Precision Medicine in place this year.

### **Action: Adopt Conference Compromise**

## STAFF COMMENTS

## **ISSUE 72: 2020 CENSUS OUTREACH**

### **Office of Planning and Research**

Both houses augmented the Governor's proposed \$40.3 million 2020 Census Outreach effort. The Conference Compromise increases investments in the budget year.

The Conference Compromise provides:

- \$50 million above the Governor's level for a total funding in 2018-19 of \$90.3 million.
- Includes trailer bill that requires reporting on the progress, staffing, and expenditures of the 2020 Outreach Plan.
- Adopts Assembly's proposed Supplemental Report Requirement on Language Access.

**Action: Adopt the Conference Committee 2020 Census Outreach Compromise.**

## STAFF COMMENTS

## ISSUE 73: DEFERRED MAINTENANCE AND STATE OFFICE BUILDINGS

### Various

The Conference Compromise reduces deferred maintenance and adds funds to the State Project Infrastructure Fund:

- **Deferred Maintenance** – Provides \$305 for deferred maintenance in the following manner

Department of Water Resources.....	100,000,000
Judicial Branch .....	50,000,000
California State University .....	35,000,000
University of California .....	35,000,000
Department of State Hospitals .....	10,000,000
Department of General Services .....	10,000,000
Cal Expo .....	15,000,000
Department of Developmental Services—Porterville Facility .....	10,000,000
Department of Corrections and Rehabilitation .....	9,000,000
California Science Center—California African American Museum .....	7,000,000
California Military Department .....	4,000,000
Department of Veterans Affairs .....	4,000,000
State Special Schools .....	4,000,000
Office of Emergency Services .....	4,000,000
Network of California Fairs .....	3,000,000
Department of Forestry and Fire Protection.....	2,000,000
Department of Food and Agriculture .....	1,000,000
Employment Development Department .....	1,000,000
California Conservation Corps .....	500,000
Hastings College of the Law .....	500,000

- **State Project Infrastructure Fund** – provides \$630 million one-time and trailer bill language.
- **Reflects no set aside of Proposition 68 funds for CalEXPO**

**Action: Adopt the Deferred Maintenance and State Building Conference Compromise.**

## STAFF COMMENTS



## ISSUE 74: RESERVE ACCOUNTS

### Various

This Conference Compromise reflects the recreation of two new reserves:

- **The Safety Net Reserve** – will be created pursuant to the Senate Action with modified trailer bill language to allow further discussions on the rules of the reserve. \$200 million will be deposited in this reserve.
- **Budget Deficit Savings Account** – Adopts the Assembly proposal also with modified trailer bill language to allow further discussions on the rules of the reserve. This reserve will hold the amount dedicated for the discretionary Budget Stabilization Account deposit in May.
- Half of funding remaining in the Budget Deficit Savings Account after the Budget Stabilization Account transfer will be moved to the Safety Net Reserve, the other half will remain in the Budget Deficit Savings Account.

**Action: Adopt the Reserve Conference Compromise.**

## STAFF COMMENTS

## **ISSUE 75: FINANCIAL INFORMATION SYSTEM FOR CALIFORNIA**

### **Department of Finance**

- The Senate adopted budget bill language requiring reporting on costs associated with the Financial Information System for California (FI\$Cal) project.
- Conference compromise. Adopt supplemental reporting language requiring the Department of Finance to provide a list of specific budget proposals related to the FI\$Cal Integrated Solution.

## STAFF COMMENTS

## **ISSUE 76: YOUTH REINVESTMENT FUND, ADULT REENTRY AND DIVERSION**

### **Board of State and Community Corrections**

Approve the following Conference Committee Compromises:

- \$37.3 million for the Assembly's Youth Reinvestment Fund and trailer bill language for the following purposes:
  - \$26.3 million for Youth Diversion Programs
  - \$10 million for social workers in public defender offices
  - \$1 million for Native Youth Diversion
- \$50 million for the Senate's Reentry and Wraparound Services and budget bill language.

## STAFF COMMENTS

## **ISSUE 77: JUDICIAL COUNCIL DISCRETIONARY FUNDING**

### **Judicial Branch**

Approve the Conference Committee Compromise to approve the \$75 million discretionary funding for Judicial Council and budget bill language expressing legislative intent for \$10 million of the funding to go towards court reporters in family court and not supplant existing funding for court reporters.

## STAFF COMMENTS



## **ISSUE 78: TRIAL COURT CAPITAL OUTLAY**

### **Judicial Branch**

Approve the Senate version to authorize \$1.3 billion in lease revenue bonds backed by General fund for the following identified projects and adopt trailer bill language requiring Judicial Council to conduct a reassessment of all remaining trial court projects and submit a fund condition statement with any new infrastructure proposals.

