Senate Bill No. 1113

CHAPTER 208

An act making appropriations for the support of the government of the State of California and for several public purposes in accordance with the provisions of Section 12 of Article IV of the Constitution of the State of California, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 31, 2004. Filed with Secretary of State July 31, 2004.]

I object to the following appropriations contained in Senate Bill 1113.

Item 0555-001-0028—For support of Secretary for Environmental Protection. I reduce this item from $1,444,000 to $982,000.

I am deleting the $462,000 legislative augmentation to assist the metal plating industry in complying with existing state regulations regarding the disposal of hazardous waste containing hexavalent chromium. This reduction is necessary to limit program expansions and provide for a prudent fund reserve in light of the declining balance in the Unified Program Account.

Item 0555-001-0044—For support of Secretary for Environmental Protection. I revise this item by reducing:

(1) 30-Support from $10,113,000 to $8,151,000;

(5) Amount payable from the Unified Program Account (Item 0555-001-0028) from –$1,444,000 to –$982,000;

and by deleting:

(11.5) Amount payable from the Hazardous Waste Reduction Loan Account (Item 0555-001-0828) (–1,500,000).

I am revising this item to conform to the actions I have taken in Items 0555-001-0028 and 0555-001-0828.

Item 0555-001-0828—For support of Secretary for Environmental Protection. I delete this item and Provision 1.

I am deleting the $1,500,000 legislative augmentation to assist the metal plating industry in complying with existing state regulations regarding the disposal of hazardous waste containing hexavalent chromium. While certified unified program agencies are intended to assist businesses, it is not appropriate to single out a particular industry for special assistance for failure to comply with environmental rules.

Item 0690-102-0001—For local assistance, Office of Emergency Services.

I am sustaining the $2,000,000 legislative augmentation related to funding 10 domestic violence programs. This augmentation will ensure services for domestic violence victims are protected in all communities. However, I am directing the Office of Emergency Service (OES) to incorporate these funds into the existing funding for domestic violence shelters and allow the 10 shelters to obtain funding through the grant process currently administered by OES. Providing a separate appropriation for these 10 particular shelters would create an inequitable process, and would allocate more funding per shelter compared to the other 75 shelters that receive funding.

Item 1111-003-0001—For support of Consumer Affairs. I reduce this item from $450,000 to $365,000 by reducing:

(1) 40-Office of Privacy Protection from $485,000 to $400,000.

I am deleting the $85,000 legislative augmentation which would provide funding for the Office of Privacy Protection. Given the fiscal condition of the State, this reduction is necessary to help build a prudent reserve and bring ongoing expenditures in line with existing resources over the longer term.

Item 1760-492—Reappropriation, Department of General Services. I revise this item by deleting Schedule (2.5).

I am eliminating the availability of funding provided to the City of Oakland for the seismic retrofit of the Police Administration Building. Funds have been available since 1994 and the city is still unable to provide the required matching funds to receive the resources. If the city is able to commit the funds in the future, I will reconsider this request.

Item 1880-001-0001—For support of State Personnel Board. I reduce this item from $3,888,000 to $3,753,000 by reducing:

(3) 50.01-Administrative Services from $2,798,000 to $2,663,000.

In recognition of potential workload increases associated with the end of the hiring freeze, I am sustaining $465,000 of this $600,000 legislative augmentation to provide funding for staff in the Bilingual Services Unit, the Appeals Division, the Examination Services Unit, and for information technology services. I am deleting the $135,000 for temporary help and related costs. In addition, I am directing the State Personnel Board to develop performance-based measures to evaluate its effectiveness.

Item 2240-105-0001—For transfer to the Emergency Housing and Assistance Fund. I reduce this item from $5,300,000 to $4,000,000.

I am reducing the $1,300,000 legislative augmentation for transfer from the General Fund to the Emergency Housing and Assistance Fund to help build a prudent reserve and bring ongoing expenditures in line with existing resources over the longer term. With these reductions, $4,000,000 still remains to support the Emergency Housing and Assistance Program (EHAP), which grants funding to local agencies that provide homeless shelter beds and related services.

Item 2240-490—Reappropriation, Department of Housing and Community Development. I delete this item.

I am deleting the reappropriation of $400,000 in grant funds originally made available in 2001 but never spent by the City of Orange Cove. The 2004–05-budget plan assumes that these funds as well as others that reverted to the General Fund on July 1, 2004, would be available as a resource for the 2004–05 budget.

Item 2600-001-0042—For support of California Transportation Commission. I reduce this item from $651,000 to $613,000.

I am reducing this item by $38,000 to conform to the action I have taken in Item 2660-001-0046.

Item 2600-001-0046—For support of California Transportation Commission. I reduce this item from $1,000,000 to $932,000 by reducing:

(1) 10-Administration of California Transportation Commission from $1,651,000 to $1,545,000, and
(2) Amount payable from the State Highway Account, State Transportation Fund (Item 2600-001-0042) from –$651,000 to –$613,000.

I am deleting the $106,000 legislative augmentation to increase staffing at the Commission to restore a Legislative Deputy position that was eliminated in 2003–04 subsequent to being vacant for one year. Given the fiscal condition of the State, this reduction is necessary to bring ongoing expenditures in line with existing resources over the longer term.

Item 2665-001-0046—For support of High Speed Rail Authority. I reduce this item from $1,819,000 to $1,099,000 and by deleting Provision 1.

I am deleting the $720,000 legislative augmentation for the completion of the final draft of the High Speed Rail Environmental Impact Report (EIR). The Authority has been fully funded to complete the EIR but reports that it redirected a portion of these funds to the draft EIR when required to perform additional work on that document by federal agencies. Given the fiscal condition of the State, this reduction is necessary to bring ongoing expenditures in line with existing resources over the longer term.

I am also revising this item by deleting Provision 1. This provision would have restricted the use of $300,000 of this item to the legal defense of the environmental documents. By deleting this language I am providing the Authority with the budgetary flexibility it will need to meet its priorities.

Item 3340-001-0001—For support of California Conservation Corps. I reduce this item from $25,373,000 to $23,773,000 by reducing:

(1) 10-Training and Work Program from $57,256,000 to $55,656,000.

I am reducing this item by $1,600,000 and 14 positions for the operation of the Ukiah residential facility. The California Conservation Corps is a valuable program that helps protect the environment and promote leadership skills for young men and women. However, in light of the State's current fiscal condition, the Ukiah residential facility was selected for conversion to a non-residential facility after a thorough review of all facilities because there are two other Corps residential facilities, Leggett and Shasta Pacific, nearby that also provide services to the Ukiah area. After the conversion, 15 corps members and one Corps employee will remain at the facility.

Item 3790-494—Reappropriation, Department of Parks and Recreation. I delete this item.

I am deleting this legislative reappropriation for three local parks projects. I am deleting the General Fund reappropriation for the renovation and repair of the La Palma Community Center. Given the fiscal condition of the State, this reduction is necessary to help build a prudent reserve and bring ongoing expenditures in line with existing resources over the longer term. I am also deleting the reappropriation of Proposition 12 bond funds for the Paxton-Arleta Softball/Soccer Field. This use of Proposition 12 bond funds is inconsistent with the purpose for which the funds were originally appropriated and therefore not eligible for reappropriation. Finally, I am deleting the reappropriation for the Community Build Youth Center. These bond funds were appropriated in the Budget Act of 2000 and more than adequate time has passed for the funds to be expended for this purpose.

Item 3940-001-0001—For support of State Water Resources Control Board. I revise this item by reducing:

(1) 10-Water Quality from $387,080,000 to $386,878,000, and

(7) Amount payable from the Waste Discharge Permit Fund (Item 3940-001-0193) from –$55,913,000 to –$55,711,000.

I am revising this item to conform to the action I have taken in Item 3940-001-0193.

Item 3940-001-0193—For support of State Water Resources Control Board. I reduce this item from $55,913,000 to $55,711,000.

I am deleting the $202,000 legislative augmentation for activities related to the development of statewide septic tank system standards. The State Water Resources Control Board will continue its efforts to develop the standards with the remaining $287,000 during 2004–05, and will not need the additional resources provided by this augmentation.

Item 4260-001-0001—For support of Department of Health Services. I delete Provision 3 of this item to make a technical correction to the Budget Bill.

Provision 3 in Item 4260-001-0001 refers to provisional language in Item 4260-111-0001 that was removed from the Budget Bill, and is therefore no longer necessary.

Item 4260-001-0890—For support of Department of Health Services. I delete Provision 5.

I am deleting Provision 5, which would require the Department of Health Services (DHS) to include in its application for funding from the federal Centers for Disease Control and Prevention's (CDC) Public Health Preparedness and Responses to Bioterrorism Program a request for the establishment of reporting procedures for low-level radioactive waste. Notwithstanding the merits of reporting low-level radioactive waste, this request is outside the scope of the State's Cooperative Agreement with the CDC. Including this provision in the application will likely delay the availability of federal funds.

Item 4260-101-0001—For local assistance, Department of Health Services. I reduce this item from $11,728,217,000 to $11,727,467,000 by reducing:

(3) 20.10.030-Benefits (Medical Care and Services) from $28,531,016,000 to $28,529,516,000;

(6) Amount payable from the Federal Trust Fund (Item 4260-101-0890) from –$185,577,411,000 to –$18,576,661,000;

and by deleting Provision 15.

While I recognize the important services that these pharmacies provide to Californians living with HIV/AIDS, I am reducing this item by $750,000 and deleting this provision because providing additional Medi-Cal pharmacy compensation to HIV/AIDS clinics would create unacceptable program inequities that will lead to unnecessary litigation against the State. The budget will ensure that those suffering with HIV/AIDS will continue to have access to critically important drugs.

The concept of a reimbursement model that incorporates the features identified in this proposal should be considered as part of an overall analysis of Medi-Cal provider reimbursement.

I am also deleting a $750,000 augmentation from the Federal Trust Fund in Item 4260-101-0890 to conform to this action.

In order to correct a technical error in the Budget Bill, I am also reducing the amount payable from the Federal Trust Fund (Item 4260-101-0890) by $167,000,000,000.

Item 4260-101-0890—For local assistance, Department of Health Services. I reduce this item from $18,577,411,000 to $18,576,661,000 and delete Provision 2.

I am reducing this item by $750,000 to conform to my action in Item 4260-101-0001.

I am deleting Provision 2 because it is not possible to obtain federal matching funds without first spending General Fund resources, which have not been appropriated for this purpose. Provision 2 would require the Department of Health Services to expand the scope of the federally required LA County Health Department audit to include an unrelated audit.

Item 4440-101-0001—For local assistance, Department of Mental Health. I reduce this item from $79,676,000 to $59,718,000 by reducing:

(1) 10.25-Community Services—Other Treatment from $1,439,054,000 to $1,438,746,000; and

(1.5) 10.47-Community Services—Children's Mental Health Services from $20,000,000 to $350,000.

I am reducing this item by $308,000 to eliminate supplemental funding to thirteen counties that is used to match federal rehabilitation funds. This action prioritizes the limited funding available for other mental health programs that reach all or most counties, and is necessary to help build a prudent reserve and bring ongoing expenditures in line with existing resources over the long term.

I am reducing by $19,650,000 the $20,000,000 legislative augmentation to restore funding for the Children's System of Care program. This action is necessary to help build a prudent reserve and bring ongoing expenditures in line with existing resources over the long term. $350,000 remains in this item for support of the Cathie Wright Technical Assistance Center, which provides training and technical assistance to counties to implement integrated health and human services programs.

During favorable economic conditions, the State has been able to fund a higher level of services to address the mental health needs of children. With current limited resources, however, priority must be placed on the provision of direct and essential services to these children, which will continue to be provided by the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) program and local county realignment funding. With current limited state resources, however, priority must be placed on the provision of direct and essential services to these children. By maintaining the Cathie Wright Technical Assistance Center, it is my hope that the enhanced coordination of services within counties can be maintained until the economic situation improves.

Item 5175-101-0001—For local assistance, Department of Child Support Services. I reduce this item from $252,159,000 to $250,799,000 by reducing:

(1) 10-Child Support Services from $978,519,000 to $974,519,000;

(a) 10.01-Child Support Administration from $875,095,000 to $871,095,000;

(3) Amount payable from the Federal Trust Fund (Item 5175-001-0890) from –$447,175,000 to –$444,535,000;

and by deleting Provision 9.

I am deleting the $1,360,000 legislative augmentation for the Los Angeles County local child support agency. On the basis of equity and given the current condition of the General Fund, I cannot support this expenditure. With this reduction, $871,095,000 remains for administrative support of local child support agencies.

I am also deleting a $2,640,000 legislative augmentation from the Federal Trust Fund in Item 5175-101-0890 to conform to this action.

Item 5175-101-0890—For local assistance, Department of Child Support Services. I reduce this item from $447,175,000 to $444,535,000 by reducing:

I am reducing this item by $2,640,000 to conform to the action I have taken in Item 5175-101-0001.

Item 5180-101-0001—For local assistance, Department of Social Services. I reduce this item from $2,881,929,000 to $2,881,900,000 by reducing:

(1) 16.30-CalWORKs from $5,231,280,000 to $5,191,280,000;
(2) 16.65-Other Assistance Payments from $1,522,917,000 to $1,522,888,000; and
(6) Amount payable from the Federal Trust Fund (Item 5180-101-0890) from –$3,677,127,000 to –$3,637,127,000.

I am deleting the $29,000 legislative augmentation for increased costs resulting from providing California Food Assistance Program benefits to convicted drug felons. This technical correction conforms to removal of the language from the associated Budget Trailer Bill.

I am also revising this item to conform to the action I have taken in Item 5180-101-0890.

Item 5180-101-0890—For local assistance, Department of Social Services. I reduce this item from $3,677,127,000 to $3,637,127,000.

I am reducing $40,000,000 in federal Temporary Assistance for Needy Families Block Grant funds for CalWORKs employment services to nullify the effect of language included in the Budget Trailer Bill to provide unspent 2003–04 CalWORKs single allocation funds to counties in 2004–05. This language increases current spending and reduces the ability to maintain funding for the CalWORKs program within available federal and state resources.

While the budget ensures resources necessary to maintain existing benefits and services, this veto will improve the State's ability to continue these essential benefits and services in the future.

Item 5180-141-0001—For local assistance, Department of Social Services. I reduce this item from $405,478,000 to $405,454,000 by reducing:

(1) 16.75-County Administration and Automation Projects from $1,024,616,000 to $1,024,557,000; and
(3) Amount payable from the Federal Trust Fund (Item 5180-141-0890) from –$580,825,000 to –$580,790,000.

I am deleting the $59,000 ($24,000 General Fund and $35,000 Federal Trust Fund) legislative augmentation for increased administration costs resulting from providing Food Stamp benefits to convicted drug felons. This technical correction conforms to removal of the language from the associated Budget Trailer Bill.

Item 5180-141-0890—For local assistance, Department of Social Services. I reduce this item from $580,825,000 to $580,790,000.

I am revising this item to conform to the action I have taken in Item 5180-141-0001.

Item 5180-151-0001—For local assistance, Department of Social Services. I reduce this item from $768,509,000 to $751,364,000 by reducing:

(1) 25.30-Children and Adult Services and Licensing from $2,049,695,000 to $2,032,550,000;

and by deleting Provisions 11 and 12.

I am reducing the $17,145,000 legislative augmentation for the Child Welfare Services Augmentation. During better economic times the State was able to pay the counties' share-of-cost to provide additional social workers for Child Welfare Services. However, due to limited state resources in the General Fund, the State is unable to continue to waive the 30 percent nonfederal county share-of-cost for the Child Welfare Services Augmentation in this Budget. Assuming that counties backfill this reduction

with their own resources, $91,440,000 in total funds remains available to counties to support this important program. I am deleting Provision 12 to conform to this action.

The Legislature adopted language that would require the Department of Social Services, with input from the Continuing Care Advisory Committee, to establish a panel to develop governance standards for applicants and operators of Continuing Care Retirement Communities, on or by July 1, 2005. I am deleting Provision 11, as it is inconsistent with efforts to streamline government and consolidate or eliminate boards and commissions to achieve operational efficiencies.

Item 5240-001-0001—For support of the Department of Corrections. I reduce this item from $5,311,082,000 to $5,309,719,000 by reducing:

(2) 22-Health Care Services Program from $942,126,000 to $940,763,000.

I am deleting the $1,363,000 legislative augmentation associated with the denial of the department's plan to reclassify 23.5 vacant staff psychiatrist positions to nurse practitioners. The department will reclassify these positions thereby eliminating the need for the augmentation. The reclassification represents a reasonable effort to address the department's increasing medical and mental health costs through improved efficiencies that do not compromise or lessen the provision of inmate care. The reclassification is consistent with policies adopted by the Department of Mental Health. The hiring of Nurse Practitioners will also assist in maintaining continuity of mental health care due to the reduced need of temporary contract staff.

Item 6110-001-0001—For support of Department of Education. I reduce this item from $36,443,000 to $36,193,000 by reducing:

(2) 20-Instructional Support from $53,393,000 to $53,143,000.

I am reducing a portion of this state operations budget by $250,000 to provide for a prudent General Fund reserve in light of the State's current fiscal condition. Over the last several years, other constitutional offices have had to absorb significant General Fund reductions without the benefit of the substantial federal funds provided to the State Department of Education. I would note that the Department has received $2.1 million in federal fund augmentations in this budget, an increase that far exceeds this reduction.

Item 6110-130-0001—For local assistance, Department of Education. I reduce this item from $10,300,000 to $9,035,000.

I am sustaining $9,035,000 for the Advancement Via Individual Determination program (AVID) to provide training to teachers and school leaders and assistance to schools in implementing this program that helps students prepare for and be successful in college that might otherwise not attend. During better economic times the State was able to fully support a variety of worthy programs. However, due to limited resources in the General Fund, the State is unable to continue to sustain the same level of support.

In making this reduction I encourage districts that currently participate in the AVID program to utilize some of the existing staff development dollars available to them. This budget already includes $957 million for staff development and teacher training programs.

I am revising Provision 1 to conform to this action.

"1. Of the funds appropriated, $1,300,000 is available for administration of the Advancement Via Individual Determination (AVID) centers and $6,000,000 is available for competitive outreach grants to local education agencies for the AVID program. Notwithstanding any other provision of law, the remaining ~~$3,000,000~~ *$1,735,000* shall be used solely for the provision of advanced placement teacher training or tutoring services."

Item 6110-161-0890—For local assistance, Department of Education. I reduce this item from $1,091,674,000 to $1,090,974,000 by reducing:

(7) 10.60.050.032-IDEA, Family Empowerment Centers from $3,432,000 to $2,732,000,

and by deleting Provision 11.

I am deleting the legislative augmentation of $700,000 to establish four additional family empowerment centers. An increase in the number of centers is premature, as funding has been provided to conduct a study to evaluate the effectiveness of the twelve existing family empowerment centers. If the study shows these centers are

effective in helping students with special needs, their families and schools, I will consider an augmentation to provide better access.

I am deleting Provision 11 to conform to this action.

Item 6110-164-0001—For local assistance, Department of Education. I delete this item and Provision 1.

I am deleting the $1,700,000 legislative augmentation to restore funding for the School-to-Career program. While I am very supportive of vocational education, I am interested in a more comprehensive proposal to reform and improve the State's efforts in this area rather than sustaining small programs that help a few schools. The State provides an estimated $2 billion for vocational education in programs such as Regional Occupational Centers and Programs, secondary school vocational programs, apprentice programs and Community College programs. The multiplicity of programs and organizations involved makes it difficult to ensure accountability and to ensure all of California's students receive the kind of training and education they need to perform well in good jobs. The grants provided by this program were intended to provide short-term resources to assist local partnerships to implement activities and working relationships that would be sustained after state funds expire. Once a program is established, it is expected that local businesses provide ongoing support to the extent that they benefit from these partnerships.

I am deleting Provision 1 to conform to this action.

Item 6110-485—Reappropriation, Department of Education, Proposition 98. I revise this item from $320,249,000 to $319,749,000, by deleting:

(8) $500,000, on a one-time basis, to the State Department of Education for the establishment of a web-based model that would differentiate and compare the capabilities of electronic assessment resources. These funds would be available contingent upon legislation for this purpose.

I am deleting the legislative augmentation of $500,000 for the establishment of a web-based model that would allow for comparisons of software packages used to evaluate pupil assessment results. Given that the State currently spends $112.6 million on student testing and assessment, the establishment of this model may have merit. However, I would like to consider the expenditure of additional state funds for this purpose, in conjunction with the pending legislative measure. Until I can evaluate the final legislative proposal, it is premature to appropriate funds in the Budget Act for this purpose.

Item 6360-001-0407—For support of the Commission on Teacher Credentialing. I reduce this item from $14,411,000 to $14,211,000 by reducing:

(1) 10-Standards for Preparation and Licensing of Teachers from $14,650,000 to $14,450,000.

I am deleting the $200,000 legislative augmentation to fund an additional 2.0 positions to address the credential processing backlog. This augmentation is unnecessary because the Commission can reduce the credentialing backlog with the staff provided in the budget. Providing credentialed teachers for all pupils is a goal of this Administration. The Commission should adopt greater efficiencies in conjunction with the review being conducted by the State Auditor, which is expected to be completed in the Fall of 2004, in order to eliminate the credential processing backlog.

Item 6870-101-0001—For local assistance, Board of Governors of the California Community Colleges (Proposition 98). I reduce this item from $2,810,212,000 to $2,778,803,000 by reducing:

(4) 10.10.040-Partnership for Excellence from $225,000,000 to $193,591,000;

and by revising Provision 4.

I am reducing this item by reducing the funding for the Partnership for Excellence program by $31,409,000 to maintain the May Revision Proposition 98 spending level for community colleges. Instead, funds were provided to support additional student enrollments and to maintain lower fees for Bachelor degree holders. With this reduction, $193,591,000 will still be available for this program through the general apportionments pursuant to Provision 4(a) of this item. The Legislature reduced the rigor of the accountability structure for this program proposed in the Governor's Budget. Because this program lacks accountability at the district level, it is appropriate that this

funding be reduced. However, given my strong commitment to the Community Colleges and the extraordinary work they do in educating over a million full-time equivalent students seeking transfer, technical and basic skills every year, I am willing to restore this funding in the 2005–06 budget provided that district level goals and performance evaluations are incorporated into the accountability structure as had been proposed.

I revise provision 4(a) as follows to conform to this action: ''4. (a) The amount appropriated in Schedule (4) shall be made available to districts in the same manner as the general apportionment funding in Schedule (1), and shall be made available ~~in the same amount provided~~ to each district ~~for the Partnership for Excellence program in the 2003–04 fiscal year, including the funding deferred for this program pursuant to Section 84321 of the Education Code, and~~ notwithstanding the basic aid status of any district. As a condition of receiving these funds, the districts shall first agree to assure that courses related to student needs for transfer, basic skills, and vocational and workforce training are accorded the highest priority and are provided to the maximum extent possible within the budgeted funds.''

Item 8260-101-0001—For local assistance, California Arts Council. I delete this item.

I am deleting the $1,000,000 legislative augmentation for local arts grants. Given the fiscal condition of the State, this reduction is necessary to help build a prudent reserve and bring ongoing expenditures in line with existing resources over the longer term.

Item 8570-101-0001—For local assistance, Department of Food and Agriculture. I reduce this item from $6,078,000 to $5,528,000 by reducing:

(1) 11-Agricultural Plant and Animal, Pest and Disease Prevention from $6,078,000 to $5,528,000.

I am deleting the $550,000 legislative augmentation that would provide specified Los Angeles County employees performing pest detection and eradication activities with permanent employee status. This augmentation is associated with pending legislation and I am opposed to the appropriation of funds for legislation that has not yet been approved by the Legislature and the Administration.

Item 8665-001-9326—For support of California Consumer Power and Conservation Financing Authority. I reduce this item from $1,224,000 to $424,000 by reducing:

(1) 15-Energy Acquisition from $738,000 to $258,000;
(2) 20-Planning and Policy Development from $486,000 to $166,000;
(3) 30.01-Administration from $343,000 to $119,000; and
(4) 30.02-Distributed Administration from –$343,000 to –$119,000.

I am deleting the $800,000 legislative augmentation to increase funding for California Power Authority (Authority) activities. I proposed in my January 10 Budget to eliminate the Authority as a first step towards reorganizing California's energy agencies. While further energy reorganizations may be proposed, the continued existence of the Authority will not contribute to improving California's energy situation and its elimination need not wait for more comprehensive energy reorganization proposals. Other State energy agencies already perform activities similar to those of the Authority. Elimination of the Authority is an appropriate first step to streamline energy programs and I renew my call on the Legislature to send me legislation statutorily eliminating this unnecessary organization.

Item 8830-001-0001—For support of California Law Revision Commission. I reduce this item from $662,000 to $512,000 by reducing:

(1) 10-Law Revision Commission from $677,000 to $527,000.

I am deleting the $150,000 legislative augmentation. Given the fiscal condition of the State, this reduction is necessary to help build a prudent reserve and bring ongoing expenditures in line with existing resources over the longer term. With this reduction, $527,000 remains to support the Commission's programs.

With the above deletions, revisions, and reductions, I hereby approve Senate Bill 1113.

ARNOLD SCHWARZENEGGER

LEGISLATIVE COUNSEL'S DIGEST

SB 1113, Committee on Budget and Fiscal Review. 2004–05 Budget.

This bill would make appropriations for support of state government for the 2004–05 fiscal year.

The bill would declare that it is to take effect immediately as an urgency statute.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1.00. This act shall be known and may be cited as the ''Budget Act of 2004.''

SEC. 1.50. (a) In accordance with Section 13338 of the Government Code, as added by Chapter 1284, Statutes of 1978, and as amended by Chapter 1286, Statutes of 1984, it is the intent of the Legislature that this act utilize a coding scheme compatible with the Governor's Budget and the records of the Controller, and provide for the appropriation of federal funds received by the State and deposited in the State Treasury.

(b) Essentially, the format and style are as follows:

(1) Appropriation item numbers have a code which is common to all the state's fiscal systems. The meaning of this common coded item number is as follows:

2720—Organization Code (this code represents the California Highway Patrol)

001—Reference Code (first appropriation for a particular fund for support of each department)

0044—Fund Code (Motor Vehicle Account, State Transporation Fund)

(2) Appropriation items are organized in organization code order as reflected in the Governor's Budget.

(3) All the appropriation items, reappropriation items, and reversion items, if any, for each department or entity are adjacent to one another.

(4) Federal funds received by the state and deposited in the State Treasury are appropriated in separate items.

(c) The Department of Finance may authorize revisions to the codes used in this act in order to provide compatibility between the codes used in this act and those used in the Governor's Budget and in the records of the State Controller.

(d) Notwithstanding any other provision of this act, the Department of Finance may revise the schedule of any appropriation made in this act where the revision is of a technical nature and is consistent with legislative intent. These revisions may include, but shall not be limited to, the substitution of category for program or program for category limitations, the proper categorization of allocated administration costs and cost recoveries, the distribution of any unallocated amounts within an

appropriation and the adjustment of schedules to facilitate departmental accounting operations, including the elimination of categories providing for amounts payable from other items or other appropriations and the distribution of unscheduled amounts to programs or categories. These revisions shall include a certification that the revisions comply with the intent and limitation of expenditures as appropriated by the Legislature.

(e) Notwithstanding any other provision of this act, when the Department of Finance, pursuant to subdivision (d), approves the schedule or revision of any appropriation relating to the elimination of amounts payable, the language authorizing the transfer shall also be eliminated.

SEC. 2.00. (a) The following sums of money and those appropriated by any other sections of this act, or so much thereof as may be necessary unless otherwise provided herein, are hereby appropriated for the use and support of the State of California for the 2004–05 fiscal year beginning July 1, 2004, and ending June 30, 2005. All of these appropriations, unless otherwise provided herein, shall be paid out of the General Fund in the State Treasury.

(b) Appropriations and reappropriations for capital outlay, unless otherwise provided herein, shall be available for expenditure during the 2004–05, 2005–06 and 2006–07 fiscal years, except that appropriations and reappropriations for studies, preliminary plans, working drawings, or minor capital outlay, except as provided herein, shall be available for expenditure only during the 2004–05 fiscal year. In addition, the balance of every appropriation or reappropriation made in this act that contains funding for construction that has not been allocated, through fund transfer or approval to proceed to bid, by the Department of Finance on or before June 30, 2005, except as provided herein, shall revert as of that date to the fund from which the appropriation was made.

(c) Whenever by constitutional or statutory provision the revenues or receipts of any institution, department, board, bureau, commission, officer, employee, or other agency, or any moneys in any special fund created by law therefor, are to be used for salaries, support or any proper purpose, expenditures shall be made therefrom for any such purpose only to the extent of the amount therein appropriated, unless otherwise stated herein.

(d) Appropriations for purposes not otherwise provided for herein that have been heretofore made by any existing constitutional or statutory provision shall continue to be governed thereby.

LEGISLATIVE/JUDICIAL/EXECUTIVE

Legislative

Item	Amount
0110-001-0001—For support of Senate	91,308,000

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Schedule:

(1) 101001-Salaries of Senators..... 5,031,000
(2) 317295-Mileage 10,000
(3) 317292-Expenses 1,320,000
(4) 500004-Operating Expenses..... 84,242,000
(5) 317296-Automotive Expenses..... 705,000

Provisions:

1. The funds appropriated in Schedule (4) are for operating expenses of the Senate, including personal services for officers, clerks, and all other employees, and legislative committees thereof composed in whole or in part of Members of the Senate, and for support of joint expenses of the Legislature, to be transferred by the Controller to the Senate Operating Fund.
2. The funds appropriated in Schedule (5) are for operating expenses of the Senate relating to the purchase, maintenance, repair, insurance, and other costs of operating automobiles for the use of Members of the Senate, to be transferred by the Controller to the Senate Operating Fund.
3. The funds appropriated in Schedules (1), (2), (3), and (5) may be adjusted for transfers to or from the Senate Operating Fund.

0120-011-0001—For support of Assembly 123,904,000

Schedule:

(1) 101001-Salaries of Assembly Members 9,947,000
(2) 317295-Mileage 8,000
(3) 317292-Expenses 2,654,000
(4) 500004-Operating Expenses.....110,732,000
(5) 317296-Automotive Expenses..... 563,000

Provisions:

1. The funds appropriated in Schedule (4) are for operating expenses of the Assembly, including personal services for officers, clerks, and all other employees, and legislative committees thereof composed in whole or in part of Members of the Assembly, and for support of joint expenses of the Legislature, to be transferred by the Controller to the Assembly Operating Fund.
2. The funds appropriated in Schedule (5) are for operating expenses of the Assembly relating to the lease, maintenance, repair, insurance, and other costs of operating automobiles for the use of

Item Amount

Members of the Assembly, to be transferred by the Controller to the Assembly Operating Fund.

3. The funds appropriated by Schedules (1), (2), (3), and (5) may be adjusted for transfers to or from the Assembly Operating Fund.

0130-021-0001—For support of Office of the Legislative Analyst..... 0

Schedule:

(1) Expenses of the Office of the Legislative Analyst 6,108,000

(2) Transferred from Item 0110-001-0001 ..... −3,054,000

(3) Transferred from Item 0120-011-0001 ..... −3,054,000

Provisions:

1. The funds appropriated in Schedule (1) are for the expenses of the Office of the Legislative Analyst and of the Joint Legislative Budget Committee for any charges, expenses, or claims either may incur, available without regard to fiscal years, to be paid on certification of the Chairperson of the Joint Legislative Budget Committee.

2. Funds identified in Schedules (2) and (3) may be transferred from the Senate Operating Fund, by the Senate Committee on Rules, and the Assembly Operating Fund, by the Assembly Committee on Rules.

0160-001-0001—For support of Legislative Counsel Bureau..... 80,010,000

Schedule:

(1) Support..... 80,141,000

(2) Reimbursements..... −131,000

Judicial

0250-001-0001—For support of Judiciary 292,400,000

Schedule:

(1) 10-Supreme Court 39,248,000

(2) 20-Courts of Appeal.....173,913,000

(3) 30-Judicial Council 86,740,000

(4) 50-Habeas Corpus Resource Center 10,842,000

(5) 97.20.001-Unallocated Reduction... −8,500,000

(6) Reimbursements..... −3,267,000

(7) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 0250-001-0044)... −147,000

Item	Amount
(8) Amount payable from the Court Interpreters' Fund (Item 0250-001-0327)	–319,000
(9) Amount payable from the Federal Trust Fund (Item 0250-001-0890)	–2,489,000
(10) Amount payable from the Appellate Court Trust Fund (Item 0250-001-3060)	–3,621,000

Provisions:

1. Notwithstanding Section 26.00 of this act, the funds appropriated or scheduled in this item may be allocated or reallocated among categories by order of the Judicial Council.
2. Of the funds appropriated in this item, $200,000 is available for reimbursement to the Attorney General, or for hiring outside counsel, for prelitigation and litigation fees and costs, including any judgment, stipulated judgment, offer of judgment or settlement. This amount is for use in connection with (a) matters arising from the actions of appellate courts, appellate court bench officers, or appellate court employees; (b) matters arising from the actions of the Judicial Council, council members or council employees or agents; (c) matters arising from the actions of the Administrative Office of the Courts or its employees; or (d) employment litigation arising from the actions of trial courts, trial court bench officers, or trial court employees. Either the state or the Judicial Council must be named as a defendant or alleged to be the responsible party. Any funds not used for this purpose shall revert to the General Fund.
3. Notwithstanding any other provision of law, up to $5,000,000 appropriated in this item may be transferred to Item 0250-101-0001 by the Controller at the request of the Administrative Office of the Courts, to cover any short-term cashflow issues that occur. Any funds transferred shall be repaid to this item from Item 0250-101-0001. The Judicial Council shall notify the Department of Finance and the Joint Legislative Budget Committee when any transfer is made pursuant to this provision, and upon repayment of the transfer.
4. The funds appropriated by Schedule (4) shall be available for costs associated directly or indirectly

Item Amount

with the California Habeas Corpus Resource Center (CHCRC). The CHCRC shall report to the Legislature and the Department of Finance on September 1, 2004, and April 1, 2005, on expenditures, specifically detailing personal services expenditures, and operating expenses and equipment expenditures.

5. Notwithstanding any other provision of law, upon approval and order of the Department of Finance, the amount appropriated in this item shall be reduced by the amount transferred in Item 0250-011-0001 to provide adequate resources to the Judicial Branch Workers' Compensation Fund to pay workers' compensation claims for judicial branch employees and administrative costs pursuant to Section 68114.10 of the Government Code.

0250-001-0044—For support of Judiciary, for payment to Item 0250-001-0001, payable from the Motor Vehicle Account, State Transportation Fund..... 147,000

0250-001-0327—For support of Judiciary, for payment to Item 0250-001-0001, payable from the Court Interpreters' Fund 319,000

0250-001-0890—For support of Judiciary, for payment to Item 0250-001-0001, payable from the Federal Trust Fund..... 2,489,000

0250-001-3037—For support of Judiciary, payable from the State Court Facilities Construction Fund..... 33,882,000

Schedule:

(1) 30-Judicial Council 33,882,000

Provisions:

1. Of the amount appropriated in this item, up to $23,291,000 is for costs and new positions associated with the transfer of trial court facilities beginning in the 2004–05 fiscal year and shall not be expended until the Director of Finance approves a workload plan submitted by the Judicial Council. The Judicial Council shall submit a copy of the approved workload plan to the Legislature.

0250-001-3060—For support of Judiciary, for payment to Item 0250-001-0001, payable from the Appellate Court Trust Fund 3,621,000

0250-001-3066—For support of Judiciary, payable from the Court Facilities Trust Fund..... 1,000

Item Amount

Schedule:

(1) 30-Judicial Council 1,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures in excess of this item for the operation, repair, and maintenance of court facilities pursuant to Section 70352 of the Government Code.

0250-003-0001—For support of Judiciary for rental payments on lease-revenue bonds 957,000

Schedule:

(1) Base Rental and Fees 1,010,000

(2) Insurance 9,000

(3) Reimbursements ..... –62,000

Provisions:

1. The funds appropriated in this item shall be made available for costs associated with rental payments on lease-revenue bonds for the Court of Appeal, Fourth District, Division 2, in Riverside, California.
2. The Controller shall transfer funds appropriated in this item according to a schedule to be provided the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

0250-011-0001—For transfer, upon order of the Director of Finance, to the Judicial Branch Workers' Compensation Fund 1,000

Provisions:

1. Notwithstanding any other provision of law, upon approval and order of the Department of Finance, the Judicial Council shall adjust the amount of this transfer to provide adequate resources to the Judicial Branch Workers' Compensation Fund to pay workers compensation claims for judicial branch employees and administrative costs pursuant to Government Code Section 68114.10.

0250-101-0001—For local assistance, Judiciary 13,556,000

Schedule:

(1) 30.10-Child Support Commissioner Program (AB 1058) 43,122,000

(2) 30.20-California Drug Court Projects 2,858,000

(3) 30.30-Federal Child Access and Visitation Grant Program..... 800,000

Item	Amount
(4) 30.50-Federal Court Improvement Grant Program	700,000
(5) 30.60-Court Appointed Special Advocate (CASA) Program	1,924,000
(6) 30.65-Model Self-Help Program	832,000
(8) 30.80-Federal Grants—Other	775,000
(9) 30.90-Equal Access Fund	9,500,000
(10) 30.95-Family Law Information Centers	300,000
(11) Reimbursements	–44,980,000
(12) Amount payable from Federal Trust Fund (Item 0250-101-0890).	–2,275,000

Provisions:

1. Notwithstanding any other provision of law, up to $5,000,000 appropriated in Item 0250-001-0001 may be transferred to Item 0250-101-0001 by the Controller at the request of the Administrative Office of the Courts, to cover any short-term cash-flow issues that occur. Any funds transferred shall be repaid from this item to Item 0250-001-0001. The Judicial Council shall notify the Department of Finance and the Joint Legislative Budget Committee when any transfer is made pursuant to this provision, and upon repayment of the transfer.
2. In order to improve equal access and the fair administration of justice, the funds appropriated in Schedule (9) are to be distributed by the Judicial Council through the Legal Services Trust Fund Commission to qualified legal services projects and support centers as defined in Sections 6213 through 6215 of the Business and Professions Code, to be used for legal services in civil matters for indigent persons. The Judicial Council shall approve awards made by the commission if the council determines that the awards comply with statutory and other relevant guidelines. Ten percent of the funds in Schedule (9) shall be for joint projects of courts and legal services programs to make legal assistance available to proper litigants and 90 percent of the funds in Schedule (9) shall be distributed consistent with Sections 6216 through 6223 of the Business and Professions Code. The Judicial Council may establish additional reporting or quality control requirements consistent with Sections 6213 through 6223 of the Business and Professions Code.

Item Amount

3. Notwithstanding any other provision of law, an amount not to exceed the level of the unallocated reduction in Schedule (5) of Item 0250-001-0001, may be transferred from this item in augmentation of item 0250-001-0001 by the Controller at the request of the Administrative Office of the Courts.

0250-101-0890—For local assistance of Judiciary, for payment to Item 0250-101-0001, payable from the Federal Trust Fund 2,275,000

0250-301-3037—For capital outlay, Judicial Council, payable from the State Court Facilities Construction Fund 619,000

Schedule:

(1) 90.31.001-Placer/Nevada Shared Use Tahoe Court: Truckee—Acquisition 544,000

(2) 90.32.001-Portola/Loyalton New Branch Court: Counties of Sierra and Plumas—Acquisition 75,000

0250-490—Reappropriation, Judicial Council. The balance of the appropriation provided in the following citation is reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in the appropriation and shall be available for encumbrance until June 30, 2006:

0660—Public Buildings Construction Fund

(1) Item 0250-301-0660, Budget Act of 2002 (Ch. 379, Stats. 2002) as reappropriated by Item 0250-490, Budget Act of 2003 (Ch. 157, Stats. 2003)

(1) 90.20.401-Court of Appeal, Fourth Appellate District Santa Ana: New Courthouse—Working drawings and construction

0280-001-0001—For support of the Commission on Judicial Performance, Program 10 3,910,000

Provisions:

1. Notwithstanding any other provision of law, upon approval and order of the Department of Finance, the amount appropriated in this item shall be reduced by the amount transferred in Item 0280-011-0001 to provide adequate resources to the Judicial Branch Workers' Compensation Fund to pay workers compensation claims for judicial branch employees and administrative costs pursuant to Government Code Section 68114.10.

Item	Amount
0280-011-0001—For transfer, upon order of the Director of Finance, to the Judicial Branch Workers' Compensation Fund	1,000
Provisions:	
1. Notwithstanding any other provision of law, upon approval and order of the Department of Finance, the Commission on Judicial Performance shall adjust the amount of this transfer to provide adequate resources to the Judicial Branch Workers' Compensation Fund to pay workers compensation claims for judicial branch employees and administrative costs pursuant to Government Code Section 68114.10.	
0390-001-0001—For transfer by the Controller to the Judges' Retirement Fund, for Supreme Court and Appellate Court Justices	1,150,000
Provisions:	
1. Upon order of the Department of Finance, the Controller shall transfer such funds as are necessary between Item 0390-001-0001 and Item 0390-101-0001.	
0390-101-0001—For transfer by the Controller to the Judges' Retirement Fund for Superior Court and Municipal Court Judges	115,040,000
Provisions:	
1. Upon order of the Department of Finance, the Controller shall transfer such funds as are necessary between Item 0390-001-0001 and Item 0390-101-0001.	
0450-101-0001—For local assistance, State Trial Court Funding	5,810,000
Provisions:	
1. Of the amount appropriated in this item, up to $3,000,000, shall only be used for the payment of service of process fees billed to the trial courts as a result of Chapter 1009 of the Statutes of 2002. The Judicial Council shall distribute these funds to the individual trial courts on a reimbursement basis.	
2. Of the amount appropriated in this item, up to $2,556,000, shall only be used for the payment of the court costs payable under Sections 4750 to 4755, and 6005 of the Penal Code. The Judicial Council shall distribute these funds to the eligible individual trial courts on a reimbursement basis.	

Item Amount

3. The Judicial Council shall provide the Department of Finance with a report, by September 1, 2005, detailing the number of services of process billed to the courts under Chapter 1009 of the Statutes of 2002, the cost of these services, and information on any agreements reached with local law enforcement to provide this service free of charge or at a reduced rate.
4. The Judicial Council shall provide the Department of Finance with a report, by September 1, 2005, detailing, by court, the level of reimbursements provided for court costs associated with prisoner hearings under Sections 4750 to 4755, and 6005 of the Penal Code.
5. Any funds in this item that are not used shall revert to the General Fund.
6. Of the amount appropriated in this item, up to $254,000 shall be used for the payment of courts costs of extraordinary homicide trials. The Judicial Council shall adopt a rule of court to establish a process for courts to seek reimbursement for the extraordinary costs of homicide trials. In developing the process for reimbursement, the Judicial Council shall consider the following: (a) the uniform administration of justice throughout the state is a matter of statewide interest; (b) the prosecution and conduct of trials of persons accused of homicide should not be hampered or delayed by any lack of funds available to the courts for such purposes; (c) a court should not be required to bear the entire costs of a trial involving a homicide if such costs will seriously impair the finances of the court; and (d) the methodology for reimbursement established in Section 15202 of the Government Code.

0450-101-0932—For local assistance, State Trial Court Funding, payable from the Trial Court Trust Fund..... 2,182,440,000

Schedule:

(1) 10-Support for operation of the Trial Courts..... 1,935,784,000
(2) 25-Compensation of Superior Court Judges 232,767,000
(3) 35-Assigned Judges..... 21,154,000
(4) 45-Court Interpreters 67,735,000
(5) 97.20.001-Unallocated Reduction...–75,000,000

Item Amount

Provisions:

1. Notwithstanding Section 26.00 of this act, the funds appropriated or scheduled in this item may be allocated or reallocated among categories by the Judicial Council.
2. The amount appropriated in Schedule (3) shall be made available for all judicial assignments. Schedule (3) expenditures for necessary chamber staff may not exceed the staffing level that is necessary to support the equivalent of three judicial officers sitting on assignments at the appellate court level.
3. The funds appropriated in Schedule (2) shall be made available for the payment of workers' compensation claims for trial court judges.
4. The funds appropriated in Schedule (4) shall be for payments for services of contractual court interpreters, and certified and registered court interpreters employed by the courts, and the following court interpreter coordinators: one each in counties of the 1st through the 15th classes, 0.5 each in counties of the 16th through the 31st classes, and 0.25 each in counties of the 32nd through 58th classes. For the purposes of this provision, ''court interpreter coordinators'' may be full- or part-time court employees, or those contracted by the court to perform these services.

   The Judicial Council shall set statewide or regional rates and policies for payment of court interpreters, not to exceed the rate paid to certified interpreters in the federal court system. The Judicial Council shall adopt appropriate rules and procedures for the administration of these funds. The Judicial Council shall report to the Legislature and Director of the Department of Finance annually regarding expenditures from this schedule.
5. Upon order of the Director of Finance, the amount available for expenditure in this item may be augmented by the amount of any additional resources available in the Trial Court Trust Fund, which is in addition to the amount appropriated in this item.
6. Notwithstanding any other provision of law, the distribution of fines, fees, forfeitures, and penalties reported by the County of San Bernardino for the 1993–94, 1994–95, and 1995–96 fiscal years shall be deemed to be correct and no further reductions or increases shall be made to the distri-

Item Amount

bution for those fiscal years, except for those amounts owed to other local agencies.

7. The funds appropriated in Schedule (1) include $1,175,000 for court operations related to Chapter 561 of the Statutes of 1999. It is the intent of the Legislature that these funds only be used for the processing of elder abuse protective orders. Any funds not used for this purpose shall revert to the General Fund.
8. In addition to funding approved and appropriated through the program budget process, on an annual basis, it is the intent of the Legislature that the state shall provide, upon the order of the Director of Finance, to the Judicial Council an amount of discretionary funding that is deemed to be fair, reasonable, and fiscally responsible and meets specific criteria established and agreed upon by the Director of the Department of Personnel Administration, Director of Finance, and the Administration Director of the Courts. The level of funding shall be based on factors such as workload, population growth, agreed-upon policy goals, changes in local geographical circumstances and other agreed-upon criteria, which shall include the average percentage salary and benefit increases provided to state employees.

   The Judicial Council shall allocate these funds to meet the various needs of the trial courts. This includes the need to negotiate local memoranda of understanding with recognized bargaining agents and to meet other salary and benefit needs of the trial courts.
9. Notwithstanding any other provision of law, upon approval and order of the Department of Finance, the amount appropriated in this item shall be reduced by the amount transferred in Item 0450-115-0932 to provide adequate resources to the Judicial Branch Workers' Compensation Fund to pay workers compensation claims for judicial branch employees and administrative costs pursuant to Government Code Section 68114.10.

0450-111-0001—For transfer by the Controller to the Trial Court Trust Fund 1,167,758,000

Provisions:

1. To the extent that an amount of discretionary funding is provided to the Judicial Council pursuant to Item 0450-101-0932, Provision 8, upon the

Item	Amount
order of the Director of Finance, the appropriation in this item may be increased by the corresponding General Fund amount.	
0450-112-0001—For transfer by the Controller to the Judicial Administration Efficiency and Modernization Fund	34,122,000
0450-112-0159—For transfer by the Controller, upon order of the Director of Finance, from the Trial Court Improvement Fund to the Trial Court Trust Fund ...	(0)
Provisions:	
1. Notwithstanding any other provision of law, this item may be augmented subject to the limitations in Item 0450-401 of this act and is for transfer to the Trial Court Trust Fund in augmentation of Item 0450-101-0932.	
0450-112-0556—For local assistance, State Trial Court Funding, payable from the Judicial Administration Efficiency and Modernization Fund.....	34,122,000
0450-112-3037—For transfer by the Controller, upon order of the Director of Finance, from the State Court Facilities Construction Fund to the General Fund ...	(30,000,000)
Provisions:	
1. Transfers authorized by this item may only take place after the revenue collected by the State Court Facilities Construction Fund exceeds the amount appropriated pursuant to Item 0250-001-3037.	
2. The transfer made by this item is a loan to the General Fund to be repaid in a timeframe to be determined by the Department of Finance. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account at the time of the transfer.	
0450-115-0932—For transfer, upon order of the Director of Finance, to the Judicial Branch Workers Compensation Fund	1,000
Provisions:	
1. Notwithstanding any other provision of law, upon approval and order of the Department of Finance, the Judicial Council shall adjust the amount of this transfer to provide adequate resources to the Judicial Branch Workers' Compensation Fund to pay workers compensation claims for judicial branch employees and administrative costs pursuant to Government Code Section 68114.10.	

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0450-401—Notwithstanding any other provision of law, the Judicial Council is hereby authorized to transfer funding from Item 0450-112-0001 to Item 0450-111-0001 for transfer to and in augmentation of Item 0450-101-0932. In addition, Judicial Council may adjust Item 0450-112-0556 to conform to the amount being transferred pursuant to Item 0450-112-0001. The Judicial Council is authorized to make these transfers and the transfer authorized pursuant to Item 0450-112-0159 for the purpose of distributing the unallocated reduction in Schedule (5) in Item 0450-101-0932. The total amounts transferred by these items shall not exceed the level of funding in Item 0450-101-0932, Schedule (5) Unallocated Reduction.

Executive

0500-001-0001—For support of Governor and of Governor's office 6,119,000
Schedule:
(1) Support 6,044,000
(2) Governor's Residence (Support) 35,000
(3) Special Contingent Expenses 40,000
Provisions:
1. The funds appropriated in Schedules (2) and (3) of this item are exempt from the provisions of Sections 925.6, 12410, and 13320 of the Government Code.

0510-001-0001—For support of Secretary of State and Consumer Services 746,000
Schedule:
(1) Support 1,316,000
(2) Reimbursements ..... –570,000

0520-001-0001—For support of Secretary for Business, Transportation and Housing, for payment to Item 0520-001-0044 payable from the General Fund 1,935,000

0520-001-0044—For support of Secretary for Business, Transportation and Housing, payable from the Motor Vehicle Account, State Transportation Fund..... 1,324,000
Schedule:
(1) 10-Administration of Business, Transportation and Housing Agency 3,207,000
(2) 25-Infrastructure Finance and Economic Development Program 6,447,000
(3) Reimbursements ..... –2,878,000

Item	Amount
(4) Amount payable from the General Fund (Item 0520-001-0001).....	−1,935,000
(5) Amount payable from the California Infrastructure and Economic Development Bank Fund (Item 0520-001-0649)	−3,062,000
(6) Amount payable from the Small Business Expansion Fund (Item 0520-001-0918)	−455,000

Provisions:

1. The Business, Transportation and Housing Agency shall report to the budget committees of each house of the Legislature and the Legislative Analyst's Office by April 1, 2005, with a cost-recovery fee plan for film permits issued to for profit production companies. The plan shall include, but is not limited to, fee levels for individual permits and projections for total fee revenue.
2. Of the amount appropriated in this item, $600,000 is for the costs to develop, implement, and operate a new film permitting system, and may not be encumbered or expended until the Director of Finance approves the Feasibility Study Report for the system. The funds shall be made available consistent with the amount approved by the Director of Finance, based upon the approved Feasibility Study Report.