## STAFF COMMENTS

## **ISSUE 79: ONLINE PILOT FOR TRAFFIC ADJUDICATIONS AND DRIVER LICENSE SUSPENSIONS AND FAILURE TO APPEAR**

### **Judicial Branch**

- Approve the Conference Committee compromise to provide \$3.4 million in 2018-19 and \$1.4 million ongoing and the revised trailer bill language.
- Approve the Conference Committee compromise to adopt the Governor's May Revision proposal regarding the proposal for Driver License Suspensions and Failure to Appear.

## STAFF COMMENTS

## **ISSUE 80: JUDGESHIPS AND THE EQUAL ACCESS FUND**

### **Judicial Branch**

Approve the following Conference Committee Compromises:

- \$2 million ongoing for 2 Corona Court judgeships in Riverside County trailer bill language, and budget bill language.
- \$1.2 million ongoing for one appellate court justice in the Fourth District Court of Appeal in the Riverside/San Bernardino area and trailer bill language.
- Provide \$10 million in ongoing funding to the Equal Access Fund beginning fiscal year 2019-2020.

## STAFF COMMENTS

## **ISSUE 81: VARIOUS JUDICIAL BRANCH PROPOSALS**

### **Judicial Branch**

Approve the following items:

- The Assembly's version of the Court Reporters (General Fund)
- The Assembly's version of the Trial Court Trust Fund Revenue Shortfall
- The Assembly's version of Deferral of Sentencing
- The Assembly's version of the Courts Honest Budget Adjustment
- The Senate's version of the Indian Child Welfare Act

## STAFF COMMENTS



## **ISSUE 82: CA EARLY EARTHQUAKE WARNING SYSTEM, EMERGENCY RESPONSE OPERATIONS, AND THE DISASTER RESPONSE EMERGENCY OPERATIONS ACCOUNT (DREOA)**

### **Office of Emergency Services**

- Approve the Senate version of the California Early Earthquake System which does not include reporting requirements.
- Approve the Governor's May Revision proposal for Emergency Response Operations.
- Approve the Conference Committee Compromise trailer bill language regarding the Disaster Response Emergency Operations Account and notification requirements to the Legislature in situations where disaster response activities may need to continue beyond the statutorily defined time.

## STAFF COMMENTS

## **ISSUE 83: VARIOUS LEGISLATIVE PROPOSALS IN THE OFFICE OF EMERGENCY SERVICES**

### **Office of Emergency Services**

Approve the following:

- The Conference Committee Compromise to provide \$10 million for Domestic Violence and Sexual Assault Services.
- The Conference Committee Compromise to provide \$5 million for Internet Crimes Against Children
- The Conference Committee Compromise to provide \$15 million to support public health and public safety upgrades in San Francisco.
  
- The Assembly's version of the Family Justice Centers.
- The Assembly's version of the City of Rialto Emergency Equipment.
- The Assembly's version of the Domestic Violence Housing Program.
  
- The Senate's version of Human Trafficking Services.
- The Senate's version of \$25 million to increase resources for mutual aid.
- The Senate's version of the Children's Advocacy Center.

## STAFF COMMENTS

## **ISSUE 84: VARIOUS DEPARTMENT OF JUSTICE PROPOSALS FROM THE ADMINISTRATION**

### **Department of Justice**

- Approve the Governor's May Revision proposal to establish cybercrime investigation teams in the Department of Justice.
- Approve the Administrations SB 54 clean-up trailer bill language regarding parole entry for criminal proceedings and law enforcement cooperation with federal immigration upon a judicial finding of probable cause in charges involving violent or serious felonies.

## STAFF COMMENTS

## **ISSUE 85: ANTI-TRUST WORKLOAD**

### **Department of Justice**

Approve the Assembly version of the Department of Justice's Anti-Trust Workload to approve \$1.8 million and 9 positions in 2018-19 and ongoing.

## STAFF COMMENTS



## **ISSUE 86: CHAPTER 694, STATUTES OF 2017**

### **Department of Justice**

Approve the Assembly version to clarify language regarding the federal Violence Against Women Act funding.

## STAFF COMMENTS

## **ISSUE 87: STATE OFFICER INVOLVED SHOOTING INVESTIGATION TEAM**

### **Department of Justice**

Approve the Senate version.

## STAFF COMMENTS

## **ISSUE 88: ARMED AND PROHIBITED PERSONS SYSTEM (APPS)**

### **Department of Justice**

Approve the Senate version.

## STAFF COMMENTS

## **ISSUE 89: VARIOUS LEGISLATIVE PROPOSALS IN THE DEPARTMENT OF JUSTICE**

### **Department of Justice**

Approve the following:

- The Senate version of the Bureau of Environmental Justice.
- The Assembly version of the eCrime Unit Website.
- The Assembly version of the Tax Recovery and Criminal Enforcement Augmentation.
- The Assembly version of the Sex Offender Registry related to juvenile amends.