0520-001-0649—For support of Secretary for Business, Transportation and Housing, for payment to Item 0520-001-0044 payable from the California Infrastructure and Economic Development Bank Fund...	3,062,000
0520-001-0918—For support of Secretary for Business, Transportation and Housing, for payment to Item 0520-001-0044 payable from the Small Business Expansion Fund.....	455,000
0520-002-0001—For support of Secretary of Business, Transportation and Housing	575,000

Provisions:

1. The amount appropriated in this item is available for payment of costs resulting from the closure of the former Technology, Trade, and Commerce Agency. Notwithstanding any other provision of law, if the Department of Finance determines that the expenditures for these costs will exceed the expenditures authorized by this item, the Department of Finance shall report that fact to the Chair-

Item	Amount
person of the Joint Legislative Budget Committee and the chairpersons of the committee in each house of the Legislature that considers appropriations. Thirty days after providing the written notification, the Director of Finance may increase this appropriation pursuant to the provisions of Chapter 2 of the Statutes of 2003, First Extraordinary Session.	
0520-011-0001—For transfer, upon order of the Director of Finance, to the Small Business Expansion Fund.	3,988,000
Provisions:	
1. Beginning with the 2004–05 fiscal year, the total income received by a financial development corporation for each loan guarantee completed may not exceed $6,000 per guarantee. Total income includes funds received from the state and fees charged to loan guarantee recipients. The Secretary of Business, Transportation and Housing may exempt up to 25 percent of the loan guarantees contracted for by the agency from this requirement. It is the intent of the Legislature that state funding of the Small Business Loan Guarantee Program be 100 percent performance-based by the 2005–06 fiscal year.	
2. The Department of Finance is hereby authorized to transfer any savings in this item to the General Fund at the end of the 2004–05 fiscal year. It is anticipated that the amount to be transferred to the General Fund will be $248,000.	
0520-101-0001—For local assistance, Secretary for Business, Transportation and Housing	0
Schedule:	
(1) 25-Infrastructure Finance and Economic Development Program 2,000,000	
(2) Reimbursements ..... –2,000,000	
0520-115-3005—For transfer, upon order of the Director of Finance, from the Film California First Fund to the General Fund	(1,089,000)
0530-001-0001—For support of Secretary for California Health and Human Services	1,925,000
Schedule:	
(1) 10-Secretary of California Health and Human Services Agency 3,435,000	
(2) Reimbursements ..... –1,146,000	
(3) Amount payable from the Managed Care Fund (Item 0530-001-0933) . –364,000	

Item		Amount
0530-001-0933—For support of Secretary for California Health and Human Services Agency, for payment to Item 0530-001-0001, payable from the Managed Care Fund		364,000
0530-017-0001—For support of Secretary for California Health and Human Services Agency		2,914,000
Schedule:		
(1) 21-Office of HIPAA Implementation	3,509,000	
(2) Reimbursements	–595,000	
Provisions:		
1. The funding appropriated in this item is limited to the amount specified in Control Section 17.00. These funds are to be used in support of compliance activities related to the federal Health Insurance Portability and Accountability Act (HIPAA) of 1996.		
0540-001-0005—For support of Secretary for Resources, for payment to Item 0540-001-0140, payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund		204,000
0540-001-0140—For support of Secretary for Resources, payable from the Environmental License Plate Fund.		2,581,000
Schedule:		
(1) 10-Administration of Resources Agency	17,367,000	
(2) Reimbursements	–515,000	
(3) Amount payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund (Item 0540-001-0005).	–204,000	
(4) Amount payable from the Environmental Enhancement and Mitigation Demonstration Program Fund (Item 0540-001-0183)	–90,000	
(4.5) Amount payable from the Natural Resources Infrastructure Fund (Item 0540-001-0383)	–10,000,000	
(5) Amount payable from the Federal Trust Fund (Item 0540-001-0890).	–269,000	
(6) Amount payable from the River Protection Subaccount (Item 0540-001-6015)	–16,000	

Item		Amount
(7) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 0540-001-6029)	−1,627,000	
(8) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 0540-001-6031)	−2,065,000	
0540-001-0183—For support of Secretary for Resources, for payment to Item 0540-001-0140, payable from the Environmental Enhancement and Mitigation Demonstration Program Fund		90,000
0540-001-0383—For state operations, Secretary for Resources, payable from the Natural Resources Infrastructure Fund, available for encumbrance or expenditure until June 30, 2007		10,000,000
Provisions:		
1. Funds appropriated in this item shall be available only if the California Ocean Protection Act is enacted pursuant to legislation enacted during the 2003–04 Regular Session.		
0540-001-0890—For support of Secretary for Resources, for payment to Item 0540-001-0140, payable from the Federal Trust Fund		269,000
0540-001-6015—For support of Secretary for Resources, for payment to Item 0540-001-0140, payable from the River Protection Subaccount		16,000
0540-001-6029—For support of Secretary for Resources, for payment to Item 0540-001-0140, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund		1,627,000
0540-001-6031—For support of Secretary for Resources, for payment to Item 0540-001-0140, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002		2,065,000
0540-490—Reappropriation, Secretary for Resources. The balance of the appropriation identified in the following citation is reappropriated for purposes provided for in that appropriation and shall be available for encumbrance or expenditure until June 30, 2005: 6029—California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund		
(1) Item 0540-001-6029, Budget Act of 2003 (Ch. 157, Stats. 2003)		

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Provisions:

1. Of the amount reappropriated in this item, up to $4,575,000 shall be available for the Urban Streams Restoration Program.

0540-491—Reappropriation, Secretary for Resources. Notwithstanding any other provision of law, the period to liquidate encumbrances of the following citations are extended to June 30, 2005:

0001—General Fund

(1) Item 0540-101-0001, Budget Act of 1999 (Ch. 50, Stats. 1999)

(2) Item 0540-101-0001, Budget Act of 2000 (Ch. 52, Stats. 2000)

(1) Grants

(3) Item 0540-101-0001, Budget Act of 2001 (Ch. 106, Stats. 2001)

(1) Grants

6015—River Protection Subaccount

(1) Item 0540-101-6015, Budget Act of 2000 (Ch. 52, Stats. 2000)

0540-492—Reappropriation, Secretary for Resources. The balance of the appropriation identified in the following citation is reappropriated for the purposes provided for in that appropriation and shall be available for encumbrance or expenditure until June 30, 2007:

6029—California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund

(1) Item 0540-101-6029, Budget Act of 2002 (Ch. 379, Stats. 2002)

(10) San Diego River

0550-001-0001—For support of Secretary for Youth and Adult Correctional Agency..... 2,620,000

Schedule:

(1) 10-Secretary for Youth and Adult Correctional Agency..... 2,620,000

0552-001-0001—For support of Office of the Inspector General, Program 10..... 8,258,000

0555-001-0001—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044..... 425,000

0555-001-0014—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the Hazardous Waste Control Account 297,000

Item	Amount
0555-001-0028—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the Unified Program Account ..	1,444,000
Provisions:	
1. Of the amount appropriated in this item, $462,000 shall be expended as follows: (a) consistently with the provisions of legislation to be enacted during the 2003–04 Regular Session that address environmental problems associated with chrome plating facilities; or (b) to assist the metal plating industry in complying with state regulations relative to chrome plating.	
0555-001-0044—For support of Secretary for Environmental Protection, payable from the Motor Vehicle Account, State Transportation Fund.....	613,000
Schedule:	
(1) 30-Support	10,113,000
(2) Reimbursements	–1,971,000
(3) Amount payable from the General Fund (Item 0555-001-0001).....	–425,000
(4) Amount payable from the Hazardous Waste Control Account (Item 0555-001-0014)	–297,000
(5) Amount payable from the Unified Program Account (Item 0555-001-0028).....	–1,444,000
(6) Amount payable from the California Used Oil Recycling Fund (Item 0555-001-0100)	–30,000
(7) Amount payable from the Department of Pesticide Regulation Fund (Item 0555-001-0106)	–183,000
(8) Amount payable from the Recycling Market Development Revolving Loan Account (Item 0555-001-0281)	–135,000
(9) Amount payable from the Integrated Waste Management Account, Integrated Waste Management Fund (Item 0555-001-0387).	–433,000
(10) Amount payable from the Underground Storage Tank Cleanup Fund (Item 0555-001-0439).....	–48,000
(11) Amount payable from the State Water Quality Control Fund (Item 0555-001-0679)	–134,000

Item	Amount
(11.5) Amount payable from the Hazardous Waste Reduction Loan Account (Item 0555-001-0828)	−1,500,000
(12) Amount payable from the Rural CUPA Reimbursement Account (Item 0555-001-1006)	−900,000
(13) Amount payable from the Environmental Enforcement and Training Account (Item 0555-001-8013)	−2,000,000
Provisions:	
1. Notwithstanding Section 48653 of the Public Resources Code, funds appropriated in this item from the California Used Oil Recycling Fund shall be available for purposes of administration.	
0555-001-0100—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the California Used Oil Recycling Fund	30,000
0555-001-0106—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the Department of Pesticide Regulation Fund	183,000
0555-001-0281—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the Recycling Market Development Revolving Loan Account, Integrated Waste Management Fund	135,000
0555-001-0387—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the Integrated Waste Management Account, Integrated Waste Management Fund	433,000
0555-001-0439—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the Underground Storage Tank Cleanup Fund	48,000
0555-001-0679—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the State Water Quality Control Fund	134,000
0555-001-0828—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the Hazardous Waste Reduction Loan Account	1,500,000

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Provisions:

1. Notwithstanding any other provision of law, funds appropriated from this item shall be expended consistent with the legislation enacted in the 2004–05 fiscal year related to addressing environmental problems associated with chrome plating facilities.

0555-001-1006—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the Rural Reimbursement Account 900,000

0555-001-8013—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the Environmental Enforcement and Training Account 2,000,000

0555-001-8020—For support of Secretary for Environmental Protection, payable from the Environmental Education Account 150,000

Schedule:

(1) 30-Support 150,000

Provisions:

1. The funding appropriated and available for expenditure in this item is limited to the amount of funding received in the Environmental Education Account established by Section 71305 of the Public Resources Code.

0555-011-0001—For transfer by the State Controller to the Rural CUPA Reimbursement Account 900,000

0558-001-0001—For support of the Office of the Secretary for Education 786,000

Schedule:

(1) Secretary for Education 786,000

Provisions:

1. The amount appropriated in this item is intended for support of the Education Agency. The appropriation is an estimate of the funding needs from January 1, 2005, to June 30, 2005, inclusive. Legislation establishing the agency will be introduced and, if enacted, would be effective on or before January 1, 2005. In the event that legislation creating the agency is not effective on or before January 1, 2005, or the funds are needed prior to January 1, 2005, the unexpended balance of the funds appropriated by this item shall be available for expenditure pursuant to Item 0650-011-0001, as authorized by the Director of Finance.

Item		Amount
0559-001-0001—For support of the California Labor and Workforce Development Agency		0
Schedule:		
(1) 10-Office of the Secretary for Labor and Workforce Development	2,079,000	
(2) Reimbursements	−2,079,000	
0650-001-0001—For support of Office of Planning and Research		4,273,000
Schedule:		
(1) 11-State Planning and Policy Development	5,379,000	
(2) 21-Governor's Office on Service and Volunteerism	2,977,000	
(3) Reimbursements	−971,000	
(4) Amount payable from the Property Acquisition Law Money Account (Item 0650-001-0002)	−494,000	
(5) Amount payable from the Federal Trust Fund (Item 0650-001-0890)	−2,618,000	
0650-001-0002—For support of Office of Planning and Research, for payment to Item 0650-001-0001, payable from the Property Acquisition Law Money Account		494,000
0650-001-0890—For support of Office of Planning and Research, for payment to Item 0650-001-0001, payable from the Federal Trust Fund		2,618,000
0650-011-0001—For support of Office of Planning and Research		786,000
Schedule:		
(1) Office of the Secretary for Education	796,000	
(2) Reimbursements	−10,000	

Provisions:

1. The funds appropriated in this item are intended for support of the Education Agency. The appropriation is an estimate of the funding needs from July 1, 2004, to December 31, 2004, inclusive. Legislation establishing the agency will be introduced and, if enacted, would be effective on or before January 1, 2005. After the effective date of such legislation, and upon the determination that all obligations of the agency in the Office of Planning and Research have been met, the unexpended balance of the funds appropriated by this

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item shall be available for expenditure pursuant to Item 0558-001-0001, as authorized by the Director of Finance.

0650-101-0890—For local assistance, Office of Planning and Research, Program 21-Governor's Office on Service and Volunteerism, payable from the Federal Trust Fund..... 45,800,000

Provisions:

1. The funds appropriated in this item are for local assistance allocations approved by the Governor's Office on Service and Volunteerism.

0690-001-0001—For support of Office of Emergency Services 28,693,000

Schedule:

(1) 15-Mutual Aid Response	15,827,000
(2) 35-Plans and Preparedness.....	16,869,000
(3) 45-Disaster Assistance.....	21,013,000
(4) 55.01-Administration and Executive.....	6,294,000
(5) 55.02-Distributed Administration and Executive	–5,399,000
(5.5) 65-Office of Homeland Security .	1,968,000
(6) Reimbursements.....	–2,113,000
(7) Amount payable from the Unified Program Account (Item 0690-001-0028).....	–612,000
(8) Amount payable from the Nuclear Planning Assessment Special Account (Item 0690-001-0029).....	–907,000
(9) Amount payable from the Federal Trust Fund (Item 0690-001-0890).....	–22,279,000
(10) Amount payable from the Federal Trust Fund (Item 0690-010-0890).	–1,968,000

Provisions:

1. Funds appropriated in this item may be reduced by the Director of Finance, after giving notice to the Chairperson of the Joint Legislative Budget Committee, by the amount of federal funds made available for the purposes of this item in excess of the federal funds scheduled in Item 0690-001-0890.
2. The Office of Emergency Services shall charge tuition for all training offered through the California Specialized Training Institute.

Item	Amount
3. Upon the approval by the Department of Finance, the Controller shall transfer such funds as are necessary between this item and Item 0690-101-0890.	
0690-001-0028—For support of Office of Emergency Services, for payment to Item 0690-001-0001, payable from the Unified Program Account	612,000
0690-001-0029—For support of Office of Emergency Services, for payment to Item 0690-001-0001, payable from the Nuclear Planning Assessment Special Account	907,000
Provisions:	
1. Pursuant to Government Code Section 8610.5(f), any unexpended funds from the appropriation in the prior fiscal year for the purposes of conducting a full participation exercise are hereby appropriated in augmentation of this item.	
0690-001-0890—For support of Office of Emergency Services, for payment to Item 0690-001-0001, payable from the Federal Trust Fund	22,279,000
Provisions:	
1. Any funds that may become available, in addition to the funds appropriated in this item, for disaster response and recovery may be allocated by the Department of Finance subject to the conditions of Section 28.00 of this act, except that, notwithstanding subdivision (d) of that section, the allocations may be made 30 days or less after notification of the Legislature.	
2. Notwithstanding any other provision of law, the funds appropriated in this item may be expended without regard to the fiscal year in which the application for reimbursement was submitted to the Federal Emergency Management Agency.	
0690-002-0001—For support of Office of Emergency Services	9,144,000
Schedule:	
(1) 50-Criminal Justice Projects 9,854,000	
(2) 51-California Anti-terrorism Information Center 6,700,000	
(3) Reimbursements ..... −20,000	
(4) Amount payable from the Local Public Prosecutors and Public Defenders Training Fund (Item 0690-002-0241) ..... −72,000	

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(5) Amount payable from the Victim Witness Assistance Fund (Item 0690-002-0425) ..... –1,164,000

(6) Amount payable from the High Technology Theft Apprehension and Prosecution Program Trust Fund (Item 0690-002-0597)..... –692,000

(7) Amount payable from the Federal Trust Fund (Item 0690-002-0890). –5,462,000

Provisions:

1. The funds appropriated in Schedule (2) shall be used to continue and expand funding for the California Anti-Terrorism Information Center Program, which shall provide investigative assistance to local and federal law enforcement agencies, provide intelligence gathering and data analysis, and create and maintain a statewide informational database to analyze and distribute information related to terrorist activities. The OES shall allocate funds to the Department of Justice for these purposes upon the request of the Department of Justice.
2. It is the intent of the Legislature that the General Fund shall be reimbursed from future allocations of federal security-related funds that may be used for the purposes described in this item.

0690-002-0241—For support of Office of Emergency Services, for payment to Item 0690-002-0001, payable from the Local Public Prosecutors and Public Defenders Training Fund 72,000

Provisions:

1. Notwithstanding any other provision of law restricting the costs of administering individual programs, the full amount of this appropriation may be used by the Office of Emergency Services for administrative costs.

0690-002-0425—For support of Office of Emergency Services, for payment to Item 0690-002-0001, payable from the Victim Witness Assistance Fund 1,164,000

0690-002-0597—For support of Office of Emergency Services, for payment to Item 0690-002-0001, payable from the High Technology Theft Apprehension and Prosecution Program Trust Fund..... 692,000

Provisions:

1. Funds appropriated in this item are for the High Technology Theft Apprehension and Prosecution Program, as established by Chapter 5.7 (com-

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mencing with Section 13848) of Title 6 of Part 4 of the Penal Code, as amended by Chapter 555, Statutes of 1998, and shall be deposited in the High Technology Theft Apprehension and Prosecution Program Trust Fund, established pursuant to Section 13848.4 of the Penal Code.

0690-002-0890—For support of Office of Emergency Services, for payment to Item 0690-002-0001, payable from the Federal Trust Fund 5,462,000

0690-010-0890—For support of Office of Emergency Services for the Office of Homeland Security, for payment to Item 0690-001-0001, payable from the Federal Trust Fund 1,968,000

Provisions:

1. The Director of the Office of Homeland Security jointly with the Department of Justice shall prepare a report for the Director of Finance, the chairperson of the fiscal committees in each house of the Legislature, and the Chairperson of the Joint Legislative Budget Committee by October 1, 2004, on the effectiveness of the California Anti-Terrorism Information Center (CATIC). This report should include the following: (a) how the CATIC funds are being spent by the Department of Justice, (b) whether or not CATIC is meeting the requirements of the Memorandum of Understanding between the Governor's Office and the Department of Justice, (c) what should CATIC be focusing on to make them become more effective, and (d) a recommendation related to the future of CATIC. The recommendations of the report shall be used in the preparation of the 2005–06 Governor's Budget regarding the use and appropriate placement of CATIC funds.
2. As a condition of the receipt of the funds in this item, the California Anti-Terrorism Information Center (CATIC) shall enter into a new memorandum of understanding pursuant to law with the Governor's Office that identifies the current mission of CATIC and the operation of a joint state terrorism threat assessment center.

0690-013-0001—For transfer by the Controller to the High Technology Theft Apprehension and Prosecution Program Trust Fund..... 660,000

Provisions:

1. Funds appropriated in this item are for the High Technology Theft Apprehension and Prosecution

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Program, as established by Chapter 5.7 (commencing with Section 13848) of Title 6 of Part 4 of the Penal Code, as amended by Chapter 555, Statutes of 1998, and shall be deposited in the High Technology Theft Apprehension and Prosecution Program Trust Fund, established pursuant to Section 13848.4 of the Penal Code.

0690-013-0890—For transfer by the Controller from the Federal Trust Fund to the High Technology Theft Apprehension and Prosecution Program Trust Fund. 32,000

Provisions:

1. Funds appropriated in this item are for the High Technology Theft Apprehension and Prosecution Program established by Chapter 5.7 (commencing with Section 13848) of Title 6 of Part 4 of the Penal Code, and shall be deposited in the High Technology Theft Apprehension and Prosecution Program Trust Fund, established pursuant to Section 13848.4 of the Penal Code.

0690-101-0029—For local assistance, Office of Emergency Services, Program 35—Plans and Preparedness, payable from the Nuclear Planning Assessment Special Account..... 2,234,000

Provisions:

1. Pursuant to Government Code Section 8610.5(f), any unexpended funds from the appropriation in the prior fiscal year for the purposes of conducting a full participation exercise are hereby appropriated in augmentation of this item.

0690-101-0890—For local assistance, Office of Emergency Services, payable from the Federal Trust Fund 784,168,000

Schedule:

(1) 35-Plans and Preparedness.....226,442,000

(2) 45-Disaster Assistance.....557,726,000

Provisions:

1. Any federal funds that may become available in addition to the funds appropriated in this item for Program 45–Disaster Assistance are exempt from Section 28.00 of this act.

0690-102-0001—For local assistance, Office of Emergency Services..... 29,643,000

Schedule:

(1) 50.20.102-Victims Legal Resources Center 41,000

(2) 50.20.151-Domestic Violence Program..... 2,730,000

Item	Amount
(3) 50.20.152-Family Violence Prevention	50,000
(4) 50.20.301-Rape Crisis Program	50,000
(5) 50.20.351-Homeless Youth Project.	396,000
(6) 50.20.352-Youth Emergency Telephone Referral	127,000
(7) 50.20.354-Child Sexual Abuse Prevention and Training	302,000
(8) 50.30.501-California Community Crime Resistance Program, to be allocated pursuant to Chapter 5 (commencing with Section 13840) of Title 6 of Part 4 of the Penal Code	231,000
(9) 50.30.502-War on Methamphetamine	9,500,000
(10) 50.30.503-Vertical Prosecution Block Grants	8,176,000
(11) 50.30.511-California Career Criminal Apprehension Program	866,000
(12) 50.30.514-Serious Habitual Offender	137,000
(13) 50.30.522-Evidentiary Medical Training	648,000
(14) 50.30.531-Vertical Defense	172,000
(15) 50.30.541-Public Prosecutors and Public Defenders	8,000
(16) 50.30.651-Suppression of Drug Abuse in Schools Program	690,000
(17) 50.30.661-California Gang Violence Suppression Program	3,090,000
(18) 50.30.672-Multi-Agency Gang Enforcement Consortium	93,000
(19) 50.30.815-Rural Crime Prevention Program	3,341,000
(20) Reimbursements	−1,005,000

Provisions:

1. Notwithstanding any other provision of law, the Office of Emergency Services may provide advance payment of up to 25 percent of grant funds awarded to community-based, nonprofit organizations, cities, school districts, counties, and other units of local government that have demonstrated cashflow problems according to the criteria set forth by the Office of Emergency Services.
2. To maximize the use of program funds and demonstrate the commitment of the grantees to pro-

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gram objectives, the Office of Emergency Services shall require all grantees for funds from the Gang Violence Suppression-Curfew Enforcement Strategy Program to provide local matching funds of at least 10 percent for the first and each subsequent year of operation. This match requirement applies to each agency that is to receive grant funds. An agency may meet its match requirements with an in-kind match, if approved by the Office of Emergency Services.

0690-102-0241—For local assistance, Office of Emergency Services, payable from the Local Public Prosecutors and Public Defenders Training Fund..... 792,000

Schedule:

(1) 50.30.541-Public Prosecutors and Public Defenders..... 792,000

Provisions:

1. Notwithstanding any other provision of law, the Office of Emergency Services may provide advance payment of up to 25 percent of grant funds awarded to community-based, nonprofit organizations, cities, school districts, counties, and other units of local government that have demonstrated cashflow problems according to the criteria set forth by the Office of Emergency Services.

0690-102-0425—For local assistance, Office of Emergency Services, payable from the Victim-Witness Assistance Fund 15,519,000

Schedule:

(1) 50.20.101-Victim-Witness Assistance Program..... 10,871,000

(2) 50.20.301-Rape Crisis Program 3,670,000

(3) 50.20.353-Child Sexual Abuse and Exploitation Program 978,000

Provisions:

1. Notwithstanding any other provision of law, the Office of Emergency Services may provide advance payment of up to 25 percent of grant funds awarded to community-based, nonprofit organizations, cities, school districts, counties, and other units of local government that have demonstrated cashflow problems according to the criteria set forth by the Office of Emergency Services.

0690-102-0597—For local assistance, Office of Emergency Services, payable from the High Technology Theft Apprehension and Prosecution Program Trust Fund 13,518,000

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Schedule:

(1) 50.30.562-High Technology Theft Apprehension and Prosecution Program..... 13,518,000

Provisions:

1. Funds appropriated in this item are for the High Technology Theft Apprehension and Prosecution Program, as established by Chapter 5.7 (commencing with Section 13848) of Title 6 of Part 4 of the Penal Code, as amended by Chapter 555, Statutes of 1998, and shall be deposited in the High Technology Theft Apprehension and Prosecution Program Trust Fund, established pursuant to Section 13848.4 of the Penal Code.
2. All grantees receiving funds appropriated in this item shall be required to provide matching funds equal to 25 percent of the amount of grant funding received by them from the High Technology Theft Apprehension and Prosecution Program Trust Fund.

0690-102-0890—For local assistance, Office of Emergency Services, payable from the Federal Trust Fund 134,124,000

Schedule:

(1) 50.20.151-Domestic Violence Program..... 8,751,000
(2) 50.20.161-Violence Against Women Act..... 12,990,000
(3) 50.20.171-Rural Domestic Violence/Child Victimization 571,000
(4) 50.20.302-Rape Prevention..... 5,571,000
(5) 50.20.451-Victims of Crime Act (VOCA) 40,698,000
(6) 50.30.523-Forensic Sciences Improvement Act 358,000
(7) 50.30.525-Child Justice Act..... 1,775,000
(8) 50.30.550-Byrne State/Local Law Enforcement Assistance..... 52,118,000
(9) 50.30.555-Residential Substance Abuse Treatment..... 9,135,000
(10) 50.30.556-Local Law Enforcement Block Grants..... 882,000
(11) 50.30.559-Peace Officer Protective Equipment 1,275,000

Provisions:

1. Notwithstanding any other provision of law, the Office of Emergency Services may provide ad-

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vance payment of up to 25 percent of grant funds awarded to community-based, nonprofit organizations, cities, school districts, counties, and other units of local government that have demonstrated cashflow problems according to the criteria set forth by the Office of Emergency Services.

2. Of the funds appropriated in this item, $224,000 of the amount allocated for the Victims of Crime Act Program (50.20.451) shall be provided for support of the Office of Victims Services within the Department of Justice.

0690-112-0001—For local assistance, Office of Emergency Services, for disaster recovery costs 56,278,000

Provisions:

1. The funds appropriated in this item are for the state's share of response and recovery costs for disasters.

0690-113-0001—For transfer by the Controller to the High Technology Theft Apprehension and Prosecution Program Trust Fund 13,300,000

Provisions:

1. Funds appropriated in this item are for the High Technology Theft Apprehension and Prosecution Program, as established by Chapter 5.7 (commencing with Section 13848) of Title 6 of Part 4 of the Penal Code, as amended by Chapter 555 of the Statutes of 1998, and shall be deposited in the High Technology Theft Apprehension and Prosecution Program Trust Fund, established pursuant to Section 13848.4 of the Penal Code.

0690-113-0890—For transfer by the Controller from the Federal Trust Fund to the High Technology Theft Apprehension and Prosecution Program Trust Fund. 218,000

Provisions:

1. Funds appropriated in this item are for the High Technology Theft Apprehension and Prosecution Program established by Chapter 5.7 (commencing with Section 13848) of Title 6 of Part 4 of the Penal Code, and shall be deposited in the High Technology Theft Apprehension and Prosecution Program Trust Fund, established pursuant to Section 13848.4 of the Penal Code.

0690-115-0001—For local assistance, Office of Emergency Services, for volunteer disaster service worker's compensation 663,000

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Provisions:

1. The funds appropriated in this item shall be used to pay approved volunteer disaster service worker's compensation claims and administrative expenditures related to the payment of such claims by the State Compensation Insurance Fund.

0690-295-0001—For local assistance, Office of Emergency Services, for reimbursement, in accordance with the provision of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller 0

Schedule:

(1) 98.01.103.280-Deaf Teletype Equipment (Ch. 1032, Stats. 1980)..... 0

Provisions:

1. Pursuant to Section 17581 of the Government Code, the mandate identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision is specifically identified by the Legislature for suspension during the 2004–05 fiscal year:
   (1) Deaf Teletype Equipment (Ch. 1032, Stats. 1980).

0690-296-0001—For local assistance, Office of Emergency Services, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller 2,000

Schedule:

(1) 98.01.124.992-Threats Against Peace Officers (Ch. 1249, Stats. 1992, and Ch. 666, Stats. 1995) ... 1,000

(2) 98.01.041.195-Crime Victims' Rights (Ch. 411, Stats. 1995) 1,000

(3) 98.01.003.694-Sex Crime Confidentiality (Ch. 36, Stats. 1994, 1st Ex. Sess.) 0

Provisions:

1. Except as provided in Provision 2 of this item, allocations of funds provided in this item to the ap-

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propriate local entities shall be made by the State Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated in this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.

2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the State Controller may, upon notifying the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house which considers appropriation and the Chairperson of the Joint Legislative Budget Committee or his or her designee.
3. Pursuant to Section 17581 of the Government Code, mandates identified in the appropriate schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the 2004–05 fiscal year:
   (3) Sex Crime Confidentiality (Ch. 36, Stats. 1994, 1st Ex. Sess.)

0690-490—Reappropriation, Office of Emergency Services. The balance of the appropriation provided in the following citations is reappropriated for the purposes, and subject to the limitations, unless otherwise specified, provided for in the appropriations and shall be available for encumbrance and expenditure until June 30, 2005:

0001—General Fund

(1) Item 0690-301-0001, Budget Act of 2003 (Ch. 157, Stats. 2003)
   (1) 80.10.008-Sacramento: OES Headquarters Perimeter Fence—Working drawings

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0690-491—Reappropriation, Office of Emergency Services. The balance of the appropriations provided in the following citations are reappropriated to the Office of Emergency Services for the purposes provided for in Section 25.00 of the Budget Act of 2003 (Ch. 157, Stats. 2003) and shall be available for encumbrance or expenditure until June 30, 2005:

0001—General Fund

(1) Item 8100-101-0001, Budget Act of 2003 (Ch. 157, Stats. 2003). Up to $25,628,000 pursuant to Section 25.00 of the Budget Act of 2003 (Ch. 157, Stats. 2003)

0241—Local Public Prosecutors and Public Defenders Training Fund

(1) Item 8100-101-0241, Budget Act of 2003 (Ch. 157, Stats. 2003). Up to $432,000 pursuant to Section 25.00 of the Budget Act of 2003 (Ch. 157, Stats. 2003).

0425—Victim-Witness Assistance Fund

(1) Item 8100-101-0425, Budget Act of 2003 (Ch. 157, Stats. 2003). Up to $8,541,000 pursuant to Section 25.00 of the Budget Act of 2003 (Ch. 157, Stats. 2003).

0597—High Technology Theft Apprehension and Prosecution Program Trust Fund

(1) Item 8100-101-0597, Budget Act of 2003 (Ch. 157, Stats. 2003). Up to $7,142,000 pursuant Section 25.00 of the Budget Act of 2003 (Ch. 157, Stats. 2003).

0750-001-0001—For support of Office of the Lieutenant Governor 2,656,000

0820-001-0001—For support of Department of Justice.. 300,395,000

Schedule:

(1) 11.01-Directorate-Administration..... 24,552,000
(2) 11.02-Distributed Directorate-Administration .....–24,552,000
(3) 12.01-Legal Support and Technology..... 43,907,000
(4) 12.02-Distributed Legal Support and Technology.....–43,907,000
(5) 25-Executive Programs..... 13,704,000
(6) 30-Civil Law.....107,061,000
(7) 40-Criminal Law.....107,227,000
(8) 45-Public Rights 62,313,000
(9) 50-Law Enforcement.....149,287,000

Item	Amount
(10) 60-California Justice Information Services	152,413,000
(11) 65-Gambling Control	14,344,000
(12) 70-Firearms	12,204,000
(14) Reimbursements	–132,944,000
(15) Amount payable from the Attorney General Antitrust Account (Item 0820-001-0012)	–1,187,000
(16) Amount payable from Hazardous Waste Control Account (Item 0820-001-0014)	–1,787,000
(17) Amount payable from the Fingerprint Fees Account (Item 0820-001-0017)	–63,237,000
(18) Amount payable from Firearms Safety Account (Item 0820-001-0032)	–317,000
(19) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 0820-001-0044)	–20,933,000
(20) Amount payable from the Department of Justice Sexual Habitual Offender Fund (Item 0820-001-0142)	–2,664,000
(21) Amount payable from the Travel Seller Fund (Item 0820-001-0158)	–1,003,000
(22) Amount payable from Conservatorship Registry Fund (Item 0820-001-0195)	–47,000
(23) Amount payable from the Restitution Fund (Item 0820-001-0214)	–58,000
(24) Amount payable from the Sexual Predator Public Information Account (Item 0820-001-0256)	–58,000
(25) Amount payable from the Indian Gaming Special Distribution Fund (Item 0820-001-0367)	–9,270,000
(26) Amount payable from the False Claims Act Fund (Item 0820-001-0378)	–11,348,000
(27) Amount payable from the Dealers' Record of Sale Special Account (Item 0820-001-0460)	–8,403,000

Item	Amount
(28) Amount payable from the Toxic Substances Control Account (Item 0820-001-0557)	–2,135,000
(29) Amount payable from the Department of Justice Child Abuse Fund (Item 0820-001-0566)	–329,000
(30) Amount payable from the Gambling Control Fund (Item 0820-001-0567)	–6,337,000
(31) Amount payable from the Gambling Control Fines and Penalties Account (Item 0820-001-0569)	–43,000
(32) Amount payable from the Federal Trust Fund (Item 0820-001-0890)	–32,958,000
(33) Amount payable from the Federal Asset Forfeiture Account, Special Deposit Fund (Item 0820-001-0942)	–1,548,000
(34) Amount payable from the State Asset Forfeiture Account, Special Deposit Fund (Item 0820-011-0942)	–529,000
(35) Amount payable from the Firearms Safety and Enforcement Special Fund (Item 0820-001-1008)	–2,903,000
(36) Amount payable from the Missing Persons DNA Database Fund (Item 0820-001-3016)	–3,103,000
(37) Amount payable from the Public Rights Law Enforcement Special Fund (Item 0820-001-3053)	–518,000
(38) Amount payable from the Rate Payer Relief Fund (Item 0820-001-3061)	–14,499,000

Provisions:

1. The Attorney General shall submit to the Legislature, the Department of Finance, and the Governor the quarterly and annual reports that he or she submits to the federal government on the activities of the Medi-Cal Fraud Unit.
2. Notwithstanding any other provision of law, the Department of Justice may purchase or lease vehicles of any type or class that, in the judgment of the Attorney General or his or her designee, are necessary to the performance of the investigatory and enforcement responsibilities of the Depart-

Item Amount

ment of Justice, from the funds appropriated for that purpose in this item.

3. Notwithstanding Section 28.50 of this act, the Attorney General may augment the reimbursement authority provided in this item by up to an aggregate of 10 percent above the amount approved in this act for the Civil Law Division and the Public Rights Division in cases where the legal representation needs of client agencies are secured by an interagency agreement or letter of commitment and the corresponding expenditure authority has not been provided in this item. The Attorney General shall notify the chairpersons of the budget committees, the Joint Legislative Budget Committee and the Department of Finance within 15 days after the augmentation is made as to the amount and justification of the augmentation, and the program that has been augmented.
4. Of the amount included in Schedule (8) of this item, $14,499,000 is available for costs related to litigation by the Attorney General's Energy Task Force. Upon settlement of cases in the above item by the Energy Task Force, the Attorney General shall secure an agreement or petition the courts for recovery of costs. Any recovery of costs shall be deposited in the General Fund to repay Energy Task Force costs appropriated in this item.
5. Of the amount included in Schedule (6) of this item, $1,500,000 is available for costs related to litigation for the 1986 and 1997 California floods. Any funds not expended for this specific purpose shall revert to the General Fund.
6. The Department of Finance may submit a request for funding pursuant to Items 9840-001-0001, 9840-001-0494, and 9840-001-0988 if flood litigation expenses exceed the amount appropriated for this purpose.
7. Of the amount included in Schedule (6) of this item, $5,126,000 is available for costs related to the Lloyd's of London (Stringfellow) litigation. Any funds not expended for this specific purpose as of June 30, 2005, shall revert immediately to the General Fund.

0820-001-0012—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Attorney General Antitrust Account 1,187,000

Item	Amount
0820-001-0014—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Hazardous Waste Control Account	1,787,000
0820-001-0017—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Fingerprint Fees Account, pursuant to subdivision (e) of Section 11105 of the Penal Code	63,237,000
0820-001-0032—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Firearms Safety Account	317,000
0820-001-0044—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Motor Vehicle Account, State Transportation Fund	20,933,000
0820-001-0142—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Department of Justice Sexual Habitual Offender Fund	2,664,000
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
0820-001-0158—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Travel Seller Fund	1,003,000
0820-001-0195—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Conservatorship Registry Fund	47,000
0820-001-0214—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Restitution Fund	58,000
0820-001-0256—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Sexual Predator Public Information Account	58,000
0820-001-0367—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Indian Gaming Special Distribution Fund	9,270,000
0820-001-0378—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the False Claims Act Fund	11,348,000
0820-001-0460—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Dealers' Record of Sale Special Account	8,403,000

Item Amount

Provisions:

1. Dealers' Record of Sale fees collected pursuant to the state law for the registration of assault weapons shall not exceed $20 per registrant.

0820-001-0557—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Toxics Substances Control Account 2,135,000

0820-001-0566—For support of Department of Justice, for payment to Item 0820-001-0001, payable from Department of Justice Child Abuse Fund..... 329,000

0820-001-0567—For support of Department of Justice, for payment to Item 0820-001-0001, payable from Gambling Control Fund 6,337,000

0820-001-0569—For support of Department of Justice, for payment to Item 0820-001-0001, payable from Gambling Control Fines and Penalties Account 43,000

0820-001-0890—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Federal Trust Fund..... 32,958,000

0820-001-0942—For support of Department of Justice, for payment to Item 0820-001-0006, payable from the Federal Asset Forfeiture Account, Special Deposit Fund 1,548,000

0820-001-1008—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Firearms Safety and Enforcement Special Fund. 2,903,000

0820-001-3016—For support of Department of Justice, for payment to Item 0820-001-3016 payable from the Missing Persons DNA Database Fund 3,103,000

0820-001-3053—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Public Rights Law Enforcement Special Fund .. 518,000

0820-001-3061—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Rate Payer Relief Fund 14,499,000

0820-003-0001—For support of Department of Justice, for rental payments on lease-revenue bonds..... 2,715,000

Schedule:

(1) Base Rental and Fees 2,700,000

(2) Insurance 15,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

Item	Amount
0820-011-0942—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the State Asset Forfeiture Account, Special Deposit Fund	529,000
0820-101-0001—For local assistance, Department of Justice	3,045,000
Schedule:	
(1) 40-Criminal law 3,045,000	
Provisions:	
1. The funds appropriated in this item shall be allocated to district attorneys for vertical prosecution activities related to implementation of the Battered Women Protection Act of 1994, pursuant to Chapter 885 of the Statutes of 1997.	
0820-101-0214—For local assistance, Department of Justice	2,942,000
Provisions:	
1. The funds appropriated in this item shall be allocated to support the California Witness Protection Program, pursuant to Chapter 507, Statutes of 1997. Any funds not expended for this specific purpose shall revert to the General Fund.	
2. Of the amount appropriated in this item, and the amount appropriated in Item 0820-001-0001, the department may expend up to $150,000 for the administration of the California Witness Protection Program, including the review of appropriate policies and procedures for the submittal and review of claims.	
0820-101-0460—For local assistance, Department of Justice, payable from the Dealers' Record of Sale Special Account	33,000
Schedule:	
(1) 70-Firearms..... 33,000	
0820-101-0641—For local assistance, Department of Justice, payable from the Domestic Violence Restraining Order Reimbursement Fund	2,002,000
Provisions:	
1. The funds appropriated in this item shall be expended to reimburse local law enforcement or other criminal justice agencies pursuant to Chapter 707 of the Statutes of 1998.	
0820-111-0001—For transfer by the Controller to the Department of Justice DNA Testing Fund	225,000

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Provisions:

1. The amount transferred in this item shall be expended to reimburse counties pursuant to Chapter 696 of the Statutes of 1998.

0820-111-0255—For local assistance, Department of Justice, payable from the Department of Justice DNA Testing Fund..... 225,000

Provisions:

1. The funds appropriated in this item shall be expended to reimburse counties pursuant to Chapter 696 of the Statutes of 1998.

0820-295-0001—For local assistance, Department of Justice, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller 1,000

Schedule:

(1) 98.01.139.976-Custody of Minors (Ch. 1399, Stats. 1976)	1,000
(2) 98.01.033.790-Stolen Vehicle Notification (Ch. 337, Stats. 1990).....	0
(3) 98.01.048.598-Sex Offenders: Disclosure by Law Enforcement Officers (Ch. 485, Stats. 1998).....	0
(4) 98.01.110.592-Misdemeanors: Booking and Fingerprinting (Ch. 1105, Stats 1992).....	0

Provisions:

1. Except as provided in Provision 2, allocations of funds provided in this item to the appropriate local entities shall be made by the State Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated in this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.

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2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the State Controller may, upon notifying the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house which considers appropriation and the Chairperson of the Joint Legislative Budget Committee or his or her designee.
3. Pursuant to Section 17581 of the Government Code, mandates identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the 2004–05 fiscal year:
   (2) Stolen Vehicles Notification (Ch. 337, Stats. 1990)
   (3) Sex Offenders: Disclosure by Law Enforcement Officers (Ch. 485, Stats. 1998)
   (4) Misdemeanors: Booking and Fingerprinting (Ch. 1105, Stats. 1992)

0820-301-0660—For capital outlay, Department of Justice, payable from the Public Buildings Construction Fund 8,098,000

Schedule:

(1) 85.60.010-Santa Barbara Replacement Laboratory—Construction.... 8,098,000

Provisions:

1. The State Public Works Board may issue lease revenue bonds, notes, or bond anticipation notes pursuant to Chapter 5 (commencing with Section 15830) of Part 10b of Division 3 of Title 2 of the Government Code to finance the construction of the project authorized by this item.
2. The State Public Works Board and the Department of Justice may obtain interim financing for the project costs authorized in this item from any appropriate source, including, but not limited to, Section 15849.1 of the Government Code and the Pooled Money Investment Account pursuant to Sections 16312 and 16313 of the Government Code.

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3. The State Public Works Board may authorize the augmentation of the cost of construction of the projects scheduled in this item pursuant to the board's authority under Section 13332.11 of the Government Code. In addition, the State Public Works Board may authorize any additional amount necessary to establish a reasonable construction reserve and to pay the cost of financing, including the payment of interest during construction of the projects, the costs of financing a debt service fund, and the cost of issuance of permanent financing for the project. This additional amount may include interest payable on any interim financing obtained.
4. The Department of Justice is authorized and directed to execute and deliver any and all leases, contracts, agreements, or other documents necessary or advisable to consummate the sale of bonds or otherwise effectuate the financing of the scheduled projects.
5. The State Public Works Board shall not be deemed a lead or responsible agency for purposes of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) for any activities under the State Building Construction Act of 1955 (Part l0b (commencing with Section 15800) of Division 3 of Title 2 of the Government Code). This section does not exempt the Department of Justice from the requirements of the California Environmental Quality Act. This section is declarative of existing law.

0820-491—Reappropriation, Department of Justice. The balance specified below of the appropriation for the Armed Prohibited Persons Database System provided in the following citation is reappropriated for the purpose provided for in that appropriation and shall be available for encumbrance or expenditure until June 30, 2005.

0001—General Fund

(1) Item 0820-001-0001, Budget Act of 2003, (Ch. 157, Stats. 2003). Up to $2,663,000 appropriated in Program 60—California Justice Information Services.

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0820-495—Reversion, Department of Justice. As of June 30, 2004, the unencumbered balance of the appropriation provided in the following citation shall revert to the fund balance of the fund from which the appropriation was made:		
0660—Public Buildings Construction Fund		
(1) Item 0820-301-0660, Budget Act of 2002 (Ch. 379, Stats. 2002)		
(1) 85.60.010-Santa Barbara Replacement Laboratory—Construction		
0840-001-0001—For support of State Controller		70,434,000
Schedule:		
(1) 100000-Personal Services	73,121,000	
(2) 300000-Operating Expenses and Equipment	40,732,000	
(2.5) Amount payable from various special and nongovernmental cost funds (Section 25.25)	–2,520,000	
(3) Reimbursements	–31,881,000	
(4) Amount payable from the Motor Vehicle Fuel Account, Transportation Tax Fund (Item 0840-001-0061)	–3,415,000	
(5) Amount payable from the Highway Users Tax Account, Transportation Tax Fund (Item 0840-001-0062)	–978,000	
(6) Amount payable from the Local Revenue Fund (Item 0840-001-0330)	–461,000	
(7) Amount payable from the State School Building Lease-Purchase Fund (Item 0840-001-0344)	–801,000	
(8) Amount payable from the Federal Trust Fund (Item 0840-001-0890)	–1,200,000	
(9) Amount payable from the State Penalty Fund (Item 0840-001-0903)	–1,104,000	
(10) Amount payable from various other unallocated nongovernmental cost funds (Retail Sales Tax Fund) (Item 0840-001-0988)	–206,000	
(11) Amount payable from other unallocated special funds (Item 0840-011-0494)	–45,000	
(12) Amount payable from unallocated bond funds (Item 0840-011-0797)	–185,000	

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(13) Amount payable from various other unallocated nongovernmental cost funds (Item 0840-011-0988)	–44,000
(14) Amount payable from the Public Transportation Account, State Transportation Fund (Section 25.50)	–9,000
(15) Amount payable from the Highway Users Tax Account, Transportation Tax Fund (Section 25.50)	–166,000
(16) Amount payable from the Motor Vehicle License Fee Account, Transportation Tax Fund (Section 25.50)	–204,000
(17) Amount payable from the DMV Local Agency Collection Fund (Section 25.50)	–1,000
(18) Amount payable from the Trial Court Trust Fund (Section 25.50)	–79,000
(19) Amount payable from the Timber Tax Fund (Section 25.50)	–2,000
(20) Amount payable from the Public Safety Account, Local Public Safety Fund (Section 25.50)	–118,000

Provisions:

1. The appropriation made in this item shall be in lieu of the appropriation in Section 1564 of the Code of Civil Procedure for all costs, expenses, or obligations connected with the administration of the Unclaimed Property Law, with the exception of payment of owners' or holders' claims pursuant to Section 1540, 1542, 1560, or 1561 of the Code of Civil Procedure, or of payment of the costs of compensating contractors for locating and recovering unclaimed property due the state.
2. Of the claims received for reimbursement of court-ordered or voluntary desegregation programs pursuant to Sections 42243.6, 42247, and 42249 of the Education Code, the Controller shall pay only those claims that have been subjected to audit by school districts in accordance with the Controller's procedures manual for conducting audits of education desegregation claims. Furthermore, the Controller shall pay only those past-

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year actual claims for desegregation program costs that are accompanied by all reports issued by the auditing entity, unless the auditing entity was the Controller.

3. No less than 0.9 personnel-year in the Audits Division shall be used to audit education desegregation claims.
4. The Controller may, with the concurrence of the Director of Finance and the Chairperson of the Joint Legislative Budget Committee, bill affected state departments for activities required by Section 20050 of the State Administrative Manual, relating to the administration of federal pass-through funds.

   No billing may be sent to affected departments sooner than 30 days after the Chairperson of the Joint Legislative Budget Committee has been notified by the Director of Finance that he or she concurs with the amounts specified in the billings.
5. (a) Notwithstanding subdivision (b) of Section 1531 of the Code of Civil Procedure, the Controller may publish notice in any manner that the Controller determines reasonable, provided that (1) none of the moneys used for this purpose is redirected from funding for the Controller's audit activities, (2) no photograph is used in the publication of notice, and (3) no elected official's name is used in the publication of notice.

   (b) No funds appropriated in this act may be expended by the Controller to provide general information to the public, other than holders (as defined in subdivision (e) of Section 1501 of the Code of Civil Procedure) of unclaimed property, concerning the unclaimed property program or possible existence of unclaimed property held by the Controller's office, except for informational announcements to the news media, through the exchange of information on electronic bulletin boards, or no more than $15,000 per year to inform the public about this program in activities already organized by the Controller for other purposes. This restriction does not apply to sending individual notices to property owners (as required in subdivision (d) of Section 1531 of the Code of Civil Procedure).

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6. Of the moneys appropriated to the Controller in this act, the Controller shall not expend more than $500,000 to conduct posteligibility fraud audits of the Supplemental Security Income/State Supplementary Payment Program.
7. The Commission on State Mandates shall provide, in applicable parameters and guidelines, as follows:
   (a) If a local agency or school district contracts with an independent contractor for the preparation and submission of reimbursement claims, the costs reimbursable by the state for that purpose shall not exceed the lesser of (1) 10 percent of the amount of the claims prepared and submitted by the independent contractor, or (2) the actual costs that would necessarily have been incurred for that purpose if performed by employees of the local agency or school district.
   (b) The maximum amount of reimbursement provided in subdivision (a) may be exceeded only if the local agency or school district establishes, by appropriate documentation, that the preparation and submission of these claims could not have been accomplished without incurring the additional costs claimed by the local agency or school district.
8. The funds appropriated to the Controller in this item may not be expended for any performance review or performance audit except pursuant to specific statutory authority. It is the intent of the Legislature that audits conducted by the Controller, or under the direction of the Controller, shall be fiscal audits that focus on claims and disbursements, as provided for in Section 12410 of the Government Code. Any report, audit, analysis, or evaluation issued by the controller for the 2004–05 fiscal year shall cite the specific statutory or constitutional provision authorizing the preparation and release of the report, audit, analysis, or evaluation.
9. The Controller shall deliver his or her monthly report on General Fund cash receipts and disbursements within 10 days after the close of each month to the Joint Legislative Budget Committee,

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the fiscal committees of the Legislature, the Department of Finance, the Treasurer's office, and the Office of the Legislative Analyst.	
10. For purposes of the review and payment of any claim for reimbursement by local government submitted pursuant to Section 54954.4 of the Government Code, the Controller shall use the procedures that were in effect at the time the claim was submitted.	
11. Pursuant to subdivision (c) of Section 1564 of the Code of Civil Procedure, the Controller shall transfer all moneys in the Abandoned Property Account in excess of $50,000 to the General Fund no less frequently than at the end of each month. This transfer shall include unclaimed Proposition 103 insurance rebate moneys pursuant to Section 1861.01 of the Insurance Code and Section 1523 of the Code of Civil Procedure.	
0840-001-0061—For support of State Controller, for payment to Item 0840-001-0001, payable from the Motor Vehicle Fuel Account, Transportation Tax Fund	3,415,000
0840-001-0062—For support of State Controller, for payment to Item 0840-001-0001, payable from the Highway Users Tax Account, Transportation Tax Fund	978,000
0840-001-0330—For support of State Controller, for payment to Item 0840-001-0001, payable from the Local Revenue Fund.....	461,000
0840-001-0344—For support of State Controller, for payment to Item 0840-001-0001, payable from the State School Building Lease-Purchase Fund	801,000
0840-001-0890—For support of State Controller, for payment to Item 0840-001-0001, payable from the Federal Trust Fund	1,200,000
0840-001-0903—For support of State Controller, for payment to Item 0840-001-0001, payable from the State Penalty Fund.....	1,104,000
0840-001-0988—For support of State Controller, for payment to Item 0840-001-0001, payable from various other unallocated nongovernmental cost funds (Retail Sales Tax Fund)	206,000
0840-011-0494—For support of State Controller, for payment to Item 0840-001-0001, payable from other unallocated special funds	45,000

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Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures in excess of the amount appropriated in this item not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

0840-011-0797—For support of State Controller, for payment to Item 0840-001-0001, payable from unallocated bond funds..... 185,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures in excess of the amount appropriated in this item not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

0840-011-0988—For support of State Controller, for payment to Item 0840-001-0001, payable from various other unallocated nongovernmental cost funds.. 44,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures in excess of the amount appropriated in this item not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

0840-101-0979—For allocation by the Controller from the California Firefighters' Memorial Fund..... 500,000

Provisions:

1. The funds appropriated in this item are to be allocated as follows:
   (a) To the Franchise Tax Board and Controller for reimbursement of costs incurred in connection with duties under Article 9 (commencing

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with Section 18801) of Chapter 3 of Part 10.2 of Division 2 of the Revenue and Taxation Code.	
(b) To the California Fire Foundation the balance in the fund for the construction of a memorial as authorized in that article.	
0845-001-0217—For support of Department of Insurance, payable from the Insurance Fund	138,960,000
Schedule:	
(1) 10-Regulation of Insurance Companies and Insurance Producers 58,235,000	
(2) 12-Consumer Protection 43,014,000	
(3) 20-Fraud Control..... 36,109,000	
(4) 30-Tax Collection and Audit..... 1,852,000	
(5) 50.01-Administration..... 24,674,000	
(6) 50.02-Distributed Administration ...–24,674,000	
(7) Reimbursements..... –250,000	
Provisions:	
1. Of the funds appropriated in this item, the Controller shall transfer one-half of $3,436,000 upon passage of the Budget Act and the remaining half on January 1, 2005, to the Department of Aging for support of the Health Insurance Counseling and Advocacy Program.	
2. Of the funds appropriated in this item, the Controller shall transfer one-half of $556,000 upon passage of the Budget Act and the remaining half on January 1, 2005, to the State and Consumer Services Agency for support of the Office of Insurance Advisor, to provide assistance to the Governor on insurance-related matters. The unencumbered balance, as determined by the State and Consumer Services Agency for the 2004–05 fiscal year, shall revert to the Insurance Fund.	
3. Of the funds appropriated in this item, an amount not to exceed $600,000 shall be used solely to cover intervenor compensation costs allowable under subdivision (b) of Section 1861.10 of the Insurance Code.	
0845-011-0285—For transfer by the State Controller from the Earthquake Recovery Fund to the General Fund	(2,900,000)
0845-101-0217—For local assistance, Department of Insurance, Program 20-Fraud Control, payable from the Insurance Fund	38,963,000

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0845-495—Reversion, California Department of Insurance. As of June 30, 2004, the balance of the appropriation provided in the following citation shall revert to the fund from which the appropriation was made:

0285—California Earthquake Recovery Fund

(1) Chapter 899, Statutes of 1995, as amended by Chapter 796, Statutes of 1999 and Chapter 488, Statutes of 2003.

0850-001-0562—For support of the California State Lottery Commission, for payment of expenses of the lottery, including all costs incurred in the operation and administration of the lottery, payable from the State Lottery Fund..... (365,745,000)

Provisions:

1. Notwithstanding any other provision of law, the California State Lottery Commission shall submit to the Department of Finance, the Joint Legislative Budget Committee, and the budget committees of the Legislature, all of the following:

(a) In conjunction with submission of the commission's quarterly financial statements, a report comparing estimated administrative costs to budgeted administrative costs for the 2005–06 fiscal year. The report shall be in sufficient detail that they may be used for legislative review purposes and for sustaining a thorough ongoing review of the expenditures of the California State Lottery Commission. These reports shall include a reporting of the lottery sales revenues and shall detail any administrative funding that is used to supplement the prize pool of any lottery game.

(b) No later than January 10, 2005, a copy of the proposed administrative budget for the California State Lottery Commission for the 2005–06 fiscal year that is included in the Governor's Budget.

(c) No later than June 1, 2005, a copy of the proposed administrative budget and expected sales revenue for the California State Lottery Commission for the 2005–06 fiscal year that is submitted to the California State Lottery Commission's Budget Committee. This report shall detail any administrative funding that is proposed to be used to supplement the prize pool of any lottery game.

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(d) No later than June 30, 2005, the final 2005–06 budget and revenue projections approved by the California State Lottery Commission. The report shall include any approved revision, and supporting documentation, to the June 1, 2005, proposed budget. The report shall detail any administrative funding that is proposed to be used to supplement the prize pool of any lottery game.

0855-001-0367—For support of California Gambling Control Commission, payable from the Indian Gaming Special Distribution Fund..... 5,305,000

Schedule:

(1) 10-California Gambling Control Commission..... 5,305,000

0855-001-0567—For support of California Gambling Control Commission, payable from the Gambling Control Fund..... 2,195,000

Schedule:

(1) 10-California Gambling Control Commission..... 2,195,000

0855-101-0366—For local assistance, California Gambling Control Commission, payable from the Indian Gaming Revenue Sharing Trust Fund..... 96,500,000

Provisions:

1. The funds appropriated in this item are for distribution to noncompact tribes pursuant to Section 12012.90 of the Government Code.
2. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for purposes of this item in excess of the amount appropriated in this item. The Director of Finance may not approve any expenditure unless the approval is made in writing and filed with the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house that considers appropriations not later than 30 days prior to the effective date of approval, or prior to whatever lesser time the chairperson of the joint committee, or his or her designee, may determine.
3. As part of any request to augment this item, the California Gambling Control Commission shall provide the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house that considers appropriations a report identifying (a) the methodology for

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determining a noncompact tribe, (b) a list of the noncompact tribes identified based on the commission's methodology, (c) a trust fund condition report including the amount of revenue received from each compact tribe, and (d) the amount of funds to be distributed to each noncompact tribe. Upon receiving additional expenditure authority for distributing funds under the trust fund, the commission shall submit that information to the chairpersons of the committees on a quarterly basis concurrent with the distribution of the funds to the noncompact tribes.

0855-101-0367—For local assistance, California Gambling Control Commission, payable from the Indian Gaming Special Distribution Fund 30,000,000

Provisions:

1. Funds appropriated in this item shall be used to provide grants to local government agencies pursuant to Section 12715 of the Government Code.
2. Notwithstanding any other provision of law, the Department of Finance may augment the amount available for expenditure in this item, if sufficient funds are available in the Indian Gaming Special Distribution Fund after fulfillment of the provisions of subdivision (g) of Section 12012.85 of the Government Code.

0855-111-0367—For transfer by the Controller, upon order of the Director of Finance, from the Indian Gaming Special Distribution Fund, to the Indian Gaming Revenue Sharing Trust Fund ..... (50,500,000)

0860-001-0001—For support of State Board of Equalization 202,222,000

Schedule:

(1)	100000-Personal Services	255,680,000
(2)	300000-Operating Expenses and Equipment	87,266,000
(3)	Reimbursements	–97,479,000
(4)	Amount payable from the Breast Cancer Fund (Item 0860-001-0004)	–259,000
(5)	Amount payable from the State Emergency Telephone Number Account (Item 0860-001-0022)	–577,000
(6)	Amount payable from the Motor Vehicle Fuel Account, Transportation Tax Fund (Item 0860-001-0061)	–19,454,000

Item	Amount
(7) Amount payable from the Occupational Lead Poisoning Prevention Account (Item 0860-001-0070).....	–628,000
(8) Amount payable from the Childhood Lead Poisoning Prevention Fund (Item 0860-001-0080).....	–453,000
(9) Amount payable from the Cigarette and Tobacco Products Surtax Fund (Item 0860-001-0230)	–3,411,000
(10) Amount payable from the Oil Spill Prevention and Administration Fund (Item 0860-001-0320).....	–233,000
(11) Amount payable from the Integrated Waste Management Account, Integrated Waste Management Fund (Item 0860-001-0387).	–407,000
(12) Amount payable from the Underground Storage Tank Cleanup Fund (Item 0860-001-0439).....	–2,019,000
(13) Amount payable from the Energy Resources Programs Account (Item 0860-001-0465)	–235,000
(14) Amount payable from the California Children and Families First Trust Fund (Item 0860-001-0623).	–4,530,000
(15) Amount payable from the Federal Trust Fund (Item 0860-001-0890).	–32,000
(16) Amount payable from the Timber Tax Fund (Item 0860-001-0965)...	–2,017,000
(17) Amount payable from the Gas Consumption Surcharge Fund (Item 0860-001-3015)	–399,000
(18) Amount payable from the Water Rights Fund (Item 0860-001-3058).....	–428,000
(19) Amount payable from the Cigarette and Tobacco Products Compliance Fund (Item 0860-001-3067).....	–8,163,000

Provisions:

1. It is the intent of the Legislature that all funds appropriated to the Board of Equalization for processing tax returns, auditing, and collecting owed tax amounts, shall be used in a manner consistent with its authorized budget and the documents that were presented to the Legislature for its review in support of that budget. The Board of Equalization

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shall not reduce expenditures or redirect either funding or personnel resources away from direct auditing or collection activities without prior approval of the Director of Finance. The director shall not approve any such reduction or redirection sooner than 30 days after providing notification to the Joint Legislative Budget Committee. No such position may be transferred from the organizational unit to which it was assigned in the 2004–05 Governor's Budget and the Salaries and Wages Supplement as revised by legislative actions without the approval of the Department of Finance. Furthermore, the board shall expeditiously fill budgeted positions consistent with the funding provided in this act.

2. Of the amount appropriated in this item, the $4,904,000 allocated for the Alternative Cigarette Stamp Tax contract shall not be expended until the Department of Finance approves the Special Project Report for the Alternative Cigarette Tax Stamp Project.

0860-001-0004—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Breast Cancer Fund 259,000

Provisions:

1. Notwithstanding Section 30461.6 of the Revenue and Taxation Code, or any other provision of law, sufficient funds to cover the costs of the State Board of Equalization for the collection and enforcement of fees to be deposited in the Breast Cancer Fund shall be retained in the fund, and be available to be appropriated to the board.

0860-001-0022—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the State Emergency Telephone Number Account..... 577,000

0860-001-0061—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Motor Vehicle Fuel Account, Transportation Tax Fund..... 19,454,000

0860-001-0070—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Occupational Lead Poisoning Prevention Account 628,000

Provisions:

1. The amount appropriated in this item includes revenues derived from the assessment of fines and

Item	Amount
penalties imposed as specified by Section 13332.18 of the Government Code.	
0860-001-0080—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Childhood Lead Poisoning Prevention Fund	453,000
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified by Section 13332.18 of the Government Code.	
0860-001-0230—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Cigarette and Tobacco Products Surtax Fund	3,411,000
0860-001-0320—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Oil Spill Prevention and Administration Fund	233,000
0860-001-0387—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Integrated Waste Management Account, Integrated Waste Management Fund	407,000
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified by Section 13332.18 of the Government Code.	
0860-001-0439—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Underground Storage Tank Cleanup Fund	2,019,000
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
0860-001-0465—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Energy Resources Programs Account	235,000
0860-001-0623—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the California Children and Families First Trust Fund	4,530,000
0860-001-0890—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Federal Trust Fund	32,000

Item	Amount
0860-001-0965—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Timber Tax Fund	2,017,000
0860-001-3015—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Gas Consumption Surcharge Fund	399,000
0860-001-3058—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Water Rights Fund	428,000
0860-001-3067—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Cigarette and Tobacco Products Compliance Fund	8,163,000
0890-001-0001—For support of Secretary of State	18,786,000

Schedule:

(1) 100000-Personal Services	28,589,000
(2) 300000-Operating Expenses and Equipment	240,818,000
(3) Special Item of Expense-Election Related Costs	8,958,000
(4) Reimbursements	–7,339,000
(5) Amount payable from the Secretary of State's Business Fees Fund (Item 0890-001-0228)	–27,140,000
(6) Amount payable from the Federal Trust Fund (Item 0890-001-0890)	–223,500,000
(7) Amount payable from the Victims of Corporate Fraud Compensation Fund (Item 0890-001-3042)	–1,600,000

Provisions:

1. The Secretary of State may not expend any special handling fees authorized by Chapter 999 of the Statutes of 1999 that are collected in excess of the cost of administering those special handling fees unless specifically authorized by the Legislature.
2. Of the amounts appropriated in this item, $1,700,000 shall be used for operational costs associated with implementation of the Help America Vote Act.
3. Prior to the expenditure of any other funds in this item, the Secretary of State shall submit a spending plan to the Department of Finance for approval. The spending plan may set out proposed expenditures in whole or in part depending on the

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guidelines issued by the Federal Election Assistance Committee. The spending plan shall include, at a minimum, (a) a detailed description and schedule of proposed expenditures by function and activity, (b) a description and detail of any proposed hiring of state employees or the use of consulting contracts, (c) a timeline for the meeting of federal requirements, and (d) any estimated costs to meet federal requirements which exceed the appropriated funds. It is the intent of the Legislature that the spending plan provide more specific details as to the effective use of the funds than have been previously provided and that the public policy goals behind the spending plan be made explicit. No approval of a spending plan by the Department of Finance shall be effective sooner than 30 days following transmittal of the plan to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house that considers election issues, or not sooner than whatever lesser time the chairperson of the joint committee, or his or her designee, may determine.

4. No funds in this item shall be spent on a statewide voter data base prior to the Department of Finance's approval of a feasibility study report for the project.
5. Upon notification and approval of a spending plan pursuant to Provision 3, the Department of Finance may authorize the transfer of amounts from this item to Item 0890-101-0890 in order to realign the budget in a manner that is consistent with the approved plan.

0890-001-0228—For support of Secretary of State, for payment to Item 0890-001-0001, payable from the Secretary of State's Business Fees Fund 27,140,000

0890-001-0890—For support of Secretary of State, for payment to Item 0890-001-0001, payable from the Federal Trust Fund 223,500,000

0890-001-3042—For support of Secretary of State, for payment to Item 0890-001-0001, payable from the Victims of Corporate Fraud Compensation Fund 1,600,000

0890-003-0001—For support of Secretary of State, for rental payments on lease-revenue bonds 7,930,000

Schedule:

(1) Base Rental and Fees 9,424,000
(2) Structural Insurance..... 81,000

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(3) Reimbursements ..... −1,575,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

0890-003-0228—For support of Secretary of State, for rental payments on lease-revenue bonds, payable from the Secretary of State's Business Fees Fund... 2,504,000

Schedule:

(1) Base Rental and Fees 2,976,000

(2) Structural Insurance..... 26,000

(3) Reimbursements ..... −498,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

0890-101-0890—For local assistance, Secretary of State, Help America Vote Act of 2002 (P.L. 107-252) 42,600,000

Provisions:

1. Prior to the expenditure of any funds appropriated by this item, the Secretary of State shall submit a spending plan to the Department of Finance for approval. The spending plan may set out proposed expenditures in whole or in part depending on the guidelines issued by the Federal Election Assistance Committee. The spending plan shall include, at a minimum, all of the following: (a) a detailed description and schedule of proposed expenditures by function and activity, (b) a description and detail of any proposed hiring of state employees or the use of consulting contracts, (c) a timeline for the meeting of federal requirements, and (d) any estimated costs to meet federal requirements that exceed the appropriated funds. It is the intent of the Legislature that the spending plan provide more specific details as to the effective use of the funds than have been previously provided and that the public policy goals behind the spending plan be made explicit. No approval of a spending plan by the Department of Finance shall be effective sooner than 30 days following

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transmittal of the plan to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the committee in each house that considers election issues, or not sooner than whatever lesser time the chairperson of the joint committee, or his or her designee, may determine.

2. Upon notification and approval of a spending plan pursuant to Provision 1, the Department of Finance may authorize the transfer of amounts from this item to Item 0890-001-0890 in order to realign the budget in a manner that is consistent with the approved plan.

0890-295-0001—For local assistance, Secretary of State, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller 4,000

Schedule:

(1) 98.01.007.778-Absentee Ballots (Ch. 77, Stats. 1978)	1,000
(2) 98.01.039.188-Brendon Maguire Act (Ch. 391, Stats. 1988).....	1,000
(3) 98.01.070.475-Voter Registration Procedures (Ch. 704, Stats. 1975).	1,000
(4) 98.01.142.282-Permanent Absent Voters (Ch. 1422, Stats. 1982)	1,000
(5) 98.01.049.479-Handicapped Voter Access (Ch. 494, Stats. 1979).....	0
(6) 98.01.101.381-Local Elections Consolidation (Ch. 1013, Stats. 1981).....	0
(7) 98.01.104.285-Election Materials (Ch. 1042, Stats. 1985)	0
(8) 98.01.140.176-Voter Registration Roll Purge (Ch. 1401, Stats. 1976).....	0
(9) 98.01.160.382-Democratic Presidential Delegates (Ch. 1603, Stats. 1982).....	0

Provisions:

1. Except as provided in Provision 2 of this item, allocations of funds provided in this item to the appropriate local entities shall be made by the State Controller in accordance with the provisions of

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each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated in this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.

2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the State Controller may, upon notifying the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.
3. Pursuant to Section 17581 of the Government Code, mandates identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the 2004–05 fiscal year:
   (a) Handicapped Voter Access (Ch. 494, Stats. 1979).
   (b) Local Elections Consolidation (Ch. 1013, Stats. 1981).
   (c) Election Materials (Ch. 1042, Stats. 1985).
   (d) Voter Registration Roll Purge (Ch. 1401, Stats. 1976).
   (e) Democratic Presidential Delegates (Ch. 1603, Stats. 1982).

0950-001-0001—For support of State Treasurer 5,751,000

Schedule:

(1) 100000-Personal Services 16,171,000
(2) 300000-Operating Expenses and Equipment 5,437,000
(3) Reimbursements .....–15,857,000

Provisions:

1. The State Treasurer shall seek to increase the reimbursement rates charged to those departments

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or programs that receive services from the State Treasurer's office's Item Processing System by an amount sufficient to recover from those departments or programs, over a five-year period, beginning not later than fiscal year 1999–00, their fair share of the $3.78 million cost of upgrading the system to be Year 2000 compliant. Those departments or programs include, but are not limited to, the Department of Health Services' Women, Infant and Children Program, and the Employment Development Department's Unemployment and Disability Insurance Program.

0950-295-0001—For local assistance, State Treasurer, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or of Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller 0

Schedule:

(1) 98.01.078.395-Investment Reports—Cities and Counties (Ch. 783, Stats. 1995) 0

(2) 98.01.078.495-County Treasury Oversight Committees (Ch. 784, Stats. 1995 and Ch. 156, Stats. 1996)..... 0

Provisions:

3. Pursuant to Section 17581 of the Government Code, mandates identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the 2004–05 fiscal year:

(1) Investment Reports—Cities and Counties (Ch. 783, Stats. 1995).

(2) County Treasury Oversight Committees (Ch. 784, Stats. 1995 and Ch. 156, Stats. 1996).

0954-001-0001—For support of the Scholarshare Investment Board 1,082,000

Schedule:

(1) 20-Governor's Scholarship Programs 1,082,000

Provisions:

1. Funds appropriated in this item are for the purpose of administering the Governor's Scholars

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Program and the Governor's Math and Science Scholars Program, established pursuant to Article 20 (commencing with Section 69995) of Chapter 2 of Part 42 of the Education Code.

0954-001-0564—For support of the Scholarshare Investment Board, payable from the Scholarshare Administrative Fund 970,000

Schedule:

(1) 10-Golden State Scholarshare Trust Program..... 970,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the Scholarshare Investment Board in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.
2. Notwithstanding Provision 1 of Item 7980-011-0001 of Section 2 of Chapter 50 of the Statutes of 1999, the $829,000 General Fund loan made to the Scholarshare Administrative Fund shall be repaid over a period of seven years, with payments beginning no later than the 2002–03 fiscal year and ending no later than June 30, 2007. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account.

0956-001-0171—For support of California Debt and Investment Advisory Commission, payable from the California Debt and Investment Advisory Commission Fund 1,862,000

Schedule:

(1) 10-California Debt and Investment Advisory Commission..... 1,962,000

(2) Reimbursements..... –100,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the California Debt and Investment Advisory Commission in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the

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Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

0959-001-0169—For support of California Debt Limit Allocation Committee, payable from the California Debt Limit Allocation Committee Fund..... 1,079,000

Schedule:

(1) 10-Debt Limit Allocation Committee..... 1,079,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the California Debt Limit Allocation Committee in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

0959-011-0169—For transfer by the Controller, upon order of the Director of Finance, from the California Debt Limit Allocation Committee Fund to the General Fund..... (3,500,000)

Provisions:

1. The transfer made by this item is a loan to the General Fund that shall be fully repaid by October 1, 2006. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account at the time of the transfer. The State Controller shall, within 15 working days of receipt of written notification from the Department of Finance, transfer from the General Fund to the California Debt Limit Allocation Committee Fund the full amount of the loan or increments thereof as requested by the Department of Finance. It is the intent of the Legislature that repayment be made so as to ensure that current and newly authorized programs supported by this fund are fully and timely implemented as approved by the voting members of the California Debt Limit Allocation Committee Fund. It is also the intent of the Legislature that repayment be made so as to ensure compliance with federal and state statutes or requirements. Accordingly, the

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Department of Finance shall, within 30 days of receipt of written notification documenting the need of the loan repayment from the California Debt and Limit Allocation Committee, provide written notification to the State Controller notifying the State Controller of the amount to be transferred from the General Fund to the California Debt Limit Allocation Committee Fund.

0965-001-0215—For support of California Industrial Development Financing Advisory Commission, payable from the Industrial Development Fund..... 459,000

Schedule:

(1) 10-Industrial Development Financing Advisory Commission 534,000

(2) Reimbursements ..... –75,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the California Industrial Development Financing Advisory Commission in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

0968-001-0448—For support of California Tax Credit Allocation Committee, payable from the Occupancy Compliance Monitoring Account, Tax Credit Allocation Fee Account 1,048,000

Schedule:

(1) 10-California Tax Credit Allocation Committee 1,063,000

(2) Reimbursements ..... –15,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the California Tax Credit Allocation Committee in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

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0968-001-0457—For support of California Tax Credit Allocation Committee, payable from the Tax Credit Allocation Fee Account 1,404,000

Schedule:

(1) 10-California Tax Credit Allocation Committee 1,419,000

(2) Reimbursements ..... −15,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the California Tax Credit Allocation Committee in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

0968-001-3038—For support of California Tax Credit Allocation Committee, payable from the Community Revitalization Fee Fund 249,000

Schedule:

(1) 20-Community Revitalization Program 249,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the California Tax Credit Allocation Committee in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

0968-011-0448—For transfer by the Controller, upon order of the Director of Finance, from the Occupancy Compliance Monitoring Account, Tax Credit Allocation Fee Account to the General Fund..... (35,000,000)

Provisions:

1. The transfer made by this item is a loan to the General Fund that shall be fully repaid by October 1, 2006. This loan shall be repaid with in-

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terest calculated at the rate earned by the Pooled Money Investment Account at the time of the transfer. The State Controller shall, within 15 working days of receipt of written notification from the Department of Finance, transfer from the General Fund to the Occupancy Compliance Monitoring Account, Tax Credit Allocation Fee Account the full amount of the loan or increments thereof as requested by the Department of Finance. It is the intent of the Legislature that repayment be made so as to ensure that current and newly authorized programs supported by this account are fully and timely implemented as approved by the voting members of the California Tax Credit Allocation Committee. It is also the intent of the Legislature that repayment be made so as to ensure compliance with federal and state statutes or requirements. Accordingly, the Department of Finance shall, within 30 days of receipt of written notification documenting the need of the loan repayment from the California Tax Credit Allocation Committee, provide written notification to the State Controller notifying the State Controller of the amount to be transferred from the General Fund to the Occupancy Compliance Monitoring Account, Tax Credit Allocation Fee Account.

0968-011-0457—For transfer by the Controller, upon order of the Director of Finance, from the Tax Credit Allocation Fee Account to the General Fund ..... (31,000,000)

Provisions:

1. The transfer made by this item is a loan to the General Fund that shall be fully repaid by October 1, 2006. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account at the time of the transfer. The State Controller shall, within 15 working days of receipt of written notification from the Department of Finance, transfer from the General Fund to the Tax Credit Allocation Fee Account the full amount of the loan or increments thereof as requested by the Department of Finance. It is the intent of the Legislature that repayment be made so as to ensure that current and newly authorized programs supported by this account are fully and timely implemented as approved by the voting members of the California

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Tax Credit Allocation Committee. It is also the intent of the Legislature that repayment be made so as to ensure compliance with federal and state statutes or requirements. Accordingly, the Department of Finance shall, within 30 days of receipt of written notification documenting the need of the loan repayment from the California Tax Credit Allocation Committee, provide written notification to the State Controller notifying the State Controller of the amount to be transferred from the General Fund to the Tax Credit Allocation Fee Account.

0971-001-0528—For support of California Alternative Energy and Advanced Transportation Financing Authority, payable from the California Alternative Energy Authority Fund 198,000

Schedule:

(1) 10-California Alternative Energy and Advanced Transportation Financing Authority 198,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the California Alternative Energy and Advanced Transportation Financing Authority in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the joint committee, or his or her designee, may in each instance determine.

0985-001-6040—For support of California School Finance Authority, payable from the Charter School Facilities Account, 2002 State School Facilities Fund 615,000

Schedule:

(1) 20-Charter School Facilities Program..... 615,000

Provisions:

1. Of the funds appropriated in this item, $100,000 is for the one-time support of external contracts for consultants who are qualified to provide technical assistance and training in the development of financing programs for charter schools.

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STATE AND CONSUMER SERVICES

1100-001-0001—For support of California Science Center 11,489,000

Schedule:

(1) 10-Education 10,833,000
(2) 20-Exposition Park Management ... 3,538,000
(3) 30-California African-American Museum 1,951,000
(4) 40.01-Administration 1,176,000
(5) 40.02-Distributed Administration ... –1,176,000
(6) Reimbursements-Education ..... –1,255,000
(7) Reimbursements-Exposition Park Management ..... –350,000
(8) Reimbursements-California African-American Museum ..... –40,000
(9) Amount payable from the Exposition Park Improvement Fund (Item 1100-001-0267) ..... –3,188,000

Provisions:

1. The California Science Center shall report to the Legislature by January 15, 2005, on options for charging a fee for admission to the California Science Center Museum.

1100-001-0267—For support of California Science Center, for payment to Item 1100-001-0001, payable from the Exposition Park Improvement Fund 3,188,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Government Code Section 13332.18.

1100-003-0001—For support of the California Science Center, for rental payments on lease-revenue bonds 2,743,000

Schedule:

(1) Base Rental and Fees 2,707,000
(2) Insurance 40,000
(3) Reimbursements ..... –4,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

Item	Amount
1110-001-0024—For support of State Board of Guide Dogs for the Blind, Program 54, payable from the State Board of Guide Dogs for the Blind Fund.....	141,000
Provisions:	
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
1110-001-0069—For support of the State Board of Barbering and Cosmetology, payable from the Barbering and Cosmetology Fund	12,444,000
Schedule:	
(1) 22-Board of Barbering and Cosmetology 12,501,000	
(2) Reimbursements ..... –57,000	
Provisions:	
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
1110-001-0093—For support of Contractors' State License Board, for payment to Item 1110-001-0735, payable from the Construction Management Education Account.....	15,000
Provisions:	
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
1110-001-0108—For support of Acupuncture Board, payable from the Acupuncture Fund.....	2,161,000
Schedule:	
(1) 56-Acupuncture Board 2,184,000	
(2) Reimbursements ..... –23,000	
Provisions:	
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
1110-001-0175—For support of Medical Board of California, Registered Dispensing Opticians, for payment to Item 1110-001-0758, payable from the Dispensing Opticians Fund	244,000
Provisions:	
1. The amount appropriated in this item may include revenues derived from the assessment of fines and	

Item	Amount
penalties imposed as specified in Section 13332.18 of the Government Code.	
1110-001-0205—For support of Board for Geologists and Geophysicists, Program 51, payable from the Geology and Geophysics Fund.....	750,000
Provisions:	
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
1110-001-0210—For support of Medical Board of California, Outpatient Setting, for payment to Item 1110-001-0758, payable from the Outpatient Setting Fund of the Medical Board of California	23,000
Provisions:	
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
1110-001-0264—For support of Osteopathic Medical Board of California, payable from the Osteopathic Medical Board of California Contingent Fund.....	1,013,000
Schedule:	
(1) 70-Osteopathic Medical Board of California 1,063,000	
(2) Reimbursements..... –50,000	
Provisions:	
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Government Code Section 13332.18.	
1110-001-0280—For support of Physician Assistant Committee, payable from the Physician Assistant Fund	853,000
Schedule:	
(1) 59-Physician Assistant Committee . 878,000	
(2) Reimbursements..... –25,000	
Provisions:	
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
1110-001-0295—For support of California Board of Podiatric Medicine, payable from the Board of Podiatric Medicine Fund	1,071,000

Item Amount

Schedule:

(1) 61-California Board of Podiatric Medicine 1,075,000

(2) Reimbursements ..... –4,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1110-001-0310—For support of Board of Psychology, payable from the Psychology Fund 2,787,000

Schedule:

(1) 62-Board of Psychology 2,838,000

(2) Reimbursements ..... –51,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1110-001-0319—For support of Respiratory Care Board of California, payable from the Respiratory Care Fund 2,422,000

Schedule:

(1) 64-Respiratory Care Board of California 2,488,000

(2) Reimbursements ..... –66,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1110-001-0326—For support of State Athletic Commission 717,000

Schedule:

(1) 9-State Athletic Commission..... 910,000

(2) Amount payable from the Boxer's Pension Fund (Item 1110-002-9250)..... –90,000

(3) Amount payable from the Boxer's Neurological Examination Account (Item 1110-001-0492) ..... –103,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

Item Amount

2. Notwithstanding Section 14.00 of this act, the Director of Finance may authorize a loan of up to $320,000 from the Vehicle Inspection and Repair Fund to the State Athletic Commission. This loan shall be repaid by June 30, 2007.

1110-001-0376—For support of the Speech-Language Pathology and Audiology Board, payable from the Speech-Language Pathology and Audiology Fund... 519,000

Schedule:

(1) 65-Speech-Language Pathology and Audiology Board 543,000

(2) Reimbursements ..... –24,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1110-001-0380—For support of the Committee on Dental Auxiliaries, Board of Dentistry, payable from the State Dental Auxiliary Fund..... 1,524,000

Schedule:

(1) 36.20-Committee on Dental Auxiliaries 1,746,000

(2) Reimbursements ..... –222,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1110-001-0399—For support of Structural Pest Control Board, for payment to Item 1110-001-0775, payable from the Structural Pest Control Education and Enforcement Fund 277,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1110-001-0492—For support of State Athletic Commission, for payment to Item 1110-001-0326, payable from the Boxer's Neurological Examination Account 103,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

Item		Amount
1110-001-0704—For support of California Board of Accountancy, payable from the Accountancy Fund, Professions and Vocations Fund		8,879,000
Schedule:		
(1) 3-California Board of Accountancy.	9,083,000	
(2) Reimbursements	–204,000	
Provisions:		
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.		
1110-001-0706—For support of California Architects Board, payable from the California Architects Board Fund		2,731,000
Schedule:		
(1) 06.10.010-California Architects Board	2,762,000	
(2) 06.10.020-Distributed Cost-Architects/Landscape Architects	–26,000	
(3) Reimbursements	–5,000	
Provisions:		
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.		
1110-001-0735—For support of Contractors' State License Board, payable from the Contractors' License Fund		46,755,000
Schedule:		
(1) 30-Contractors' State License Board	47,123,000	
(2) Reimbursements	–353,000	
(3) Amount payable from the Construction Management Education Account (Item 1110-001-0093)	–15,000	
Provisions:		
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.		
1110-001-0741—For support of Dental Board of California, Board of Dentistry, payable from the State Dentistry Fund		7,012,000
Schedule:		
(1) 36.10-Dental Board of California	7,182,000	
(2) Reimbursements	–170,000	

Item Amount

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1110-001-0757—For support of California Architects Board, Landscape Architect Technical Committee, Program 06.20, payable from California Architects Board Fund-Landscape Architects Fund 881,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1110-001-0758—For support of Medical Board of California, payable from the Contingent Fund of the Medical Board of California 39,203,000

Schedule:

(1) 55.10.010-Medical Board of California	40,300,000
(2) 55.15-Registered Dispensing Opticians.....	244,000
(3) 55.17-Outpatient Setting.....	23,000
(4) 55.10.020-Distributed Medical Board of California.....	–713,000
(5) Reimbursements.....	–384,000
(6) Amount payable from the Dispensing Opticians Fund (Item 1110-001-0175).....	–244,000
(7) Amount payable from the Outpatient Setting Fund of the Medical Board of California (Item 1110-001-0210).....	–23,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1110-001-0759—For support of Physical Therapy Board of California, payable from the Physical Therapy Fund 2,244,000

Schedule:

(1) 58-Physical Therapy Board of California	2,343,000
(2) Reimbursements.....	–99,000

Item	Amount
Provisions:	
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
1110-001-0761—For support of Board of Registered Nursing, payable from the Board of Registered Nursing Fund, Professions and Vocations Fund.....	17,103,000
Schedule:	
(1) 78-Board of Registered Nursing 18,117,000	
(2) Reimbursements..... −1,014,000	
Provisions:	
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
1110-001-0763—For support of State Board of Optometry, payable from the State Optometry Fund, Professions and Vocations Fund	1,310,000
Schedule:	
(1) 69-State Board of Optometry..... 1,316,000	
(2) Reimbursements..... −6,000	
Provisions:	
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
1110-001-0767—For support of California State Board of Pharmacy, payable from the Pharmacy Board Contingent Fund, Professions and Vocations Fund..	7,360,000
Schedule:	
(1) 72-California State Board of Pharmacy 7,611,000	
(2) Reimbursements..... −251,000	
Provisions:	
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
1110-001-0770—For support of Board for Professional Engineers and Land Surveyors, payable from the Professional Engineers' and Land Surveyors' Fund.	7,339,000
Schedule:	
(1) 75-Board for Professional Engineers and Land Surveyors 7,355,000	
(2) Reimbursements..... −16,000	

Item Amount

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1110-001-0771—For support of Court Reporters Board of California, payable from the Court Reporters Fund 627,000

Schedule:

(1) 81-Court Reporters Board of California 645,000

(2) Reimbursements ..... –18,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1110-001-0773—For support of Board of Behavioral Science, payable from the Behavioral Science Examiners Fund, Professions and Vocations Fund 4,582,000

Schedule:

(1) 18-Board of Behavioral Science 4,758,000

(2) Reimbursements ..... –176,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1110-001-0775—For support of Structural Pest Control Board, payable from the Structural Pest Control Fund, Professions and Vocations Fund..... 3,351,000

Schedule:

(1) 84-Structural Pest Control Board ... 3,630,000

(2) Reimbursements ..... –2,000

(3) Amount payable from the Structural Pest Control Education and Enforcement Fund (Item 1110-001-0399)..... –277,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1110-001-0777—For support of Veterinary Medical Board, payable from the Veterinary Medical Board Contingent Fund..... 1,570,000

Item Amount

Schedule:
(1) 90-Veterinary Medical Board..... 1,596,000
(2) Reimbursements..... –26,000
Provisions:
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1110-001-0779—For support of Board of Vocational Nurse and Psychiatric Technician Examiners, payable from the Vocational Nurse Examiners Fund 5,024,000
Schedule:
(1) 91.10.010-Vocational Nurses Program..... 5,413,000
(2) 91.10.020-Distributed Vocational Nurses ..... –37,000
(3) Reimbursements..... –352,000
Provisions:
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1110-001-0780—For support of Board of Vocational Nurse and Psychiatric Technician Examiners, payable from the Psychiatric Technicians Account, Vocational Nurse and Psychiatric Technician Examiners Fund..... 1,119,000
Schedule:
(1) 91.20-Psychiatric Technician Program..... 1,141,000
(2) Reimbursements..... –22,000
Provisions:
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1110-001-3017—For support of California Board of Occupational Therapy, payable from the Occupational Therapy Fund..... 675,000
Schedule:
(1) 67-California Board of Occupational Therapy..... 697,000
(2) Reimbursements..... –22,000
Provisions:
1. The amount appropriated in this item may include revenues derived from the assessment of fines and

Item	Amount
penalties imposed as specified in Section 13332.18 of the Government Code.	
1110-002-9250—For support of State Athletic Commission, for payment to Item 1110-001-0326, payable from the Boxer's Pension Fund.....	90,000
Provisions:	
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
1110-101-0093—For local assistance, Contractors' State License Board, Department of Consumer Affairs, payable from the Construction Management Education Account.....	239,000
1111-002-0166—For support of the Arbitration Certification Program, Department of Consumer Affairs, payable from the Consumer Affairs-Certification Account.....	870,000
Schedule:	
(1) 23-Arbitration Certification Program..... 870,000	
Provisions:	
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
1111-002-0208—For support of the Hearing Aid Dispensers Bureau, Department of Consumer Affairs, payable from the Hearing Aid Dispensers Fund.....	638,000
Schedule:	
(1) 24-Hearing Aid Dispensers Bureau. 647,000	
(2) Reimbursements..... –9,000	
Provisions:	
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
1111-002-0239—For support of the Bureau of Security and Investigative Services, Department of Consumer Affairs, payable from the Private Security Services Fund	6,781,000
Schedule:	
(1) 25.10.010-Bureau of Security and Investigative Services, Private Security Services Program 9,235,000	
(2) 25.10.020-Distributed Private Security Services..... –104,000	

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(3) Reimbursements ..... −2,350,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1111-002-0305—For support of the Bureau for Private Postsecondary and Vocational Education, Department of Consumer Affairs, payable from the Private Postsecondary Education Administration Fund..... 5,632,000

Schedule:

(1) 27.10.010-Bureau for Private Postsecondary and Vocational Education..... 5,822,000

(2) 27.10.020-Distributed Private Postsecondary and Vocational Education..... −110,000

(3) Reimbursements ..... −80,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1111-002-0325—For support of the Bureau of Electronic and Appliance Repair, Department of Consumer Affairs, payable from the Electronic and Appliance Repair Fund 1,913,000

Schedule:

(1) 28-Bureau of Electronic and Appliance Repair..... 1,926,000

(2) Reimbursements ..... −13,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1111-002-0421—For support of the Bureau of Automotive Repair, Department of Consumer Affairs, payable from the Vehicle Inspection and Repair Fund.. 93,996,000

Schedule:

(1) 31.10.016-Automotive Repair and Smog Check Programs..... 76,151,000

(2) 31.10.026-Consumer Relations and Outreach..... 5,931,000

(3) 31.10.036-Communications and Education 584,000

Item Amount

(4) 31.10.046-Administrative and Information Services 11,519,000
(5) 31.10.090-Distributed Automotive Repair and Smog Check Programs ..... –71,000
(6) Reimbursements ..... –118,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. Notwithstanding Section 26.00 of this act, the Department of Finance may authorize transfers among and between Schedules (1), (2), (3), and (4) of this item not to exceed 35 percent of the schedule from which funds are transferred. Transfers made by this provision may be authorized not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairperson of the committee in each house of the Legislature that considers appropriations and the Chairperson of the Joint Legislative Budget Committee.

1111-002-0459—For support of the Telephone Medical Advice Services Program, Department of Consumer Affairs, payable from the Telephone Medical Advice Services Fund 128,000

Schedule:

(1) 37-Telephone Medical Advice Services Program 128,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1111-002-0582—For support of the Bureau of Automotive Repair, Department of Consumer Affairs, payable from the High Polluter Repair or Removal Account 20,833,000

Schedule:

(1) 31.20.016-Vehicle Repair Assistance 12,000,000
(2) 31.20.030-Vehicle Retirement 4,525,000
(3) 31.20.040-Program Administration. 4,308,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and

Item Amount

penalties imposed as specified in Section 13332.18 of the Government Code.

2. Notwithstanding Section 26.00 of this act, the Department of Finance may authorize transfers among and between Schedules (1) and (2) of this item. Transfers made by this provision may be authorized not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairperson of the committee in each house of the Legislature that considers appropriations and the Chairperson of the Joint Legislative Budget Committee.

1111-002-0702—For support of Department of Consumer Affairs, payable from the Consumer Affairs Fund, Professions and Vocations Fund..... 0

Schedule:

(1) 35.10.010-Administrative and Information Services Division 36,153,000
(2) 35.10.015-Communications and Education Division..... 1,323,000
(3) 35.10.020-Consumer Relations and Outreach Division 9,332,000
(4) 35.10.025-Division of Investigation 6,839,000
(5) 35.20.010-Distributed Administrative and Information Services Division .....–35,578,000
(6) 35.20.015-Distributed Communications and Education Division..... –1,267,000
(7) 35.20.020-Distributed Consumer Relations and Outreach Division .. –9,332,000
(8) 35.20.025-Distributed Division of Investigation ..... –6,583,000
(9) Reimbursements..... –887,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1111-002-0717—For support of the Cemetery and Funeral Bureau, Department of Consumer Affairs, payable from the Cemetery Fund, Professions and Vocations Fund..... 1,980,000

Schedule:

(1) 38.10.005-Cemetery Program 2,214,000
(2) 38.10.010-Distributed Cemetery Program..... –115,000

Item Amount

(3) Reimbursements ..... –119,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1111-002-0750—For support of the Cemetery and Funeral Bureau, Department of Consumer Affairs, payable from the State Funeral Directors and Embalmers Fund, Professions and Vocations Fund 1,505,000

Schedule:

(1) 38.20-Funeral Directors and Embalmers Program 1,517,000

(2) Reimbursements ..... –12,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1111-002-0752—For support of the Bureau of Home Furnishings and Thermal Insulation, Department of Consumer Affairs, payable from the Bureau of Home Furnishings and Thermal Insulation Fund 3,641,000

Schedule:

(1) 34-Bureau of Home Furnishings and Thermal Insulation 3,646,000

(2) Reimbursements ..... –5,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

1111-002-0769—For support of the Bureau of Security and Investigative Services, Department of Consumer Affairs, payable from the Private Investigator Fund 606,000

Schedule:

(1) 25.20-Private Investigators Program 716,000

(2) Reimbursements ..... –110,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

Item	Amount
1111-002-0890—For support of the Bureau for Private Postsecondary and Vocational Education, Department of Consumer Affairs, payable from the Federal Trust Fund.....	1,145,000
Schedule:	
(1) 27.20-Federal Trust Program 1,145,000	
Provisions:	
1. Notwithstanding any other provision of law, the Federal Trust Fund Account of the Bureau for Private Postsecondary and Vocational Education may borrow from the Private Postsecondary and Vocational Education Administration Fund an amount not to exceed a cumulative total of $500,000 for the purpose of meeting cashflow needs for the purposes funded in this item due to delays in collecting federal funds. Any loan made pursuant to this provision shall be made only upon approval of the Department of Finance, and only if the bureau demonstrates and certifies that a sufficient surplus exists in the Private Postsecondary and Vocational Education Administration Fund to support the amount of the loan, and that funds will be available from the federal government to repay the loan. All moneys transferred shall be repaid to the fund as soon as possible, but not later than one year from the date of the loan.	
1111-002-0960—For support of the Bureau for Private Postsecondary and Vocational Education, Department of Consumer Affairs, payable from the Student Tuition Recovery Fund	110,000
Schedule:	
(1) 27.30-Student Tuition Recovery Program..... 110,000	
Provisions:	
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
1111-002-3069—For support of the Bureau of Naturopathic Medicine, Department of Consumer Affairs, payable from the Naturopathic Doctor's Fund	90,000
Schedule:	
(1) 39-Bureau of Naturopathic Medicine 93,000	
(2) Reimbursements..... –3,000	

Item		Amount
1111-003-0001—For support of the Office of Privacy Protection, Department of Consumer Affairs		450,000
Schedule:		
(1) 40-Office of Privacy Protection	485,000	
(2) Reimbursements	–35,000	
1700-001-0001—For support of Department of Fair Employment and Housing		13,275,000
Schedule:		
(1) 50-Administration of Civil Rights Law	18,471,000	
(2) Amount payable from the Federal Trust Fund (Item 1700-001-0890).	–5,196,000	
1700-001-0890—For support of Department of Fair Employment and Housing, for payment to Item 1700-001-0001, payable from the Federal Trust Fund.....		5,196,000
1705-001-0001—For support of the Fair Employment and Housing Commission		1,091,000
Schedule:		
(1) 10-Fair Employment and Housing Commission.....	1,242,000	
(2) Reimbursements	–151,000	
1730-001-0001—For support of Franchise Tax Board ...		466,051,000
Schedule:		
(1) 10-Tax Programs	403,512,000	
(2) 20-Homeowners and Renters Assistance.....	5,497,000	
(3) 30-Political Reform Audit (1,422,000)	0	
(4) 40-Child Support Collections.....	15,905,000	
(5) 45-Child Support Automation	153,281,000	
(6) 50-DMV Collections	5,401,000	
(7) 60-Court Collections	5,601,000	
(8) 70-Contract Work.....	7,257,000	
(9) 80.01-Administration.....	23,051,000	
(10) 80.02-Distributed Administration.....	–23,051,000	
(11) Reimbursements	–8,257,000	
(12) Reimbursements-Child Support Existing/Expanded Collections	–10,699,000	
(13) Reimbursements-Child Support Automation.....	–99,959,000	
(14) Amount payable from the State Highway Account, State Transportation Fund (Item 1730-001-0042).	–1,000	
(15) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 1730-001-0044)...	–1,869,000	

Item	Amount
(16) Amount payable from the Motor Vehicle License Fee Account, Transportation Tax Fund (Item 1730-001-0064)	–3,531,000
(17) Amount payable from the Emergency Food Assistance Program Fund (Item 1730-001-0122)	–6,000
(18) Amount payable from the Delinquent Tax Collection Fund (Section 19378 of the Revenue and Taxation Code)	–404,000
(19) Amount payable from the Fish and Game Preservation Fund (Rare Fish, Wildlife, and Plant Species Conservation and Enhancement Account) (Item 1730-001-0200)	–13,000
(20) Amount payable from the Court Collection Account (Item 1730-001-0242)	–5,601,000
(21) Amount payable from the State Children's Trust Fund (Item 1730-001-0803)	–11,000
(22) Amount payable from the California Alzheimer's Disease and Related Disorders Research Fund (Item 1730-001-0823)	–11,000
(23) Amount payable from the California Seniors Special Fund (Item 1730-001-0886)	–4,000
(24) Amount payable from the California Breast Cancer Research Fund (Item 1730-001-0945)	–7,000
(25) Amount payable from the California Peace Officer Memorial Foundation Fund (Item 1730-001-0974)	–5,000
(26) Amount payable from the Firefighters' Memorial Fund (Item 1730-001-0979)	–7,000
(27) Amount payable from the California Fund for Senior Citizens (Item 1730-001-0983)	–7,000
(29) Amount payable from the Asthma and Lung Disease Research Fund (Item 1730-001-8003)	–5,000

Item	Amount
(30) Amount payable from the California Missions Foundation Fund (Item 1730-001-8017)	–6,000

Provisions:

1. It is the intent of the Legislature that all funds appropriated to the Franchise Tax Board for processing tax returns, auditing and collecting owed tax amounts, shall be used in a manner consistent with its authorized budget and the documents that were presented to the Legislature for its review in support of that budget. The Franchise Tax Board shall not reduce expenditures or redirect either funding or personnel resources away from direct auditing or collection activities without prior approval of the Director of Finance. The director shall not approve any such reduction or redirection sooner than 30 days after providing notification to the Joint Legislative Budget Committee. No such position may be transferred from the organizational unit to which it was assigned in the 2004–05 Governor's Budget and the Salaries and Wages Supplement as revised by legislative actions without the approval of the Department of Finance. Furthermore, the board shall expeditiously fill budgeted positions consistent with the funding provided in this act.
2. It is the intent of the Legislature that the Franchise Tax Board resolve tax controversies, without litigation, on a basis that is fair to both the state and the taxpayer and in a manner that will enhance voluntary compliance and public confidence in the integrity and efficiency of the board.
3. During the 2004–05 fiscal year, the collection cost recovery fee for purposes of subparagraph (A) of paragraph (1) of subdivision (a) of Section 19254 of the Revenue and Taxation Code shall be $101, and the filing enforcement cost recovery fee for purposes of subparagraph (A) of paragraph (2) of that subdivision shall be $90.
4. During the 2004–05 fiscal year, the collection cost recovery fee for purposes of subparagraph (B) of paragraph (1) of subdivision (a) of Section 19254 of the Revenue and Taxation Code shall be $150, and the filing enforcement cost recovery fee for purposes of subparagraph (B) of paragraph (2) of that subdivision shall be $129.

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5. Of the amounts appropriated in this item, the amounts provided in Schedule (5) and Schedule (13), Reimbursements—Child Support Automation, are, pursuant to Section 5 of Chapter 479 of the Statutes of 1999, available for the 2004–05 and 2005–06 fiscal years.
6. It is the intent of the Legislature that the California Child Support Automation System project shall receive the highest commitment and priority of all of the state's child support automation activities.
7. The Legislature intends that the California Child Support Automation System project shall support all child support collections activities in compliance with federal certification requirements.
8. Notwithstanding any other provision of law, upon request of the Franchise Tax Board, the Department of Finance may augment the amount available for expenditure in this item to pay for start-up costs for the State Disbursement Unit component of the California Child Support Automation System project. The augmentation may be made no sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house of the Legislature that considers appropriations and the Chairperson of the Joint Legislative Budget Committe, or not sooner than whatever lesser time the chairperson of the joint committee, or his or her designee, may in each instance determine. The amount of funds augmented pursuant to the authority of this provision shall be consistent with the amount approved by the Department of Finance based on its review and approval of the required Feasibility Study Report, Special Project Reports, or equivalent documents.

1730-001-0042—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the State Highway Account, State Transportation Fund 1,000

1730-001-0044—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the Motor Vehicle Account, State Transportation Fund 1,869,000

Item	Amount
1730-001-0064—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the Motor Vehicle License Fee Account, Transportation Tax Fund	3,531,000
1730-001-0122—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the Emergency Food Assistance Program Fund	6,000
1730-001-0200—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the Fish and Game Preservation Fund (Rare Fish, Wildlife, and Plant Species Conservation and Enhancement Account)	13,000
1730-001-0242—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the Court Collection Account	5,601,000
1730-001-0803—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the State Children's Trust Fund	11,000
1730-001-0823—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the California Alzheimer's Disease and Related Disorders Research Fund	11,000
1730-001-0886—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the California Seniors Special Fund	4,000
1730-001-0945—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the California Breast Cancer Research Fund	7,000
1730-001-0974—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the California Peace Officer Memorial Foundation Fund	5,000
1730-001-0979—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the Firefighters' Memorial Fund	7,000
1730-001-0983—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the California Fund for Senior Citizens	7,000
1730-001-8003—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the Asthma and Lung Disease Research Fund	5,000
1730-001-8017—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the California Missions Foundation Fund	6,000
1730-002-0001—For support of Franchise Tax Board, for rental payments on lease-revenue bonds	7,363,000

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Schedule:

(1) Central Office—Buildings 1 and 2. 7,278,000

(2) Insurance 130,000

(3) Reimbursements ..... –45,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

1730-295-0001—For local assistance, Franchise Tax Board, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller 0

Schedule:

(1) 98.01.023.874-Substandard Housing (Ch. 238, Stats. 1974) 0

Provisions:

1. Pursuant to Section 17581 of the Government Code, mandates identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the 2004–05 fiscal year:

(1) Substandard Housing (Ch. 238, Stats. 1974).