## STAFF COMMENTS



## **ISSUE 90: SEXUAL ASSAULT KIT AUDIT AND PROCESSING UNTESTED SEXUAL ASSAULT KITS**

### **Department of Justice**

Approve the following:

- The Assembly version of the sexual assault kit audit to provide \$1 million and budget bill language to conduct a statewide audit of untested sexual assault kits and report findings to the Legislature.
- The Senate version of the sexual assault kit backlog reduction to provide \$6.5 million and budget bill language to reduce the backlog of untested sexual assault kits in the state.

## STAFF COMMENTS

## **ISSUE 91: VARIOUS CALIFORNIA DEPARTMENT OF CORRECTIONS AND REHABILITATION PROPOSALS FROM THE ADMINISTRATION**

### **California Department of Corrections and Rehabilitation**

Approve the Assembly's version of the following items:

- Institution Staffing Needs
- Innovative Programming Grants
- Rehabilitative Achievement Credit Staffing
- California Prison Industry Authority (CalPIA) trailer bill language authorizing CalPIA's ability to purchase vehicles.
- Contraband Interdiction Program and trailer bill language with reporting requirements
- Training Initiatives

## STAFF COMMENTS

## **ISSUE 92: VARIOUS LEGISLATIVE PROPOSALS IN THE CALIFORNIA DEPARTMENT OF CORRECTIONS AND REHABILITATION**

### **California Department of Corrections and Rehabilitation**

Approve the Assembly versions of the following:

- Facility and Capital Outlay Management Plan and trailer bill language.
- Supportive Housing Pilot for Mentally Ill Parolees

## STAFF COMMENTS

## **ISSUE 93: VARIOUS CDCR PROPOSALS FROM THE ADMINISTRATION**

### **California Department of Corrections and Rehabilitation**

Approve the Conference Committee Compromises for the following items:

- Governor's January Budget Change Proposal on the Ventura Training Center and the revised trailer bill language.
- The Governor's May Revision of the Division of Juvenile Justice Reform and revised trailer bill language.
- The Administration's trailer bill language pursuant to Penal Code section 1170(d) related to resentencing.
- Provide \$43 million in 2018-19 to the California Department of Corrections and Rehabilitation to complete the Health Care Facility Improvement Program projects and adopt trailer bill language with reporting requirements.
- The Administration's trailer bill language for the California Department of Corrections and Rehabilitation's Wellness Initiatives.

## STAFF COMMENTS



## **ISSUE 94: JUVENILE JUSTICE ID PROGRAM**

### **California Department of Corrections and Rehabilitation**

Approve the Governor's May Revision proposal related to the Juvenile Justice ID Program

## STAFF COMMENTS

## **ISSUE 95: CORRECTIONAL COUNSELOR 1 RATIO ADJUSTMENT AND MENTAL HEALTH CRISIS BEDS**

### **California Department of Corrections and Rehabilitation**

Approve the following Senate versions:

- Correctional Counselor 1 Ratio proposal to add 89.2 positions at CDCR for \$13.5 million and ongoing.
- Approve the Governor's May Revision proposal regarding Mental Health Crisis Beds.

## STAFF COMMENTS

## **ISSUE 96: JANITORIAL SERVICES**

### **California Department of Corrections and Rehabilitation**

Approve the Conference Committee Compromise regarding the janitorial services at the California Health Care Facility in Stockton in the following manner:

- 50 percent of the positions will be converted to state civil service positions.
- 50 percent of the positions will be maintained by PRIDE Industries.

## STAFF COMMENTS

## **ISSUE 97: VARIOUS LEGISLATIVE PROPOSALS**

### **Board of State and Community Corrections**

Approve the Conference Committee Compromise version of the following:

- Provide \$9 million for the California Violence Intervention and Prevention Program (Cal VIP)
- Provide \$4 million to support the Pomona Oath Initiative
- Provide \$8.7 million to support the Kings County Public Safety Infrastructure

Approve the Assembly version of the following:

- City of Stockton helicopter
- Boys and Girls Club of Fullerton
- Veteran's Transition Center
- Training for Gun Violence Restraining Orders

Approve the Senate version of the following:

- Local Police Departments
- New Earth Organization
- Community-based Reentry programs
- Encanto Recreation Center

## STAFF COMMENTS



## **ISSUE 98: LAW ENFORCEMENT TRAINING**

### **Commission on Peace Officer Standards and Training**

Approve the Assembly's version to provide \$25 million for law enforcement training and trailer bill language.

## STAFF COMMENTS

## **ISSUE 99: MILITARY DEPARTMENT PROPOSALS FROM THE ADMINISTRATION**

### **California Military Department**

Approve the Senate version of the following:

- California Cadet Corps Program Expansion
- California Military Institute and Porterville Military Institute

## STAFF COMMENTS

## **ISSUE 100: LEGISLATIVE PROPOSALS IN THE MILITARY DEPARTMENT**

### **California Military Department**

Approve the following:

- Senate version of the Work for Warriors Employment Initiative.