1760-001-0001—For support of Department of General Services, for payment to Item 1760-001-0666 7,000,000

1760-001-0002—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the Property Acquisition Law Money Account..... 2,824,000

1760-001-0003—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the Motor Vehicle Parking Facilities Moneys Account..... 3,991,000

1760-001-0022—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the State Emergency Telephone Number Account 4,939,000

Item	Amount
1760-001-0026—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the State Motor Vehicle Insurance Account	3,996,000
Provisions:	
1. Notwithstanding any other provision of law, Section 16379 of the Government Code shall govern the payment of claims for the purposes of this item.	
1760-001-0450—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the Seismic Gas Valve Certification Fee Account	75,000
1760-001-0465—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the Energy Resources Programs Account.	1,367,000
1760-001-0602—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the Architecture Revolving Fund	35,772,000
1760-001-0666—For support of Department of General Services, payable from the Service Revolving Fund	488,229,000
Schedule:	
(1) Program support	702,144,000
(2) Distributed services	–12,994,000
(3) Reimbursements—Lease revenue	–1,440,000
(4) Amount payable from the General Fund (Item 1760-001-0001)	–7,000,000
(5) Amount payable from the Property Acquisition Law Money Account (Item 1760-001-0002)	–2,824,000
(6) Amount payable from the Motor Vehicle Parking Facilities Money Account (Item 1760-001-0003)	–3,991,000
(7) Amount payable from the State Emergency Telephone Number Account (Item 1760-001-0022)	–4,939,000
(8) Amount payable from the State Motor Vehicle Insurance Account (Item 1760-001-0026)	–3,996,000
(9) Amount payable from the Seismic Gas Valve Certification Fee Account (Item 1760-001-0450)	–75,000
(10) Amount payable from the Energy Resources Programs Account (Item 1760-001-0465)	–1,367,000

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(11) Amount payable from the Architecture Revolving Fund (Item 1760-001-0602) .....–35,772,000

(12) Amount payable from the Earthquake Safety and Public Buildings Rehabilitation Fund of 1990 (Item 1760-001-0768) ..... –609,000

(13) Amount payable from the State School Deferred Maintenance Fund (Item 1760-001-0961)..... –143,000

(14) Amount payable from the 2002 State School Facilities Fund (Item 1760-001-6036) .....–11,612,000

(15) Amount payable from the Motor Vehicle Parking Facilities Money Account (Item 1760-002-0003)..... –1,101,000

(16) Amount payable from the Service Revolving Fund (Item 1760-002-0666) ..... –111,552,000

(17) Amount payable from the Service Revolving Fund (Item 1760-003-0666).....–14,500,000

Provisions:

1. Notwithstanding any other provision of law, revenues from the sale of legislative bills and publications received by the Bill Room shall be deposited in the Service Revolving Fund.
2. Notwithstanding any other provision of law, if the Director of the Department of General Services determines in writing that there is insufficient cash in a special fund under his or her authority to make one or more payments currently due and payable, he or she may order the transfer of moneys to that special fund in the amount necessary to make payment or payments, as a loan from the Service Revolving Fund. That loan shall be subject to all of the following conditions:
   (a) No loan shall be made that would interfere with the carrying out of the object for which the Service Revolving Fund was created.
   (b) The loan shall be repaid as soon as there is sufficient Moneys in the recipient fund to repay the amount loaned, but no later than 18 months after the date of the loan. The amount loaned shall not exceed the amount that the fund or program is authorized at the time of

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the loan to expend during the 2004–05 fiscal year from the recipient fund except as otherwise provided in Provisions 4, 5, and 6 of this item.

(c) The terms and conditions of the loan are approved, prior to the transfer of funds, by the Department of Finance pursuant to appropriate fiscal standards.

3. The Director of General Services may augment this item or any of Items 1760-001-0002, 1760-001-0003, 1760-001-0026, and 1760-001-0602, by up to an aggregate of 10 percent in cases where (a) the Legislature has approved funds for a customer for the purchase of services or equipment through the Department of General Services (DGS) and the corresponding expenditure authority has not been provided in this item or (b) a local government entity or the federal government has requested services from the DGS. Any augmentation that is deemed to be necessary on a permanent basis shall be submitted for review as part of the normal budget development process. If the Director of the Department of General Services augments this item or Item 1760-001-0002, 1760-001-0003, 1760-001-0026, or 1760-001-0602, the DGS shall notify the Department of Finance within 30 days after that augmentation is made as to the amount, justification, and the program augmented. Any augmentation made in accordance with this provision shall not result in an increase in any rate charged to other departments for services or the purchase of goods without the prior written consent of the Department of Finance.

4. If this item or Item 1760-001-0002, 1760-001-0003, 1760-001-0026, or 1760-001-0602, is augmented pursuant to Provision 3 by the maximum allowed under that provision, the Director of Finance may further augment the item or items in cases where (a) the Legislature has approved funds for a customer for the purchase of services or equipment through the DGS and the corresponding expenditure authority has not been provided in these items, or (b) a local government entity or the federal government has requested services from the DGS. Any augmentation that is

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deemed to be necessary on a permanent basis shall be submitted for review as part of the normal budget development process.

5. The Director of General Services may augment this item and Items 1760-001-0026 and 1760-001-0003 to increase authorized expenditures by the Office of State Publishing, the Office of Risk and Insurance Management, the Office of Fleet Administration, the Office of Energy Management, and the Office of Public Safety Radio Services. The augmentation shall be for the specific purpose of enabling the Office of State Publishing, the Office of Risk and Insurance Management, the Office of Fleet Administration, the Office of Energy Management, and the Office of Public Safety Radio Services to provide competitive services to their customers (including local government entities or the federal government) and may be made only if the office has sufficient operating reserves available to fund the augmentation. If the Director of General Services proposes to augment either of the items in this provision, the director shall notify the Department of Finance, the chairpersons of the fiscal committees of each house, and the Chairperson of the Joint Legislative Budget Committee 30 days prior to making the augmentation, including the amount, justification, and the office augmented. Any augmentation that is deemed to be necessary on a permanent basis shall be submitted for review as part of the normal budget development process.
6. Any augmentation made pursuant to Provisions 3 and 4 of this item shall be reported in writing to the chairpersons of the fiscal committees of each house and the Chairperson of the Joint Legislative Budget Committee within 30 days of the date the augmentation is approved. This notification shall identify the amount of, and justification for, the augmentation, and the program that has been augmented. Copies of the notification shall be provided to the Department of Finance.
7. Notwithstanding any other provision of law, the Director of General Services or his or her designee, in lieu of the Director of Finance, is authorized to carry out the provisions of Section 26.00 of this act as it pertains to category transfers.

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8. Notwithstanding any other provision of law, the Director of General Services or his or her designee, in lieu of the Director of Finance, is authorized to approve Budget Revision, Standard Form 26 subject to a copy being provided to the Department of Finance.
9. On or before July 1, 2004, the Department of General Services shall submit to the Department of Finance and the Legislative Analyst's office, a report detailing the cost factors reflected in the 2004–05 rates. This report shall include (a) a statement of the department's expenditures and revenues, by function, and an assessment of whether the rates charged for a given function recover the costs of providing the service, and (b) information detailing the incremental changes to rates between fiscal years, including the reason for, and aggregate amount of, the changes. The Department of Finance shall use this report to review the current methodologies used to set rates and shall provide a report of its findings as part of the 2005–06 Governor's Budget.

1760-001-0768—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the Earthquake Safety and Public Buildings Rehabilitation Fund of 1990 609,000

1760-001-0961—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the State School Deferred Maintenance Fund 143,000

1760-001-6036—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the 2002 State School Facilities Fund..... 11,612,000

1760-002-0003—For support of Department of General Services, for rental payments on lease-revenue bonds, for payment to Item 1760-001-0666, payable from the Motor Vehicle Parking Facilities Moneys Account 1,101,000

Provisions:

1. The funds appropriated in this item are for the following:
   (a) Base Rental and Fees..... 1,092,000
   (b) Insurance..... 9,000
2. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule

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shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

1760-002-0666—For support of Department of General Services, for rental payments on lease-revenue bonds, for payment to Item 1760-001-0666, payable from the Service Revolving Fund..... 111,552,000

Provisions:

1. The funds appropriated in this item are for the following:

(a) Base rental and fees.....112,061,000

(1) Capitol Area Development Authority, Sacramento 688,000

(2) State Office Building, Riverside 2,221,000

(3) Department of Justice Building, Sacramento..... 4,926,000

(4) San Francisco Civic Center Building 25,652,000

(5) Ronald Reagan Building, Los Angeles 17,721,000

(6) Elihu M. Harris Building, Oakland.....11,518,000

(7) LA Junipero Serra II..... 4,796,000

(8) State Office Building, San Diego (Suburban) .. 2,884,000

(9) Capitol East End Garage..... 979,000

(10) Stephen P. Teale Data Center..... 3,498,000

(11) Capitol Area East End Complex 32,757,000

(12) Butterfield Warehouse Plant..... 2,476,000

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(13) State Office Building #10.... 945,000
(14) Food and Ag.... 1,000,000
(b) Insurance..... 931,000
(c) Reimbursements ..... −1,440,000

2. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

1760-003-0666—For support of Department of General Services, for rental payments on California Environmental Protection Agency Building, for payment to Item 1760-001-0666, payable from the Service Revolving Fund 14,500,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

1760-101-0022—For local assistance, Department of General Services, for reimbursement of local agencies and service suppliers or communications equipment companies for costs incurred pursuant to Sections 41137, 41137.1, 41138, and 41140 of the Revenue and Taxation Code, payable from the State Emergency Telephone Number Account 147,925,000

1760-301-0768—For capital outlay, Department of General Services, payable from the Earthquake Safety and Public Buildings Rehabilitation Fund of 1990.. 4,653,000

Schedule:

(1) 50.99.029-Program Management.... 766,000
(2) 50.99.408-California Correctional Institution, Tehachapi, Dormitory F5, F6, F7, F8: Structural Retrofit—Preliminary plans, working drawings and construction..... 3,072,000
(3) 50.99.500-Project Studies 815,000

Provisions:

1. Pursuant to funds appropriated in Schedule (1) and notwithstanding any other provision of law, the Director of the Department of General Services or his or her designee may contract for pro-

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gram management services provided by a licensed architect, registered engineer, or licensed general contractor where a firm is selected to assist DGS in project management activities, planning, designing, estimating, reviewing, and completing, a multiproject construction program.

2. If, during the validation portion of project studies in Schedule (3), the risk level of any of these projects is reduced, or where a project study savings has been realized, the funding for that particular project study shall be available for expenditure for any of the other Project studies in this appropriation. If this change in funding occurs, the Department of General Services shall report to the Department of Finance detailing the project or projects reduced in seismic risk level, or the redirection of project study savings within this appropriation.

1760-401—Notwithstanding Provision 1 of Item 1760-011-0006, Budget Act of 2002 (Ch. 379, Stats. 2002), $5,000,000 of the $10,000,000 loan authorized in that item shall be repaid to the Disability Access Account no later than October 1, 2005. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account at the time of transfer. It is the intent of the Legislature that repayment be made so as to ensure that the programs supported by this fund are not adversely affected by the loan through reduction in service or increased fees.

1760-402—Notwithstanding Provision 1 of Item 1760-011-0328 of the Budget Act of 2002 (Ch. 379, Stats. 2002), the $35,000,000 loan authorized in that item shall be fully repaid to the Public School Planning, Design, and Construction Review Revolving Fund no later than October 1, 2005. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account at the time of transfer. It is the intent of the Legislature that repayment be made so as to ensure that the programs support by this fund are not adversely affected by the loan through reduction in service or increased fees.

1760-490—Reappropriation, Department of General Services. The balance of the appropriation provided in the following citation is reappropriated for the pur-

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poses and subject to the limitations, unless otherwise specified, provided for in the appropriations:

0660—Public Buildings Construction Fund

(1) Item 1760-301-0660, Budget Act of 2003, (Ch. 157, Stats. 2003)

(2) 50.20.515-Marysville Office Building: Replacement—Construction

0768—Earthquake Safety and Public Buildings Rehabilitation Fund of 1990

(1) Item 1760-301-0768, Budget Act of 2002, (Ch. 379, Stats. 2002)

(4) 50.99.092-California Department of Corrections, California Correctional Institute, Tehachapi, Dorm E1, E2, E3, E4: Structural Retrofit—Construction.

Provisions:

1. The project identified in Schedule (2) of this item is authorized to utilize the design-build delivery method identified in clause (i) of subparagraph (A) of paragraph (3) of subdivision (d) of Section 14661 of the Government Code.

1760-492—Reappropriation, Department of General Services. The balance, as of June 30, 2004, of the funds made available pursuant to Item 1760-101-0768, Budget Act of 1994 (Ch. 139, Stats. 1994) and Item 1760-101-0768, Budget Act of 1998 (Ch. 324, Stats. 1998), as reappropriated by Item 1760-492, Budget Act of 2003 (Ch. 157, Stats. 2003), is reappropriated and shall be available for expenditure until June 30, 2005.

Schedule:

(1) 3116-Richmond, Contra Costa—City Hall	1,149,975
(2) 3117-Richmond, Contra Costa—Hall of Justice	683,613
(2.5) 4029-Alameda, Oakland—Police Administration Retrofit	500,000
(3) 4042-Orinda, Contra Costa: Orinda Fire Station 44	57,671

Provisions:

1. The source of revenue for this item is the same as that identified in the Budget Act of 2003 (Ch. 157, Stats. 2003), but corrects an erroneous reference contained in that item.

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1880-001-0001—For support of State Personnel Board . 3,888,000

Schedule:

(1) 10-Merit System Administration 14,352,000

(2) 40-Local Government Services 2,759,000

(3) 50.01-Administrative Services 2,798,000

(4) 50.02-Distributed Administrative Services ..... −1,862,000

(5) Reimbursements .....−14,159,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize a loan from the General Fund, in an amount not to exceed 35 percent of reimbursements appropriated in this item to the State Personnel Board, provided that:
   (a) The loan is to meet cash needs resulting from the delay in receipt of reimbursements for services provided.
   (b) The loan is for a short term and shall be repaid by September 30, 2005.
   (c) Interest charges may be waived pursuant to subdivision (e) of Section 16314 of the Government Code.
   (d) The Director of Finance may not approve the loan unless the approval is made in writing and filed with the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house that considers appropriations not later than 30 days prior to the effective date of the approval, or not sooner than whatever lesser time that the chairperson of the joint committee or his or her designee may determine.

1880-295-0001—For local assistance, State Personnel Board, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller..... 1,000

Schedule:

(1) 98.01.067.590-Peace Officers Procedural Bill of Rights (Ch. 675, Stats. 1990) 1,000

Provisions:

1. Except as provided in Provision 2 of this item, allocations of funds provided in this item to the ap-

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propriate local entities shall be made by the State Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated in this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.

2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the State Controller may, upon notifying the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.

1900-001-0950—For support of Board of Administration of the Public Employees' Retirement System, payable from the Public Employees' Contingency Reserve Fund 17,599,000

Provisions:

1. The appropriation made in this item is for support of the board of administration pursuant to Section 22840 of the Government Code.

1900-003-0830—For support of Board of Administration of the Public Employees' Retirement System, payable from the Public Employees' Retirement Fund..... (347,752,000)

Provisions:

1. The amount displayed in this item is based on the estimate by the Public Employees' Retirement System of expenditures for external investment advisers and other investment related expenses to be made during the 2004–05 fiscal year pursuant to Sections 20172, 20208, and 20210 of the Government Code. The Board of Administration of

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the Public Employees' Retirement System shall report to the fiscal committees of the Legislature and the Joint Legislative Budget Committee on or before January 10, 2005, regarding any revision of this estimate, including an accounting and explanation of changes, and the amount of, and basis for, investment adviser expenditures proposed for the 2005–06 fiscal year. The Board of Administration of the Public Employees' Retirement System shall report on or before January 10, 2006, on the final expenditures under this item, including an accounting and explanation of changes from estimates previously reported to the Legislature.

2. Each of the two reports described in Provision 1 also shall include all of the following:
   (a) A summary and comparison of the externally managed portfolios, the internally managed portfolios, and the total fund. This information shall include the value of the assets, the gross and net returns, the benchmark returns, and the costs, by dollars and basis points, for these portfolios.
   (b) A description of the actions the Public Employees' Retirement System will take to ensure that any future expenditures for outside advisers will result in a greater return on investments, including costs for these advisers, than if in-house advisers were used.
   (c) Separate listings of adviser contracts in effect, and approved, during the 2003–04 and 2004–05 fiscal years, with (1) amounts (total contract and annual basis) for each contract for base fees and performance-based fees, and (2) summary statements of the purposes of each contract.

1900-015-0815—For support of Board of Administration of the Public Employees' Retirement System, payable from the Judges' Retirement Fund ..... (747,000)

Provisions:

1. Notwithstanding any other provision of law, the Board of Administration of the Public Employees' Retirement System (PERS), in accordance with all applicable provisions of the California Constitution, shall submit to the Controller, the Department of Finance, the Joint Legislative Bud-

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get Committee, and the fiscal committees of the Legislature, all of the following:

(a) No later than January 10, 2005, a copy of the proposed budget for PERS for the 2005–06 fiscal year as included with the Governor's Budget.

(b) No later than May 15, 2005, a copy of the proposed budget for PERS for the 2005–06 fiscal year as approved by the board of administration.

(c) The revisions to the proposed budget for PERS for the 2004–05 fiscal year, as recommended by the PERS Finance Committee, at least 30 days prior to the consideration of those revisions by the board of administration.

(d) Commencing October 1, 2004, all expenditure and performance workload data provided to the board of administration, as updated on a quarterly basis. This quarterly update information is to be submitted to the Joint Legislative Budget Committee and the fiscal committees of the Legislature, and shall be in sufficient detail to be useful for legislative oversight purposes and to sustain a thorough ongoing review of Public Employees' Retirement System expenditures.

1900-015-0820—For support of Board of Administration of the Public Employees' Retirement System, payable from the Legislators' Retirement Fund ..... (321,000)

Provisions:

1. Notwithstanding any other provisions of law, the Board of Administration of the Public Employees' Retirement System, in accordance with all applicable provisions of the California Constitution, shall submit to the Controller, the Department of Finance, the Joint Legislative Budget Committee, and the fiscal committees of the Legislature all of the following:

(a) A copy of the proposed budget for the Public Employees' Retirement System for the 2005–06 fiscal year by January 10, 2005, as included with the Governor's Budget.

(b) A copy of the proposed budget for the Public Employees' Retirement System for the 2005–06 fiscal year as approved by the board of administration by May 15, 2005.

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(c) The revisions to the proposed budget for the Public Employees' Retirement System for the 2004–05 fiscal year as recommended by the Public Employees' Retirement System Finance Committee at least 30 days prior to consideration of those revisions by the board of administration.

(d) Commencing October 1, 2004, all expenditure and performance workload data provided to the board of administration, updated on a quarterly basis, shall be submitted to the Joint Legislative Budget Committee and the fiscal committees of the Legislature. The quarterly update information submitted to the Legislature shall be in sufficient detail to be useful for legislative oversight purposes and to sustain a thorough ongoing review of the expenditures of the Public Employees' Retirement System.

1900-015-0830—For support of Board of Administration of the Public Employees' Retirement System, payable from the Public Employees' Retirement Fund..... (235,577,000)

Provisions:

1. Notwithstanding any other provision of law, the Board of Administration of the Public Employees' Retirement System, in accordance with all applicable provisions of the California Constitution, shall submit to the Controller, the Department of Finance, the Joint Legislative Budget Committee, and the fiscal committees of the Legislature, all of the following:

(a) A copy of the proposed budget for the Public Employees' Retirement System for the 2005–06 fiscal year by January 10, 2005, as included with the Governor's Budget.

(b) A copy of the proposed budget for the Public Employees' Retirement System for the 2005–06 fiscal year as approved by the board of administration by May 15, 2005.

(c) The revisions to the proposed budget for the Public Employees' Retirement System for the 2004–05 fiscal year as recommended by the Public Employees' Retirement System Finance Committee at least 30 days prior to consideration of those revisions by the board of administration.

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2. Commencing October 1, 2004, all expenditure and performance workload data provided to the board of administration, updated on a quarterly basis, shall be submitted to the Joint Legislative Budget Committee and the fiscal committees of the Legislature. The quarterly update information submitted to the Legislature shall be in sufficient detail to be useful for legislative oversight purposes and to sustain a thorough ongoing review of the expenditures of the Public Employees' Retirement System.
3. Commencing July 1, 2004, reports on information technology projects that are submitted to the board of administration shall be submitted to the Joint Legislative Budget Committee, the fiscal committees of the Legislature, and the Department of Finance on an informational basis. The quarterly update information submitted to the Department of Finance shall be in sufficient detail to be useful for Department of Finance informational project status reporting purposes.

1900-015-0884—For support of Board of Administration of the Public Employees' Retirement System, payable from the Judges' Retirement System II Fund... (480,000)

Provisions:

1. Notwithstanding any other provision of law, the Board of Administration of the Public Employees' Retirement System (PERS), in accordance with all applicable provisions of the California Constitution, shall submit to the Controller, the Department of Finance, the Joint Legislative Budget Committee, and the fiscal committees of the Legislature, all of the following:
   (a) No later than January 10, 2005, a copy of the proposed budget for PERS for the 2005–06 fiscal year as included with the Governor's Budget.
   (b) No later than May 15, 2005, a copy of the proposed budget for PERS for the 2005–06 fiscal year as approved by the board of administration.
   (c) The revisions to the proposed budget for PERS for the 2004–05 fiscal year, as recommended by the PERS Finance Committee, at least 30 days prior to the consideration of those revisions by the board of administration.

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(d) Commencing October 1, 2004, all expenditure and performance workload data provided to the board of administration, as updated on a quarterly basis. This quarterly update information is to be submitted to the Joint Legislative Budget Committee and the fiscal committees of the Legislature, and shall be in sufficient detail to be useful for legislative oversight purposes and to sustain a thorough ongoing review of Public Employees' Retirement System expenditures.

1900-015-0962—For support of Board of Administration of the Public Employees' Retirement System, payable from the Volunteer Firefighter Length of Service Award Fund ..... (121,000)

Provisions:

1. Notwithstanding any other provision of law, the Board of Administration of the Public Employees' Retirement System, in accordance with all applicable provisions of the California Constitution, shall submit to the Controller, the Department of Finance, the Joint Legislative Budget Committee, and the fiscal committees of the Legislature, all of the following:
   (a) A copy of the proposed budget for the Public Employees' Retirement System for the 2005–06 fiscal year by January 10, 2005, as included with the Governor's Budget.
   (b) A copy of the proposed budget for the Public Employees' Retirement System for the 2005–06 fiscal year as approved by the board of administration by May 15, 2005.
   (c) The revisions to the proposed budget for the Public Employees' Retirement System for the 2004–05 fiscal year recommended by the Public Employees' Retirement System Finance Committee, at least 30 days prior to consideration of those revisions by the board of administration.
   (d) Commencing October 1, 2004, all expenditure and performance workload data provided to the board of administration, updated on a quarterly basis, shall be submitted to the Joint Legislative Budget Committee and the fiscal committees of the Legislature. The quarterly update information submitted to the Legislature shall be in sufficient detail to be useful

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for legislative oversight purposes and to sustain a thorough ongoing review of the expenditures of the Public Employees' Retirement System.	
1900-017-0950—For support of Public Employees' Retirement System payable from the Public Employees' Contingency Reserve Fund.....	223,000
Provisions:	
1. The funding appropriated in this item is limited to the amount specified in Control Section 17.00. These funds are to be used in support of compliance activities related to the federal Health Insurance Portability and Accountability Act (HIPAA) of 1996.	
1920-001-0835—For support of State Teachers' Retirement System, payable from the State Teachers' Retirement Fund.....	107,222,000
Schedule:	
(1) 10-Services to Members and Employers 107,624,000	
(2) Reimbursements..... –339,000	
(3) Amount payable from the Supplemental Benefit Maintenance Account in the Teachers' Retirement Fund pursuant to Section 22954 of the Education Code..... –63,000	
Provisions:	
1. This item shall not be subject to the requirements of subdivision (b), (c), (d), or (e) of Section 31.00 of this act. Nothing in this provision shall be construed as exempting this item from requirements of the State Civil Service Act or from requirements of laws, rules, and regulations administered by the Department of Personnel Administration.	
2. Commencing July 1, 2004, reports on information technology projects that are submitted to the Teachers' Retirement Board shall be submitted to the Joint Legislative Budget Committee, the fiscal committees of the Legislature, and the Department of Finance on an informational basis. The information submitted to the Department of Finance shall be in sufficient detail to be useful for Department of Finance informational project status reporting purposes.	
1920-002-0835—For support of State Teachers' Retirement System (external investment advisers), payable from the State Teachers' Retirement Fund.....	(106,000,000)

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Provisions:

1. The amount displayed in this item is for informational purposes only, and is based on the current estimate by the State Teachers' Retirement System (STRS) of expenditures for external investment advisers to be made during the 2004–05 fiscal year pursuant to Section 22353 of the Education Code. The STRS shall report to the fiscal committees of the Legislature and the Joint Legislative Budget Committee no later than January 10, 2005, regarding any revision of this estimate, including an accounting and explanation of the changes, and regarding the amount of, and basis for, investment adviser expenditures proposed for the 2005–06 fiscal year. The STRS shall report on or before January 10, 2006, on the final expenditures under this item, including an accounting and explanation of changes from estimates previously reported to the Legislature.
2. Each of the two reports described in Provision 1 also shall include all of the following:
   (a) A summary and comparison of the externally managed portfolios, the internally managed portfolios, and the total fund. This information shall include the value of the assets, the gross and net returns, the benchmark returns, and the costs by dollars and basis points for these portfolios.
   (b) A description of the actions the State Teachers' Retirement System will take to ensure that any future expenditures for outside advisers will result in a greater return on investments, including costs for these advisers, than if in-house advisers were used.
   (c) Separate listings of adviser contracts in effect, and approved, during the 2003–04 and 2004–05 fiscal years, with (1) amounts (total contract and annual basis) for each contract for base fees and performance-based fees, (2) summary statements of the purposes of each contract.

1920-011-0001—For transfer by the Controller to the State Teachers' Retirement Fund.....(1,150,842,000)

Schedule:

(1) Supplemental Benefit Maintenance Account (SBMA) ..... (584,925,000)

(2) Benefits Funding ..... (565,917,000)

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Provisions:

1. The estimated amount referenced in Schedule (1) is the state's contribution required by Section 22954 of the Education Code.
2. The estimated amount referenced in Schedule (2) is the state's contribution required by subdivision (a) of Section 22955 of the Education Code.

1920-490—Reappropriation, State Teachers' Retirement System (STRS). Notwithstanding any other provision of law, up to $2,892,000 of the balance as of June 30, 2004, of the appropriation identified in the following citation is reappropriated, subject to the limitations set forth in Provision 1, and shall be available for encumbrance and expenditure until June 30, 2005. Any amount of this reappropriation that is not expended in 2004–05 shall be carried over to 2005–06 and is hereby reappropriated. In no event shall the total amounts reappropriated for the 2005–06 Budget exceed three percent of STRS' 2004–05 appropriation.

0835—State Teachers' Retirement Fund

(1) Item 1920-001-0835, Budget Act of 2003 (Ch. 157, Stats. 2003)

Provisions:

1. The funds reappropriated in this item shall be available for expenditure by the State Teachers' Retirement System for the purposes of meeting unanticipated system costs and promoting better service to the system's membership. The funds may not be encumbered without advance approval of the State Teachers' Retirement Board. The board shall report to the Legislature on a quarterly basis throughout the 2004–05 fiscal year on expenditures made pursuant to this item.

BUSINESS, TRANSPORTATION AND HOUSING

2100-001-3036—For support of Department of Alcoholic Beverage Control, payable from the Alcohol Beverage Control Fund 40,875,000

Schedule:

(1) 10.10-Licensing 22,663,000
(2) 10.20-Compliance 19,236,000
(3) 10.30.010-Administration 3,720,000
(4) 10.30.020-Distributed Administration ..... –3,720,000
(5) Reimbursements ..... –1,024,000

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2100-011-0081—For transfer by the Controller, from the Alcohol Beverage Control Fund to the Alcohol Beverage Control Fund	(1,510,000)
2100-101-3036—For local assistance, Department of Alcoholic Beverage Control, Program 10.20-Compliance, for grants to local law enforcement agencies payable from the Alcohol Beverage Control Fund	1,500,000
Provisions:	
1. Notwithstanding any other provisions of law, the Department of Alcoholic Beverage Control is authorized to grant funds to local law enforcement agencies for the purpose of enhancing enforcement of alcoholic beverage control laws in the local jurisdiction.	
2. Notwithstanding any other provisions of law, at the discretion of the Director of Alcoholic Beverage Control, the department may advance grant funds to local law enforcement agencies.	
3. Notwithstanding any other provisions of law, at the discretion of the Director of Alcoholic Beverage Control, title to any authorized equipment purchased by the local law enforcement agency pursuant to the grant may be vested in the local law enforcement agency at the conclusion of the grant period.	
2120-001-0117—For support of Alcoholic Beverage Control Appeals Board, Program 10, payable from the Alcoholic Beverage Control Appeals Fund	895,000
2150-001-0240—For support of Department of Financial Institutions, for payment to Item 2150-001-0298, payable from the Local Agency Deposit Security Fund	349,000
2150-001-0298—For support of Department of Financial Institutions, payable from the Financial Institutions Fund	18,064,000
Schedule:	
(1) 10-Licensing and Supervision of Banks and Trust Companies 16,292,000	
(2) 20-Special Licensees 866,000	
(3) 40-Administration of Local Agency Security 349,000	
(4) 50-Supervision of California Business and Industrial Development Corporations 29,000	
(5) 60-Credit Unions..... 3,642,000	
(6) 70-Savings and Loan..... 136,000	
(7) 80-Industrial Banks 1,041,000	

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(8) 90.01-Administration 4,701,000
(9) 90.02-Distributed Administration ... –4,701,000
(10) Reimbursements ..... –300,000
(11) Amount payable from the Local Agency Deposit Security Fund (Item 2150-001-0240) ..... –349,000
(12) Amount payable from the Credit Union Fund (Item 2150-001-0299)..... –3,642,000

Provisions:

1. The Department of Financial Institutions shall report to the budget committees of each house of the Legislature and to the Legislative Analyst by January 10, 2006, on the level of noncompliance found with the California Financial Privacy Act (Division 1.2 (commencing with Section 4050) of the Financial Code), any changes to state or federal law, or court decisions, that affect the workload of the Department of Financial Institutions as it relates to the California Financial Information Privacy Act, and any staffing changes requested based on the level of compliance or changes in the law.

2150-001-0299—For support of Department of Financial Institutions, for payment to Item 2150-001-0298, payable from the Credit Union Fund 3,642,000

2180-001-0067—For support of Department of Corporations, payable from the State Corporations Fund..... 27,965,000

Schedule:

(1) 10-Investment Program 16,670,000
(2) 20-Lender-Fiduciary Program 11,295,000
(3) 50.01-Administration 5,616,000
(4) 50.02-Distributed Administration ... –5,616,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. The Department of Corporations shall report to the committee of each house of the Legislature that considers the Budget Bill and the Legislative Analyst's Office by January 10, 2006, (a) the level of noncompliance with the California Financial Privacy Act (Division 1.2 (commencing with Section 4050) of the Financial Code), (b) any changes

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to state or federal law, including court decisions, that affect workload under that act, and (c) any staffing changes requested based on (a) or (b).	
2180-011-0067—For transfer by the Controller from the State Corporations Fund to the General Fund	(1,500,000)
Provisions:	
1. Notwithstanding any other provision of law, the amount of this item shall be transferred from the State Corporations Fund to the General Fund.	
2240-001-0001—For support of Department of Housing and Community Development	4,806,000
Schedule:	
(1) 10-Codes and Standards Program ..	23,375,000
(2) 20-Community Affairs Program.....	14,635,000
(3) 30.01-Housing Policy Development Program.....	2,115,000
(4) 30.02-Distributed Housing Policy Development Program.....	–122,000
(6) 50.01-Administration.....	9,900,000
(7) 50.02-Distributed Administration ...	–9,756,000
(8) Reimbursements.....	–1,152,000
(9) Amount payable from the Mobilehome Park Revolving Fund (Item 2240-001-0245)	–4,513,000
(10) Amount payable from the Mobilehome Park Purchase Fund (Item 2240-001-0530)	–604,000
(11) Amount payable from the Mobilehome-Manufactured Home Revolving Fund (Item 2240-001-0648).....	–16,866,000
(12) Amount payable from the Self-Help Housing Fund (Item 2240-001-0813).....	–154,000
(13) Amount payable from the Federal Trust Fund (Item 2240-001-0890).....	–7,586,000
(14) Amount payable from the Housing Rehabilitation Loan Fund (Item 2240-001-0929)	–2,088,000
(15) Amount payable from the Rental Housing Construction Fund (Item 2240-001-0938)	–728,000
(16) Amount payable from the Predevelopment Loan Fund (Item 2240-001-0980).....	–350,000

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(17) Amount payable from the Emergency Housing and Assistance Fund (Item 2240-001-0985).....	–527,000
(18) Amount payable from the Jobs-Housing Balance Improvement Account (2240-001-3006).....	–467,000
(19) Amount payable from the Building Equity and Growth in Neighborhoods Fund (Item 2240-001-6038).....	–306,000

Provisions:

1. Of the amount appropriated in this item, $158,000 shall be used to continue oversight by the Department of Housing and Community Development of redevelopment agencies and to provide technical assistance, in accordance with the department's Housing Preservation Plan.

2240-001-0245—For support of Department of Housing and Community Development, for payment to Item 2240-001-0001, payable from the Mobilehome Park Revolving Fund..... 4,513,000

2240-001-0530—For support of Department of Housing and Community Development, for payment to Item 2240-001-0001, payable from the Mobilehome Park Purchase Fund..... 604,000

2240-001-0648—For support of Department of Housing and Community Development, for payment to Item 2240-001-0001, payable from the Mobilehome-Manufactured Home Revolving Fund..... 16,866,000

Provisions:

1. Notwithstanding Section 18077 of the Health and Safety Code, or any other provision of law, the first $2,388,000 in revenues collected by the Department of Housing and Community Development from manufactured home license fees shall be deposited in the Mobilehome-Manufactured Home Revolving Fund, and shall be available to the department for the support, collection, administration, and enforcement of manufactured home license fees.
2. Notwithstanding Section 18077.5 of the Health and Safety Code, or any other provision of law, the Department of Housing and Community Development is not required to comply with the reporting requirement of Section 18077.5 of the Health and Safety Code.

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2240-001-0813—For support of Department of Housing and Community Development, for payment to Item 2240-001-0001, payable from the Self-Help Housing Fund	154,000
2240-001-0890—For support of Department of Housing and Community Development, for payment to Item 2240-001-0001, payable from the Federal Trust Fund	7,586,000
2240-001-0929—For support of Department of Housing and Community Development, for payment to Item 2240-001-0001, payable from the Housing Rehabilitation Loan Fund	2,088,000
2240-001-0938—For support of Department of Housing and Community Development, for payment to Item 2240-001-0001, payable from the Rental Housing Construction Fund	728,000
2240-001-0980—For support of Department of Housing and Community Development, for payment to Item 2240-001-0001, payable from the Predevelopment Loan Fund	350,000
2240-001-0985—For support of Department of Housing and Community Development, for payment to Item 2240-001-0001, payable from the Emergency Housing and Assistance Fund	527,000
2240-001-3006—For support of Department of Housing and Community Development, for payment to Item 2240-001-0001, payable from the Jobs-Housing Balance Improvement Account	467,000
2240-001-6038—For support of Department of Housing and Community Development, for payment to Item 2240-001-0001, payable from the Building Equity and Growth In Neighborhoods Fund	306,000
2240-101-0001—For local assistance, Department of Housing and Community Development	5,291,000
Schedule:	
(1) 20-Community Affairs Program.....145,141,000	
(2) Amount payable from the Federal Trust Fund (Item 2240-101-0890)	−139,850,000
2240-101-0890—For local assistance, Department of Housing and Community Development, for payment to Item 2240-101-0001, payable from the Federal Trust Fund	139,850,000
Provisions:	
1. Notwithstanding any other provision of law, federal funds appropriated by this act but not encum-	

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bered by June 30 may be expended in the subsequent fiscal year.	
2240-101-3006—For local assistance, Department of Housing and Community Development, payable from the Jobs-Housing Balance Improvement Account	25,000,000
2240-101-6038—For local assistance, Department of Housing and Community Development, Program 20-Community Affairs Program, payable from the Building Equity and Growth In Neighborhoods Fund	24,000,000
2240-105-0001—For transfer, upon order of the Director of Finance, to the Emergency Housing and Assistance Fund	5,300,000
Provisions:	
1. The amount transferred by this item shall be distributed pursuant to Chapter 11.5 (commencing with Section 50800) of Part 2 of Division 31 of the Health and Safety Code for operating facilities and capital development grants.	
2. Grants shall not be used to supplant existing emergency shelter or transitional housing funding. Notwithstanding any regulatory provision to the contrary, operating facilities grants shall not exceed $100,000 nor be less than $30,000. For counties with an allocation of greater than $30,000, one grant of less than $30,000 may be awarded if necessary to fully utilize the county's allocation. For counties with an allocation of up to or equal to $30,000, up to two grants of less than $30,000 may be awarded.	
2240-115-0101—For transfer, upon order of the Director of Finance, from the School Assistance Fee Assistance Fund to the General Fund	(7,322,000)
Provisions:	
1. Upon notification from the Director of Finance, the Controller shall transfer any remaining nonbond funds that are unencumbered as of June 30, 2004.	
2240-115-0472—For transfer, upon order of the Director of Finance, from the Child Care and Development Facilities Direct Loan Fund to the General Fund	(629,000)
2240-115-0474—For transfer, upon order of the Director of Finance, from the Child Care and Development Facilities Loan Guaranty Fund to the General Fund.	(65,000)

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2240-295-0001—For local assistance, Department of Housing and Community Development, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller	1,000

Schedule:

(1) 98.01.114.380-Regional Housing Needs Assessments (Ch. 1143, Stats. 1980) 1,000

Provisions:

1. Except as provided in Provision 2 of this item, allocations of funds provided in this item to the appropriate local entities shall be made by the State Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated in this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.
2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the State Controller may, upon notifying the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.

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2240-490—Reappropriation, Central Valley Infrastructure Grant Program. Notwithstanding any other provision of law, $400,000 in funds previously appropriated pursuant to Item 2240-101-0001 of Section 2.00 of the Budget Act of 2001 (Ch. 106, Stats. 2001) for the Central Valley Infrastructure Grant Program and encumbered through contract with the City of Orange Cove, is available for encumbrance or expenditure until June 30, 2005.

2310-001-0400—For support of Office of Real Estate Appraisers payable from the Real Estate Appraisers Regulation Fund 3,338,000

Schedule:

(1) 10-Administration of Real Estate Appraisers Program..... 3,418,000

(2) Reimbursements..... −80,000

2320-001-0317—For support of Department of Real Estate, payable from the Real Estate Fund 31,689,000

Schedule:

(1) 10-Licensing and Education..... 6,517,000

(2) 20-Enforcement and Recovery..... 20,000,000

(3) 30-Subdivisions..... 5,472,000

(4) 40.10-Administration..... 5,246,000

(5) 40.20-Distributed Administration ... −5,246,000

(6) Reimbursements..... −300,000

Provisions:

1. Of the amount appropriated in this item, $500,000 shall be used only for the purposes of the Real Estate Recovery Account.

2400-001-0933—For support of Department of Managed Health Care, payable from the Managed Care Fund 33,122,000

Schedule:

(1) 30-Health Plan Program 33,122,000

(2) 50.01-Administration..... 8,698,000

(3) 50.02-Distributed Administration ... −8,698,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

2400-002-0933—For support of Department of Managed Health Care, for the Office of Patient Advocate, payable from the Managed Care Fund..... 2,179,000

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2600-001-0042—For support of California Transportation Commission, for payment to Item 2600-001-0046, payable from the State Highway Account, State Transportation Fund		651,000
2600-001-0046—For support of California Transportation Commission, payable from the Public Transportation Account, State Transportation Fund		1,000,000
Schedule:		
(1) 10-Administration of California Transportation Commission	1,651,000	
(2) Amount payable from the State Highway Account, State Transportation Fund (Item 2600-001-0042)	−651,000	
2600-402—Before allocating projects in the 2004–05 fiscal year that would result in the issuance of notes pursuant to Section 14553 of the Government Code exceeding $800,000,000, the California Transportation Commission shall consult with the Business, Transportation and Housing Agency, the Department of Transportation, and the Department of Finance pursuant to Section 14553.8 of the Government Code to consider and determine the appropriateness of the mechanism authorized by Section 14553 of the Government Code in comparison to other funding mechanisms, and to determine and report to the Governor and the Legislature the effect of issuance of the notes on future federal funding commitments. Allocations exceeding $800,000,000 shall not be made prior to providing 60 days' notice to the chairpersons of the transportation committees of each house and the Chairperson of the Joint Legislative Budget Committee.		
2640-101-0046—For local assistance, Special Transportation Programs, for allocation by the Controller pursuant to Section 99312 of the Public Utilities Code, payable from the Public Transportation Account, State Transportation Fund		117,365,000
Provisions:		
1. Notwithstanding Sections 99313 and 99314 of the Public Utilities Code, not more than $67,387 of the amount appropriated by this item shall reimburse the Controller for expenditures for administration of State Transportation Assistance funds.		
2. Notwithstanding Sections 99313 and 99314 of the Public Utilities Code, $12,106 of the amount appropriated by this item shall reimburse the Gen-		

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eral Fund for statewide general administrative expenditures, known as pro rata, pursuant to Sections 11270 to 11275, inclusive, and Section 22828.5 of the Government Code.	
2660-001-0041—For support of Department of Transportation, for payment to Item 2660-001-0042, payable from the Aeronautics Account, State Transportation Fund	2,925,000
2660-001-0042—For support of Department of Transportation, payable from the State Highway Account, State Transportation Fund	1,939,584,000
Schedule:	
(1) 10-Aeronautics	3,196,000
(2) 20.10-Highway Transportation—Capital Outlay Support	1,090,199,000
(3) 20.30-Highway Transportation—Local Assistance	28,965,000
(4) 20.40-Highway Transportation—Program Development	72,801,000
(5) 20.65-Highway Transportation—Legal	61,024,000
(6) 20.70-Highway Transportation—Operations	152,144,000
(7) 20.80-Highway Transportation—Maintenance	787,351,000
(8) 30-Mass Transportation	109,582,000
(9) 40-Transportation Planning	87,569,000
(10) 50.00-Administration	279,988,000
(11) Reimbursements	–122,199,000
(12) Amount payable from the Aeronautics Account, State Transportation Fund (Item 2660-001-0041)	–2,925,000
(13) Amount payable from the Bicycle Transportation Account, State Transportation Fund (Item 2660-001-0045)	–39,000
(14) Amount payable from the Public Transportation Account, State Transportation Fund (Item 2660-001-0046)	–127,734,000
(15) Amount payable from the Historic Property Maintenance Fund (Item 2660-001-0365)	–1,507,000
(16) Amount payable from the Federal Trust Fund (Item 2660-001-0890)	–471,794,000

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(17) Amount payable from the Transportation Financing Subaccount (Item 2660-001-6801) ..... −7,037,000

Provisions:

1. For purposes of the funds appropriated in Schedules (2) to (7), inclusive, Program 20—Highway Transportation, upon approval of the Department of Finance, the Department of Transportation shall notify the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee at least 20 days prior to spending funds to expand activities above budgeted levels or to implement a new activity not identified in this act, including any of those expenditures to be funded through a transfer of moneys from other expenditure categories or programs, except in the case of emergency work increases caused by fire, snow, storm, or earth movement damage.
2. From funds appropriated in this item, the Department of Transportation may enter into interagency agreements with the Department of the California Highway Patrol to compensate that department for the cost of work performed by patrol officers at or near state highway construction projects so as to reduce the risk of occurrence of serious motor vehicle accidents.
3. (a) Notwithstanding any other provision of law, funds appropriated in this item from the State Highway Account may be reduced and replaced by an equivalent amount of federal funds determined by the department to be available and necessary to comply with Section 8.50 of this act and the most effective management of state transportation resources. Not more than 30 days after replacing the state funds with federal funds, the Director of Finance shall notify in writing the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee of this action.

   (b) To the extent that moneys in the State Highway Account are reduced pursuant to this provision, the Department of Transportation may transfer, with the approval of the Business, Transportation and Housing Agency, and upon authorization by the Director of Fi-

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nance, all or part of the savings to Item 2660-101-0042, 2660-301-0042, or 2660-302-0042 for local assistance or capital outlay projects approved by the California Transportation Commission. The Director of Finance shall authorize the transfer not sooner than 30 days after notification in writing to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee.

4. Notwithstanding any other provision of law, funding appropriated in this item may be transferred to Item 2660-005-0042 to pay for any necessary insurance, debt service, and other financing related expenditures for department-owned office buildings. Any transfer will require the prior approval of the Department of Finance.
5. Notwithstanding any other provision of law, funds appropriated in Schedules (1) to (10), inclusive, in this item may be transferred to Item 2660-002-0608 for increases in equipment services costs, provided that the increase does not increase the overall appropriation authority for the Department of Transportation and no funding appropriated in Schedules (1) to (10), inclusive, is augmented. Any transfer will require the prior approval of the Department of Finance.
6. The funds appropriated in Schedule (2) for external consultant and professional services related to project delivery (also known as 232 contracts) that are unencumbered or encumbered but unexpended related to work that will not be performed during the fiscal year shall revert to the fund from which they were appropriated.
7. Notwithstanding any other provision of law, funds appropriated in this item may be supplemented with federal funding appropriation authority and with prior fiscal year State Highway Account appropriation balances at a level determined by the department as required to process claims utilizing federal advance construction through the Plan of Financial Adjustment process pursuant to Sections 11251 and 16365 of the Government Code.

2660-001-0045—For support of Department of Transportation, for payment to Item 2660-001-0042, payable from the Bicycle Transportation Account, State Transportation Fund..... 39,000

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Provisions:

1. Of the amount appropriated in this item, $30,000 shall reimburse the General Fund for statewide general administrative expenditures, known as pro rata, pursuant to Sections 11270 to 11275, inclusive, and Section 22828.5 of the Government Code.

2660-001-0046—For support of Department of Transportation, for payment to Item 2660-001-0042, payable from the Public Transportation Account, State Transportation Fund 127,734,000

Provisions:

1. For Program 30—Mass Transportation. $73,138,000 appropriated in this item is available for intercity rail.
2. Notwithstanding any other provision of law, funds appropriated in this item from the Public Transportation Account may be reduced and replaced by an equivalent amount of federal funds determined by the department to be available and necessary to comply with Section 8.50 of this act and the most effective management of state transportation resources. Not more than 30 days after replacing the state funds with federal funds, the Director of Finance shall notify in writing the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee of this action.

2660-001-0365—For support of Department of Transportation, for payment to Item 2660-001-0042, payable from the Historic Property Maintenance Fund 1,507,000

2660-001-0650—For support of Department of Transportation, payable from the Toll Bridge Seismic Retrofit Account, State Transportation Fund..... 100,420,000

Schedule:

(1) 20.10-Highway Transportation 100,300,000
(2) 50-Administration 120,000

Provisions:

1. For the 2004–05 fiscal year, the Director of Finance may increase expenditure authority in this item from funds identified in the Toll Bridge Seismic Retrofit Account pursuant to Chapter 907 of the Statutes of 2001, after notifying the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house that considers appropriations no later than

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30 days prior to the effective date of the approval, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee or his or her designee may in each instance determine.	
2660-001-0890—For support of Department of Transportation, for payment to Item 2660-001-0042, payable from the Federal Trust Fund	471,794,000
Provisions:	
1. For Program 20—Highway Transportation. For purposes of Section 163 of the Streets and Highways Code, all expenditures from this item shall be deemed to be expenditures from the State Highway Account, State Transportation Fund.	
2. For Program 20—Highway Transportation. Federal funds may be received from any federal source, and shall be deposited in the Federal Trust Fund. Any federal reimbursements shall be credited to the account from which the expenditures were originally made.	
3. Notwithstanding any other provision of law, the Director of Finance may augment this item with additional federal funds in conjunction with an equivalent offsetting reduction in State Highway Account funds in Item 2660-001-0042, pursuant to Provision 3 of that item or Public Transportation Account funds in Item 2660-001-0046, pursuant to Provision 2 of that item.	
2660-001-6801—For support of Department of Transportation, for payment to Item 2660-001-0042, payable from the Transportation Financing Subaccount, State Highway Account, State Transportation Fund	7,037,000
2660-002-0608—For support of Department of Transportation, payable from the Equipment Service Fund...	66,308,000
Provisions:	
1. Notwithstanding any other provision of law, funds appropriated in this item may be increased in accordance with Provision 5 of Item 2660-001-0042.	
2660-002-0890—For support of Department of Transportation, for debt service requirements and other financing related costs for federal Grant Anticipation Revenue Vehicles (GARVEE) issued in fiscal year 2003–04, payable from the Federal Trust Fund.....	783,683,000

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Provisions:

1. Notwithstanding any other provision of law, the funds appropriated in this item shall be available for encumbrance and expenditure until liquidated.
2. Notwithstanding Section 28.00, upon approval of the Department of Finance, this item may be augmented if additional funds are necessary to meet debt service and other requirements related to the fiscal year 2003–04 GARVEE issuance.
3. The appropriation in this item reflects, in part, the pledge made by the California Transportation Commission in accordance with Section 14553.7 of the Government Code in connection with the GARVEE bonds issued in fiscal year 2003–04.
4. Funds appropriated in this item are in lieu of the amounts that have been appropriated pursuant to Section 14554.8 of the Government Code.

2660-002-3007—For support of Department of Transportation, payable from the Traffic Congestion Relief Fund 48,101,000

Schedule:

(1) 20.10-Highway Transportation Capital Outlay Support..... 46,770,000
(2) 30-Mass Transportation 249,000
(3) 50-Administration 1,082,000

Provisions:

1. Notwithstanding any other provision of law, if the California Transportation Commission allocates funds to Traffic Congestion Relief Program projects in the 2004–05 fiscal year, the Director of Finance may increase expenditure authority in this item for additional capital outlay staffing directly related to new Traffic Congestion Relief Program allocations after notifying the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house that considers appropriations no later than 30 days prior to the effective date of the approval.

2660-005-0042—For support of Department of Transportation, for building insurance, debt service, and other financing related costs for department-owned office buildings, payable from the State Highway Account, State Transportation Fund 14,776,000

Provisions:

1. Notwithstanding any other provision of law, funds provided in Item 2660-001-0042 may be transferred to this item to pay for any necessary insur-

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ance, debt service, and other financing related costs for department-owned office buildings. Any transfer shall require the prior approval of the Department of Finance.

2. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

2660-007-0042—For support of Department of Transportation, payable from the State Highway Account, State Transportation Fund 80,745,000

Schedule:

(1) 20.10-Highway Transportation—Capital Outlay Support..... 52,906,000
(2) 20.65-Highway Transportation—Legal..... 662,000
(3) 20.70-Highway Transportation—Operations 936,000
(4) 20.80-Highway Transportation—Maintenance 26,223,000
(5) 50-Administration 18,000

Provisions:

1. The funds appropriated in this item may be expended only to attain compliance with (1) the stormwater discharge provisions of the National Pollutant Discharge Elimination System permits as promulgated by the State Water Resources Control Board or regional water quality control boards, (2) the Statewide Storm Water Management Plan, or (3) as required by court order.
2. The funds appropriated in this item may be transferred between schedules. Any transfer will require the prior approval of the Department of Finance.

2660-011-0001—For transfer by the Controller, upon order of the Director of Finance, from the General Fund to the Traffic Congestion Relief Fund..... (43,000,000)

Provisions:

1. This transfer shall constitute partial repayment of loans made from the Traffic Congestion Relief Fund to the General Fund authorized by subdivision (c) of Section 14556.8 of the Government Code.

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2. It is the intent of the Legislature that an additional repayment of $140,000,000 of loans made from the Traffic Congestion Relief Fund to the General Fund authorized by subdivision (c) of Section 14556.8 of the Government Code shall be made under the authorization of legislation to be enacted in the 2003–04 Regular Session.
3. Of the $183,000,000 in transfers to the Traffic Congestion Relief Fund specified in this item, $163,000,000 shall be retained in the Traffic Congestion Relief Fund for project expenditures and $20,000,000 shall be transferred to the State Highway Account for loan repayment as authorized by subsection (b) of Section 14556.8 of the Government Code.

2660-011-0041—For transfer by the Controller from the Aeronautics Account, State Transportation Fund, to the Public Transportation Account, State Transportation Fund, as prescribed by Section 21682.5 of the Public Utilities Code..... (30,000)

2660-012-0042—For augmentation for emergencies relating to a state of emergency declared by the Governor, payable from the State Highway Account ..... (40,000,000)

Provisions:

1. Required notification to the Legislature of appropriations pursuant to this item shall include, in addition to all other required information, (a) an estimate of federal funds or other funds that the department may receive for the same purposes as the proposed appropriation, and (b) explanation of the necessity of the proposed appropriation given anticipated federal funds or other funds.
2. Funds appropriated in this item may be used for support, local assistance, or capital outlay expenditures.

2660-014-0042—For transfer by the Controller, upon the order of the Director of Finance, from the State Highway Account, State Transportation Fund, to the General Fund..... (107,634,000)

Provisions:

1. The funds transferred by this item are moneys from revenues that are not restricted by Article XIX of the California Constitution.
2. The Director of Finance shall not transfer any funds in this item that would result in a loss of federal funds or require the state to provide a refund to the federal government.

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3. The transfer of funds in this item shall constitute a reimbursement to the General Fund for debt service payments related to the general obligation bonds issued pursuant to the Clean Air and Transportation Improvement Bond Act of 1990 (Ch. 6 (commencing with Sec. 99690), Pt. 11.5, Div. 10, P.U.C.), the Passenger Rail and Clean Air Bond Act of 1990 (Ch. 17 (commencing with Sec. 2701), Div. 3, S.& H.C.), and the Seismic Retrofit Bond Act of 1996 (Ch. 12.48 (commencing with Sec. 8879), Div. 1, Title 2, Gov. C.).

2660-014-0046—For transfer by the Controller, upon the order of the Director of Finance, from the Public Transportation Account, State Transportation Fund, to the State Highway Account, State Transportation Fund ..... (60,395,000)

Provisions:

1. The funds transferred by this item are moneys that are not restricted by Article XIX of the California Constitution and were transferred to the Public Transportation Account from the State Highway Account in the 2003–04 fiscal year pursuant to Section 183.1 of the Streets and Highways Code.

2660-021-0042—For transfer by the Controller from the State Highway Account, State Transportation Fund, to the Public Transportation Account, State Transportation Fund, as prescribed by Section 194 of the Streets and Highways Code ..... (21,600,000)

2660-023-0596—For transfer by the Controller from the Vincent Thomas Toll Revenue Fund to the Toll Bridge Seismic Retrofit Account, State Transportation Fund, pursuant to Section 188.5 of the Streets and Highways Code..... (6,997,000)

Provisions:

1. It is the intent of the Legislature that the full amount of unencumbered funds in the Vincent Thomas Toll Revenue Fund be transferred to the Toll Bridge Seismic Retrofit Account.

2660-101-0042—For local assistance, Department of Transportation, State Transportation Improvement Program (STIP), payable from the State Highway Account, State Transportation Fund..... 61,879,000

Schedule:

(1) 20.30-Highway Transportation—Local Assistance 57,007,000

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(a) Regional Improvements ..... (54,157,000)
(b) Interregional Improvements ..... (2,850,000)
(2) 30-Mass Transportation 4,872,000

Provisions:

1. Funds appropriated in this item shall be available for allocation by the California Transportation Commission through fiscal year 2006–07 and available for encumbrance and liquidation through June 30, 2010.
2. Notwithstanding any other provision of law, funds appropriated in this item may be transferred intra-schedule or to Items 2660-301-0042, 2660-102-0042, or 2660-302-0042. These transfers shall require the prior approval of the Department of Finance and the California Transportation Commission.
3. Notwithstanding any other provision of law, funds appropriated in this item may be supplemented with federal funding appropriation authority and with prior year State Highway Account appropriation balances at a level determined by the department as required to process claims utilizing federal advance construction through the plan of financial adjustment process under Sections 11251 and 16365 of the Government Code.

2660-101-0045—For local assistance, Department of Transportation, Program 20—Highway Transportation, payable from the Bicycle Transportation Account, State Transportation Fund 7,190,000

2660-101-0183—For local assistance, Department of Transportation, Program 20—Highway Transportation, payable from the Environmental Enhancement and Mitigation Demonstration Program Fund 5,000,000

2660-101-0890—For local assistance, Department of Transportation, State Transportation Improvement Program (STIP), payable from the Federal Trust Fund..... 99,394,000

Schedule:

(1) 20-Highway Transportation..... 99,394,000
(a) Regional Improvements ..... (94,424,000)
(b) Interregional Improvements ..... (4,970,000)

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Provisions:

1. For purposes of the Streets and Highways Code, all expenditures from this item shall be deemed to be expenditures from the State Highway Account, State Transportation Fund.
2. Federal funds may be received from any federal source and shall be deposited in the Federal Trust Fund. Any federal reimbursements shall be credited to the account from which the expenditures were originally made.
3. Notwithstanding other provisions of law, funds appropriated in this item may be transferred intra-schedule or to Items 2660-301-0890, 2660-302-0890, or 2660-102-0890. These transfers shall require the prior approval of the Department of Finance and the California Transportation Commission. These funds shall be available for allocation by the California Transportation Commission through fiscal year 2006–07.

2660-102-0042—For local assistance, Department of Transportation, Non-State Transportation Improvement Program (STIP), payable from the State Highway Account, State Transportation Fund..... 99,504,000

Schedule:

(1) 20-Highway Transportation..... 92,504,000

(a) Regional Surface Transportation Program Exchange..... (46,000,000)

(b) Local Assistance..... (46,504,000)

(2) 40-Transportation Planning..... 7,000,000

Provisions:

1. Funds appropriated in Schedule (1) shall be available for allocation by the California Transportation Commission through fiscal year 2006–07 and available for encumbrance and liquidation through June 30, 2010.
2. Notwithstanding other provisions of law, funds appropriated in this item may be transferred intra-schedule or to Item 2660-301-0042, 2660-101-0042, or 2660-302-0042. These transfers shall require the prior approval of the Department of Finance and the California Transportation Commission.

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2660-102-0890—For local assistance, Department of Transportation, Non-State Transportation Improvement Program (STIP), payable from the Federal Trust Fund 1,141,401,000

Schedule:

(1) 20-Highway Transportation 1,040,340,000

(2) 30-Mass Transportation 55,061,000

(3) 40-Transportation Planning 46,000,000

Provisions:

1. Notwithstanding other provisions of law, funds appropriated in this item may be transferred intra-schedule or to Items 2660-101-0890, 2660-301-0890, or 2660-302-0890. These transfers shall require the prior approval of the Department of Finance and the California Transportation Commission. Funds appropriated in Schedules (1) and (2) shall be available for allocation by the California Transportation Commission through fiscal year 2006–07.
2. For Program 20—Highway Transportation. For purposes of the Streets and Highways Code, all expenditures from this item shall be deemed to be expenditures from the State Highway Account, State Transportation Fund.
3. For Program 20—Highway Transportation. Federal funds may be received from any federal source and shall be deposited in the Federal Trust Fund. Any federal reimbursements shall be credited to the account from which the expenditures were originally made.

2660-105-0046—For local assistance, Department of Transportation, Program 30-Mass Transportation, payable from the Public Transportation Account, State Transportation Fund, for water transit operations managed through the Metropolitan Transportation Commission 2,879,000

2660-295-0042—For local assistance, Department of Transportation, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the Controller 1,000

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Schedule:

(1) 98.01.064—Airport Land Use Commissions/Plans (Ch. 644, Stats. 1994) 1,000

Provisions:

1. Except as provided in Provision 2 of this item, allocations of funds provided in this item to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated in this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.
2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the Controller may, upon notifying the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.

2660-301-0042—For capital outlay, Department of Transportation, State Transportation Improvement Program (STIP), payable from the State Highway Account, State Transportation Fund..... 298,078,000

Schedule:

(1) 20-Highway Transportation.....291,173,000
  (a) Regional Improvements ..... (177,616,000)
  (b) Interregional Improvements .....(113,557,000)

(2) 30-Mass Transportation 6,905,000

Provisions:

1. These funds shall be available for allocation by the California Transportation Commission through fiscal year 2006–07 and available for encumbrance and liquidation through June 30, 2010.

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2. Notwithstanding any other provision of law, funds appropriated in this item may be transferred intraschedule or to Items 2660-101-0042, 2660-102-0042, or 2660-302-0042. These transfers shall require the prior approval of the Department of Finance and the California Transportation Commission.
3. Notwithstanding any other provision of law, funds appropriated in this item may be supplemented with federal funding appropriation authority and with prior year State Highway Account appropriation balances at a level determined by the department as required to process claims utilizing federal advance construction through the plan of financial adjustment process under Sections 11251 and 16365 of the Government Code.

2660-301-0890—For capital outlay, Department of Transportation, State Transportation Improvement Program (STIP), payable from the Federal Trust Fund 394,778,000

Schedule:

(1) 20-Highway Transportation.....394,778,000
  (a) Regional Improvements .....(240,815,000)
  (b) Interregional Improvements .....(153,963,000)

Provisions:

1. Notwithstanding any other provision of law, amounts scheduled in this item may be transferred intraschedule or to Items 2660-101-0890, 2660-102-0890, or 2660-302-0890. These transfers shall require the prior approval of the Department of Finance and the California Transportation Commission. These funds shall be available for allocation by the California Transportation Commission through fiscal year 2006–07.
2. For purposes of the Streets and Highways Code, all expenditures from this item shall be deemed to be expenditures from the State Highway Account, State Transportation Fund.
3. Federal funds may be received from any federal source and shall be deposited in the Federal Trust Fund. Any federal reimbursements shall be credited to the account from which the expenditures were originally made.

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2660-302-0042—For capital outlay, Department of Transportation, Non-State Transportation Improvement Program (STIP), payable from the State Highway Account, State Transportation Fund..... 993,612,000

Schedule:

(1) 20-Highway Transportation..... 1,693,612,000

(a) State Highway Operation and Protection Program .....(1,693,612,000)

(2) Reimbursements ..... –700,000,000

Provisions:

1. These funds shall be available for allocation by the California Transportation Commission through fiscal year 2006–07 and available for encumbrance and liquidation through June 30, 2010.
2. Notwithstanding any other provision of law, funds appropriated in this item may be transferred to Item 2660-101-0042, 2660-102-0042, or 2660-301-0042. These transfers shall require the prior approval of the Department of Finance and the California Transportation Commission.
3. The Director of Finance may increase this item pursuant to allocations made from tribal gaming bond revenues no sooner than 30 days after written notification of the allocation is provided to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may determine.

2660-302-0046—For capital outlay, Department of Transportation, payable from the Public Transportation Account, State Transportation Fund..... 36,000,000

Schedule:

(1) 30-Mass Transportation 61,000,000

(2) Reimbursements.....–25,000,000

Provisions:

1. The Director of Finance may increase this item pursuant to allocations made from tribal gaming bond revenues no sooner than 30 days after written notification of the allocation is provided to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee, or not

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sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may determine.

2660-302-0890—For capital outlay, Department of Transportation, Non-State Transportation Improvement Program (STIP), payable from the Federal Trust Fund..... 505,660,000

Schedule:

(1) 20-Highway Transportation.....505,660,000

(a) State Highway Operation and Protection Program.....(505,660,000)

Provisions:

1. Notwithstanding any other provision of law, amounts scheduled in this item may be transferred to Items 2660-101-0890, 2660-102-0890, or 2660-301-0890. These transfers shall require the prior approval of the Department of Finance and the California Transportation Commission. These funds shall be available for allocation by the California Transportation Commission through fiscal year 2006–07.
2. For purposes of the Streets and Highways Code, all expenditures from this item shall be deemed to be expenditures from the State Highway Account, State Transportation Fund.
3. Federal funds may be received from any federal source and shall be deposited in the Federal Trust Fund. Any federal reimbursements shall be credited to the account from which the expenditures were originally made.

2660-311-0042—For capital outlay, Department of Transportation, payable from the State Highway Account, State Transportation Fund..... 1,438,000

Schedule:

(1) 20-Highway Transportation..... 1,438,000

(a) 20.20.500-Statewide: Studies, preplanning and budget packages..... (100,000)

(b) 20.20.516-Oakland Seismic Retrofit Project: Preliminary plans .....(1,338,000)

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Provisions:

1. For Program 20—Highway Transportation. Up to 20 percent of the funds appropriated in this item may be transferred from Item 2660-301-0042 of this act to enable the California Transportation Commission to allocate supplemental funds to projects within this item. The transfer may be made only with the approval of the commission and the Department of Finance. The Department of Finance shall be notified of the transfer prior to the commission's approval of any transfer or allocation of those funds to any project.
2. Notwithstanding any other provision of law, the project identified in Schedule (1)(b) of this item shall be subject to administrative oversight by the State Public Works Board.
3. Funds appropriated in this item are available to the Department of Transportation to purchase one modular office unit totaling 6,480 square feet in the City of Eureka, two modular office units totaling 9,270 square feet in the City of Redding, two modular office units totaling 8,540 square feet in the City of Stockton, and two modular units totaling 12,960 square feet in the City of Sacramento. The Department of Transportation is directed to redirect seven dollars ($7) from its support appropriation for this purpose.

2660-398-0042—For the Department of Transportation, for state operations, local assistance, or capital outlay, payable from the State Highway Account, State Transportation Fund..... 150,000,000

Provisions:

1. Upon order of the Director of Finance, funds in this item are available for allocation to other State Highway Account items for expenditure, as specified in this provision, upon determination that the state will receive additional federal funds pursuant to the passage of the Safe, Accountable, Flexible, and Efficient Transportation Equity Act of 2003 or other federal transportation acts.
   (a) Notwithstanding Section 28.50, the allocations may only be authorized not sooner than 30 days after notification in writing is provided to the chairperson of the committee in each house of the Legislature that considers

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appropriations and the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may in each instance determine.

(b) The following programs, activities, and projects will receive priority allocations of funds: not more than $19,900,000 for Performance Measurement System information technology project; California Advanced Transportation Management System information technology project; Traffic Monitoring Stations analysis and repair; Freeway Service Patrol expansion; and matching funds for participation in a public/private partnership to deploy radar and microwave-based detection devices on state right-of-way; not more than $32,400,000 for additional capital outlay staffing directly related to allocations from this item; and not more than $250,000 for financial advisor services.

(c) Information technology projects receiving an allocation of funds from this item must first obtain requisite approval of a feasibility study report prior to fund allocation.

(d) Any funds allocated in this item and not used for expenditures defined in subdivision (b) shall be allocated to support State Transportation Improvement Program (STIP) and State Highway Operations and Protection Program (SHOPP) local assistance and capital outlay expenditures.

2. Notwithstanding any other provision of law, expenditure authority in this item may be transferred to Item 2660-398-0890, provided that total expenditure authority for this item and Item 2660-398-0890 does not exceed $300,000,000 provided that the total amounts provided for the specific purposes listed in subdivision (b) of Provision 1 do not exceed the amounts specified therein. Transfers shall require the prior approval of the Director of Finance.

2660-398-0890—For the Department of Transportation, for state operations, local assistance, or capital outlay, payable from the Federal Trust Fund 150,000,000

Provisions:

1. Upon order of the Director of Finance, funds in this item are available for allocation to other federal fund items for expenditure, as specified in

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this provision, upon a determination that the state will receive additional federal funds pursuant to the passage of the Safe, Accountable, Flexible, and Efficient Transportation Equity Act of 2003 or other federal transportation acts.

(a) Notwithstanding Section 28.50, the allocations may only be authorized not sooner than 30 days after notification in writing is provided to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee may in each instance determine.

(b) The following programs, activities, and projects will receive priority allocations of funds: not more than $19,900,000 for the Performance Measurement System information technology project; the California Advanced Transportation Management System information technology project; Traffic Monitoring Stations analysis and repair; Freeway Service Patrol expansion; and matching funds for participation in a public/private partnership to deploy radar and microwave based detection devices on state right-of-way; not more than $32,400,000 for additional capital outlay staffing directly related to allocations from this item; and not more than $250,000 for financial advisor services.

(c) Information technology projects receiving an allocation of funds from this item must first obtain requisite approval of a feasibility study report prior to fund allocation.

(d) Any funds allocated in this item and not used for expenditures defined in subdivision (b) shall be allocated to support State Transportation Improvement Program (STIP) and State Highway Operations and Protection Program (SHOPP) local assistance and capital outlay expenditures.

2. Notwithstanding any other provision of law, expenditure authority in this item may be transferred to Item 2660-398-0042, provided that total expenditure authority for this item and Item 2660-398-0042 does not exceed $300,000,000 provided that the total amounts provided for the specific purposes listed in subdivision (b) of Provision 1 do

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not exceed the amounts specified therein. Transfers shall require the prior approval of the Department of Finance.	
2660-399-0042—For the Department of Transportation, for final cost accounting of projects for which appropriations have expired, for state operations, local assistance, or capital outlay, payable from the State Highway Account, State Transportation Fund. Funds appropriated in this item shall be available for expenditure until June 30, 2005	5,000,000
2660-399-0890—For the Department of Transportation, for state operations, local assistance, or capital outlay, payable from the Federal Trust Fund	31,000,000
Provisions:	
1. $31,000,000 is available for Corridor Improvement and Formula Section 163 grants.	
2660-401—Notwithstanding any other provision of law, various items of appropriation in this act may be reduced, upon approval of the Director of Finance, if the equipment rental rates for 2004–05, charged by the Department of Transportation, Division of Equipment, to the department's programs, would result in costs below the budgeted level. The following items of appropriation include funding for rental payments and may be reduced by an amount not to exceed the savings in each item attributable to reduced equipment rental rates: Item 2660-001-0041, Item 2660-001-0042, Item 2660-001-0046, Item 2660-001-0650, Item 2660-001-0890.	
2660-402—Before allocating projects in the 2004–05 fiscal year that would result in the issuance of notes pursuant to Section 14553 of the Government Code exceeding $800,000,000, the California Transportation Commission shall consult with the Business, Transportation and Housing Agency, the Department of Transportation, and the Department of Finance pursuant to Section 14553.8 of the Government Code to consider and determine the appropriateness of the mechanism authorized by Section 14553 of the Government Code in comparison to other funding mechanisms, and to determine and report to the Governor and the Legislature the effect of issuance of the notes on future federal funding commitments. Allocations above $800,000,000 shall not be made prior to providing 60 days notice to the chairpersons	

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of the transportation committees of each house and the Chairperson of the Joint Legislative Budget Committee.

2660-490—Reappropriation, Department of Transportation. The balance of the appropriation provided in the following citation is reappropriated for the purposes provided for in that appropriation and shall be available for encumbrance and expenditure until June 30, 2006.

0046—Public Transportation Account

Item 2660-301-0046, Budget Act of 2001 (Ch. 106, Statutes of 2001)

2660-491—Reappropriation, Department of Transportation. Notwithstanding any other provision of law, the unliquidated encumbrances for the appropriations provided in the following citations, are reappropriated until June 30, 2005. The unencumbered balance shall not be available for encumbrance.

0042—State Highway Account

(1) Item 2660-325-0042, Budget Act of 1996 (Ch. 162, Stats. 1996)
(2) Item 2660-301-0042, Budget Act of 1997 (Ch. 282, Stats. 1997)
(3) Item 2660-301-0042, Budget Act of 1998 (Ch. 324, Stats. 1998)

0046—Public Transportation Account

(1) Item 2660-125-046, Budget Act of 1993 (Ch. 55, Stats. 1993)
(2) Item 2660-101-046, Budget Act of 1994 (Ch. 139, Stats. 1994)
(3) Item 2660-125-046, Budget Act of 1994 (Ch. 139, Stats. 1994)
(4) Item 2660-125-0046, Budget Act of 1996 (Ch. 162, Stats. 1996)

0853—Petroleum Violation Escrow Account

(1) Chapter 186, Statutes of 1986
(2) Chapter 1427, Statutes of 1988
(3) Chapter 1434, Statutes of 1988
(4) Chapter 1648, Statutes of 1990
(5) Chapter 960, Statutes of 1991
(6) Item 2660-101-853, Budget Act of 1992 (Ch. 587, Stats. 1992)
(7) Chapter 1159, Statutes of 1993
(8) Chapter 980, Statutes of 1995

0890—Federal Trust Fund

(1) Item 2660-301-0890, Budget Act of 1996 (Ch. 162, Stats. 1996)

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2660-492—Extension of liquidation period, Department of Transportation. The balance of the funds for the appropriations provided in the following citation is reappropriated for the purposes provided for in the appropriations and shall be available for liquidation until June 30, 2005.

0042—State Highway Account, State Transportation Fund.

(1) Item 2660-001-0042, Budget Act of 2000 (Ch. 52, Stats. 2000) as reappropriated by Item 2660-492, Budget Act of 2001 (Ch. 106, Stats. 2001), 50.10-Administration, up to $5,253,000 shall be available for the Transportation Permits Management Systems Information Technology Project.

(2) Item 2660-001-0042, Budget Act of 2001 (Ch. 106, Stats. 2001), as reappropriated by Item 2660-492, Budget Act of 2003 (Ch. 157, Stats. 2003), 20.10-Capital Outlay Support, $7,057,000 shall be available for the Project Resourcing and Schedule Management System.

Provisions:

1. At the time the 2005–06 Governor's Budget is submitted to the Legislature, the Department of Transportation shall report to the Chairperson of the Joint Legislative Budget Committee on the progress of developing and implementing the Project Resourcing and Schedule Management System. The report shall include, among other things, the revised project schedule, the activities completed to date, and the activities proposed to be funded by the 2005–06 Governor's Budget.

2660-493—Reappropriation, Department of Transportation. Notwithstanding any other provision of law, the appropriations in the following citations are reappropriated to enable the collection of outstanding federal reimbursements as of the end of June 30, 2004. These appropriations are not available for encumbrance or liquidation and shall revert on June 30, 2005:

0890—Federal Trust Fund

(1) Item 2660-001-890, Budget Act of 1987 (Ch. 135, Stats. 1987)

(2) Item 2660-001-890, Budget Act of 1988 (Ch. 313, Stats. 1988)

(3) Item 2660-001-890, Budget Act of 1989 (Ch. 93, Stats. 1989)

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(4) Item 2660-001-890, Budget Act of 1990 (Ch. 467, Stats. 1990)
(5) Item 2660-001-890, Budget Act of 1991 (Ch. 118, Stats. 1991)
(6) Item 2660-001-890, Budget Act of 1992 (Ch. 587, Stats. 1992)
(7) Item 2660-001-890, Budget Act of 1993 (Ch. 55, Stats. 1993)
(8) Item 2660-001-890, Budget Act of 1994 (Ch. 139, Stats. 1994)
(9) Item 2660-001-890, Budget Act of 1995 (Ch. 303, Stats. 1995)
(10) Item 2660-301-890, Budget Act of 1992 (Ch. 587, Stats. 1992)
(11) Item 2660-001-0890, Budget Act of 1996 (Ch. 162, Stats. 1996)
(12) Item 2660-001-0890, Budget Act of 1997 (Ch. 282, Stats. 1997)
(13) Item 2660-001-0890, Budget Act of 1998 (Ch. 324, Stats. 1998)
(14) Item 2660-001-0890, Budget Act of 1999 (Ch. 50, Stats. 1999)

2660-496—Reversion, Department of Transportation, as of June 30, 2004, the following appropriation amounts in the following citations shall revert to the fund from which the appropriation was made.

0042—State Highway Account

(1) Item 2660-102-0042, Budget Act of 2003 (Ch. 157, Stats. 2003), 20.30-Highway Transportation—Local Assistance..... 165,000

0890—Federal Trust Fund

(1) Item 2660-102-0890, Budget Act of 2003 (Ch. 157, Stats. 2003), 20.30-Highway Transportation—Local Assistance..... 660,000

2665-001-0046—For support of High-Speed Rail Authority, Program 10-High-Speed Rail Authority, payable from the Public Transportation Account, State Transportation Fund..... 1,819,000

Provisions:

1. Of the funds appropriated in this item, $300,000 may be used only for the legal defense of the final Environmental Impact Report/Environmental Impact Statement.

Item	Amount
2700-001-0044—For support of Office of Traffic Safety, payable from the Motor Vehicle Account, State Transportation Fund	392,000
Schedule:	
(1) 10-California Traffic Safety 58,386,000	
(2) Amount payable from the Federal Trust Fund (Item 2700-001-0890).–57,994,000	
2700-001-0890—For support of Office of Traffic Safety, for payment to Item 2700-001-0044, payable from the Federal Trust Fund, not subject to the provisions of Section 28.00	57,994,000
2700-101-0890—For local assistance, Office of Traffic Safety, payable from the Federal Trust Fund, not subject to the provisions of Section 28.00	26,384,000
2720-001-0042—For support of Department of the California Highway Patrol, for payment to Item 2720-001-0044, payable from the State Highway Account, State Transportation Fund	46,783,000
2720-001-0044—For support of Department of the California Highway Patrol, payable from the Motor Vehicle Account, State Transportation Fund	1,171,517,000
Schedule:	
(1) 10-Traffic Management..... 1,128,797,000	
(2) 20-Regulation and Inspection 141,161,000	
(3) 30-Vehicle Ownership Security..... 31,223,000	
(4) 40.01-Administration.....151,688,000	
(5) 40.02-Distributed Administration ..... –151,688,000	
(6) Reimbursements.....–64,322,000	
(7) Amount payable from the State Highway Account (Item 2720-001-0042).....–46,783,000	
(8) Amount payable from the Motor Carrier Safety Improvement Fund (Item 2720-001-0293) ..... –1,275,000	
(9) Amount payable from the California Motorcyclist Safety Fund (Item 2720-001-0840) ..... –1,425,000	
(10) Amount payable from the Federal Trust Fund (Item 2720-001-0890).....–13,585,000	
(11) Amount payable from the Hazardous Substance Account, Special Deposit Fund (Item 2720-001-0942)..... –206,000	

Item		Amount
(12) Amount payable from the Asset Forfeiture Account, Special Deposit Fund (Item 2720-011-0942)	–2,068,000	
2720-001-0293—For support of Department of the California Highway Patrol, for payment to Item 2720-001-0044, payable from the Motor Carrier Safety Improvement Fund		1,275,000
2720-001-0840—For support of Department of the California Highway Patrol, for payment to Item 2720-001-0044, payable from the California Motorcyclist Safety Fund		1,425,000
2720-001-0890—For support of Department of the California Highway Patrol, for payment to Item 2720-001-0044, payable from the Federal Trust Fund		13,585,000
2720-001-0942—For support of Department of the California Highway Patrol, for payment to Item 2720-001-0044, payable from the Hazardous Substance Account, Special Deposit Fund		206,000
2720-003-0044—For support of Department of the California Highway Patrol for rental payments on lease-revenue bonds, payable from Motor Vehicle Account, State Transportation Fund		953,000
Schedule:		
(1) Base Rental and Fees	953,000	
(2) Insurance	4,000	
(3) Reimbursements	–4,000	
Provisions:		
1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.		
2720-011-0942—For support of Department of the California Highway Patrol, for payment to Item 2720-001-0044, payable from the Asset Forfeiture Account, Special Deposit Fund		2,068,000
2720-012-0903—For transfer by the Controller from the State Penalty Fund to the California Motorcyclist Safety Fund		(250,000)
2720-021-0044—For Department of the California Highway Patrol, for advance authority for the department to incur automotive equipment purchase obligations in an amount not to exceed $5,000,000 during the		

Item	Amount
2004–05 fiscal year, for delivery beginning in the 2005–06 fiscal year, payable from the Motor Vehicle Account, State Transportation Fund	(5,000,000)
2720-101-0974—For local assistance, Department of California Highway Patrol, payable from the Peace Officer Memorial Foundation Fund	400,000
2720-301-0044—For capital outlay, Department of the California Highway Patrol, payable from the Motor Vehicle Account, State Transportation Fund	250,000
Schedule:	
(1) 50.02.002-Headquarters Relocation Study 250,000	
2740-001-0042—For support of Department of Motor Vehicles, for payment to Item 2740-001-0044, payable from the State Highway Account, State Transportation Fund	37,500,000
2740-001-0044—For support of Department of Motor Vehicles, payable from the Motor Vehicle Account, State Transportation Fund	391,022,000
Schedule:	
(1) 11-Vehicle/Vessel Identification and Compliance 405,691,000	
(2) 22-Driver Licensing and Personal Identification 182,372,000	
(3) 25-Driver Safety 92,428,000	
(4) 32-Occupational Licensing and Investigative Services 39,015,000	
(5) 35-New Motor Vehicle Board 1,780,000	
(6) 41.01-Administration 85,758,000	
(7) 41.02-Distributed Administration ..... –85,758,000	
(8) Reimbursements ..... –12,842,000	
(9) Amount payable from the State Highway Account, State Transportation Fund (Item 2740-001-0042) ..... –37,500,000	
(10) Amount payable from the New Motor Vehicle Board Account (Item 2740-001-0054) ..... –1,780,000	
(11) Amount payable from the Motor Vehicle License Fee Account, Transportation Tax Fund (Item 2740-001-0064) ..... –275,689,000	
(12) Amount payable from the Harbors and Watercraft Revolving Fund (Item 2740-001-0516) ..... –2,453,000	

Item		Amount
2740-001-0054—For support of Department of Motor Vehicles, for payment to Item 2740-001-0044, payable from the New Motor Vehicle Board Account ..		1,780,000
2740-001-0064—For support of Department of Motor Vehicles, for payment to Item 2740-001-0044, payable from the Motor Vehicle License Fee Account, Transportation Tax Fund		275,689,000
2740-001-0516—For support of Department of Motor Vehicles, for payment to Item 2740-001-0044, payable from the Harbors and Watercraft Revolving Fund		2,453,000
Provisions:		
1. The funds appropriated in this item are for undocumented vessel registration and fee collection.		
2740-301-0042—For capital outlay, Department of Motor Vehicles, for payment to Item 2740-301-0044, payable from the State Highway Account, State Transportation Fund.....		544,000
2740-301-0044—For capital outlay, Department of Motor Vehicles, payable from the Motor Vehicle Account, State Transportation Fund		4,726,000
Schedule:		
(1) 71.03.020-Sacramento Headquarters: 5th Floor Asbestos Removal and Seismic Retrofit—Construction	7,511,000	
(2) 71.03.024—Sacramento Headquarters: 6th Floor Asbestos Removal, Seismic Retrofit, and Building Re-skin—Preliminary plans.....	1,352,000	
(3) Amount payable from the State Highway Account, State Transportation Fund (Item 2740-301-0042).....	–544,000	
(4) Amount payable from the Motor Vehicle License Fee Account, Transportation Tax Fund (Item 2740-301-0064)	–3,593,000	
2740-301-0064—For capital outlay, Department of Motor Vehicles, for payment to Item 2740-301-0044, payable from the Motor Vehicle License Fee Account, Transportation Tax Fund.....		3,593,000
2780-001-0683—For support of Stephen P. Teale Data Center, payable from the Stephen P. Teale Data Center Revolving Fund.....		101,063,000

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Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the Stephen P. Teale Data Center in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.
2. Expenditure authority provided in this item to support data center infrastructure projects may not be utilized for items outside the approved project scope. In addition, the data center shall report to the Department of Finance actual expenditures associated with the projects when purchase agreements have been executed.
3. On or before September 1, 2004, the Stephen P. Teale Data Center, or its successor entity, shall submit to the Department of Finance and the Legislative Analyst's Office a report detailing the cost factors reflected in the 2004–05 rates. This report shall include (a) a statement of the department's expenditures and revenues, by function, (b) information detailing the incremental changes to rates between fiscal years, including the reason for, and aggregate amount of, the change, and (c) for each client department the actual amounts charged in 2002–03, 2003–04, and proposed in 2004–05. The Department of Finance shall use this report to review the current methodologies used to set rates and shall provide a report of its findings as part of the 2005–06 Governor's Budget.

RESOURCES

3110-001-0140—For support of Special Resources Program, Program 30—Sea Grant Program, payable from the California Environmental License Plate Fund, for grants to public and private higher education for use as a maximum of two-thirds of the local matching share for projects under the National Sea Grant College Program Act, as amended 200,000

Item	Amount
3110-101-0071—For local assistance, Special Resources Program, Program 20—Yosemite Foundation, payable from the Yosemite Foundation Account, California Environmental License Plate Fund	840,000
Provisions:	
1. There is hereby appropriated to the Special Resources Program for allocation by the State Controller to the Yosemite Foundation all moneys deposited in the account for activities authorized pursuant to Section 5064 of the Vehicle Code (Chapter 1273, Statutes of 1992).	
3110-101-0140—For local assistance, Special Resources Program, Program 10—Tahoe Regional Planning Agency, payable from the California Environmental License Plate Fund	3,231,000
3110-101-0516—For local assistance, Special Resources Program, Program 10—Tahoe Regional Planning Agency, payable from the Harbors and Watercraft Revolving Fund	124,000
Provisions:	
1. Notwithstanding any other provision of law, funds in this item shall be expended to implement motorized watercraft regulations adopted by the Tahoe Regional Planning Agency.	
3125-001-0001—For support of California Tahoe Conservancy	0
Schedule:	
(1) 10-Tahoe Conservancy 4,384,000	
(2) Reimbursements ..... –60,000	
(3) Amount payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund (Item 3125-001-0005). –144,000	
(4) Amount payable from the California Environmental License Plate Fund (Item 3125-001-0140)..... –2,742,000	
(5) Amount payable from the Habitat Conservation Fund (Item 3125-001-0262) ..... –62,000	
(6) Amount payable from the Lake Tahoe Conservancy Account (Item 3125-001-0286) ..... –232,000	
(7) Amount payable from the Tahoe Conservancy Fund (Item 3125-001-0568) ..... –186,000	

Item	Amount
(8) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 3125-001-6029)	–603,000
(9) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3125-001-6031)	–355,000
3125-001-0005—For support of California Tahoe Conservancy, for payment to Item 3125-001-0001, payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund	144,000
3125-001-0140—For support of California Tahoe Conservancy, for payment to Item 3125-001-0001, payable from the California Environmental License Plate Fund	2,742,000
3125-001-0262—For support of California Tahoe Conservancy, for payment to Item 3125-001-0001, payable from the Habitat Conservation Fund	62,000
3125-001-0286—For support of California Tahoe Conservancy, for payment to Item 3125-001-0001, payable from the Lake Tahoe Conservancy Account	232,000
3125-001-0568—For support of California Tahoe Conservancy, for payment to Item 3125-001-0001, payable from the Tahoe Conservancy Fund	186,000
Provisions:	
1. Of this amount, pursuant to Section 66908.3 of the Government Code, the conservancy shall pay $44,900 to the County of Placer, and $1,600 to the County of El Dorado.	
2. Fifty percent of the amounts pursuant to Provision 1 above shall be used by the Counties of Placer and El Dorado for soil erosion control projects in the Lake Tahoe region, as defined in Section 66905.5 of the Government Code.	
3125-001-6029—For support of California Tahoe Conservancy, for payment to Item 3125-001-0001, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund	603,000
3125-001-6031—For support of California Tahoe Conservancy, for payment to Item 3125-001-0001, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002	355,000

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3125-101-6029—For local assistance, California Tahoe Conservancy, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund 3,000,000

Schedule:

(1) 10-Tahoe Conservancy 3,000,000

Provisions:

1. The acquisition of real property or an interest in real property with funds appropriated in this item is not subject to the Property Acquisition Law when the value is $250,000 or less, and, therefore, is not subject to approval by the State Public Works Board.
2. The amount appropriated in this item is available for expenditure for capital outlay or local assistance. Expenditures of funds for grants to public agencies and grants to nonprofit organizations, as authorized by subdivision (a) of Section 66907.7 of the Government Code, are exempt from review of the State Public Works Board.
3. This appropriation shall be available for expenditure until June 30, 2007.

3125-101-6031—For local assistance, California Tahoe Conservancy, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 9,000,000

Schedule:

(1) 10-Tahoe Conservancy 9,000,000

Provisions:

1. The acquisition of real property or an interest in real property with funds appropriated in this item is not subject to the Property Acquisition Law when the value is $250,000 or less, and, therefore, is not subject to approval by the State Public Works Board.
2. The amount appropriated in this item is available for expenditure for capital outlay or local assistance. Expenditures of funds for grants to public agencies and grants to nonprofit organizations, as authorized by subdivision (a) of Section 66907.7 of the Government Code, are exempt from review of the State Public Works Board.
3. This appropriation shall be available for expenditure until June 30, 2007.

3125-301-0262—For capital outlay, California Tahoe Conservancy, payable from the Habitat Conservation Fund 438,000

Item	Amount
Schedule:	
(1) 50.30.003-Acquisition, restoration, and enhancement of habitat..... 438,000	
Provisions:	
1. The acquisition of real property or interests with funds appropriated by this item is not subject to the Property Acquisition Law when the value is less than $250,000 and, therefore, is not subject to Public Works Board approval.	
2. The amount appropriated in this item is available for expenditure for capital outlay or for local assistance until June 30, 2007. Expenditures of funds for grants to public agencies and grants to nonprofit organizations, as authorized by subdivision (a) of Section 66907.7 of the Government Code, are exempt from Public Works Board review.	
3125-301-0286—For capital outlay, California Tahoe Conservancy, payable from the Lake Tahoe Conservancy Account.....	754,000
Schedule:	
(1) 50.30.002-Land acquisition and site improvements—Public access and recreation pursuant to Title 7.42 (commencing with Section 66905) of the Government Code..... 566,000	
(2) 50.30.004-Land acquisition and site improvements—stream environment zones and watershed restorations pursuant to Title 7.42 (commencing with Section 66905) of the Government Code 565,000	
(3) Reimbursements..... –377,000	
Provisions:	
1. The acquisition of real property or interests with funds appropriated by this item is not subject to the Property Acquisition Law when the value is less than $250,000 and, therefore, is not subject to Public Works Board approval.	
2. The amount appropriated in this item is available for expenditure for capital outlay or for local assistance until June 30, 2007. Expenditures of funds for grants to public agencies and grants to nonprofit organizations, as authorized by subdivision (a) of Section 66907.7 of the Government Code, are exempt from Public Works Board review.	

Item		Amount
3125-301-6029—For capital outlay, California Tahoe Conservancy, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund		6,922,000
Schedule:		
(1) 50.30.002-For land acquisition and site improvements for public access and recreation pursuant to Title 7.42 (commencing with Section 66905) of the Government Code	1,223,000	
(2) 50.30.003-For land acquisition and site improvements for wildlife enhancement pursuant to Title 7.42 (commencing with Section 66905) of the Government Code	712,000	
(3) 50.30.004-For land acquisition and site improvements for stream environment zones and watershed restorations pursuant to Title 7.42 (commencing with Section 66905) of the Government Code	3,713,000	
(4) 50.30.005-For land acquisitions pursuant to Title 7.42 (commencing with Section 66905) of the Government Code	1,500,000	
(5) Reimbursements	–226,000	

Provisions:

1. The acquisition of real property or an interest in real property with funds appropriated in this item is not subject to the Property Acquisition Law when the value is $250,000 or less, and, therefore, is not subject to approval by the State Public Works Board.
2. The amount appropriated in this item is available for expenditure for capital outlay or local assistance. Expenditures of funds for grants to public agencies and grants to nonprofit organizations, as authorized by subdivision (a) of Section 66907.7 of the Government Code, are exempt from the review of the State Public Works Board.
3. The amount appropriated in this item is available for expenditure until June 30, 2007.

3340-001-0001—For support of California Conservation Corps	25,373,000

Item	Amount
Schedule:	
(1) 10-Training and Work Program.....	57,256,000
(2) 10.55-Administration.....	(5,964,000)
(3) 10.55-Distributed Administration.....	(–5,964,000)
(3.5) Amount payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund (Item 3340-001-0005).	–633,000
(4) Amount payable from the California Environmental License Plate Fund (Item 3340-001-0140).....	–315,000
(5) Amount payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund (Item 3340-001-0235)	–291,000
(6) Amount payable from the Collins-Dugan California Conservation Corps Reimbursement Account (Item 3340-001-0318)	–29,420,000
(7) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 3340-001-6029).....	–1,224,000

Provisions:

1. Of the funds appropriated in this item, $2,725,000 shall be available for use by the California Conservation Corps to respond to natural disasters and other emergencies, including the fighting of forest fires. The Director of Finance may adjust this amount to the extent indicated by corrections identified by the director in the reports of the past expenditures of the California Conservation Corps upon which the amounts appropriated by this item are based. The Director of Finance shall notify the Chairperson of the Joint Legislative Budget Committee at least 30 days prior to making that adjustment.
2. To the extent that funds in excess of the amount identified in Provision 1 are necessary in order for the California Conservation Corps to respond to one or more emergencies declared by the Governor, the Department of Finance shall transfer, from the funds available pursuant to Section 8690.6 of the Government Code, an amount not to exceed $1,500,000 as necessary to fund that re-

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sponse. If, after the Department of Finance has transferred funds pursuant to this provision, the California Conservation Corps receives reimbursements or other amounts in payment of its costs of response to one or more declared emergencies, those amounts shall be deposited in the General Fund.

3340-001-0005—For support of California Conservation Corps, for payment to Item 3340-001-0001, payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund..... 633,000

Provisions:

1. Of the funds appropriated in this item, $25,000 shall be used to support a partnership between the California Conservation Corps and California Department of Forestry and Fire Protection for prescribed fuels management fire activities.

3340-001-0140—For support of California Conservation Corps, for payment to Item 3340-001-0001, payable from the California Environmental License Plate Fund 315,000

3340-001-0235—For support of California Conservation Corps, for payment to Item 3340-001-0001, payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund..... 291,000

3340-001-0318—For support of California Conservation Corps, for payment to Item 3340-001-0001, payable from the Collins-Dugan California Conservation Corps Reimbursement Account 29,420,000

Provisions:

1. Notwithstanding Section 14316 of the Public Resources Code, the Department of Finance may make a loan from the General Fund to the Collins-Dugan California Conservation Corps reimbursement account for the purposes of this item, in the amount of 25 percent of the reimbursements anticipated in the Collins-Dugan California Conservation Corps Reimbursement Account to be received by the California Conservation Corps from each client agency, not to exceed an aggregate total of $7,355,000 to meet cashflow needs due to delays in collecting reimbursements. Any loan made by the Department of Finance pursuant to this provision shall only be made if the California Conservation Corps has a valid contract or certification signed by the client agency, which demonstrates that sufficient funds will be available to

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repay the loan. All moneys so transferred shall be repaid to the General Fund as soon as possible, but not later than one year from the date of the loan. On and after a date of 90 days after the end of that year, the Department of Finance shall charge interest to the California Conservation Corps, at the rate earned in the Pooled Money Investment Fund, on any portion of the loan that has not been repaid.

2. Of the funds appropriated in this item, $1,480,000 is for support of the fuels management partnership between the California Conservation Corps and California Department of Forestry and Fire Protection. The intent of this partnership is to provide fire and fuel reduction training to 75 corps members and to actively engage the California Conservation Corps in the Sierra Nevada Forest Land and Fuels Management Program within the Department of Forestry and Fire Protection. Of the $1,480,000 appropriated in this item for the partnership, $600,000 shall be for reimbursements for activities in the California Department of Forestry and Fire Protection's Prefire Management Program funded by Proposition 40, $310,000 shall be for reimbursements from the Workforce Investment Act funding to support training activities for corps members, $25,000 shall be for reimbursements for prescribed fire activities under the direction of the department and funded by Proposition 40, and $545,000 shall be for any additional reimbursements necessary to support the participation of corps members in the partnership.

3340-001-6029—For support of California Conservation Corps, for payment to Item 3340-001-0001, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund.. 1,224,000

3340-101-0005—For local assistance, California Conservation Corps, payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund 2,550,000

3340-101-6029—For local assistance, California Conservation Corps, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund 4,003,000

Item	Amount
3340-490—Reappropriation, California Conservation Corps. Notwithstanding any other provision of law, the balance of the appropriations provided in the following citations are reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in the appropriations:	
0660—Public Buildings Construction Fund	
(1) Item 3340-301-0660, Budget Act of 2003 (Ch. 157, Stats. 2003)	
(1) 20.10.170-Tahoe Base Center Relocation—Preliminary plans and working drawings	
Provisions:	
1. Notwithstanding Section 2.00 of the Budget Act, the funds appropriated in this item shall be available for expenditure until June 30, 2005, except appropriations for working drawings which shall be available for expenditure until June 30, 2006.	
3360-001-0044—For support of Energy Resources Conservation and Development Commission, for payment to Item 3360-001-0465, payable from the Motor Vehicle Account, State Transportation Fund	127,000
3360-001-0381—For support of Energy Resources Conservation and Development Commission, for payment to Item 3360-001-0465, payable from the Public Interest Research, Development and Demonstration Fund	69,147,000
Provisions:	
1. Notwithstanding subdivision (a) of Section 2.00 of this act, funds appropriated in this item shall be available for expenditure during the 2004–05 and 2005–06 fiscal years.	
2. Notwithstanding Section 16304.1 of the Government Code, funds appropriated in this item shall be available for liquidation of encumbrances until June 30, 2010.	
3. Notwithstanding any other provision of law, funds appropriated in this item may be used by the Energy Resources Conservation and Development Commission to provide grants, loans, or repayable research contracts. When the commission evaluates proposals, a high-point scoring method may be used in lieu of lowest cost. Repayment terms shall be determined by the commission.	
4. Of the amount appropriated in this item, $200,000 shall be made available for grants to the California Climate Action Registry to support program activities.	

Item		Amount
3360-001-0382—For support of Energy Resources Conservation and Development Commission, for payment to Item 3360-001-0465, payable from the Renewable Resource Trust Fund		3,946,000
3360-001-0465—For support of Energy Resources Conservation and Development Commission, payable from the Energy Resources Programs Account		46,204,000
Schedule:		
(1) 10-Regulatory and Planning	26,933,000	
(2) 20-Energy Resources Conservation.	16,655,000	
(3) 30-Development	92,192,000	
(4) 40.01-Policy, Management and Administration	10,951,000	
(5) 40.02-Distributed Policy, Management and Administration	–10,951,000	
(6) Reimbursements	–5,745,000	
(7) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 3360-001-0044)	–127,000	
(8) Amount payable from the Public Interest Research, Development and Demonstration Fund (Item 3360-001-0381)	–69,147,000	
(9) Amount payable from the Renewable Resource Trust Fund (Item 3360-001-0382)	–3,946,000	
(10) Amount payable from the Energy Technologies Research Development and Demonstration Account (Item 3360-001-0479)	–550,000	
(11) Amount payable from the Local Government Geothermal Resources Revolving Subaccount, GRDA (Item 3360-001-0497)	–342,000	
(12) Amount payable from the Petroleum Violation Escrow Account (Item 3360-001-0853)	–198,000	
(13) Amount payable from the Federal Trust Fund (Item 3360-001-0890).	–8,906,000	
(14) Amount payable from the Energy Facility License and Compliance Fund (Item 3360-001-3062)	–615,000	
Provisions:		
1. Notwithstanding Section 16304.1 of the Government Code, funds appropriated in this item for the		

Item	Amount
Energy Technology Export Program shall be available for liquidation of encumbrances until June 30, 2008.	
3360-001-0479—For support of Energy Resources Conservation and Development Commission, for payment to Item 3360-001-0465, payable from the Energy Technologies Research, Development and Demonstration Account for the purpose of funding loans, grants and contracts to provide a variety of research projects	550,000
Provisions:	
1. Notwithstanding subdivision (a) of Section 2.00 of this act, funds appropriated in this item shall be available for expenditure during the 2004–05 and 2005–06 fiscal years.	
2. Notwithstanding Section 16304.1 of the Government Code, funds appropriated in this item shall be available for liquidation of encumbrances until June 30, 2008.	
3. Notwithstanding any other provision of law, funds appropriated in this item may be used by the Energy Resources Conservation and Development Commission to provide grants, loans, or repayable research contracts. When the commission evaluates proposals, a high-point scoring method may be used in lieu of lowest cost. Repayment terms shall be determined by the commission.	
3360-001-0497—For support of Energy Resources Conservation and Development Commission, for payment to Item 3360-001-0465, payable from the Local Government Geothermal Resources Revolving Subaccount, GRDA	342,000
3360-001-0853—For support of Energy Resources Conservation and Development Commission, for payment to Item 3360-001-0465, payable from the Petroleum Violation Escrow Account	198,000
3360-001-0890—For support of Energy Resources Conservation and Development Commission, for payment to Item 3360-001-0465, payable from the Federal Trust Fund	8,906,000
3360-001-3062—For support of Energy Resources Conservation and Development Commission, for payment to Item 3360-001-0465, payable from the Energy Facility License and Compliance Fund	615,000
3360-011-0465—For transfer by the Controller, upon order of the Director of Finance, from the Energy Resources Programs Account to the General Fund	(12,000,000)

Item Amount

3360-101-0497—For local assistance, Energy Resources Conservation and Development Commission, pursuant to Section 3822 of the Public Resources Code, payable from the Local Government Geothermal Resources Revolving Subaccount, GRDA..... 3,200,000

Schedule:

(1) 30-Development..... 3,200,000

Provisions:

1. Funds appropriated in this item shall be available for expenditure until June 30, 2006.
2. Notwithstanding Section 16304.1 of the Government Code, funds appropriated in this item shall be available for liquidation until June 30, 2008.

3360-490—Reappropriation, Energy Resources Conservation and Development Commission. Funds appropriated in the following citation are reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in that appropriation, and shall be available for encumbrance and expenditure until June 30, 2005:

0853—Petroleum Violation Escrow Account

(1) $925,000 from Item 3360-001-0853, Budget Act of 2000 (Ch. 52, Stats. 2000), for a gaseous hydrogen fueling station to be developed by the Alameda-Contra Costa Transit District

3360-495—Reversion, Energy Resources Conservation and Development Commission. The following amounts shall revert to the General Fund as of June 30, 2004:

(1) $22,451,820 from Section 5 of Chapter 7 of the Statutes of 2001, First Extraordinary Session, as amended by Section 57 of Chapter 111 of the Statutes of 2001, consisting of unencumbered funds and unliquidated encumbered balances that have not been committed to specific projects.
(2) $3,915,954 from Section 8 of Chapter 329 of the Statutes of 2000, consisting of unencumbered funds and unliquidated encumbered balances that have not been committed to specific projects.
(3) $832,226 from Item 3360-001-0001 of Chapter 106 of the Statutes of 2001, consisting of unencumbered funds and unliquidated encumbered balances that have not been committed to specific projects.

Item		Amount
3460-001-0001—For support of Colorado River Board of California		0
Schedule:		
(1) 10-Protection of California's Colorado River Rights and Interests	1,170,000	
(2) Reimbursements	−1,170,000	
3480-001-0001—For support of Department of Conservation		3,790,000
Schedule:		
(1) 10-Geologic Hazards and Mineral Resources Conservation	26,064,000	
(2) 20-Oil, Gas, and Geothermal Resources	14,544,000	
(3) 30-Land Resource Protection	3,759,000	
(4) 40.01-Administration	10,209,000	
(5) 40.02-Distributed Administration	−10,209,000	
(6) 50-Beverage Container Recycling and Litter Reduction Program	31,756,000	
(7) Reimbursements	−8,502,000	
(8) Amount payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund (Item 3480-001-0005).	−520,000	
(9) Amount payable from the Surface Mining and Reclamation Account (Item 3480-001-0035)	−1,143,000	
(10) Amount payable from the State Highway Account, State Transportation Fund (Item 3480-001-0042).	−12,000	
(11) Amount payable from the California Beverage Container Recycling Fund (Item 3480-001-0133)	−31,681,000	
(12) Amount payable from the Soil Conservation Fund (Item 3480-001-0141)	−2,036,000	
(13) Amount payable from the Hazardous and Idle-Deserted Well Abatement Fund (Section 3206, Public Resources Code)	−100,000	
(14) Amount payable from the Mine Reclamation Account (Item 3480-001-0336)	−2,700,000	
(15) Amount payable from the Strong Motion Instrumentation and Seismic Hazards Mapping Fund (Item 3480-001-0338)	−7,966,000	

Item	Amount
(16) Amount payable from the Federal Trust Fund (Item 3480-001-0890).	–1,687,000
(17) Amount payable from the Bosco Keene Renewable Resources Investment Fund (Item 3480-001-0940).....	–778,000
(17.5) Amount payable from the Abandoned Mine Reclamation and Mineral Fund Subaccount, Mine Reclamation Account (Item 3480-001-3025).....	–400,000
(18) Amount payable from the Oil, Gas, and Geothermal Administrative Fund (Item 3480-001-3046)...	–13,624,000
(19) Amount payable from the Agriculture and Open Space Mapping Subaccount (Item 3480-001-6004).....	–430,000
(20) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund of 2002 (Item 3480-001-6029)	–529,000
(21) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3480-001-6031)	–225,000

Provisions:

1. Notwithstanding any other provision of law, upon approval and order of the Department of Finance, the Department of Conservation may borrow sufficient funds, from special funds that otherwise provide support for the department, to meet cashflow needs due to delays in collecting reimbursements. Any loan made by the Department of Finance pursuant to this provision may be made only if the Department of Conservation has a valid contract or certification signed by the client agency, which demonstrates that sufficient funds will be available to repay the loan. All money so transferred shall be repaid to the special fund as soon as possible, but not later than one year from the date of the loan.

3480-001-0005—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund.....	520,000

Item	Amount
3480-001-0035—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the Surface Mining and Reclamation Account	1,143,000
3480-001-0042—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the State Highway Account, State Transportation Fund	12,000
Provisions:	
1. The funds appropriated in this item are for the state's share of costs of the California Institute of Technology seismograph network.	
3480-001-0133—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the California Beverage Container Recycling Fund	31,681,000
3480-001-0141—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the Soil Conservation Fund	2,036,000
3480-001-0336—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the Mine Reclamation Account	2,700,000
3480-001-0338—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the Strong Motion Instrumentation and Seismic Hazards Mapping Fund	7,966,000
3480-001-0890—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the Federal Trust Fund	1,687,000
3480-001-0940—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the Bosco Keene Renewable Resources Investment Fund	778,000
3480-001-3025—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the Abandoned Mine Reclamation and Minerals Fund Subaccount, Mine Reclamation Account	400,000
3480-001-3046—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the Oil, Gas, and Geothermal Administrative Fund	13,624,000
3480-001-6004—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the Agriculture and Open Space Mapping Subaccount	430,000

Item	Amount
3480-001-6029—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund of 2002	529,000
3480-001-6031—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002	225,000
3480-101-6029—For local assistance, Department of Conservation, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund	12,000,000
Provisions:	
1. The funds appropriated in this item shall be available for expenditure until June 30, 2007.	
3480-101-6031—For local assistance, Department of Conservation, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002	3,000,000
Provisions:	
1. The funds appropriated in this item shall be available for expenditure until June 30, 2007.	
3480-295-0001—For local assistance, Department of Conservation, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller	0
Schedule:	
(1) 98.01.113.175-Mineral resources policies (Ch. 1131, Stats. 1975) 0	
Provisions:	
1. Pursuant to Section 17581 of the Government Code, the mandate identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the 2004–05 fiscal year:	
(1) Mineral resources policies (Ch. 1131, Stats. 1975)	
3540-001-0001—For support of Department of Forestry and Fire Protection	353,739,000

Item	Amount
Schedule:	
(1) 100000-Personal services	417,015,000
(2) 300000-Operating expenses and equipment	224,910,000
(3) Reimbursements	−170,075,000
(4) Less funding provided by capital outlay	−1,063,000
(5) Amount payable from the General Fund (Item 3540-006-0001)	−70,000,000
(6) Amount payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund (Item 3540-001-0005).	−241,000
(7) Amount payable from the State Emergency Telephone Number Account (Item 3540-001-0022)	−1,622,000
(8) Amount payable from the Unified Program Account (Item 3540-001-0028)	−311,000
(9) Amount payable from the State Fire Marshal Licensing and Certification Fund (Item 3540-001-0102)	−1,884,000
(10) Amount payable from the California Environmental License Plate Fund (Item 3540-001-0140)	−395,000
(11) Amount payable from the California Fire and Arson Training Fund (Item 3540-001-0198)	−1,583,000
(12) Amount payable from the Hazardous Liquid Pipeline Safety Fund (Item 3540-001-0209)	−2,227,000
(13) Amount payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund (Item 3540-001-0235)	−386,000
(14) Amount payable from the Professional Forester Registration Fund (Item 3540-001-0300)	−192,000
(15) Amount payable from the Federal Trust Fund (Item 3540-001-0890)	−26,108,000
(15.5) Amount payable from the Forest Resources Improvement Fund (Item 3540-001-0928)	−850,000
(15.7) Amount payable from the Renewable Resources Investment Fund (Item 3540-001-0940)	−3,498,000

Item	Amount
(16) Amount payable from the Timber Tax Fund (Item 3540-001-0965)...	–30,000
(18.5) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 3540-001-6029).....	–7,481,000
(19) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3540-001-6031)	–240,000
Provisions:	
1. Notwithstanding any other provision of law, the Department of Finance may authorize the temporary or permanent redirection of funds from this item for purposes of emergency fire suppression and detection costs and related emergency refutation costs.	
3540-001-0005—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund	241,000
3540-001-0022—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the State Emergency Telephone Number Account	1,622,000
Provisions:	
1. Notwithstanding any other provision of law, moneys in this item shall be available for the Computer Aided Dispatch system.	
3540-001-0028—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the Unified Program Account ..	311,000
3540-001-0102—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the State Fire Marshal Licensing and Certification Fund	1,884,000
3540-001-0140—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the California Environmental License Plate Fund	395,000
3540-001-0198—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the California Fire and Arson Training Fund.....	1,583,000

Item	Amount
3540-001-0209—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the Hazardous Liquid Pipeline Safety Fund	2,227,000
3540-001-0235—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund	386,000
3540-001-0300—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the Professional Forester Registration Fund	192,000
3540-001-0890—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the Federal Trust Fund	26,108,000
Provisions:	
1. Any federal funds that may become available in addition to the funds appropriated in this item for emergency fire suppression are exempt from Section 28.00 of this act.	
3540-001-0928—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the Forest Resources Improvement Fund	850,000
3540-001-0940—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the Bosco-Keene Renewable Resources Investment Fund	3,498,000
3540-001-0965—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the Timber Tax Fund	30,000
3540-001-6029—For support of the Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund	7,481,000
Provisions:	
1. Of the funds appropriated in this item, $600,000 is provided to the California Conservation Corps through reimbursements available from contract recipients awarded funding under the Sierra Nevada Fuel Management Program by the Department of Forestry and Fire Protection from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund. To facilitate this funding to the California Conservation Corps, the Department of Forestry and Fire	

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Protection shall give priority to those contract applicants that propose including the California Conservation Corps in the implementation of their contracts and that meet criteria established by the Department of Forestry and Fire Protection for projects funded by the Sierra Nevada Fuel Management Program.

2. Of the funds appropriated in this item, $25,000 shall be provided to the California Conservation Corps for prescribed fire activities under the direction of the Department of Forestry and Fire Protection.

3540-001-6031—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 240,000

3540-003-0001—For support of Department of Forestry and Fire Protection for rental payments on lease-revenue bonds 2,013,000

Schedule:

(1) Base Rental and Fees 2,926,000
(2) Insurance 26,000
(3) Reimbursements ..... –939,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

3540-006-0001—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001 70,000,000

Provisions:

1. The funds appropriated in this item shall be available for emergency fire suppression and detection costs and related emergency revegetation costs and may be used for these purposes to reimburse the main support appropriation (Item 3540-001-0001) only upon approval by the Department of Finance.
2. The Director of Forestry and Fire Protection shall furnish quarterly reports on expenditures for emergency fire suppression activities to the Director of Finance, the Chairperson of the Joint Legislative Budget Committee, and the fiscal and

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appropriate policy committees of each house. The Director of Finance may authorize expenditures in excess of the amount appropriated in this item by an amount necessary to fund emergency fire suppression costs. This authorization shall occur not less than 30 days after the receipt by the Legislature of the quarterly expenditure report from the Department of Forestry and Fire Protection.

3540-101-0005—For local assistance, Department of Forestry and Fire Protection, payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund..... 1,175,000

3540-295-0001—For local assistance, Department of Forestry and Fire Protection, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the cost of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller..... 0

Schedule:

(1) 98.01.118.892-Very High Fire Hazard Severity Zones (Ch. 1188, Stats. 1992) 0

Provisions:

1. Pursuant to Section 17581 of the Government Code, the mandate identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of the provision is specifically identified by the Legislature for suspension during the 2004–05 fiscal year:

(1) 98.01.118.892-Very High Fire Hazard and Severity Zones (Ch. 1188, Stats. 1992)

3540-301-0001—For capital outlay, Department of Forestry and Fire Protection, payable from the General Fund 3,356,000

Schedule:

(3) 30.10.125-Mendocino Ranger Unit Headquarters: Replace Automotive Shop—Acquisition..... 1,000,000

(4) 30.10.255-Mt. St. Helena: Communication Facility: Renovation—Preliminary plans, working drawings, and construction 500,000

(7) 30.30.175-Owens Valley Conservation Camp: Construct Facility Upgrades—Construction..... 1,856,000

Item		Amount
Provisions:		
2. The funds appropriated in Schedule (4) of this item include funding for construction and preconstruction activities, including, but not limited to, study, environmental documents, preliminary plans, working drawings, equipment, and other costs relating to the design and construction of facilities that may be performed by the Department of Forestry and Fire Protection, subject to approval by the Department of Finance. While the Department of Forestry and Fire Protection may manage the project, the project is subject to the review by the State Public Works Board.		
3540-301-0660—For capital outlay, Department of Forestry and Fire Protection, payable from the Public Buildings Construction Fund		11,960,000
Schedule:		
(0.5) 30.10.015-Ukiah Forest Fire Station: Replace Facilities—Working drawings and construction	551,000	
(0.6) 30.10.035-Stevens Creek Forest Fire Station: Replace Facility—Acquisition	175,000	
(0.7) 30.10.090-Pacheco Forest Fire Station: Replace Facility—Acquisition	175,000	
(1) 30.20.035-Fort Jones Forest Fire Station: Replace Facility—Construction	718,000	
(2) 30.20.040-Manton Forest Fire Station: Relocate Facility—Construction	720,000	
(3) 30.20.045-Weaverville Forest Fire Station: Relocate Facility—Construction	581,000	
(3.5) 30.30.060-Hemet Ryan Air Attack Base: Relocate Facility—Construction	834,000	
(3.6) 30.30.075-Warner Springs Forest Fire Station: Replace Facility—Acquisition	175,000	
(3.7) 30.30.150-Nipomo Forest Fire Station: Replace Facility—Acquisition	175,000	

Item	Amount
(3.8) 30.30.160-South Operations Area Headquarters: Relocate Facility—Acquisition, working drawings, and construction	3,062,000
(4) 30.30.165-Cuyamaca Forest Fire Station: Relocate Facility—Preliminary plans, working drawings and construction	3,339,000
(4.5) 30.40.015-Sonora Forest Fire Station: Relocate Facility—Construction	626,000
(5) 30.40.120-Dew Drop Forest Fire Station: Replace Facility—Acquisition	50,000
(6) 30.40.145-Bautista Conservation Camp: Replace Modular Buildings—Preliminary plans, working drawings, and construction	779,000

Provisions:

1. The State Public Works Board may issue lease-revenue bonds, notes, or bond anticipation notes pursuant to Chapter 5 (commencing with Section 15830) of Part 10b of Division 3 of Title 2 of the Government Code to finance the acquisition, design, and construction of the projects authorized by this item.
2. The State Public Works Board and the Department of Forestry and Fire Protection may obtain interim financing for the project costs authorized in this item from any appropriate source including, but not limited to, the Pooled Money Investment Account pursuant to Sections 16312 and 16313 of the Government Code.
3. The State Public Works Board may authorize the augmentation of the cost of construction of the project scheduled in this item pursuant to the board's authority under Section 13332.11 of the Government Code. In addition, the State Public Works Board may authorize any additional amount necessary to establish a reasonable construction reserve and to pay the cost of financing including the payment of interest during construction of the project, the costs of financing a debt service fund, and the cost of issuance of perma-

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nent financing for the project. This additional amount may include interest payable on any interim financing obtained.

4. Notwithstanding Section 2.00 of this act, the funds appropriated by Schedule (4) of this item shall be available for expenditure during the 2004–05 fiscal year, except appropriations for working drawings which shall be available for expenditure until June 30, 2006, and appropriations for construction which shall be available for expenditure until June 30, 2009. In addition, the balance of funds appropriated for construction by Schedule (4) that have not been allocated, through fund transfer or approval to bid, by the Department of Finance on or before June 30, 2007, shall revert as of that date to the fund from which the appropriation was made.
5. This department is authorized and directed to execute and deliver any and all leases, contracts, agreements, or other documents necessary or advisable to consummate the sale of bonds or otherwise effectuate the financing of the scheduled projects.
6. The State Public Works Board shall not be deemed a lead or responsible agency for purposes of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) for any activities under the State Building Construction Act of 1955 (Part 10.5 (commencing with Section 15800) of Division 3 of Title 2 of the Government Code). This section does not exempt this department from the requirements of the California Environmental Quality Act. This section is intended to be declarative of existing law.
7. Preliminary plans for Schedule (4) of this item are not yet complete. Due to the consistent design and components of this facility, and to facilitate the use of the Public Buildings Construction Fund and related interim financing from the Pooled Money Investment Account, this project is authorized to the extent the scope and cost for Schedule (4) remain consistent with Department of General Services capital outlay budget package B4CDF3A. Nothing in this provision shall be

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construed to limit the Public Works Board's authority pursuant to Section 13332.11 of the Government Code.

8. Notwithstanding any other provision of law, the funds appropriated by Schedules (.6), (.7), (3.6), (3.7), and (5) of this item may be used to acquire fee acquisition through a purchase option or less than fee acquisition, through a long-term lease or prepaid long-term lease, subject to approval by the Department of Finance.

9. Notwithstanding Section 13332.11 of the Government Code, the State Public Works Board shall not augment the amount provided for the South Operations Area Headquarters: Relocate Facility project, as set forth in Schedule (3.8) of this item, in order to replace federal funds that are identified in Item 3540-301-0890. If an authorized federal entity determines that the funds identified in Item 3540-301-0890, are only available as payments over time, the State Public Works Board may authorize an increase in Schedule (3.8) of this item by the amount necessary to cover the federal government's share of the project set forth in Schedule (3.8) of this item only after the appropriate federal entity enters into a signed agreement to completely reimburse the State of California for the increased lease payments attributed to the federal share of the project over a specified period of time. The term of the federal payments shall not exceed the term of the bonds, and the agreement shall be subject to State Public Works Board approval.

3540-301-0890—For capital outlay, Department of Forestry and Fire Protection, payable from the Federal Trust Fund..... 1,709,000

Schedule:

(1) 30.30.160-South Operations Area Headquarters: Relocate Facility—Acquisition, working drawings, and construction 1,709,000

3540-401—Of the amount loaned pursuant to Section 74 of Chapter 741 of the Statutes of 2003, $52,500,000 will not be required to be repaid.

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3540-490—Extension of liquidation period, Department of Forestry and Fire Protection. Notwithstanding any other provision of law, up to two million dollars ($2,000,000) of funds appropriated in Item 3540-001-0001, Budget Act of 2001 for the purpose of converting S-2 aircraft to turbine power shall be available for liquidation until June 30, 2005.

3540-491—Reappropriation, Department of Forestry and Fire Protection. The balance of the appropriations provided in the following citations are reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for by the appropriations:

0660—Public Buildings Construction Fund

(1) Item 3540-301-0660, Budget Act of 2001 (Ch. 106, Stats. 2001), as partially reappropriated by Item 3540-490, Budget Act of 2002 (Ch. 379, Stats. 2002) and Item 3540-490, Budget Act of 2003 (Ch. 157, Stats. 2003)

(9) 30.40.120-Dew Drop Forest Fire Station: Replace Facility—Construction

(2) Item 3540-301-0660, Budget Act of 2002 (Ch. 379, Stats. 2002), as partially reappropriated by Item 3540-490, Budget Act of 2003 (Ch. 157, Stats. 2003)

(1) 30.10.015-Ukiah Forest Fire Station: Replace Facility—Construction

(3) 30.10.110-Elk Camp Forest Fire Station: Relocate Facility—Construction

(11) 30.30.120-Fenner Canyon Conservation Camp: Construct Vehicle Apparatus Building—Construction

(17) 30.40.075-Usona Forest Fire Station: Replace Facility—Construction

(20) 30.40.145-Bautista Conservation Camp: Replace Modular Buildings—Preliminary plans, working drawings, and construction

(21) 30.40.195-Altaville Forest Fire Station: Replace Facility—Working drawings and construction

(3) Item 3540-301-0660, Budget Act of 2003 (Ch. 157, Stats. 2003)

(4) 30.40.020-Batterson Forest Fire Station: Relocate Facility—Working drawings and construction

(6.1) 30.40.120-Dew Drop Forest Fire Station: Replace Facility—Construction

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(8) 30.40.150-Baseline Conservation Camp: Remodel Facility—Working drawings and construction

3540-496—Reversion, Department of Forestry and Fire Protection. Notwithstanding any other provision of law, the unencumbered balances as of June 30, 2004, of the appropriations provided for in the following citations shall revert to the fund balance from which the appropriation was made:

0660—Public Buildings Construction Fund

(1) Item 3540-301-0660, Budget Act of 2001 (Ch. 106, Stats. 2001), as partially reappropriated by Item 3540-490, Budget Act of 2002 (Ch. 379, Stats. 2002) and Item 3540-490, Budget Act of 2003 (Ch. 157, Stats. 2003)

(1) Owens Valley Conservation Camp: Construct Facility Upgrades—Construction

3560-001-0001—For support of State Lands Commission 8,856,000

Schedule:

(1) 10-Mineral Resources Management	5,916,000
(2) 20-Land Management	8,207,000
(3) 30.01-Executive and Administration	3,042,000
(4) 30.02-Distributed Administration	–3,042,000
(5) 40-Marine Facilities Management	8,196,000
(6) Reimbursements	–3,209,000
(7) Amount payable from the Marine Invasive Species Control Fund (Item 3560-001-0212)	–1,886,000
(8) Amount payable from the Oil Spill Prevention and Administration Fund (Item 3560-001-0320)	–7,960,000
(9) Amount payable from the Land Bank Fund (Item 3560-001-0943).	–408,000

Provisions:

1. Notwithstanding subdivision (d) of Section 4 of Chapter 138 of the Statutes of 1964, 1st Extraordinary Session, all commission costs for administering the Long Beach Tidelands, exclusive of any Attorney General charges, shall be included in revenues deposited into the General Fund pursuant to paragraph (1) of subdivision (a) of Section 6217 of the Public Resources Code.

Item	Amount
2. All costs incurred to manage state school lands shall be deducted from the revenues produced by those lands and deposited into the General Fund pursuant to Section 24412 of the Education Code.	
3560-001-0212—For support of State Lands Commission, for payment to Item 3560-001-0001, payable from the Marine Invasive Species Control Fund	1,886,000
3560-001-0320—For support of State Lands Commission, for payment to Item 3560-001-0001, payable from the Oil Spill Prevention and Administration Fund	7,960,000
Provisions:	
1. Funds appropriated in this item shall not be expended to monitor or inspect marine bunkering operations from barges or any marine lightering operations.	
3560-001-0943—For support of State Lands Commission, for payment to Item 3560-001-0001, payable from the Land Bank Fund.....	408,000
3600-001-0001—For support of Department of Fish and Game	35,634,000
Schedule:	
(1) 20-Biodiversity Conservation Program.....196,020,000	
(2) 25-Hunting, Fishing and Public Use..... 43,407,000	
(3) 30-Management of Department Lands and Facilities 43,866,000	
(4) 40-Conservation Education and Enforcement 49,075,000	
(5) 50-Spill Prevention and Response.. 28,368,000	
(6) 70.01-Administration..... 32,661,000	
(7) 70.02-Distributed Administration ...–32,661,000	
(8) Reimbursements.....–29,059,000	
(8.5) Amount payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund (Item 3600-001-0005). –1,072,000	
(9) Amount payable from the California Environmental License Plate Fund (Item 3600-001-0140).....–15,581,000	
(10) Amount payable from the Fish and Game Preservation Fund (Item 3600-001-0200) .....–98,183,000	
(11) Amount payable from the Fish and Wildlife Pollution Account (Item 3600-001-0207) ..... –2,469,000	

Item	Amount
(12) Amount payable from the California Waterfowl Habitat Preservation Account, Fish and Game Preservation Fund (Item 3600-001-0211)...	–217,000
(13) Amount payable from the Exotic Species Control Fund (Item 3600-001-0212)	–1,166,000
(14) Amount payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund (Item 3600-001-0235)	–1,500,000
(15) Amount payable from the Oil Spill Prevention and Administration Fund (Item 3600-001-0320).....	–20,496,000
(16) Amount payable from the Environmental Enhancement Fund (Item 3600-001-0322)	–307,000
(16.5) Amount payable from the Salmon and Steelhead Trout Restoration Account (Item 3600-001-0384).....	–6,500,000
(17) Amount payable from the Central Valley Project Improvement Subaccount (Item 3600-001-0404).....	–53,000
(17.5) Amount payable from the Marine Life and Marine Reserve Management Account (Item 3600-001-0647).....	–500,000
(18) Amount payable from the Federal Trust Fund (Item 3600-001-0890).	–63,180,000
(19) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 3600-001-6029).....	–7,996,000
(20) Amount payable from the Water Security Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3600-001-6031)	–74,341,000
(21) Amount payable from the Salton Sea Restoration Fund (Item 3600-001-8018)	–2,482,000

Provisions:

1. The funds appropriated in this item may be increased with the approval of, and under the conditions set by, the Department of Finance to meet current obligations proposed to be funded in

Item	Amount
Schedules (8) and (18). The funds appropriated by this item shall not be increased until the Department of Fish and Game has a valid contract, signed by the client agency, that provides sufficient funds to finance the increased authorization. This increased authorization may not be used to expand services or create new obligations. Reimbursements received under Schedules (8) and (18) shall be used in repayment of any funds used to meet current obligations pursuant to this provision.	
3600-001-0005—For support of Department of Fish and Game, for payment to Item 3600-001-0001, payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund.....	1,072,000
3600-001-0140—For support of Department of Fish and Game, for payment to Item 3600-001-0001, payable from the California Environmental License Plate Fund	15,581,000
3600-001-0200—For support of Department of Fish and Game, for payment to Item 3600-001-0001, payable from the Fish and Game Preservation Fund.....	98,183,000
Provisions: 1. Of the funds appropriated in this item, $203,000 is for reimbursement to the State Department of Health Services for shellfish monitoring activities. 2. Of the funds appropriated in this item, $4,000,000 shall be available to continue operations of state fish hatcheries located in various regions of the state.	
3600-001-0207—For support of Department of Fish and Game, for payment to Item 3600-001-0001, payable from the Fish and Wildlife Pollution Account.....	2,469,000
3600-001-0211—For support of Department of Fish and Game, for payment to Item 3600-001-0001, payable from the California Waterfowl Habitat Preservation Account, Fish and Game Preservation Fund	217,000
3600-001-0212—For support of Department of Fish and Game, for payment to Item 3600-001-0001, payable from the Exotic Species Control Fund.....	1,166,000
3600-001-0235—For support of Department of Fish and Game, for payment to Item 3600-001-0001, payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund.....	1,500,000

Item	Amount
3600-001-0320—For support of Department of Fish and Game, for payment to Item 3600-001-0001, payable from the Oil Spill Prevention and Administration Fund	20,496,000
3600-001-0322—For support of Department of Fish and Game, for payment to Item 3600-001-0001, payable from the Environmental Enhancement Fund	307,000
3600-001-0384—For support of Department of Fish and Game, for payment to Item 3600-001-0001, payable from the Salmon and Steelhead Trout Restoration Account	6,500,000
Provisions:	
1. Funds appropriated in this item shall be available for salmon and steelhead trout restoration projects authorized by Section 6217.1 of the Public Resources Code, including, but not limited to, projects that implement the Coho Salmon Recovery Plan recently adopted by the Fish and Game Commission.	
3600-001-0404—For support of Department of Fish and Game, for payment to Item 3600-001-0001, payable from the Central Valley Project Improvement Subaccount	53,000
3600-001-0647—For support of Department of Fish and Game, for payment to Item 3600-001-0001, payable from the Marine Life and Marine Reserve Management Account	500,000
Provisions:	
1. The funds appropriated in this item shall be available to match private funds for expenditure for activities in support of the protection and management of marine resources including: (a) facilitated regional workshops to identify potential sites for marine reserves, parks, and other protected area candidates, (b) ecological and socioeconomic studies and data compilation pursuant to the Marine Life Protection Act, and (c) research, monitoring, and planning efforts necessary to meet the goals of the Marine Life Protection Program.	
3600-001-0890—For support of Department of Fish and Game, for payment to Item 3600-001-0001, payable from the Federal Trust Fund	63,180,000
3600-001-6029—For support of Department of Fish and Game, for payment to Item 3600-001-0001, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund	7,996,000

Item	Amount
Provisions:	
1. Funds appropriated in this item shall be expended pursuant to Section 6217.1 of the Public Resources Code.	
3600-001-6031—For support of Department of Fish and Game, for payment to Item 3600-001-0001, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002	74,341,000
3600-001-8018—For support of Department of Fish and Game, for payment to Item 3600-001-0001, payable from the Salton Sea Restoration Fund	2,482,000
3600-011-0001—For support of Department of Fish and Game (reimbursement of free fishing licenses), for transfer to the Fish and Game Preservation Fund....	17,000
3600-101-0001—For local assistance, Department of Fish and Game	600,000
Schedule:	
(1) 20-Biodiversity Conservation Program..... 600,000	
3600-101-0207—For local assistance, Department of Fish and Game, Program 50-Spill Prevention and Response, payable from the Fish and Wildlife Pollution Account	33,000
3600-101-0320—For local assistance, Department of Fish and Game, Program 50-Spill Prevention and Response, payable from the Oil Spill Prevention and Administration Fund	900,000
3600-301-0005—For capital outlay, Department of Fish and Game, payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund	203,000
Schedule:	
(1) 90.07.100-Minor Projects 203,000	
3600-301-0200—For capital outlay, Department of Fish and Game, payable from the Fish and Game Preservation Fund	457,000
Schedule:	
(1) 90.07.100-Minor Projects 397,000	
(2) 90.88.020-Project Planning 160,000	
(3) Reimbursements-Project Planning .. –100,000	
3600-301-0320—For capital outlay, Department of Fish and Game, payable from the Oil Spill Prevention and Administration Fund.....	473,000
Schedule:	
(1) 90.07.100-Minor Projects 473,000	
3640-001-0001—For support of Wildlife Conservation Board, payable to Item 3640-001-0447.....	193,000

Item	Amount
3640-001-0140—For support of Wildlife Conservation Board, payable to Item 3640-001-0447, from the California Environmental License Plate Fund	210,000
3640-001-0262—For support of Wildlife Conservation Board, payable to Item 3640-001-0447, from the Habitat Conservation Fund.....	374,000
Provisions:	
1. The amount appropriated in this item shall be available to the Wildlife Conservation Board for administrative costs associated with the California Wildlife Protection Act of 1990, and the requirements of the Habitat Conservation Fund.	
3640-001-0447—For support of Wildlife Conservation Board, payable from the Wildlife Restoration Fund	978,000
Schedule:	
(1) 10-Wildlife Conservation Board.....	5,888,000
(2) Amount payable from the General Fund (Item 3640-001-0001).....	–193,000
(3) Amount payable from the California Environmental License Plate Fund (Item 3640-001-0140).....	–210,000
(4) Amount payable from the Habitat Conservation Fund (Item 3640-001-0262).....	–374,000
(5) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 3640-001-6029).....	–439,000
(6) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3640-001-6031)	–3,694,000
Provisions:	
1. Of the funds appropriated by this act from the General Fund, special funds, or bond funds to the Wildlife Conservation Board for local assistance or capital outlay, upon approval of the Department of Finance, the board may allocate an amount not to exceed 1.5 percent of each project's allocation to provide for the board's costs to administer the projects.	
3640-001-6029—For support of Wildlife Conservation Board, for payment to Item 3640-001-0447, from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Bond Fund	439,000

Item	Amount
3640-001-6031—For support of Wildlife Conservation Board, payable to Item 3640-001-0447, from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002	3,694,000
3640-301-0262—For capital outlay, Wildlife Conservation Board, payable from the Habitat Conservation Fund	20,577,000

Schedule:

(1) 80.10-Wildlife Conservation Board Projects (Unscheduled) 20,577,000

Provisions:

1. The funds appropriated in this item are provided in accordance with the Wildlife Conservation Law of 1947 and, therefore, shall not be subject to Public Works Board review.
2. The amount appropriated in this item is available for expenditure for capital outlay or local assistance until June 30, 2007.

3640-301-0447—For capital outlay, Wildlife Conservation Board, payable from the Wildlife Restoration Fund, in lieu of the appropriation made by the Wildlife Conservation Law of 1947	500,000

Schedule:

(1) 80.10.010-Minor Projects 500,000

Provisions:

1. The funds appropriated in this item are provided in accordance with the provisions of the Wildlife Conservation Law of 1947 and, therefore, shall not be subject to Public Works Board review.
2. The amount appropriated in this item is available for expenditure for capital outlay or local assistance.

3640-301-6031—For capital outlay, Wildlife Conservation Board, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002	13,250,000

Schedule:

(1) 80.10.440-Colorado River Acquisition, Protection and Restoration Program..... 13,250,000

Provisions:

1. The funds in this item are provided in accordance with the Wildlife Conservation Law of 1947 and, therefore, are not subject to review by the State Public Works Board.

Item Amount

2. The amount appropriated in this item is available for expenditure for capital outlay or local assistance until June 30, 2007.

3640-302-6029—For capital outlay, Wildlife Conservation Board, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund 11,000,000

Schedule:

(1) 80.10.603.000-San Joaquin River Conservancy—Project and acquisition 12,000,000

(2) Reimbursements ..... −1,000,000

Provisions:

1. The funds in this item are provided in accordance with the Wildlife Conservation Law of 1947 and, therefore, are not subject to review by the State Public Works Board.
2. The amount appropriated in this item is available for expenditure for capital outlay or local assistance until June 30, 2007.
3. The funds appropriated in this item shall be allocated to the San Joaquin River Conservancy for purposes consistent with the conservancy's mission.

3640-311-6031—For transfer by the Controller from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 to the Habitat Conservation Fund 21,000,000

Provisions:

1. The funds transferred in this item shall be used for purposes consistent with the requirements of the Habitat Conservation Fund and the requirements of Section 79565 of the Water Code.
2. The amounts transferred by this item may be adjusted to reflect the requirements of subdivision (a) of Section 2796 of the Fish and Game Code.

3640-401—Notwithstanding any other provision of law, revenues that would have been deposited in the Resources Trust Fund pursuant to Section 6217 of the Public Resources Code shall be allocated in the following order:

(a) $500,000 shall be deposited into the Marine Life and Marine Reserve Management Account for appropriation to the Department of Fish and Game for activities relating to the Marine Life Protection Act.

Item Amount

(b) $165,000,000 shall be deposited into the General Fund for the 2004–05 fiscal year.

(c) To the extent that revenues are received in addition to those specified in subdivisions (a) and (b), they shall be allocated in the following order, as funds are available:

(1) (A) $12,700,000 shall be deposited into the Natural Resources Infrastructure Fund for appropriation as follows:

(i) $2,700,000 to the Department of Parks and Recreation for the City of Los Angeles to fund priority parks renovation, restoration, improvement, and deferred maintenance.

(ii) $10,000,000 to the Secretary for Resources for various projects authorized pursuant to the California Ocean Protection Act, only if established by legislation to be enacted in the 2003–04 Regular Session.

(B) In the event that sufficient revenues are not realized to fund the purposes listed in subparagraph (A) of this paragraph, the Department of Finance shall allocate available funds in a manner that is proportionally equitable to the amounts specified for the purposes listed in this paragraph.

(2) $6,500,000 shall be deposited into the Salmon and Steelhead Trout Restoration Account for salmon and steelhead trout restoration projects authorized by Section 6217.1 of the Public Resources Code, including, but not limited to, projects that implement the Coho Salmon Recovery Plan recently adopted by the Fish and Game Commission.

(2.5) $2,500,000 shall be deposited into the Water Rights Fund for environmental review by the State Water Resources Control Board of the ''Guidelines for Maintaining Instream Flows to Protect Fisheries Resources Downstream of Water Diversions in Mid-California Coastal Streams.''

(3) $4,000,000 shall be deposited into the Fish and Game Preservation Fund to continue operation of state fish hatcheries located in various regions of the state.

Item Amount

(4) Any revenues remaining after expenditure for the purposes specified in paragraphs (1), (2), (2.5), and (3), shall be deposited in the General Fund.

3680-001-0516—For support of Department of Boating and Waterways, payable from the Harbors and Watercraft Revolving Fund 15,103,000

Schedule:

(1) 10-Boating Facilities 14,700,000
(2) 20-Boating Operations..... 6,230,000
(3) 30-Beach Erosion Control 233,000
(4) 40.01-Administration..... 2,356,000
(5) 40.02-Distributed Administration ... –2,356,000
(6) Reimbursements..... –15,000
(7) Amount payable from the Federal Trust Fund (Item 3680-001-0890). –5,893,000
(8) Less funding provided by capital outlay ..... –152,000

Provisions:

1. Notwithstanding Section 85.2 of the Harbors and Navigation Code, $233,000 of the funds appropriated in this item shall be expended for support of the Department of Boating and Waterways beach erosion control program.

3680-001-0890—For support of Department of Boating and Waterways, for payment to Item 3680-001-0516, payable from the Federal Trust Fund..... 5,893,000

3680-101-0516—For local assistance, Department of Boating and Waterways, payable from the Harbors and Watercraft Revolving Fund..... 39,096,000

Schedule:

(1) 10-Boating Facilities 32,239,000
(a) Launching Facility Grants ..... (10,996,000)
(1) Antioch Marine BLF ..... (280,000)
(2) Cuttings Wharf ..... (197,000)
(3) Dana Point BLF .... (200,000)
(4) Floating Restrooms (500,000)
(5) Lake Elsinore .....(2,200,000)
(6) Lake Ming BLF....(1,373,000)
(7) Lopez Lake BLF ... (83,000)
(8) Nacimiento .....(1,048,000)
(9) Oyster Point Marina BLF ..... (83,000)
(10) Pepper Park BLF . (103,000)
(11) Port San Luis BLF..... (1,409,000)

Item	Amount
(12) Ramp Repair and Extensions	(500,000)
(13) San Leandro Marina BLF	(1,670,000)
(14) Shelter Island BLF	(200,000)
(15) Signs	(50,000)
(16) Vessels Pumpout	(100,000)
(17) Reimbursement Grants	(1,000,000)
(b) Public Small Craft Harbor Loans	(16,500,000)
(1) Alamitos Bay-Basin 1	(500,000)
(2) Long Beach Downtown Marinas	(6,850,000)
(3) Dana Point Marina	(1,500,000)
(4) Sacramento Marina	(5,150,000)
(5) San Francisco Marina	(1,500,000)
(6) Long Beach Basins 2 and 3	(500,000)
(7) Emergency Loans	(500,000)
(c) Private Loans	(3,500,000)
(d) Clean Vessel Act Grant Program	(843,000)
(e) Boating Trails	(300,000)
(f) Boating Infrastructure Grant Program	(100,000)
(2) 20-Boating Operations	9,575,000
(3) 30-Beach Erosion Control	1,000,000
(4) Reimbursements	−1,000,000
(5) Amount payable from the Abandoned Watercraft Abatement Fund (Item 3680-101-0577)	−500,000
(6) Amount payable from the Federal Trust Fund (Item 3680-101-0890)	−2,218,000

Provisions:

1. Of the funds appropriated in Schedule (2), Program 20-Boating Operations, $8,100,000 is for boating safety and enforcement programs pursuant to Section 663.7 of the Harbors and Navigation Code.

3680-101-0577—For local assistance, Department of Boating and Waterways, for payment to Item 3680-101-0516, payable from the Abandoned Watercraft Abatement Fund 500,000

Item Amount

3680-101-0890—For local assistance, Department of Boating and Waterways, for payment to Item 3680-101-0516, payable from the Federal Trust Fund..... 2,218,000

Provisions:

1. Of the amount appropriated in this item, $975,000 shall be for grants to local governments for boating safety and law enforcement, 15 percent of which shall be allocated according to the department's discretion, and 85 percent of which shall be allocated by the department in accordance with the following priorities:

   First—To local governments that are eligible for state aid because they are spending all their local boating revenue on boating enforcement and safety, but are not receiving sufficient state funds to meet their need as calculated pursuant to Section 663.7 of the Harbors and Navigation Code.

   Second—To local governments that are not spending all local boating revenue on boating enforcement and safety, and whose boating revenue does not equal their calculated need. Local assistance shall not exceed the difference between the calculated need and local boating revenue.

   Third—To local governments whose boating revenue exceeds their need, but who are not spending sufficient local revenue to meet their calculated need.

3680-301-0516—For capital outlay, Department of Boating and Waterways, payable from the Harbors and Watercraft Revolving Fund 2,288,000

Schedule:

(1) 50.99.010-Project Planning 80,000

(2) 50.99.020-Minor Projects 2,208,000

Provisions:

1. Funds appropriated in Schedule (1) are available for expenditure by the Department of Boating and Waterways upon approval of the Department of Finance to be used to develop design information or cost information for new construction projects for which funds have not been appropriated previously but which are anticipated to be included in the Governor's Budget for the 2005–06 or 2006–07 fiscal year.

Item Amount

3680-490—Reappropriation, Department of Boating and Waterways. The balance of the appropriation provided in the following citation is reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in that appropriation:

0516—Harbors and Watercraft Revolving Fund

(1) Item 3680-301-0516, Budget Act of 2002 (Ch. 379, Stats. 2002), as reappropriated by Item 3680-490, Budget Act of 2003 (Ch. 157, Stats. 2003)

(5) 50.56.010-Channel Islands: Boating Instruction and Safety Center—Working drawings

3680-496—Reversion, Department of Boating and Waterways. Notwithstanding any other provision of law, the unencumbered balances as of June 30, 2004, of the appropriations provided for in the following citations shall revert to the fund balance from which the appropriation was made:

0516—Harbors and Watercraft Revolving Fund

(1) Item 3680-301-0516, Budget Act of 2003 (Ch. 157, Stats. 2003)

(1) 50.19.040-Castaic Lake, East Ramp Boat Launching Facility Rehabilitation and Expansion—Preliminary plans

(2) 50.24.040-San Luis Creek, Boat Launching Facility Rehabilitation and Expansion—Preliminary plans

(3) 50.30.040-Brannan Island SRA, Boat Launching Facility and Rehabilitation—Working drawings and construction

(4) 50.34.031-Lake Natoma: Boating Instruction and Safety Center, Phase II—Working drawings

(5) 50.36.010-Silverwood Lake: Boat Facility Renovation—Working drawings

(2) Item 3680-301-0516, Budget Act of 2000 (Ch. 52, Stats. 2000), as partially reappropriated by Item 3680-490, Budget Act of 2001, (Ch. 106, Stats. 2001) and Item 3680-490, Budget Act of 2003 (Ch. 157, Stats. 2003)

(2) 50.10.010-Millerton Lake SRA, Crows Nest Area: Boat Launching Facility—Construction

3720-001-0001—For support of California Coastal Commission..... 9,386,000

Item		Amount
Schedule:		
(1) 10-Coastal Management Program ..	13,289,000	
(2) 20-Coastal Energy Program	770,000	
(3) 30.01-Administration.....	1,528,000	
(4) 30.02-Distributed Administration ...	−1,447,000	
(5) Reimbursements.....	−1,214,000	
(6) Amount payable from California Beach and Coastal Enhancement Account (Item 3720-001-0371).....	−557,000	
(7) Amount payable from the Federal Trust Fund (Item 3720-001-0890).	−2,983,000	
3720-001-0371—For support of California Coastal Commission, for payment to Item 3720-001-0001, payable from the California Beach and Coastal Enhancement Account, California Environmental License Plate Fund		557,000
3720-001-0890—For support of California Coastal Commission, for payment to Item 3720-001-0001, payable from the Federal Trust Fund		2,983,000
3720-101-0371—For local assistance, California Coastal Commission, payable from California Beach and Coastal Enhancement Account, California Environmental License Plate Fund		789,000
Schedule:		
(1) 10-Coastal Management Program ..	789,000	
3720-295-0001—For local assistance, California Coastal Commission, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller		0
Schedule:		
(1) 98.01.133.076-Local coastal plans (Ch. 1330, Stats. 1976)	0	
Provisions:		
1. Pursuant to Section 17581 of the Government Code, the mandate identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision is specifically identified by the Legislature for suspension during the 2004–05 fiscal year:		
(1) Local coastal plans (Ch. 1330, Stats. 1976)		

Item	Amount
3760-001-0005—For support of State Coastal Conservancy, for payment to Item 3760-001-0565, payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund.....	1,355,000
3760-001-0565—For support of State Coastal Conservancy, payable from the State Coastal Conservancy Fund	4,680,000

Schedule:

(1) 15-Coastal Resource Development.	4,524,000
(2) 25-Coastal Resource Enhancement.	3,241,000
(3) 90.01-Administration and Support .	2,897,000
(4) 90.02-Distributed Administration.....	–2,897,000
(5) Reimbursements.....	–116,000
(6) Amount payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund (Item 3760-001-0005).	–1,355,000
(7) Amount payable from the Federal Trust Fund (Item 3760-001-0890).....	–120,000
(8) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 3760-001-6029).....	–851,000
(9) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3760-001-6031)	–643,000

Provisions:

1. Notwithstanding any other provision of law, upon approval and order of the Department of Finance, the State Coastal Conservancy may borrow sufficient funds from the State Coastal Conservancy Fund to meet cashflow needs due to delays in collecting reimbursements. Any loan made by the Department of Finance pursuant to this provision may be made only if the State Coastal Conservancy has a valid contract or certification signed by the agency providing the reimbursements, which demonstrates that sufficient funds will be available to repay the loan. All moneys so transferred shall be repaid to the State Coastal Conservancy Fund as soon as possible, but not later than one year from the date of the loan.

Item Amount

2. Of the funds appropriated by this act from the General Fund, special funds, or bond funds to the State Coastal Conservancy for local assistance or capital outlay, upon approval of the Department of Finance, the conservancy may allocate an amount not to exceed 1.5 percent of each project's allocation to provide for the department's costs to administer the projects.

3760-001-0890—For support of State Coastal Conservancy, for payment to Item 3760-001-0565, payable from the Federal Trust Fund 120,000

3760-001-6029—For support of State Coastal Conservancy, for payment to Item 3760-001-0565, from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund..... 851,000

3760-001-6031—For support of State Coastal Conservancy, for payment to Item 3760-001-0565, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 643,000

3760-301-0005—For capital outlay, State Coastal Conservancy, payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund 10,000,000

Schedule:

(1) 80.97.030-Conservancy Programs .. 10,500,000

(2) Reimbursements..... −500,000

Provisions:

1. The funds appropriated in this item are conditioned upon all of the following:

(a) The State Coastal Conservancy may not enter into a grant contract with a nonprofit organization or local government for property acquisition unless the grant contract provides a reversionary interest to the state that specifies that the property shall not revert to the state without review and approval by the State Coastal Conservancy and the State Public Works Board.

(b) The State Coastal Conservancy may not enter into a grant contract with a nonprofit organization or local government for property acquisition that provides for a state leasehold interest in property acquired by a nonstate public agency with grant funds of the State Coastal Conservancy unless the Director of General Services approves the lease terms.

Item Amount

(c) Except for the above, the expenditures of funds for grants to nonstate public agencies and nonprofit organizations shall be exempt from State Public Works Board review.

2. The funds appropriated in this item are available for encumbrance for either capital outlay or local assistance until June 30, 2007.

3760-301-0262—For capital outlay, State Coastal Conservancy, payable from the Habitat Conservation Fund 4,000,000

Schedule:

(1) 80.93.025-Coastal Resource Enhancement 4,300,000

(2) Reimbursements ..... –300,000

Provisions:

1. (a) The State Coastal Conservancy shall not enter into a grant contract with a nonprofit organization or local government for property acquisition unless the grant contract provides a reversionary interest to the state that specifies that the property shall not revert to the state without review and approval by the State Coastal Conservancy and the State Public Works Board.

(b) The State Coastal Conservancy shall not enter into a grant contract with a nonprofit organization or local government for property acquisition that provides for a state leasehold interest in property acquired by a nonstate public agency with grant funds of the State Coastal Conservancy unless the Director of General Services approves the lease terms.

(c) Except for the above, the expenditures of funds for grants to nonstate public agencies and nonprofit organizations shall be exempt from State Public Works Board review.

2. The funds appropriated in this item are available for encumbrance for either capital outlay or local assistance without regard to fiscal year.

3. Notwithstanding any other provision of law, upon approval and order of the Department of Finance, the State Coastal Conservancy may borrow sufficient funds from the State Coastal Conservancy Fund to meet cashflow needs due to delays in collecting reimbursements. Any loan made by the

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Department of Finance pursuant to this provision may be made only if the State Coastal Conservancy has a valid contract or certification signed by the agency providing the reimbursements, which demonstrates that sufficient funds will be available to repay the loan. All moneys so transferred shall be repaid to the State Coastal Conservancy Fund as soon as possible, but not later than one year from the date of the loan.

3760-301-0371—For capital outlay, State Coastal Conservancy, payable from the California Beach and Coastal Enhancement Account, California Environmental License Plate Fund 400,000

Schedule:

(1) 80.00.020-Public Access 400,000

Provisions:

1. (a) The State Coastal Conservancy may not enter into a grant contract with a nonprofit organization or local government for property acquisition unless the grant contract provides a reversionary interest to the state that specifies that the property shall not revert to the state without review and approval by the State Coastal Conservancy and the State Public Works Board.

   (b) The State Coastal Conservancy may not enter into a grant contract with a nonprofit organization or local government for property acquisition that provides for a state leasehold interest in property acquired by a nonstate public agency with grant funds of the State Coastal Conservancy unless the Director of General Services approves the lease terms.

   (c) Except for the above, the expenditure of funds for grants to nonstate public agencies and nonprofit organizations is exempt from State Public Works Board review.

2. The funds appropriated in this item are available for encumbrance for either capital outlay or local assistance until June 30, 2007.

3760-301-0565—For capital outlay, State Coastal Conservancy, payable from the State Coastal Conservancy Fund 100,000

Schedule:

(1) 80.00.020-Public Access 100,000

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Provisions:

1. (a) The State Coastal Conservancy may not enter into a grant contract with a nonprofit organization or local government for property acquisition unless the grant contract provides a reversionary interest to the state that specifies that the property shall not revert to the state without review and approval by the State Coastal Conservancy and the State Public Works Board.

   (b) The State Coastal Conservancy may not enter into a grant contract with a nonprofit organization or local government for property acquisition that provides for a state leasehold interest in property acquired by a nonstate public agency with grant funds of the State Coastal Conservancy unless the Director of General Services approves the lease terms.

   (c) Except for the above, the expenditure of funds for grants to nonstate public agencies and nonprofit organizations is exempt from State Public Works Board review.

2. The funds appropriated in this item are available for encumbrance for either capital outlay or local assistance until June 30, 2007.

3760-301-0593—For capital outlay, State Coastal Conservancy, payable from the Coastal Access Account, State Coastal Conservancy Fund 400,000

Schedule:

(1) 80.00.020-Public Access..... 400,000

Provisions:

1. (a) The State Coastal Conservancy may not enter into a grant contract with a nonprofit organization or local government for property acquisition unless the grant contract provides a reversionary interest to the state that specifies that the property shall not revert to the state without review and approval by the State Coastal Conservancy and the State Public Works Board.

   (b) The State Coastal Conservancy may not enter into a grant contract with a nonprofit organization or local government for property acquisition that provides for a state leasehold interest in property acquired by a nonstate

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public agency with grant funds of the State Coastal Conservancy unless the Director of General Services approves the lease terms.

(c) Except for the above, the expenditure of funds for grants to nonstate public agencies and nonprofit organizations is exempt from State Public Works Board review.

2. The funds appropriated in this item are available for encumbrance for either capital outlay or local assistance until June 30, 2007.

3760-301-0890—For capital outlay, State Coastal Conservancy, payable from the Federal Trust Fund..... 2,000,000

Schedule:

(1) 80.97.030-Conservancy Programs .. 2,000,000

Provisions:

1. (a) The State Coastal Conservancy shall not enter into a grant contract with a nonprofit organization or local government for property acquisition unless the grant contract provides a reversionary interest to the state that specifies that the property shall not revert to the state without review and approval by the State Coastal Conservancy and the State Public Works Board.

(b) The State Coastal Conservancy shall not enter into a grant contract with a nonprofit organization or local government for property acquisition that provides for a state leasehold interest in property acquired by a nonstate public agency with grant funds of the State Coastal Conservancy unless the Director of General Services approves the lease terms.

(c) Except for the above, the expenditures of funds for grants to nonstate public agencies and nonprofit organizations shall be exempt from State Public Works Board review.

2. The funds appropriated in this item are available for encumbrance for either capital outlay or local assistance until June 30, 2007.

3760-301-6029—For capital outlay, State Coastal Conservancy, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund 26,400,000

Schedule:

(1) 80.00.023-San Francisco Bay Conservancy Program 6,900,000

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(1.5) 80.97.030-Conservancy Programs 20,000,000
(2) Reimbursements ..... –500,000
Provisions:
1. (a) The State Coastal Conservancy shall not enter into a grant contract with a nonprofit organization or local government for property acquisition unless the grant contract provides a reversionary interest to the state that specifies that the property shall not revert to the state without review and approval by the State Coastal Conservancy and the State Public Works Board.
(b) The State Coastal Conservancy shall not enter into a grant contract with a nonprofit organization or local government for property acquisition that provides for a state leasehold interest in property acquired by a nonstate public agency with grant funds of the State Coastal Conservancy unless the Director of General Services approves the lease terms.
(c) Except for the above, the expenditures of funds for grants to nonstate public agencies and nonprofit organizations shall be exempt from State Public Works Board review.
2. The amount appropriated in this item is available for encumbrance for either capital outlay or local assistance until June 30, 2007.

3760-301-6031—For capital outlay, State Coastal Conservancy, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 32,200,000
Schedule:
(0.5) 80.02.032-Watershed, Water Quality Protection, and Enhancement Program 32,200,000
(1) 80.97.030-Conservancy Programs .. 500,000
(2) Reimbursements ..... –500,000
Provisions:
1. The amount appropriated in this item is available for encumbrance for either capital outlay or local assistance until June 30, 2007.
2. The funds appropriated in this item are conditioned upon all of the following:
(a) The State Coastal Conservancy may not enter into a grant contract with a nonprofit organization or local government for property ac-

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quisition unless the grant contract provides a reversionary interest to the state that specifies that the property shall not revert to the state without review and approval by the State Coastal Conservancy and the State Public Works Board.

(b) The State Coastal Conservancy may not enter into a grant contract with a nonprofit organization or local government for property acquisition that provides for a state leasehold interest in property acquired by a nonstate public agency with grant funds of the State Coastal Conservancy unless the Director of General Services approves the lease terms.

(c) Except for the above, the expenditures of funds for grants to nonstate public agencies and nonprofit organizations shall be exempt from State Public Works Board review.

3760-311-6031—For transfer by the Controller from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 to the Habitat Conservation Fund..... 1,348,000

Provisions:

1. The funds transferred in this item shall be used for purposes consistent with the requirements of the Habitat Conservation Fund and the requirements of subdivision (a) of Section 79570 of the Water Code.
2. The amounts transferred by this item may be adjusted to reflect the requirements of subdivision (a) of Section 2796 of the Fish and Game Code.

3760-490—Reappropriation, State Coastal Conservancy. The balance of the appropriations provided in the following citations are reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in those appropriations, and shall be available for encumbrance or expenditure until June 2006.

0005—Safe Neighborhood Parks, Clean Water, and Coastal Protection Bond Fund

(1) Item 3760-302-0005, Budget Act of 2000 (Ch. 52, Stats. 2000)
  (2) 80.97.030-Conservancy Programs
    (B) Ballona Wetlands
(2) Item 3760-301-0005, Budget Act of 2001 (Ch. 106, Stats. 2001)
(7) 80.01.030-Laguna Coast Wilderness Park

Item		Amount
Provisions:		
1. The funds appropriated by subdivision (g) of Section 5096.352 of the Public Resources Code may be used pursuant to Division 21 (commencing with Section 31000) of the Public Resources Code to undertake projects for the South Coast Wilderness System of coastal canyons and watersheds in south Orange County, including, but not limited to, properties in Laguna Coast Wilderness Park and Aliso and Woods Canyons Wilderness Park.		
3780-001-0001—For support of Native American Heritage Commission		516,000
Schedule:		
(1) 10-Native American Heritage Commission	521,000	
(2) Reimbursements	–5,000	
3790-001-0001—For support of Department of Parks and Recreation		82,316,000
Schedule:		
(1) For support of the Department of Parks and Recreation	323,643,000	
(2) Reimbursements	–33,887,000	
(3) Less funding provided by capital outlay	–4,190,000	
(4) Amount payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund (Item 3790-001-0005)	–12,441,000	
(5) Amount payable from the California Environmental License Plate Fund (Item 3790-001-0140)	–1,637,000	
(6) Amount payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund (Item 3790-001-0235)	–10,729,000	
(7) Amount payable from the Off-Highway Vehicle Trust Fund (Item 3790-001-0263)	–37,818,000	
(8) Amount payable from the State Parks and Recreation Fund (Item 3790-001-0392)	–117,079,000	
(9) Amount payable from the Winter Recreation Fund (Item 3790-001-0449)	–342,000	
(10) Amount payable from the Harbors and Watercraft Revolving Fund (Item 3790-001-0516)	–701,000	

Item	Amount
(11) Amount payable from the Federal Trust Fund (Item 3790-001-0890).	−3,527,000
(11.5) Amount payable from the California Main Street Program Fund (Item 3790-001-3077).....	−175,000
(12) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 3790-001-6029)	−18,343,000
(13) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3790-001-6031)	−458,000

Provisions:

1. Of the funds appropriated by this act from the General Fund and special funds, other than the Off-Highway Vehicle Trust Fund and bond funds, to the Department of Parks and Recreation for local assistance grants to local agencies, the department may allocate an amount not to exceed 1.5 percent of each project's allocation to provide for the department's costs to administer these grants.
2. It is the intent of the Legislature that salaries, wages, operating expenses, and positions associated with implementing specific Department of Parks and Recreation capital outlay projects continue to be funded through capital outlay appropriations, and that these funds and related position authority should also be reflected in the department's state operations budget in the Governor's Budget and Budget Bill with an offsetting payable from the capital outlay appropriation.

3790-001-0005—For support of Department of Parks and Recreation, for payment to Item 3790-001-0001, payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund	12,441,000
3790-001-0140—For support of Department of Parks and Recreation, for payment to Item 3790-001-0001, payable from the California Environmental License Plate Fund.....	1,637,000
3790-001-0235—For support of Department of Parks and Recreation, for payment to Item 3790-001-0001, payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund.....	10,729,000

Item	Amount
3790-001-0263—For support of Department of Parks and Recreation, for payment to Item 3790-001-0001, payable from the Off-Highway Vehicle Trust Fund	37,818,000
3790-001-0392—For support of Department of Parks and Recreation, for payment to Item 3790-001-0001, payable from the State Parks and Recreation Fund	117,079,000
3790-001-0449—For support of Department of Parks and Recreation, for payment to Item 3790-001-0001, payable from the Winter Recreation Fund	342,000
3790-001-0516—For support of Department of Parks and Recreation, for payment to Item 3790-001-0001, payable from the Harbors and Watercraft Revolving Fund	701,000
3790-001-0890—For support of Department of Parks and Recreation, for payment to Item 3790-001-0001, payable from the Federal Trust Fund	3,527,000
3790-001-3077—For support of Department of Parks and Recreation, for payment to Item 3790-001-0001, payable from the California Main Street Program Fund	175,000
3790-001-6029—For support of Department of Parks and Recreation, for payment to Item 3790-001-0001, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund	18,343,000
3790-001-6031—For support of Department of Parks and Recreation, payable to Item 3790-001-0001, from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002	458,000
3790-011-0062—For transfer by the Controller to the State Parks and Recreation Fund, as prescribed by subdivision (a) of Section 2107.7 of the Streets and Highways Code, for expenditure by the Department of Parks and Recreation for maintenance and repair of highways in units of the State Park System, payable from the Highway Users Tax Account, Transportation Tax Fund	(3,400,000)
3790-012-0061—For transfer by the Controller from the Motor Vehicle Fuel Account, Transportation Tax Fund to the State Parks and Recreation Fund	(26,649,000)

Provisions:

1. Notwithstanding any other provision of law, the amount appropriated in this item normally transferred to the Harbors and Watercraft Revolving

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Fund from the Motor Vehicle Fuel Account, Transportation Tax Fund, shall be available for transfer to the State Parks and Recreation Fund.

3790-101-0262—For local assistance, Department of Parks and Recreation, payable from the Habitat Conservation Fund, to be available for expenditure through fiscal year 2006–07 3,705,000

Schedule:

(1) 80.25-Recreational Grants 2,205,000

(2) 80.28-Local Projects..... 1,500,000

(a) Monterey County, Monterey Peninsula Regional Park District-Santa Lucia Mountain Range.....(1,500,000)

Provisions:

1. The funds appropriated by this item shall be available only for projects submitted to the Department of Parks and Recreation for consideration during the evaluation process for the Habitat Conservation Fund Program.

3790-101-0263—For local assistance, Department of Parks and Recreation, payable from the Off-Highway Vehicle Trust Fund, for grants to cities, counties, federal agencies or special districts, as specified in Section 5090.50 of the Public Resources Code, to be available for expenditure through fiscal year 2006–07 17,000,000

Schedule:

(1) 80.12-OHV Grants 17,000,000

3790-101-0383—For local assistance, Department of Parks and Recreation, payable from the Natural Resources Infrastructure Fund, available for expenditure through June 30, 2007 2,700,000

Provisions:

1. The funds appropriated in this item shall be available to the City of Los Angeles, Department of Parks and Recreation.

3790-101-0858—For local assistance, Department of Parks and Recreation, payable from the Recreational Trails Fund, to be available for expenditure through fiscal year 2006–07 6,200,000

Schedule:

(1) 80.12-OHV Grants 1,200,000

(2) 80.25-Recreational Grants 5,000,000

Item Amount

Provisions:

1. The funds appropriated in Schedules (1) and (2) shall be available for expenditure for local assistance or capital outlay.
2. Of the funds appropriated, the department may allocate, to the maximum extent allowable under federal law, the amount necessary to provide for the department's costs to administer these grants.
3. Grants may be made to nonprofit organizations and government entities.

3790-101-0890—For local assistance, Department of Parks and Recreation, payable from the Federal Trust Fund, to be available for expenditure through fiscal year 2006–07 14,200,000

Schedule:

(1) 80.25-Recreational Grants 13,000,000

(2) 80.30-Historic Preservation Grants. 1,200,000

Provisions:

1. The funds appropriated in Schedules (1) and (2) shall be available for expenditure for local assistance or capital outlay.

3790-101-6029—For local assistance, Department of Parks and Recreation, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund, to be available for expenditure until June 30, 2007..... 78,413,000

Schedule:

(1) 80.25-Recreational Grants 78,413,000

(a) Roberti-Z'berg-Harris ..... (31,739,000)

(b) California Youth Soccer and Recreation Development Program ..... (23,337,000)

(c) State Urban Parks and Healthy Communities Act ..... (23,337,000)

Provisions:

1. Funds appropriated in this item shall be available for liquidation of encumbrances until June 30, 2012.

3790-301-0005—For capital outlay, Department of Parks and Recreation, payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund 25,639,000

Item		Amount
Schedule:		
(0.1) 90.EX.101-Malibu Creek SP: Restore Sepulveda Adobe—Working drawings and construction	1,233,000	
(0.2) 90.E4.103-Chino Hills SP: Visitor Center—Construction and equipment	1,667,000	
(1) 90.GI.101-Crystal Cove SP: El Morro Mobilehome Park Conversion—Construction	10,047,000	
(2) 90.RS.235-Statewide: Volunteer Enhancement Program—Minor Projects	345,000	
(3) 90.RS.601-Statewide: Budget Development—Study	150,000	
(4) 90.6F.101-Angel Island SP: Immigration Station Area Restoration—Construction	12,484,000	
(5) Reimbursement-Crystal Cove SP: El Morro Mobilehome Park Conversion	–287,000	
Provisions:		
1. The funds appropriated in Schedule (3) of this item shall be used to develop design information or cost information for new projects for which funds have not been appropriated previously, but that are anticipated to be included in the Governor's Budget for the 2005–06 and 2006–07 fiscal years.		
3790-301-0262—For capital outlay, Department of Parks and Recreation, payable from the Habitat Conservation Fund		1,000,000
Schedule:		
(1) 90.RS.406-Habitat Conservation: Proposed Additions—Acquisition	1,000,000	
3790-301-0263—For capital outlay, Department of Parks and Recreation, payable from the Off-Highway Vehicle Trust Fund		10,740,000
Schedule:		
(1) 90.A7.102-Prairie City SVRA: Improvement Project—Working drawings and construction	6,519,000	
(2) 90.RS.206-Statewide: OHV Minors—Minor projects	2,221,000	

Item		Amount
(3) 90.RS.405-Statewide: OHV Opportunity Purchase/Budget Package/ Schematic Planning—Acquisition and study	400,000	
(4) 90.20.002-Unallocated Capital Outlay	1,600,000	
Provisions:		
1. The funds appropriated in Schedule (3) of this item shall be used to develop design information or cost information for new projects for which funds have not been appropriated previously, but which are anticipated to be included in the Governor's Budget for the 2005–06 or 2006–07 fiscal year.		
3790-301-0890—For capital outlay, Department of Parks and Recreation, payable from the Federal Trust Fund		3,700,000
Schedule:		
(1) 90.RS.801-Federal Trust Fund Program—Acquisition, preliminary plans, working drawings and construction	3,700,000	
3790-301-6029—For capital outlay, Department of Parks and Recreation, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund		29,903,000
Schedule:		
(0.5) 90.AC.101-Railroad Technology Museum: Rehabilitation and Facilities Plan—Working drawings and construction	11,626,000	
(1) 90.BA.101-Big Basin Redwoods SP: Wastewater Collection/ Treatment System Improvements—Construction and equipment	1,066,000	
(2) 90.CB.102-Morro Bay SP: Sewer System Improvements—Construction	968,000	
(2.1) 90.EX.103-Malibu Creek SP: Rehabilitate Public Use Facilities at Tapia—Preliminary plans	404,000	
(2.2) 90.E4.104-Chino Hills SP: Entrance Road and Facilities—Working drawings	192,000	

Item	Amount
(2.3) 90.E4.105-Chino Hills SP: Coal Canyon Wildlife Corridor Restoration—Construction	1,054,000
(2.4) 90.FO.101-Huntington SB: Expand Lifeguard Headquarters/ Training Facility—Working drawings, construction, and equipment.	3,736,000
(2.5) 90.FW.101-Topanga SP: Public Use Improvements—Preliminary plans and working drawings	574,000
(2.6) 90.GY.101-Doheny SB: New Lifeguard Headquarters—Construction and equipment	1,121,000
(2.7) 90.IH.101-Lake Perris SRA: Replace Lifeguard Headquarters—Construction and equipment	824,000
(2.8) 90.RS.205-Statewide: State Park System—Minor projects	2,647,000
(3) 90.RS.810-Capital Outlay Projects—Acquisition, preliminary plans, working drawings, construction, and minor projects	3,000,000
(3.3) 90.3I.101-Shasta SHP: Southside Ruins Stabilization—Preliminary plans	521,000
(4) 90.5R.102-Fort Ross SHP: Water System Improvements—Construction	1,092,000
(5) 90.6H.101-Samuel P. Taylor SP: Install New Concrete Reservoirs—Preliminary plans	199,000
(5.1) 90.8D.102-Donner Memorial SP: New Visitor Center—Working drawings, construction, and equipment	5,927,000
(5.2) 90.8I.101-Calaveras Big Trees SP: New Visitor Center—Working drawings, construction, and equipment	3,653,000
(5.3) 90.8X.101-Plumas-Eureka SP: Historic Stamp Mill Preservation—Study and partial construction	901,000
(5.4) 90.42.101-MacKerricher SP: Rehabilitate Historic Pudding Creek Trestle—Construction	1,939,000

Item	Amount
(5.5) Reimbursement-Railroad Technology Museum: Rehabilitation and Facilities Plan	−5,000,000
(5.6) Reimbursement-Calaveras Big Trees SP: New Visitor Center	−500,000
(5.7) Reimbursement-Donner Memorial SP: Visitor Center	−3,041,000
(6) Reimbursement-Capital Outlay Projects	−3,000,000

Provisions:

1. Prior to encumbering any funds appropriated in Schedule (3) of this item the Department of Parks and Recreation must submit project scope information to the Department of Finance, and acquire approval for the project from the Department of Finance.

3790-401—For the 2004–05 fiscal year, the balance as of July 1, 2004, deposits in, and accruals to the Conservation and Enforcement Services Account in the Off-Highway Vehicle Trust Fund shall be transferred by the State Controller to the Off-Highway Vehicle Trust Fund. All funds transferred pursuant to this item shall be available for expenditure by the Department of Parks and Recreation for purposes of conservation and enforcement activities pursuant to Section 5090.64 of the Public Resources Code which are authorized for expenditure within Items 3790-001-0263, 3790-101-0263, and 3790-301-0263. The Controller shall make the transfers quarterly or at such intervals as determined necessary to meet the cashflow needs of the Off-Highway Vehicle Trust Fund.

3790-490—Reappropriation, Department of Parks and Recreation. Notwithstanding any other provision of law, the period to liquidate encumbrances of the following citations is extended to June 30, 2010:

6029—California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund

(1) Item 3790-101-6029(1)(a), Budget Act of 2002 (Ch. 379, Stats. 2002), Urban Park Grants

(2) Item 3790-101-6029(1)(b), Budget Act of 2002 (Ch. 379, Stats. 2002), Murray-Hayden Competitive Grants

Item Amount

3790-491—Reappropriation, Department of Parks and Recreation. The balances of the appropriations provided in the following citations are reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in the appropriations:

0005—Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund

(1) Item 3790-302-0005, Budget Act of 2000 (Ch. 52, Stats. 2000), as partially reappropriated by Item 3790-490, Budget Act of 2003 (Ch. 157, Stats. 2003)

(16) 90.64.100-East Bay Regional Park District: Complete the community planning process, provide design services, and construct public improvements in East Bay Shoreline project

(2) Item 3790-301-0005, Budget Act of 2001 (Ch. 106, Stats. 2001)

(27) 90.RS.409-Statewide: 2000 Bond Opportunity Purchases Acquisition Program—Acquisition

(28) 90.RS.415-Statewide: 2000 Bond Redwood Acquisition Program—Acquisition

(29) 90.RS.416-Statewide: 2000 Bond Habitat Acquisition Program—Acquisition

(30.93) 90.FW.100-Topanga SP: Topanga Canyon—Acquisition

(3) Item 3790-302-0005, Budget Act of 2001 (Ch. 106, Stats. 2001)

(13) 90.7T.400-Pigeon Point Light Station SHP: Bolsa Point/Whaler's Cove—Acquisition

(4) Item 3790-301-0005, Budget Act of 2003 (Ch. 157, Stats. 2003)

(3) 90.CG.101-Pfeiffer Big Sur SP: Park Entrance and Day Use Redevelopment—Construction and Equipment

0262—Habitat Conservation Fund

(1) Item 3790-301-0262, Budget Act of 2001 (Ch. 106, Stats. 2001)

(1) 90.RS.406-Habitat Conservation: Proposed Additions—Acquisition

0263—Off-Highway Vehicle Trust Fund

(1) Item 3790-301-0263, Budget Act of 2001 (Ch. 106, Stats. 2001)

(1) 90.7C.400-Oceano Dunes SVRA: La Grande Tract—Acquisition

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(5) 90.RS.405-Statewide: OHV Opportunity Purchase/Prebudget Appraisal—Acquisition

6029—California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund

(1) Item 3790-301-6029, Budget Act of 2003 (Ch. 157, Stats. 2003)

(23) 90.94.103-Leland Stanford Mansion SHP: Rehabilitation of Mansion Grounds—Preliminary plans, working drawings, construction, and equipment

3790-492—Reappropriation, Department of Parks and Recreation. Notwithstanding any other provision of law, the period to liquidate encumbrances of the following citation is extended to June 30, 2005:

0005—Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund

(1) Item 3790-302-0005, Budget Act of 2001 (Ch. 106, Stats. 2001)

(15) 90.FH.100-Santa Monica SB: 415 PCH Project—EIRs and planning

3790-493—Extension of Liquidation Period, Department of Parks and Recreation. The balances of the appropriations provided in the following citations are reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in the following appropriations:

0001—General Fund

(1) Item 3790-101-0001, Budget Act of 1999 (Ch. 50, Stats. 1999)

(a) 80.25-Recreational Grants

(.5) Highland Senior Center: Swimming Pool

Notwithstanding any other provision of law, the balance as of June 30, 2004 is reappropriated to the City of Highland for allocation to the Highland Community Center for the construction of a swimming pool.

(2) Item 3790-101-0001, Budget Act of 1999 (Ch. 50, Stats. 1999), as amended by subdivision (a) of Section 15 of Chapter 1021 of the Statutes of 1999, Plaza Community Center organization to construct a teen center and to complete the Senior Citizen Civic Center in the City Terrace neighborhood of Los Angeles.

0262—Habitat Conservation Fund

(1) Item 3790-101-0262, Budget Act of 1999 (Ch. 50, Stats. 1999)

Item Amount

(1) 80.25.001-Local Grants-Habitat Conservation Fund Program

3790-494—Reappropriation, Department of Parks and Recreation. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations, and shall be available for encumbrance or expenditure until June 30, 2005:

0001—General Fund

(1) Item 3790-101-0001, Budget Act of 1999 (Ch. 50, Stats. 1999)

(a) 80.25-Recreational Grants

(186) City of La Palma: Construct new community or senior center. Notwithstanding any other provision of law, the balance as of June 30, 2004, is reappropriated to the City of La Palma for renovation, repair, and other capital outlay work on the community center.

0005—Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund

(1) Item 3790-101-0005, Budget Act of 2001 (Ch. 106, Stats. 2001)

(3) 80.28-Local Projects

(c) Major League Baseball Urban Youth Foundation: Major League Baseball Academy, provided that the funds shall be granted to the following entity: City of Los Angeles, to be used for the Sheldon-Arleta Sportsfield Complex.

(2) Item 3790-102-0005, Budget Act of 2000 (Ch. 52, Stats. 2000)

(a) 80.25-Recreational Grants

(5) Murray-Hayden Grants

(q) City of Los Angeles: Community Build Youth Center

3810-001-0140—For support of Santa Monica Mountains Conservancy, payable from the California Environmental License Plate Fund 200,000

Schedule:

(1) 10-Santa Monica Mountains Conservancy 629,000

Item	Amount
(2) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 3810-001-6029)	–218,000
(3) Amount payable from the Water Security, Clean Drinking Water, Coastal, and Beach Protection Fund of 2002 (Item 3810-001-6031)	–211,000

Provisions:

1. Notwithstanding Article 4 (commencing with Section 11040) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code, the Attorney General shall continue to provide legal services to the Santa Monica Mountains Conservancy consistent with the manner in which the Attorney General provides legal services to state agencies that are funded by appropriations made from the General Fund.
2. (a) The Santa Monica Mountains Conservancy shall not encumber state appropriated funds for the purchase or acquisition of real property directly or through any public agency intermediary, including the State Public Works Board, that requires the payment of interest costs, or late fees or penalties, unless the conservancy certifies all of the following: (1) that the purchase is necessary to implement an acquisition identified in the high-priority category of the work program submitted annually to the Legislature pursuant to Section 33208 of the Public Resources Code, or amendments made thereto, (2) that the purchase agreement does not involve interest payments or terms in excess of those that the State Public Works Board may enter into pursuant to Section 15854.1 of the Government Code, and (3) that the purchase agreement does not commit the state to future appropriations.

   (b) The Santa Monica Mountains Conservancy shall report periodically to the Legislature, but no less frequently than twice yearly, concerning the status of any purchases certified

Item	Amount
as required in (a) and the amount of state funds thus far encumbered for interest, penalties, or other principal surcharges.	
3810-001-6029—For support of the Santa Monica Mountains Conservancy, for payment to Item 3810-001-0140, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund	218,000
3810-001-6031—For support of Santa Monica Mountains Conservancy, for payment to Item 3810-001-0140, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002	211,000
3810-301-0005—For Capital Outlay, Santa Monica Mountains Conservancy, payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund	2,705,000

Schedule:

(1) Capital Outlay Acquisitions 2,705,000

Provisions:

1. The Santa Monica Mountains Conservancy may encumber these funds for either capital outlay or local assistance grants through June 30, 2007. The conservancy shall not encumber these funds for any grant not previously approved by the Office of the Attorney General.
2. The Santa Monica Mountains Conservancy shall submit a revised cost allocation methodology to the Department of Finance no later than September 1, 2004, that shall be applied to grants made from this appropriation. The Department of Finance shall review this revised methodology for its reasonableness. The Department of Finance may either recommend approval of the revised methodology as presented or recommend modifications to the methodology. In either case, the Director of Finance shall provide notification of the department's recommendation in writing to the Chairperson of the Joint Legislative Budget Committee. The Chairperson of the Joint Legislative Budget Committee shall either approve or reject the recommendation within 30 days of the date of notification. If the chairperson does not approve or reject the department's recommendation within 30 days, the department's recommendation will be deemed approved.

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3. The Santa Monica Mountains Conservancy shall provide the services of the conservancy's executive director and of other conservancy staff to a joint powers authority only to the extent that the sharing of services is permitted by law, as determined by the Office of the Attorney General.
4. The Santa Monica Mountains Conservancy shall develop and implement procedures in response to the Final Management Letter from the Department of Finance, dated May 4, 2004, that assure the separation of functions with respect to fiscal operations of joint powers authorities. These procedures shall include procedures whereby all financial transactions of the joint powers authority are supervised by officers and employees who are separate from the conservancy and do not report to any officers or employees of the conservancy in any capacity. The conservancy shall provide a report on those procedures and their implementation to the chairpersons of the fiscal committees and appropriate subcommittees of each house of the Legislature by January 1, 2005. For the purposes of this provision, ''fiscal operations'' and ''financial transactions'' refer to any and all activities involving the receipt, tracking, and paying out of moneys, including, but not limited to, accounting, auditing, payroll, and contract disbursement activities.
5. The Santa Monica Mountains Conservancy shall issue grants from this appropriation only in accordance with the General Obligation Bond Law and the specific provisions of the bond funds from which appropriations have been made, and according to advice it has received from the Office of the Attorney General, and, if appropriate, from the Office of the State Treasurer, respecting the permissible use of bond funds available to the conservancy.
6. The Santa Monica Mountains Conservancy shall secure refunds from the Mountains Recreation and Conservation Authority of the unencumbered balances of previous years' grants made from this funding source to the conservancy. For the purposes of this provision, ''unencumbered balance'' means funds that are not essential to fulfill the obligations of an enforceable, legal, and binding contract as determined by the Office of the Attor-

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ney General, taking into account the advice of the Office of the State Treasurer with respect to federal tax issues. These funds shall remain available for encumbrance according to the terms of the initial appropriation and all the budget control language included in this act.

7. Any time that the Office of the Attorney General concludes that any use of bond funds has not been consistent with the opinion standard, the Santa Monica Mountains Conservancy shall follow the instructions of the Attorney General with respect to recovery, refund, or other settlement.
8. The Santa Monica Mountains Conservancy shall follow the advice of the Office of the Attorney General with respect to the refund of $491,841 in overhead on the grant for acquisition of the Avatar property.
9. Funds from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000 (Item 3810-301-0005) shall not be available to the Santa Monica Mountains Conservancy until the Department of Finance has confirmed that those amounts are actually available as a result of refunds from prior appropriations.
10. It is the intent of the Legislature that the Department of Personnel Administration and the Department of Finance shall approve the reclassification of one or more of the Santa Monica Mountains Conservancy's authorized positions to improve fiscal and contracts management.

3810-301-0941—For Capital Outlay, Santa Monica Mountains Conservancy, payable from the Santa Monica Mountains Conservancy Fund..... 118,000

Schedule:

(1) Capital Outlay Acquisitions 118,000

Provisions:

1. The Santa Monica Mountains Conservancy may encumber these funds for either capital outlay or local assistance grants through June 30, 2007. The conservancy shall not encumber these funds for any grant not previously approved by the Office of the Attorney General.
2. The Santa Monica Mountains Conservancy shall submit a revised cost allocation methodology to the Department of Finance no later than September 1, 2004, that shall be applied to grants made from this appropriation. The Department of Fi-

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nance shall review this revised methodology for its reasonableness. The Department of Finance may either recommend approval of the revised methodology as presented or recommend modifications to the methodology. In either case, the Director of Finance shall provide notification of the department's recommendation in writing to the Chairperson of the Joint Legislative Budget Committee. The Chairperson of the Joint Legislative Budget Committee shall either approve or reject the recommendation within 30 days of the date of notification. If the chairperson does not approve or reject the department's recommendation within 30 days, the department's recommendation will be deemed approved.

3. The Santa Monica Mountains Conservancy shall provide the services of the conservancy's executive director and of other conservancy staff to a joint powers authority only to the extent that the sharing of services is permitted by law, as determined by the Office of the Attorney General.
4. The Santa Monica Mountains Conservancy shall develop and implement procedures in response to the Final Management Letter from the Department of Finance, dated May 4, 2004, that assure the separation of functions with respect to fiscal operations of joint powers authorities. These procedures shall include procedures whereby all financial transactions of the joint powers authority are supervised by officers and employees who are separate from the conservancy and do not report to any officers or employees of the conservancy in any capacity. The conservancy shall provide a report on those procedures and their implementation to the chairpersons of the fiscal committees and appropriate subcommittees of each house of the Legislature by January 1, 2005. For the purposes of this provision, ''fiscal operations'' and ''financial transactions'' refer to any and all activities involving the receipt, tracking, and paying out of moneys, including, but not limited to, accounting, auditing, payroll, and contract disbursement activities.
5. The Santa Monica Mountains Conservancy shall issue grants from this appropriation only in accordance with the General Obligation Bond Law and the specific provisions of the bond funds from

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which appropriations have been made, and according to advice it has received from the Office of the Attorney General, and, if appropriate, from the Office of the State Treasurer, respecting the permissible use of bond funds available to the conservancy.

6. The Santa Monica Mountains Conservancy shall secure refunds from the Mountains Recreation and Conservation Authority of the unencumbered balances of previous years' grants made from this funding source to the conservancy. For the purposes of this provision, ''unencumbered balance'' means funds that are not essential to fulfill the obligations of an enforceable, legal, and binding contract as determined by the Office of the Attorney General, taking into account the advice of the Office of the State Treasurer with respect to federal tax issues. These funds shall remain available for encumbrance according to the terms of the initial appropriation and all the budget control language included in this act.
7. Any time that the Office of the Attorney General concludes that any use of bond funds has not been consistent with the opinion standard, the Santa Monica Mountains Conservancy shall follow the instructions of the Attorney General with respect to recovery, refund, or other settlement.
8. The Santa Monica Mountains Conservancy shall follow the advice of the Office of the Attorney General with respect to the refund of $491,841 in overhead on the grant for acquisition of the Avatar property.
9. Funds from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000 (Item 3810-301-0005) shall not be available to the Santa Monica Mountains Conservancy until the Department of Finance has confirmed that those amounts are actually available as a result of refunds from prior appropriations.
10. It is the intent of the Legislature that the Department of Personnel Administration and the Department of Finance shall approve the reclassification of one or more of the Santa Monica Mountains Conservancy's authorized positions to improve fiscal and contracts management.

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3810-301-6029—For Capital Outlay, Santa Monica Mountains Conservancy, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund 12,400,000

Schedule:

(1) Capital Outlay Acquisitions 12,400,000

Provisions:

1. The Santa Monica Mountains Conservancy may encumber these funds for either capital outlay or local assistance grants through June 30, 2007. The conservancy shall not encumber these funds for any grant not previously approved by the Office of the Attorney General.
2. The Santa Monica Mountains Conservancy shall submit a revised cost allocation methodology to the Department of Finance no later than September 1, 2004, that shall be applied to grants made from this appropriation. The Department of Finance shall review this revised methodology for its reasonableness. The Department of Finance may either recommend approval of the revised methodology as presented or recommend modifications to the methodology. In either case, the Director of Finance shall provide notification of the department's recommendation in writing to the Chairperson of the Joint Legislative Budget Committee. The Chairperson of the Joint Legislative Budget Committee shall either approve or reject the recommendation within 30 days of the date of notification. If the chairperson does not approve or reject the department's recommendation within 30 days, the department's recommendation will be deemed approved.
3. The Santa Monica Mountains Conservancy shall provide the services of the conservancy's executive director and of other conservancy staff to a joint powers authority only to the extent that the sharing of services is permitted by law, as determined by the Office of the Attorney General.
4. The Santa Monica Mountains Conservancy shall develop and implement procedures in response to the Final Management Letter from the Department of Finance, dated May 4, 2004, that assure the separation of functions with respect to fiscal operations of joint powers authorities. These procedures shall include procedures whereby all financial transactions of the joint powers authority

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are supervised by officers and employees who are separate from the conservancy and do not report to any officers or employees of the conservancy in any capacity. The conservancy shall provide a report on those procedures and their implementation to the chairpersons of the fiscal committees and appropriate subcommittees of each house of the Legislature by January 1, 2005. For the purposes of this provision, ''fiscal operations'' and ''financial transactions'' refer to any and all activities involving the receipt, tracking, and paying out of moneys, including, but not limited to, accounting, auditing, payroll, and contract disbursement activities.

5. The Santa Monica Mountains Conservancy shall issue grants from this appropriation only in accordance with the General Obligation Bond Law and the specific provisions of the bond funds from which appropriations have been made, and according to advice it has received from the Office of the Attorney General, and, if appropriate, from the Office of the State Treasurer, respecting the permissible use of bond funds available to the conservancy.
6. The Santa Monica Mountains Conservancy shall secure refunds from the Mountains Recreation and Conservation Authority of the unencumbered balances of previous years' grants made from this funding source to the conservancy. For the purposes of this provision, ''unencumbered balance'' means funds that are not essential to fulfill the obligations of an enforceable, legal, and binding contract as determined by the Office of the Attorney General, taking into account the advice of the Office of the State Treasurer with respect to federal tax issues. These funds shall remain available for encumbrance according to the terms of the initial appropriation and all the budget control language included in this act.
7. Any time that the Office of the Attorney General concludes that any use of bond funds has not been consistent with the opinion standard, the Santa Monica Mountains Conservancy shall follow the instructions of the Attorney General with respect to recovery, refund, or other settlement.

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8. The Santa Monica Mountains Conservancy shall follow the advice of the Office of the Attorney General with respect to the refund of $491,841 in overhead on the grant for acquisition of the Avatar property.
9. Funds from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000 (Item 3810-301-0005) shall not be available to the Santa Monica Mountains Conservancy until the Department of Finance has confirmed that those amounts are actually available as a result of refunds from prior appropriations.
10. It is the intent of the Legislature that the Department of Personnel Administration and the Department of Finance shall approve the reclassification of one or more of the Santa Monica Mountains Conservancy's authorized positions to improve fiscal and contracts management.

3810-301-6031—For Capital Outlay, Santa Monica Mountains Conservancy, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 9,500,000

Schedule:

(1) Capital Outlay Acquisitions 9,500,000

Provisions:

1. The Santa Monica Mountains Conservancy may encumber these funds for either capital outlay or local assistance grants through June 30, 2007. The conservancy shall not encumber these funds for any grant not previously approved by the Office of the Attorney General.
2. The Santa Monica Mountains Conservancy shall submit a revised cost allocation methodology to the Department of Finance no later than September 1, 2004, that shall be applied to grants made from this appropriation. The Department of Finance shall review this revised methodology for its reasonableness. The Department of Finance may either recommend approval of the revised methodology as presented or recommend modifications to the methodology. In either case, the Director of Finance shall provide notification of the department's recommendation in writing to the Chairperson of the Joint Legislative Budget Committee. The Chairperson of the Joint Legislative Budget Committee shall either approve or reject the recommendation within 30 days of the date of

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notification. If the chairperson does not approve or reject the department's recommendation within 30 days, the department's recommendation will be deemed approved.

3. The Santa Monica Mountains Conservancy shall provide the services of the conservancy's executive director and of other conservancy staff to a joint powers authority only to the extent that the sharing of services is permitted by law, as determined by the Office of the Attorney General.
4. The Santa Monica Mountains Conservancy shall develop and implement procedures in response to the Final Management Letter from the Department of Finance, dated May 4, 2004, that assure the separation of functions with respect to fiscal operations of joint powers authorities. These procedures shall include procedures whereby all financial transactions of the joint powers authority are supervised by officers and employees who are separate from the conservancy and do not report to any officers or employees of the conservancy in any capacity. The conservancy shall provide a report on those procedures and their implementation to the chairpersons of the fiscal committees and appropriate subcommittees of each house of the Legislature by January 1, 2005. For the purposes of this provision, ''fiscal operations'' and ''financial transactions'' refer to any and all activities involving the receipt, tracking, and paying out of moneys, including, but not limited to, accounting, auditing, payroll, and contract disbursement activities.
5. The Santa Monica Mountains Conservancy shall issue grants from this appropriation only in accordance with the General Obligation Bond Law and the specific provisions of the bond funds from which appropriations have been made, and according to advice it has received from the Office of the Attorney General, and, if appropriate, from the Office of the State Treasurer, respecting the permissible use of bond funds available to the conservancy.
6. The Santa Monica Mountains Conservancy shall secure refunds from the Mountains Recreation and Conservation Authority of the unencumbered balances of previous years' grants made from this funding source to the conservancy. For the pur-

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poses of this provision, ''unencumbered balance'' means funds that are not essential to fulfill the obligations of an enforceable, legal, and binding contract as determined by the Office of the Attorney General, taking into account the advice of the Office of the State Treasurer with respect to federal tax issues. These funds shall remain available for encumbrance according to the terms of the initial appropriation and all the budget control language included in this act.

7. Any time that the Office of the Attorney General concludes that any use of bond funds has not been consistent with the opinion standard, the Santa Monica Mountains Conservancy shall follow the instructions of the Attorney General with respect to recovery, refund, or other settlement.
8. The Santa Monica Mountains Conservancy shall follow the advice of the Office of the Attorney General with respect to the refund of $491,841 in overhead on the grant for acquisition of the Avatar property.
9. Funds from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000 (Item 3810-301-0005) shall not be available to the Santa Monica Mountains Conservancy until the Department of Finance has confirmed that those amounts are actually available as a result of refunds from prior appropriations.
10. It is the intent of the Legislature that the Department of Personnel Administration and the Department of Finance shall approve the reclassification of one or more of the Santa Monica Mountains Conservancy's authorized positions to improve fiscal and contracts management.

3820-001-0001—For support of San Francisco Bay Conservation and Development Commission 3,113,000

Schedule:

(1) 10-Bay Conservation and Development 3,942,000
(2) Amount payable from the Bay Fill Clean-Up and Abatement Fund (Item 3820-001-0914) ..... −171,000
(3) Reimbursements ..... −658,000

Provisions:

1. It is the intent of the Legislature that the San Francisco Bay Conservation and Development Commission revise its permit fee schedule to increase

Item	Amount
fee revenues to at least 20 percent of the amount appropriated in this item to support the operation of the commission's regulatory program.	
2. It is the intent of the Legislature that the Governor's annual budget document display the commission's permit fee revenues for prior, current, and budget years.	
3820-001-0914—For support of San Francisco Bay Conservation and Development Commission, for payment to Item 3820-001-0001, payable from the Bay Fill Clean-Up and Abatement Fund	171,000
3825-001-0140—For support of San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, payable from the California Environmental License Plate Fund	33,000
Schedule:	
(1) 10-San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy	767,000
(2) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 3825-001-6029)	–734,000
Provisions:	
1. Acquisitions and enhancements administered pursuant to this item shall not be undertaken if they would require increased state funds for management purposes.	
3825-001-6029—For support of San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, for payment to Item 3825-001-0140 payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund	734,000
3825-301-6029—For capital outlay, San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund	6,200,000
Provisions:	
1. The funds appropriated in this item are available for expenditure for capital outlay or local assistance until June 30, 2007.	

Item		Amount
3825-301-6031—For capital outlay, San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002		6,200,000
Provisions:		
1. The funds appropriated in this item are available for expenditure for capital outlay or local assistance until June 30, 2007.		
3830-001-0140—For support of San Joaquin River Conservancy, payable from the California Environmental License Plate Fund		241,000
Schedule:		
(1) 10-San Joaquin River Conservancy.	347,000	
(2) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 3830-001-6029)	−106,000	
Provisions:		
1. Acquisitions and enhancements administered pursuant to this item shall not be undertaken if they would require increased state funds for management purposes.		
3830-001-6029—For support of San Joaquin River Conservancy, for payment to Item 3830-001-0140 payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund		106,000
3835-001-0140—For support of Baldwin Hills Conservancy, payable from the California Environmental License Plate Fund		292,000
Schedule:		
(1) 10-Baldwin Hills Conservancy	393,000	
(2) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 3835-001-6029)	−101,000	
Provisions:		
1. Acquisitions and enhancements administered pursuant to this item shall not be undertaken if they would require increased state funds for management purposes.		

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3835-001-6029—For support of Baldwin Hills Conservancy, for payment to Item 3835-001-0140, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund.. 101,000

3835-301-6029—For capital outlay, Baldwin Hills Conservancy, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund 7,200,000

Schedule:

(1) 20-Capital Outlay Acquisition and Improvement Program..... 7,200,000

Provisions:

1. The funds appropriated in this item are available for expenditure for capital outlay or local assistance until June 30, 2007.

3840-001-0140—For support of Delta Protection Commission, payable from the California Environmental License Plate Fund 138,000

3840-001-0516—For support of Delta Protection Commission, payable from the Harbors and Watercraft Revolving Fund..... 163,000

3845-001-0140—For support of San Diego River Conservancy, payable from the California Environmental License Plate Fund 265,000

Schedule:

(1) 10-San Diego River Conservancy .. 265,000

Provisions:

1. Acquisitions and enhancements administered pursuant to this item shall not be undertaken if they would require increased state funds for management purposes.

3845-490—Reappropriation, San Diego River Conservancy. Notwithstanding any other provision of law, the balance of the appropriation provided in the following citation is reappropriated for the purposes provided for in that appropriation and for planning and program development and shall be available for encumbrance or expenditure until June 30, 2005:

0140—Environmental License Plate Fund

(1) Item 3845-001-0140, Budget Act of 2003 (Ch. 157, Stats. 2003)

3850-001-0140—For support of Coachella Valley Mountains Conservancy, payable from the California Environmental License Plate Fund 256,000

Schedule:

(1) 10-Coachella Valley Mountains Conservancy 407,000

Item		Amount
(2) Reimbursements	−19,000	
(3) Amount payable from the Coachella Valley Mountains Conservancy Fund (Item 3850-001-0296)	−32,000	
(4) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 3850-001-6029)	−100,000	

Provisions:

1. Acquisitions and enhancements administered pursuant to this item shall not be undertaken if they would require increased state funds for management purposes.

3850-001-0296—For support of Coachella Valley Mountains Conservancy, for payment to Item 3850-001-0140, payable from the Coachella Valley Mountains Conservancy Fund 32,000

3850-001-6029—For support of Coachella Valley Mountains Conservancy, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund 100,000

3850-301-0005—For capital outlay, Coachella Valley Mountains Conservancy, payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund 686,000

Schedule:

(1) 20-Coachella Valley Mountains Acquisition and Enhancement Projects and Costs	686,000

Provisions:

1. The funds appropriated in this item are available for expenditure for capital outlay or local assistance until June 30, 2007.

3850-301-6029—For capital outlay, Coachella Valley Mountains Conservancy, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund 2,871,000

Schedule:

(1) 20-Coachella Valley Mountains Acquisition and Enhancement Projects and Costs	2,871,000

Provisions:

1. The funds appropriated in this item are available for expenditure for capital outlay or local assistance until June 30, 2007.

Item		Amount
3860-001-0001—For support of Department of Water Resources		29,346,000
Schedule:		
(1) 10-Continuing Formulation of the California Water Plan	138,026,000	
(2) 20-Implementation of the State Water Resources Development System	9,777,000	
(3) 30-Public Safety and Prevention of Damage	36,793,000	
(4) 45-California Energy Resources Scheduling (CERS)	46,866,000	
(5) 40-Services	6,990,000	
(6) 50.01-Management and Administration	63,948,000	
(7) 50.02-Distributed Management and Administration	–63,700,000	
(8) Reimbursements	–26,546,000	
(9) Amount payable from the California Environmental License Plate Fund (Item 3860-001-0140)	–222,000	
(10) Amount payable from the Central Valley Project Improvement Subaccount (Item 3860-001-0404)	–1,573,000	
(11) Amount payable from the Feasibility Projects Subaccount (Item 3860-001-0445)	–1,448,000	
(12) Amount payable from the Water Conservation and Groundwater Recharge Subaccount (Item 3860-001-0446)	–123,000	
(13) Amount payable from the Energy Resources Programs Account (Item 3860-001-0465)	–1,696,000	
(14) Amount payable from the Local Projects Subaccount (Item 3860-001-0543)	–99,000	
(15) Amount payable from the Sacramento Valley Water Management and Habitat Protection Subaccount (Item 3860-001-0544)	–384,000	
(16) Amount payable from the 1986 Water Conservation and Water Quality Bond Fund (Item 3860-001-0744)	–189,000	
(17) Amount payable from the Federal Trust Fund (Item 3860-001-0890)	–11,307,000	

Item	Amount
(18) Amount payable from the Dam Safety Fund (Item 3860-001-3057)	–7,800,000
(19) Amount payable from the Electric Power Fund (Item 3860-001-3100)	–46,377,000
(20) Amount payable from the Safe Drinking Water, Clean Water, Watershed Protection, and Flood Protection Bond Fund (Item 3860-001-6001)	–984,000
(21) Amount payable from the Flood Protection Corridor Subaccount (Item 3860-001-6005)	–943,000
(22) Amount payable from the Urban Stream Restoration Subaccount (Item 3860-001-6007)	–692,000
(23) Amount payable from the Yuba Feather Flood Protection Subaccount (Item 3860-001-6010)	–982,000
(23.5) Amount payable from the Arroyo Pasajero Watershed Subaccount (Item 3860-001-6011)	–4,750,000
(24) Amount payable from the Water Conservation Account (Item 3860-001-6023)	–779,000
(25) Amount payable from the Conjunctive Use Subaccount (Item 3860-001-6025)	–1,300,000
(26) Amount payable from the Bay-Delta Multipurpose Water Management Subaccount (Item 3860-001-6026)	–36,301,000
(27) Amount payable from the Interim Water Supply and Water Quality Infrastructure and Management Subaccount (Item 3860-001-6027).	–431,000
(28) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3860-001-6031)	–64,428,000

Provisions:

1. The amounts appropriated in Items 3860-001-0001 to 3860-001-6031, inclusive, shall be transferred to the Water Resources Revolving Fund

Item	Amount
(0691) for direct expenditure in such amounts as the Department of Finance may authorize, including cooperative work with other agencies.	
2. Of the amount appropriated in this item, $2,600,000 shall be expended for sediment removal at the Fremont Weir and shall be available for expenditure through June 30, 2007. Notwithstanding any other provision of law, these funds may be used for acquisition of mitigation lands necessary for the project.	
3860-001-0140—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the California Environmental License Plate Fund	222,000
3860-001-0404—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Central Valley Project Improvement Subaccount	1,573,000
3860-001-0445—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Feasibility Projects Subaccount	1,448,000
3860-001-0446—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Water Conservation and Groundwater Recharge Subaccount	123,000
3860-001-0465—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Energy Resources Programs Account	1,696,000
3860-001-0543—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Local Projects Subaccount	99,000
3860-001-0544—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Sacramento Valley Water Management and Habitat Protection Subaccount	384,000
3860-001-0744—For support of the Department of Water Resources, for payment to Item 3860-001-0001, payable from the 1986 Water Conservation and Water Quality Bond Fund	189,000
3860-001-0890—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Federal Trust Fund	11,307,000
3860-001-3057—For support of Department of Water Resources, for payments to Item 3860-001-0001, payable from the Dam Safety Fund	7,800,000

Item	Amount
3860-001-3100—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Electric Power Fund	46,377,000
Provisions:	
1. The Department of Water Resources shall notify the Chairperson and Vice Chairperson of the Joint Legislative Budget Committee prior to expending the $1,250,000 contingency reserve included in this item.	
3860-001-6001—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Safe Drinking Water, Clean Water, Watershed Protection, and Flood Protection Bond Fund	984,000
3860-001-6005—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Flood Protection Corridor Subaccount	943,000
3860-001-6007—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Urban Stream Restoration Subaccount	692,000
3860-001-6010—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Yuba Feather Flood Protection Subaccount	982,000
3860-001-6011—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Arroyo Pasajero Watershed Subaccount	4,750,000
3860-001-6023—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Water Conservation Account	779,000
3860-001-6025—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Conjunctive Use Subaccount	1,300,000
3860-001-6026—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Bay-Delta Multipurpose Water Management Subaccount	36,301,000
3860-001-6027—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Interim Water Supply and Water Quality Infrastructure and Management Subaccount	431,000

Item	Amount
3860-001-6031—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002	64,428,000
3860-012-0502—For transfer by the Controller from the California Water Resources Development Bond Fund to the General Fund	(11,500,000)
3860-101-0543—For local assistance, Department of Water Resources, payable from the Local Projects Subaccount	3,289,000
3860-101-0744—For local assistance, Department of Water Resources, payable from the 1986 Water Conservation and Water Quality Bond Fund	1,600,000
3860-101-0790—For local assistance, Department of Water Resources, payable from the 1988 Water Conservation Fund	8,974,000
3860-101-6006—For local assistance, Department of Water Resources, payable from the Flood Control Subventions Account	3,742,000
3860-101-6010—For local assistance, Department of Water Resources, payable from the Yuba Feather Flood Protection Subaccount	16,855,000
3860-101-6023—For local assistance, Department of Water Resources, payable from the Water Conservation Account	26,282,000
3860-101-6025—For local assistance, Department of Water Resources, payable from the Conjunctive Use Subaccount	77,336,000
3860-101-6031—For local assistance, Department of Water Resources, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002	42,517,000
Provisions:	
1. Of the amount appropriated in this item, $19,000,000 shall be provided for the CALFED Watershed Program and shall be available for encumbrance until June 30, 2006, and liquidation until June 30, 2008.	
3860-301-0001—For capital outlay, Department of Water Resources	270,000
Schedule:	
(1) 30.95.309-American River Long Term Flood Protection Project 270,000	

Item Amount

3860-490—Reappropriation, Department of Water Resources. The balance of the appropriations provided in the following citations are reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in those appropriations:

0001—General Fund

(1) Item 3860-301-0001, Budget Act of 2001 (Ch. 106, Stats. 2001)

(1) 30.95.010-Sacramento Riverbank Protection Project

(1.5) 30.95.030.201-Merced County Streams, Castle Dam Unit—Construction

(2.5) 30.95.215.201-Lower Sacramento Area Levee Reconstruction Project

(4.5) 30.95.295.201-Tehama Section 205 Flood Control Project—Construction

(11) 30.95.311-Folsom Dam Modifications Project

3860-491—Reappropriation, Department of Water Resources. The amounts specified in the appropriations provided in the following citations are reappropriated for purposes provided for in those appropriations, unless otherwise specified, and shall be available for encumbrance or expenditure until June 30, 2006:

0544—Sacramento Valley Water Management and Habitat Protection Subaccount

(1) The balance of Item 3860-101-0544, Budget Act of 2003 (Ch. 157, Stats. 2003)

6077—Urban Stream Restoration Subaccount

(1) The balance of Item 3860-101-6007, Budget Act of 2003 (Ch. 157, Stats. 2003)

6026—Bay-Delta Multipurpose Water Management Subaccount

(1) $7,060,000 from Item 3860-001-6026, Budget Act of 2003 (Ch. 157, Stats. 2003) for purposes of the CALFED Conveyance and Science Programs

6031—Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002

(1) Item 3860-001-6031, Budget Act of 2003 (Ch. 157, Stats. 2003) for the following purposes in the amounts specified:

(a) CALFED Storage..... 10,744,000

(b) CALFED Conveyance..... 100,000

(c) Water Supply Reliability..... 72,360,000

Item Amount

(d) CALFED Water Use Efficiency 34,240,000
(e) Pilot Projects 11,450,000
(f) CALFED Watershed Management 1,000,000
(g) CALFED Ecosystem 140,000

(2) Item 3860-101-6031, Budget Act of 2003 (Ch. 157, Stats. 2003) for the following purposes in the amounts specified:
(a) Drought Panel Program 6,400,000
(b) Desalination Program 25,000,000
(c) Integrated Water Management.. 49,830,000

3860-492—Extension of liquidation period, Department of Water Resources. Notwithstanding any other provision of law, funds appropriated in the following citations shall be available for liquidation until June 30, 2006:

0001—General Fund

(1) Item 3860-001-0001, Budget Act of 2001 (Ch. 106, Stats. 2001); ($50,000) for purposes of Northern California Water Management activities

(2) Item 3860-301-0001, Budget Act of 1999 (Ch. 50, Stats. 1999)
(4) 30.95.205-Sutter County Bridge Replacement

0543—Local Projects Subaccount

(1) Item 3860-101-0543, Budget Act of 2001 (Ch. 106, Stats. 2001)

0544—Sacramento Valley Water Management and Habitat Protection Subaccount

(1) Item 3860-101-0544, Budget Act of 2001 (Ch. 106, Stats. 2001)

6003—Floodplain Mapping Subaccount

(1) Item 3860-001-6003, Budget Act of 2000 (Ch. 52, Stats. 2000), as reappropriated by Item 3860-491, Budget Act of 2001 (Ch. 106, Stats. 2001)

6007—Urban Stream Restoration Subaccount

(1) Item 3860-101-6007, Budget Act of 2001 (Ch. 106, Stats. 2001)

6010—Yuba Feather Flood Protection Subaccount

(1) Item 3860-101-6010, Budget Act of 2001 (Ch. 106, Stats. 2001)

6023—Water Conservation Account

(1) Item 3860-001-6023, Budget Act of 2001 (Ch. 106, Stats. 2001)

Item Amount

(2) Item 3860-101-6023, Budget Act of 2001 (Ch. 106, Stats. 2001)

6025—Conjunctive Use Subaccount

(1) Item 3860-101-6025, Budget Act of 2001 (Ch. 106, Stats. 2001)

6026—Bay-Delta Multipurpose Water Management Subaccount

(1) Item 3860-001-6026, Budget Act of 2001 (Ch. 106, Stats. 2001)

6027—Interim Water Supply and Water Quality Infrastructure and Management Subaccount

(1) Item 3860-101-6027, Budget Act of 2001 (Ch. 106, Stats. 2001)

3860-495—Reversion, Department of Water Resources. As of June 30, 2004, the amounts specified in the following citations shall revert to the fund balance of the fund from which the appropriation was made:

0001—General Fund

(1) Item 3860-301-0001, Budget Act of 2001 (Ch. 106, Stats. 2001)

(2.5) 30.95.215.201—Lower Sacramento Area Levee Reconstruction Project 400,000

(11) 30.95.311—Folsom Dam Modifications Project 2,470,000

Provisions:

1. It is the intent of the Legislature that the funds reverted in this item be redirected for the American River Long Term Protection Project and sediment removal at the Fremont Weir.

3860-496—Reversion, Department of Water Resources. As of June 30, 2004, the sum of $1,080,000 from Item 3860-101-6005, Budget Act of 2003 (Ch. 157, Stats. 2003), shall revert to the Flood Protection Corridor Subaccount.

3870-001-0001—For support of California Bay-Delta Authority..... 8,260,000

Schedule:

(1) 10-CALFED Bay-Delta Program ... 52,390,000

(2) Reimbursements.....–16,510,000

(3) Amount payable from the Federal Trust Fund (Item 3860-001-0890). –5,000,000

(4) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3860-001-6031) ..... –22,620,000

Item	Amount
3870-001-0890—For support of California Bay-Delta Authority, for payment to Item 3870-001-0001, payable from the Federal Trust Fund	5,000,000
3870-001-6031—For support of California Bay-Delta Authority, for payment to Item 3870-001-0001, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002	22,620,000
Provisions:	
1. The funds appropriated in this item shall be available for expenditure until June 30, 2006.	
3870-490—Reappropriation, California Bay-Delta Authority. The amounts specified in the appropriations provided for in the following citations are reappropriated for the purposes provided for in those appropriations, unless otherwise specified, and shall be available for encumbrance and expenditure until June 30, 2006:	
0546—Bay-Delta Ecosystem Restoration Account	
(1) The balance of Item 3870-001-0546, Budget Act of 2003 (Ch. 157, Stats. 2003)	
6031—Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002	
(1) $12,593,000 from Item 3870-001-6031, Budget Act of 2003 (Ch. 157, Stats. 2003) for purposes of the CALFED Science and Conveyance Programs	

CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY

3900-001-0001—For support of State Air Resources Board, for payment to Item 3900-001-0044	2,224,000
3900-001-0044—For support of State Air Resources Board, payable from the Motor Vehicle Account, State Transportation Fund	60,107,000
Schedule:	
(1) 15-Mobile Source	114,665,000
(2) 25-Stationary Source	38,238,000
(3) 30.01-Program Direction and Support	11,092,000
(4) 30.02-Distributed Program Direction and Support	–11,092,000
(5) Reimbursements	–3,777,000
(6) Amount payable from the General Fund (Item 3900-001-0001)	–2,224,000
(7) Amount payable from the Air Pollution Control Fund (Item 3900-001-0115)	–61,394,000

Item Amount

(8) Amount payable from the Vehicle Inspection and Repair Fund (Item 3900-001-0421) .....–11,558,000

(9) Amount payable from the Air Toxics Inventory and Assessment Account (Item 3900-001-0434)..... –991,000

(10) Amount payable from the Federal Trust Fund (Item 3900-001-0890).–11,352,000

(11) Amount payable from the Non-Toxic Dry Cleaning Incentive Trust Fund (Item 3900-001-3070)..... –1,500,000

Provisions:

1. Of the amount appropriated in this item, $30,500,000 is available for the purpose of matching grants under the Carl Moyer Memorial Air Quality Standards Attainment Program.

3900-001-0115—For support of State Air Resources Board, for payment to Item 3900-001-0044, payable from the Air Pollution Control Fund 61,394,000

3900-001-0421—For support of State Air Resources Board, for payment to Item 3900-001-0044, payable from the Vehicle Inspection and Repair Fund 11,558,000

3900-001-0434—For support of State Air Resources Board, for payment to Item 3900-001-0044, payable from the Air Toxics Inventory and Assessment Account..... 991,000

3900-001-0890—For support of State Air Resources Board, for payment to Item 3900-001-0044, payable from the Federal Trust Fund 11,352,000

3900-001-3070—For support of State Air Resources Board, for payment to Item 3900-001-0044, payable from the Non-Toxic Dry Cleaning Incentive Trust Fund 1,500,000

3900-101-0044—For local assistance, State Air Resources Board, for assistance to counties in the operation of local air pollution control districts, payable from the Motor Vehicle Account, State Transportation Fund 10,111,000

Schedule:

(1) 35-Subvention..... 10,111,000

Provisions:

1. It is the intent of the Legislature that funds appropriated in this item shall not be used to reduce the fees paid by permittees to the local air quality management and air pollution control districts.

Item	Amount
3910-001-0005—For support of California Integrated Waste Management Board, for payment to Item 3910-001-0387, payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund	136,000
3910-001-0100—For support of California Integrated Waste Management Board, for payment to Item 3910-001-0387, payable from the California Used Oil Recycling Fund	4,520,000
Provisions:	
1. Notwithstanding subdivision (d) of Section 48653 of the Public Resources Code, the aggregate of appropriations from the California Used Oil Recycling Fund may exceed $3,000,000 during the 2004–05 fiscal year.	
3910-001-0226—For support of California Integrated Waste Management Board, for payment to Item 3910-001-0387, payable from the California Tire Recycling Management Fund	28,139,000
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
2. Notwithstanding Section 42889 of the Public Resources Code, expenditures for administration of the Tire Recycling Program may exceed the limits set forth in subdivisions (a) and (b) of Section 42889 of the Public Resources Code.	
3910-001-0281—For support of California Integrated Waste Management Board, for payment to Item 3910-001-0387, payable from the Recycling Market Development Revolving Loan Account, Integrated Waste Management Fund	1,863,000
3910-001-0386—For support of California Integrated Waste Management Board, for payment to Item 3910-001-0387, payable from the Solid Waste Disposal Site Cleanup Trust Fund	419,000
Provisions:	
1. Notwithstanding Section 48020 of the Public Resources Code, expenditures for administration of the Solid Waste Cleanup Trust Fund Program may exceed the limits set forth in subdivision (c) of Section 48020 of the Public Resources Code.	

Item		Amount
3910-001-0387—For support of California Integrated Waste Management Board, payable from the Integrated Waste Management Account, Integrated Waste Management Fund		35,504,000
Schedule:		
(1) 11-Waste Reduction and Management	151,635,000	
(2) 30.01-Administration	8,413,000	
(3) 30.02-Distributed Administration	–8,413,000	
(4) Reimbursements	–200,000	
(5) Amount payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund (Item 3910-001-0005).	–136,000	
(6) Amount payable from the California Used Oil Recycling Fund (Item 3910-001-0100)	–4,520,000	
(7) Amount payable from the California Used Oil Recycling Fund (paragraph (4) of subdivision (a) of Section 48653 of the Public Resources Code)	–1,440,000	
(8) Amount payable from the California Used Oil Recycling Fund (paragraph (1) of subdivision (a) of Section 48653 of the Public Resources Code)	–3,300,000	
(9) Amount payable from the California Tire Recycling Management Fund (Item 3910-001-0226)	–28,139,000	
(10) Amount payable from the Recycling Market Development Revolving Loan Account, Integrated Waste Management Fund (Item 3910-001-0281)	–1,863,000	
(11) Amount payable from the Solid Waste Disposal Site Cleanup Trust Fund (Item 3910-001-0386)	–419,000	
(12) Amount payable from the Integrated Waste Management Account, Integrated Waste Management Fund (Item 3910-006-0387).	–640,000	
(13) Amount payable from the Farm and Ranch Solid Waste Cleanup and Abatement Account (Item 3910-001-0558)	–1,020,000	

Item Amount

(14) Amount payable from the Rigid Container Account (Item 3910-001-3024) ..... –1,031,000

(15) Amount payable from the Electronic Waste Recovery and Recycling Account (Item 3910-001-3065) .....–73,423,000

Provisions:

1. Notwithstanding subdivision (h) of Section 42023.1 of the Public Resources Code, the California Integrated Waste Management Board may offset the costs of administering the revolving loan program for Recycling Market Development Zones with funds appropriated in this item.
2. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

3910-001-0558—For support of California Integrated Waste Management Board, for payment to Item 3910-001-0387, payable from the Farm and Ranch Solid Waste Cleanup and Abatement Account..... 1,020,000

Provisions:

1. Notwithstanding Section 48100 of the Public Resources Code, expenditures for administration of the Farm and Ranch Solid Waste Cleanup and Abatement Grant Program may exceed the limits set forth in paragraph (3)(A) of subdivision (c) of Section 48100 of the Public Resources Code.

3910-001-3024—For support of California Integrated Waste Management Board, for payment to Item 3910-001-0387, payable from the Rigid Container Account 1,031,000

3910-001-3065—For support of California Integrated Waste Management Board, for payment to Item 3910-001-0387, payable from the Electronic Waste Recovery and Recycling Account..... 73,423,000

3910-003-0100—For transfer by the Controller, upon notification by the board, of an amount not to exceed the appropriation in this item, from the California Used Oil Recycling Fund to the Farm and Ranch Solid Waste Cleanup and Abatement Account pursuant to paragraph (2)(A) of subdivision (c) of Section 48100 of the Public Resources Code..... (333,000)

Item	Amount
3910-003-0226—For transfer by the Controller, upon notification by the board, of an amount not to exceed the appropriation in this item, from the California Tire Recycling Management Fund to the Farm and Ranch Solid Waste Cleanup and Abatement Account pursuant to paragraph (2)(A) of subdivision (c) of Section 48100 of the Public Resources Code.....	(333,000)
3910-003-0387—For transfer by the Controller from the Integrated Waste Management Account, Integrated Waste Management Fund, to the Recycling Market Development Revolving Loan Account as a loan pursuant to subdivision (a) of Section 42023.2 of the Public Resources Code	(5,000,000)
3910-004-0387—For transfer by the Controller from the Integrated Waste Management Account, Integrated Waste Management Fund, to the Solid Waste Disposal Site Cleanup Trust Fund pursuant to paragraph (1) of subdivision (c) of Section 48027 of the Public Resources Code.....	(5,000,000)
3910-005-0387—For transfer by the Controller, upon notification by the board, of an amount not to exceed the appropriation in this item, from the Integrated Waste Management Account, Integrated Waste Management Fund, to the Farm and Ranch Solid Waste Cleanup and Abatement Account pursuant to paragraph (2)(A) of subdivision (c) of Section 48100 of the Public Resources Code.....	(334,000)
3910-006-0387—For support of California Integrated Waste Management Board, for payment to Item 3910-001-0387, payable from the Integrated Waste Management Account, Integrated Waste Management Fund.....	640,000
3910-101-0226—For local assistance, California Integrated Waste Management Board, payable from the California Tire Recycling Management Fund.....	4,000,000
Provisions: 1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
3910-101-0387—For local assistance, California Integrated Waste Management Board, payable from the Integrated Waste Management Account, Integrated Waste Management Fund.....	5,904,000
3930-001-0106—For support of Department of Pesticide Regulation.....	39,083,000

Item Amount

Schedule:

(1) 12-Registration and Health Evaluation..... 16,438,000

(2) 17-Pest Management, Environmental Monitoring, Enforcement, and Licensing..... 26,051,000

(3) 20.10-Executive and Administrative Services..... 7,857,000

(4) 20.20-Distributed Executive and Administrative Services..... –7,857,000

(5) Reimbursements..... –479,000

(6) Amount payable from the California Environmental License Plate Fund (Item 3930-001-0140)..... –454,000

(7) Amount payable from the Food Safety Account (Item 3930-001-0224)..... –306,000

(8) Amount payable from the Federal Trust Fund (Item 3930-001-0890). –2,167,000

Provisions:

1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

3930-001-0140—For support of Department of Pesticide Regulation, for payment to Item 3930-001-0106, payable from the California Environmental License Plate Fund..... 454,000

3930-001-0224—For support of Department of Pesticide Regulation, for payment to Item 3930-001-0106, payable from the Food Safety Account..... 306,000

Provisions:

1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

3930-001-0890—For support of Department of Pesticide Regulation, for payment to Item 3930-001-0106, payable from the Federal Trust Fund..... 2,167,000

3930-003-0106—For transfer by the Controller from the Department of Pesticide Regulation Fund to the Food Safety Account pursuant to Section 12846.5 of the Food and Agricultural Code ..... (176,000)

Item Amount

3930-295-0001—For local assistance, Department of Pesticide Regulation, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller 1,000

Schedule:

(1) 98.01.120.089-Pesticide Use Reports (Ch. 1200, Stats. 89) 1,000

Provisions:

1. Except as provided in Provision 2, allocations of funds provided in this item to the appropriate local entities shall be made by the State Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated in this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.
2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the State Controller may, upon notifying the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.

3940-001-0001—For support of State Water Resources Control Board..... 27,358,000

Schedule:

(1) 10-Water Quality.....387,080,000
(2) 20-Water Rights 10,362,000
(3) 30.01-Administration..... 13,512,000
(4) 30.02-Distributed Administration ...–13,512,000
(5) Reimbursements..... –9,772,000

Item	Amount
(6) Amount payable from the Unified Program Account (Item 3940-001-0028)	–491,000
(7) Amount payable from the Waste Discharge Permit Fund (Item 3940-001-0193)	–55,913,000
(8) Amount payable from the Marine Invasive Species Control Fund (Item 3940-001-0212)	–74,000
(9) Amount payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund (Item 3940-001-0235)	–2,104,000
(10) Amount payable from the Integrated Waste Management Account, Integrated Waste Management Fund (Item 3940-001-0387)	–5,284,000
(11) Amount payable from the State Revolving Fund Loan Subaccount (Item 3940-001-0417)	–511,000
(12) Amount payable from the Small Communities Grant Subaccount (Item 3940-001-0418)	–739,000
(13) Amount payable from the Water Recycling Subaccount (Item 3940-001-0419)	–150,000
(14) Amount payable from the Drainage Management Subaccount (Item 3940-001-0422)	–511,000
(16) Amount payable from the Seawater Intrusion Control Subaccount (Item 3940-001-0424)	–38,000
(17) Amount payable from the Underground Storage Tank Tester Account (Item 3940-001-0436)	–61,000
(18) Amount payable from the Underground Storage Tank Cleanup Fund (Item 3940-001-0439)	–243,084,000
(19) Amount payable from the Underground Storage Tank Fund (Item 3940-001-0475)	–400,000
(20) Amount payable from the Surface Impoundment Assessment Account (Item 3940-001-0482)	–180,000
(21) Amount payable from the 1984 State Clean Water Bond Fund (Item 3940-001-0740)	–312,000

Item Amount

(22) Amount payable from the Federal Trust Fund (Item 3940-001-0890) ..... –32,619,000

(23) Amount payable from the Water Rights Fund (Item 3940-001-3058) ..... –9,264,000

(24) Amount payable from the Watershed Protection Subaccount (Item 3940-001-6013) ..... –1,035,000

(25) Amount payable from the Santa Ana River Watershed Subaccount (Item 3940-001-6016) ..... –1,027,000

(26) Amount payable from the Lake Elsinore and San Jacinto Watershed Subaccount (Item 3940-001-6017) ..... –43,000

(27) Amount payable from the Nonpoint Source Pollution Control Subaccount (Item 3940-001-6019). –1,201,000

(28) Amount payable from the State Revolving Fund Loan Subaccount (Item 3940-001-6020) ..... –81,000

(29) Amount payable from the Wastewater Construction Grant Subaccount (Item 3940-001-6021) ..... –22,000

(30) Amount payable from the Coastal Nonpoint Source Control Subaccount (Item 3940-001-6022) ..... –1,051,000

(31) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3940-001-6031) ..... –4,117,000

Provisions:

1. Notwithstanding any other provision of law, upon approval and order of the Director of Finance, the State Water Resources Control Board may borrow sufficient funds for cash purposes from special funds that otherwise provide support for the board. Any such loans are to be repaid with interest at the rate earned in the Pooled Money Investment Account.

3940-001-0028—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Unified Program Account 491,000

Provisions:

1. It is intended that the total funding provided in this item and Item 3940-001-0475 be maintained

Item	Amount
in 2004–05 for the state underground storage tank regulatory activities. In the event that revenues for the Unified Program Account are insufficient to support the appropriation in this item because of delays in shifting programmatic responsibilities to certified unified program agencies, this item may be reduced and a corresponding increase of an equal or lesser amount may be made to Item 3940-001-0475, upon approval of the Department of Finance.	
3940-001-0193—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Waste Discharge Permit Fund.....	55,913,000
3940-001-0212—For support of State Water Resources Control Board, for payment to Item 3940-001-0001 payable from the Marine Invasive Species Control Fund	74,000
3940-001-0235—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund.....	2,104,000
3940-001-0387—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Integrated Waste Management Account, Integrated Waste Management Fund.....	5,284,000
3940-001-0417—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the State Revolving Fund Loan Subaccount.....	511,000
3940-001-0418—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Small Communities Grant Subaccount.....	739,000
3940-001-0419—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Water Recycling Subaccount	150,000
3940-001-0422—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Drainage Management Subaccount.....	511,000
3940-001-0424—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Seawater Intrusion Control Subaccount.....	38,000

Item	Amount
3940-001-0436—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Underground Storage Tank Tester Account	61,000
3940-001-0439—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Underground Storage Tank Cleanup Fund	243,084,000
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
3940-001-0475—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Underground Storage Tank Fund	400,000
Provisions:	
1. Pursuant to subdivision (b) of Section 25287 of the Health and Safety Code, the surcharge to be included in the fee paid to a local agency by each person who submits an application for a permit to operate an underground storage tank shall be $56 per tank, during the 2004–05 fiscal year. This surcharge shall be transmitted to the State Water Resources Control Board and deposited in the Underground Storage Tank Fund.	
3940-001-0482—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Surface Impoundment Assessment Account Fund	180,000
3940-001-0740—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the 1984 State Clean Water Bond Fund	312,000
3940-001-0890—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Federal Trust Fund	32,619,000
3940-001-3058—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Water Rights Fund	9,264,000
3940-001-6013—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Watershed Protection Subaccount	1,035,000

Item	Amount
3940-001-6016—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Santa Ana River Watershed Subaccount	1,027,000
3940-001-6017—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Lake Elsinore and San Jacinto Watershed Subaccount	43,000
3940-001-6019—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Nonpoint Source Pollution Control Subaccount	1,201,000
3940-001-6020—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the State Revolving Fund Loan Subaccount	81,000
3940-001-6021—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Wastewater Construction Subaccount	22,000
3940-001-6022—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Nonpoint Source Control Subaccount	1,051,000
3940-001-6031—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002.	4,117,000
3940-101-0001—For local assistance, State Water Resources Control Board	0
Schedule:	
(1) 10-Water Quality	62,100,000
(2) Amount payable from the Water Recycling Subaccount (Item 3940-101-0419)	–21,689,000
(3) Amount payable from the Watershed Protection Subaccount (Item 3940-101-6013)	–1,423,000
(4) Amount payable from the Nonpoint Source Pollution Control Subaccount (Item 3940-101-6019)	–1,047,000
(5) Amount payable from the Coastal Nonpoint Source Control Subaccount (Item 3940-101-6022)	–2,941,000

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(6) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3940-101-6031) .....–35,000,000

3940-101-0419—For local assistance, State Water Resources Control Board, for payment to Item 3940-101-0001, payable from the Water Recycling Subaccount, to be available for expenditure until June 30, 2007 21,689,000

3940-101-6013—For local assistance, State Water Resources Control Board, for payment to Item 3940-101-0001, payable from the Watershed Protection Subaccount, to be available for expenditure until June 30, 2007 1,423,000

3940-101-6019—For local assistance, State Water Resources Control Board, for payment to Item 3940-101-0001, payable from the Nonpoint Source Pollution Control Subaccount to be available for expenditure until June 30, 2007 1,047,000

3940-101-6022—For local assistance, State Water Resources Control Board, for payment to Item 3940-101-0001, payable from the Coastal Nonpoint Source Control Subaccount to be available for expenditure until June 30, 2007 2,941,000

3940-101-6031—For local assistance, State Water Resources Control Board, for payment to Item 3940-101-0001, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 35,000,000

Provisions:

1. Notwithstanding any other provision of law, the amount appropriated in this item shall be available for expenditure until June 30, 2007, and may be used to provide grants to local, state, federal, and private entities for projects.
2. Grants made pursuant the Water Recycling Grant Program, funded in this item, and Item 3940-101-6031 of the Budget Act of 2003 (Ch. 157, Stats. 2003), shall, upon award of a grant by the State Water Resources Control Board, be available for reimbursement of eligible costs incurred after January 1, 2004.

3940-490—Reappropriation, State Water Resources Control Board. Notwithstanding any other provision of law, the period to liquidate encumbrances of the following citation is extended to June 30, 2005:

0001—General Fund

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(1) Item 3940-001-0001, Budget Act of 2001 (Ch. 106, Stats. 2001)

(1) 10-Water Quality

3940-491—Reappropriation, State Water Resources Control Board. The amount specified in the appropriation provided in the following citation is reappropriated for the purpose of making agricultural water quality grants and shall be available for encumbrance or expenditure until June 30, 2005:

6031—Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002

(1) $9,500,000 in Item 3940-101-6031, Budget Act of 2003 (Ch. 157, Stats. 2003)

3960-001-0001—For support of Department of Toxic Substances Control, for payment to Item 3960-001-0014..... 17,150,000

Provisions:

1. The Director of the Department of Toxic Substances Control may expend from this item: (a) $8,989,000 for the following activities at the Stringfellow Federal Superfund site: (1) operation and maintenance of pretreatment plants to treat contaminated groundwater extracted from the site, (2) site maintenance and groundwater monitoring, and (3) implementation of work to stabilize the site, and (b) $6,618,000 for the operation of the Illegal Drug Laboratory Removal Program.
2. Notwithstanding Section 2.00 of this act, the funds appropriated for removal and remedial action at the Stringfellow Federal Superfund site shall be available for encumbrance for three fiscal years subsequent to the fiscal year in which the funds are appropriated, and disbursements in liquidation of encumbrances shall be pursuant to Section 16304.1 of the Government Code.
3. Of the amount appropriated in this item, $750,000 shall be used for the purposes of emergency response activity pursuant to Section 25354 of the Health and Safety Code, in lieu of the appropriation made pursuant to that section.

3960-001-0014—For support of Department of Toxic Substances Control, payable from the Hazardous Waste Control Account 45,392,000

Schedule:

(1) 12-Site Mitigation and Brownfields Reuse 69,659,000

(2) 13-Hazardous Waste Management.. 58,348,000

Item	Amount
(3) 19.01-Administration	32,829,000
(4) 19.02-Distributed Administration	–32,829,000
(5) 20-Science, Pollution Prevention and Technology	11,822,000
(6) Reimbursements	–8,501,000
(7) Amount payable from General Fund (Item 3960-001-0001)	–17,150,000
(8) Amount payable from Unified Program Account (Item 3960-001-0028)	–1,006,000
(9) Amount payable from Illegal Drug Lab Cleanup Account (Item 3960-001-0065)	–2,071,000
(10) Amount payable from California Used Oil Recycling Fund (Item 3960-001-0100)	–343,000
(11) Amount payable from Toxic Substances Control Account (Item 3960-001-0557)	–42,740,000
(12) Amount payable from Federal Trust Fund (Item 3960-001-0890)	–21,516,000
(13) Amount payable from Environmental Quality Assessment Fund (Item 3960-001-3035)	–553,000
(14) Amount payable from Electronic Waste Recovery and Recycling Account (Item 3960-001-3065)	–557,000

Provisions:

1. Notwithstanding any other provision of law, upon approval and order of the Director of Finance, the Department of Toxic Substances Control may borrow sufficient funds from special funds that otherwise provide support for the department for cash purposes. Any such loans are to be repaid with interest at the rate earned by the Pooled Money Investment Account.
2. Notwithstanding any other provision of law, upon request of the Director of the Department of Toxic Substances Control, and approval of the Department of Finance, the Controller shall increase the appropriation in this item in an amount necessary to pay the Board of Equalization any additional costs the board may incur to make refunds required by Chapter 737 of the Statutes of 1998, provided sufficient funds are available for such purposes and the board provides workload information that justifies the increase.

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3960-001-0018—For support of Department of Toxic Substances Control, payable from the Site Remediation Account 8,258,000

Schedule:

(1) 12-Site Mitigation and Brownfields Reuse 8,258,000

Provisions:

1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. The Director of the Department of Toxic Substances Control shall report, in writing, not later than 90 days after the end of the fiscal year to the Chairperson of the Joint Legislative Budget Committee, the chairpersons of the legislative fiscal committees that act on the department's budget, the Chairperson of the Environmental Safety and Toxic Materials Committee of the Assembly, and the Chairperson of the Environmental Quality Committee of the Senate, actions taken under this provision.
3. Notwithstanding Section 2.00 of the Budget Act, this appropriation shall be available in accordance with the provisions of Section 25330.2 of the Health and Safety Code.

3960-001-0028—For support of Department of Toxic Substances Control, for payment to Item 3960-001-0014, payable from the Unified Program Account .. 1,006,000

3960-001-0065—For support of Department of Toxic Substances Control, for payment to Item 3960-001-0014, payable from the Illegal Drug Lab Cleanup Account 2,071,000

3960-001-0100—For support of Department of Toxic Substances Control, for payment to Item 3960-001-0014, payable from the California Used Oil Recycling Fund 343,000

3960-001-0456—For support of Department of Toxic Substances Control, payable from the Expedited Site Remediation Trust Fund 2,920,000

Schedule:

(1) 12-Site Mitigation and Brownfields Reuse 2,920,000

Provisions:

1. Notwithstanding any other provision of law, upon request of the Department of Toxic Substances Control, and approval by the Department of Fi-

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nance, the Controller shall augment the appropriation in this item to pay costs associated with orphan shares at sites selected for the Expedited Site Remediation Pilot Program from any uncommitted funds in the Expedited Site Remediation Trust Fund.

2. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

3960-001-0557—For support of Department of Toxic Substances Control, for payment to Item 3960-001-0014, payable from the Toxic Substances Control Account 42,740,000

Provisions:

1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. The amount appropriated in this item includes state oversight costs at military installations. The expenditure of these funds shall not relieve the federal government of the responsibility to pay for all state oversight costs. The department shall take all steps necessary to recover these costs from the federal government, including, but not limited to, filing civil actions authorized by state and federal law.

3960-001-0890—For support of Department of Toxic Substances Control, for payment to Item 3960-001-0014, payable from the Federal Trust Fund 21,516,000

3960-001-3035—For support of Department of Toxic Substances Control, for payment to Item 3960-001-0014, payable from the Environmental Quality Assessment Fund 553,000

Provisions:

1. Notwithstanding any other provision of law, upon approval and order of the Director of Finance, the Department of Toxic Substances Control may borrow for cash purposes sufficient funds from special funds that otherwise provide support for the department. Any such loans are to be repaid with interest at the rate earned by the Pooled Money Investment Account.

Item	Amount
3960-001-3065—For support of Department of Toxic Substances Control, for payment to Item 3960-001-0014, payable from the Electronic Waste Recovery and Recycling Account	557,000
3960-011-0294—For transfer by the Controller from the subaccount for removal and remedial action in the Hazardous Substance Account to the Toxic Substances Control Account	(250,000)

Provisions:

1. Notwithstanding any other provision of law, upon request of the Department of Toxic Substances Control, the Controller shall transfer those funds deposited in the subaccount for removal and remedial action in the Hazardous Substance Account to the Toxic Substances Control Account in an amount sufficient to fund the department's costs of providing oversight to sites with deposits in the subaccount for removal and remedial action. The amount of funds transferred for the oversight of a given site shall not exceed the amount deposited in the subaccount for removal and remedial action pursuant to the settlement for that specific site.

3960-011-0557—For transfer by the Controller from the Toxic Substances Control Account to the Expedited Site Remediation Trust Fund	(471,000)

Provisions:

1. Notwithstanding any other provision of law, upon request of the Department of Toxic Substances Control, the Controller shall transfer funds from the Toxic Substances Control Account to the Expedited Site Remediation Trust Fund, pursuant to Chapter 6.85 (commencing with Section 25396) of Division 20 of the Health and Safety Code. The amount of the funds transferred shall not exceed the proceeds of fines and penalties deposited in the Toxic Substances Control Account in the 2004–05 fiscal year, exclusive of the fines and penalties transferred to the Hazardous Substance Account pursuant to Section 25192 of the Health and Safety Code for expenditure in accordance with Section 25385.9 of the Health and Safety Code.
2. The amount specified in this item is an estimate of the funds available from the proceeds of fines and

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penalties described in Provision 1, and does not represent a limit on the funds that may be transferred.

3. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

3960-011-1003—For transfer by the Controller from the Cleanup Loans and Environmental Assistance to Neighborhoods Account to the Toxic Substances Control Account ..... (424,000)

Provisions:

1. Notwithstanding any other provision of law, upon request of the Department of Toxic Substances Control, the Controller shall transfer up to $424,000 to the Toxic Substances Control Account based on actual costs incurred by the department for its oversight of Cleanup Loans and Environmental Assistance to Neighborhoods loan projects, provided that sufficient funds are available for those purposes.

3960-012-0557—For transfer by the Controller from the Toxic Substances Control Account to the Site Remediation Account ..... (7,927,000)

3960-013-0557—For transfer by the Controller from the Toxic Substances Control Account to the Hazardous Substance Account..... (3,000,000)

Provisions:

1. Upon request of the Department of Toxic Substances Control, the Controller shall transfer up to $3,000,000 to the Hazardous Substance Account, pursuant to this item.

3960-014-0557—For transfer, upon order of the Director of Finance, from the Toxic Substances Control Account to the General Fund ..... (970,000)

Provisions:

1. Notwithstanding Health and Safety Code Section 25353, the transfer made by this item is a loan to the General Fund for the state's liability at the ASARCO, also known as the Selby site. This loan shall be fully repaid by June 30, 2010, with interest calculated at the rate earned by the Pooled Money Investment Account at the time of the transfer.

3980-001-0001—For support of Office of Environmental Health Hazard Assessment 7,416,000

Item	Amount
Schedule:	
(1) 10-Health Risk Assessment..... 13,883,000	
(2) Reimbursements..... –1,560,000	
(2.5) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 3980-001-0044)... –2,123,000	
(3) Amount payable from the California Used Oil Recycling Fund (Item 3980-001-0100) ..... –487,000	
(4) Amount payable from the Department of Pesticide Regulation Fund (Item 3980-001-0106) ..... –766,000	
(5) Amount payable from the California Environmental License Plate Fund (Item 3980-001-0140)..... –787,000	
(6) Amount payable from the Integrated Waste Management Account (Item 3980-001-0387)..... –297,000	
(7) Amount payable from the Underground Storage Tank Cleanup Fund (Item 3980-001-0439)..... –110,000	
(8) Amount payable from the Safe Drinking Water and Toxic Enforcement Fund (Item 3980-001-3056). –337,000	
3980-001-0044—For support of Office of Environmental Health Hazard Assessment, for payment to Item 3980-001-0001, payable from the Motor Vehicle Account, State Transportation Fund.....	2,123,000
3980-001-0100—For support of Office of Environmental Health Hazard Assessment, for payment to Item 3980-001-0001, payable from the California Used Oil Recycling Fund	487,000
3980-001-0106—For support of Office of Environmental Health Hazard Assessment, for payment to Item 3980-001-0001, payable from the Department of Pesticide Regulation Fund.....	766,000
3980-001-0140—For support of Office of Environmental Health Hazard Assessment, for payment to Item 3980-001-0001, payable from the California Environmental License Plate Fund	787,000
3980-001-0387—For support of Office of Environmental Health Hazard Assessment, for payment to Item 3980-001-0001, payable from the Integrated Waste Management Account, Integrated Waste Management Fund.....	297,000

Item	Amount
3980-001-0439—For support of Office of Environmental Health Hazard Assessment, for payment to Item 3980-001-0001, payable from the Underground Storage Tank Cleanup Fund	110,000
3980-001-3056—For support of Office of Environmental Health Hazard Assessment, for payment to Item 3980-001-0001, payable from the Safe Drinking Water and Toxic Enforcement Fund	337,000

HEALTH AND HUMAN SERVICES

4100-001-0890—For support of the State Council on Developmental Disabilities, payable from the Federal Trust Fund		6,725,000
Schedule:		
(1) 10-State Council Planning and Administration	1,380,000	
(2) 20-Community Program Development	1,987,000	
(3) 40-Regional Offices and Local Area Boards	9,084,000	
(4) Reimbursements	–5,726,000	

4100-490—Reappropriation, State Council on Developmental Disabilities. Notwithstanding any other provision of law, the balance of the amount appropriated for the State Council on Developmental Disabilities, payable from the Federal Trust Fund, in Item 4100-001-0890 of the Budget Act of 2003 (Ch. 157, Stats. 2003) is reappropriated for transfer to and in augmentation of Item 4100-001-0890 of this Budget Act for the following purposes:

(a) To augment the allocation to the Program Development Fund.

(b) To fund the cost of salary and benefit increases approved by the Legislature that exceed the Budget Act appropriation.

(c) To fund the implementation of any portion of the state plan as approved by the council.

4120-001-0001—For support of Emergency Medical Services Authority		957,000
Schedule:		
(1) 10-Emergency Medical Services Authority	5,685,000	
(2) Reimbursements	–1,713,000	

Item		Amount
(3) Amount payable from the Emergency Medical Services Training Program Approval Fund (Item 4120-001-0194)	−270,000	
(4) Amount payable from the Emergency Medical Services Personnel Fund (Item 4120-001-0312)	−1,148,000	
(5) Amount payable from the Federal Trust Fund (Item 4120-001-0890).	−1,597,000	
4120-001-0194—For support of Emergency Medical Services Authority, for payment to Item 4120-001-0001, payable from the Emergency Medical Services Training Program Approval Fund		270,000
4120-001-0312—For support of Emergency Medical Services Authority, for payment to Item 4120-001-0001, payable for the Emergency Medical Services Personnel Fund		1,148,000
4120-001-0890—For support of Emergency Medical Services Authority, for payment to Item 4120-001-0001, payable from the Federal Trust Fund		1,597,000
4120-101-0001—For local assistance, Emergency Medical Services Authority, grants to local agencies		9,786,000
Schedule:		
(1) 10-Emergency Medical Services Authority	16,990,000	
(2) Reimbursements	−5,200,000	
(3) Amount payable from the Federal Trust Fund (Item 4120-101-0890).	−2,004,000	

Provisions:

1. The General Fund support for poison control centers shall augment, but not replace, local expenditures for existing poison control center services. These funds shall be used primarily to increase services to underserved counties and populations and for poison prevention and information services. The Director of the Emergency Medical Services Authority may contract with eligible poison control centers for the distribution of these funds.
2. The Emergency Medical Services Authority shall use the following guidelines in administering state-funded grants to local agencies: (a) funding eligibility shall be limited to rural multicounty regions that demonstrate a heavy use of the emergency medical services system by nonresidents, (b) local agencies shall provide matching funds of

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at least $1 for each dollar of state funds received, (c) state funding shall be used to provide only essential minimum services necessary to operate the system, as defined by the authority, (d) no region shall receive both federal and state funds in the same fiscal year for the same purpose, and (e) the Emergency Medical Services Authority shall monitor the use of the funds by recipients to assure that these funds are used in an appropriate manner.

3. Each region shall be eligible to receive up to one-half of the total cost of a minimal system for that region, as defined by the Emergency Medical Services Authority. However, the authority may reallocate unclaimed funds among regions.
4. Notwithstanding Provision 2(b), each region with a population of 300,000 or less as of June 30, 2002, shall receive the full amount for which it is eligible if it provides a cash match of $0.41 per capita or more. Failure to provide local cash contributions at the specified level shall result in a proportional reduction in state funding.

4120-101-0890—For local assistance, Emergency Medical Services Authority, Program 10, for payment to Item 4120-101-0001, payable from the Federal Trust Fund 2,004,000

4130-001-0632—For support of California Health and Human Services Agency Data Center, payable from the California Health and Human Services Agency Data Center Revolving Fund..... 324,750,000

Schedule:

(1) 25-Operations.....120,874,000

(2) 30-Systems Management Services.....203,876,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for unanticipated workload resulting from services provided to client departments or as appropriated in a client department's budget for the California Health and Human Services Agency Data Center in excess of the amount appropriated no sooner than 30 days after providing notification in writing to the chairperson of the fiscal committee of each house of the Legislature and the Chairperson of the Joint Legislative Budget

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Committee, or no sooner than such lesser time as the chairperson of the committee, or his or her designee, may in each instance determine.

2. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated pursuant to Section 11797 of the Government Code.
3. Notwithstanding any other provision of law, the California Health and Human Services Agency Data Center shall submit a Feasibility Study Report or equivalent federal planning document to the Department of Finance for review and approval prior to award of the systems implementation contract for each welfare automation consortium.
4. Expenditure authority provided in this item to support data center infrastructure projects may only be utilized for items outside the approved scope of those projects if these changes are supported by documentation prepared and processed in accordance with the state's established administrative and legislative reporting requirements. Changes in project scope must receive approval using the established administrative and legislative reporting requirements.
5. Notwithstanding any other provision of law, upon request by the Health and Human Services Agency Data Center (HHSDC), the Director of Finance may augment the amount available for expenditure in this item to pay costs associated with the planning and procurement of the migration of the hosting function of the Child Welfare Services/Case Management System (CWS/CMS) to the HHSDC, upon approval by the federal government of the State's ''Go-Forward'' plan for the CWS/CMS project. The augmentation may be effected not sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house of the Legislature that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine. The increased expenditures authority granted pursuant to this provision shall be consistent with the amount approved by

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the Director of Finance based on his or her review of the special project report or equivalent document.

6. On or before September 1, 2004, the Health and Human Services Agency Data Center shall submit to the Department of Finance and the Legislative Analyst's Office a report detailing the cost factors reflected in the 2004–05 rates. This report shall include: (a) a statement of the department's expenditures and revenues, by function, (b) information detailing the incremental changes to rates between fiscal years, including the reason for, and aggregate amount of, the change, and (c) for each client department, the actual amounts charged in the 2002–03 and 2003–04 fiscal years, and proposed in the 2004–05 fiscal year. The Department of Finance shall use this report to review the current methodologies used to set rates and shall provide a report of its findings as part of the Governor's Budget for the 2005–06 fiscal year.

4130-490—Reappropriation, California Health and Human Services Agency Data Center. Notwithstanding any other provision of law, the balance of the funds for the appropriations provided in the following citations is reappropriated for expenditure pursuant to Provision 1 and is available for encumbrance or expenditure until June 30, 2005:

0632—Revolving Fund

Item 4130-001-0632, Budget Act of 2003 (Ch. 157, Stats. 2003)

Provisions:

1. It is the intent of this item to continue funding approved activities for the automation projects that, due to schedule changes, result in unexpended appropriations for one year and the need for additional funding in the following year. Therefore, notwithstanding any other provision of law, the balance of the appropriations for these automation projects may, upon approval of the Department of Finance, be reappropriated for transfer to and in augmentation of the corresponding items in this act. The funds reappropriated by this provision shall be made available consistent with the amount approved by the Department of Finance based on an approved special project report or equivalent document not sooner than 30 days after

Item	Amount
providing notification in writing to the chairperson of the fiscal committee of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee.	
4140-001-0001—For support of Office of Statewide Health Planning and Development	0
Schedule:	
(1) 10-Health Care Quality and Analysis	5,967,000
(2) 30-Health Care Workforce	6,422,000
(3) 42-Facilities Development	27,638,000
(4) 45-Cal-Mortgage Loan Insurance...	4,311,000
(5) 60-Health Care Information	8,651,000
(6) 80.01-Administration	10,087,000
(7) 80.02-Distributed Administration ...	–9,862,000
(8) Reimbursements	–1,283,000
(9) Amount payable from the Hospital Building Fund (Item 4140-001-0121).....	–27,196,000
(10) Amount payable from the California Health Data and Planning Fund (Item 4140-001-0143)	–16,313,000
(11) Amount payable from the Registered Nurse Education Fund (Item 4140-001-0181)	–1,897,000
(12) Amount payable from the Federal Trust Fund (Item 4140-001-0890).	–285,000
(13) Amount payable from the Mental Health Practitioner Education Fund (Item 4140-001-3064)	–206,000
(14) Amount payable from the Vocational Nurse Education Fund (Item 4140-001-3068)	–131,000
(15) Amount payable from the Health Facilities Construction Loan Insurance Fund (Section 129200, Health and Safety Code)	–4,311,000
(16) Amount payable from the Health Professions Education Fund (Section 128355, Health and Safety Code)	–1,592,000
4140-001-0121—For support of Office of Statewide Health Planning and Development, for payment to Item 4140-001-0001, payable from the Hospital Building Fund	27,196,000

Item	Amount
Provisions:	
1. Notwithstanding any other provision of law, upon request by the Office of Statewide Health Planning and Development, the Department of Finance may augment the amount available for expenditure in this item to pay costs associated with the review of hospital building plans. The augmentation may be effected not sooner than 30 days after notification in writing of the necessity thereof to the chairperson of the committee in each house of the Legislature that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may determine.	
4140-001-0143—For support of Office of Statewide Health Planning and Development, for payment to Item 4140-001-0001, payable from the California Health Data and Planning Fund	16,313,000
4140-001-0181—For support of Office of Statewide Health Planning and Development, for payment to Item 4140-001-0001, payable from the Registered Nurse Education Fund	1,897,000
4140-001-0890—For support of Office of Statewide Health Planning and Development, for payment to Item 4140-001-0001, payable from the Federal Trust Fund	285,000
4140-001-3064—For support of Office of Statewide Health Planning and Development, for payment to Item 4140-001-0001, payable from the Mental Health Practitioner Education Fund	206,000
4140-001-3068—For support of Office of Statewide Health Planning and Development, for payment to Item 4140-001-0001, payable from the Vocational Nurse Education Fund	131,000
4140-001-8007—For support of Office of Statewide Health Planning and Development, payable from the Specialty Care Fund	0
Provisions:	
1. Notwithstanding any other provision of law, upon request of the Office of Statewide Health Planning and Development, the Department of Finance may authorize expenditures of up to $200,000 in excess of the amount appropriated in this item, if sufficient funds are available in the Specialty Care Fund, to pay costs associated with	

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fundraising activities by a nonprofit organization as specified in Chapter 520, Statutes of 2001, not sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house of the Legislature that considers appropriations and the Chairperson of the Joint Legislative Budget Committee. The funds appropriated by this provision shall be made available consistent with the amount approved by the Department of Finance based on its review of the proposed contractual agreement for the fundraising activities.

4140-017-0143—For support of Office of Statewide Health Planning and Development, payable from the California Health Data and Planning Fund 99,000

Schedule:

(1) 60-Healthcare Information 99,000

Provisions:

1. The funding appropriated in this item is limited to the amount specified in Control Section 17.00. These funds are to be used in support of compliance activities related to the federal Health Insurance Portability and Accountability Act (HIPAA) of 1996.

4140-101-0001—For local assistance, Office of Statewide Health Planning and Development 0

Schedule:

(1) 30-Healthcare Workforce 5,331,000

(2) Reimbursements ..... –400,000

(2.5) Amount payable from California Health Data and Planning Fund (Item 4140-101-0143) ..... (–3,931,000)

(3) Amount payable from the Federal Trust Fund (Item 4140-101-0890)..... –1,000,000

Provisions:

1. Notwithstanding subdivision (a) of Section 2.00 of this act, or any other provision of law, the funds appropriated in this item for contracts with accredited medical schools or programs that train primary care physicians' assistants or primary care nurse practitioners, as well as contracts with hospitals or other health care delivery systems located in California, that meet the standards of the Health Manpower Policy Commission established pursuant to Article 1 (commencing with

Item	Amount
Section 128200) of Chapter 4 of Part 3 of Division 107 of the Health and Safety Code, shall continue to be available for the 2005–06, 2006–07, and 2007–08 fiscal years.	
4140-101-0143—For local assistance, Office of Statewide Health Planning and Development, for payment to Item 4140-101-0001, payable from the California Health Data and Planning Fund	3,931,000
Provisions:	
1. Notwithstanding subdivision (a) of Section 2.00 of this act, or any other provision of law, the funds appropriated in this item for contracts with accredited medical schools, or programs that train primary care physicians' assistants or primary care nurse practitioners, as well as contracts with hospitals or other health care delivery systems located in California, that meet the standards of the California Healthcare Workforce Policy Commission established pursuant to Article 1 (commencing with Section 128200) of Chapter 4 of Part 3 of Division 107 of the Health and Safety Code, shall continue to be available for the 2005–06, 2006–07, and 2007–08 fiscal years.	
4140-101-0890—For local assistance, Office of Statewide Health Planning and Development, for payment to Item 4140-101-0001, payable from the Federal Trust Fund	1,000,000
4170-001-0001—For support of Department of Aging...	3,529,000
Schedule:	
(.5) 10-Nutrition 2,547,000	
(1) 11-Aging Programs 81,000	
(1.5) 20-Senior Community Employment Service..... 598,000	
(2.1) 30-Supportive Services and Centers 4,868,000	
(2.2) 40-Special Projects 5,921,000	
(3) 50.01-Administration..... 13,568,000	
(4) 50.02-Distributed Administration ...–13,568,000	
(5) Reimbursements..... –3,058,000	
(6) Amount payable from the State HICAP Fund (Item 4170-001-0289)..... –193,000	
(7) Amount payable from the Federal Trust Fund (Item 4170-001-0890). –7,135,000	

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(8) Amount payable from the Federal Citation Penalties Account, Special Deposit Fund (Item 4170-003-0942)..... −100,000

4170-001-0289—For support of Department of Aging, for payment to Item 4170-001-0001, payable from the State HICAP Fund 193,000

4170-001-0890—For support of Department of Aging, for payment to Item 4170-001-0001, payable from the Federal Trust Fund..... 7,135,000

Provisions:

1. The Department of Finance may authorize the transfer of funds between this item and Item 4170-101-0890 no sooner than 30 days after written notification to the chairpersons of the fiscal committees of each house and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee may determine. The notification shall include: (a) the amount of the proposed transfer; (b) an identification of the purposes for which the funds will be used; (c) documentation that the proposed activities must be carried out in the current year and that no other funds are available for their support; and (d) the impact of any transfer on the level of services.

4170-003-0942—For support of Department of Aging, for payment to Item 4170-001-0001, payable from the Federal Citation Penalties Account, Special Deposit Fund 100,000

4170-017-0001—For support of Department of Aging... 12,000

Schedule:

(1) 21-Medi-Cal Programs 24,000

(2) Reimbursements..... −12,000

Provisions:

1. The funding appropriated in this item is limited to the amount specified in Control Section 17.00. These funds are to be used in support of compliance activities related to the federal Health Insurance Portability and Accountability Act (HIPAA) of 1996.

4170-101-0001—For local assistance, Department of Aging 31,452,000

Schedule:

(1) 11-Aging Programs 2,769,000

(1.1) 10-Nutrition 72,384,000

Item	Amount
(1.2) 20-Senior Community Employment Service	9,149,000
(1.3) 30-Supportive Services and Centers	67,832,000
(1.4) 40-Special Projects	20,739,000
(2) Reimbursements	−3,228,000
(3) Amount payable from the State HICAP Fund (Item 4170-101-0289)	−1,580,000
(4) Amount payable from the Federal Trust Fund (Item 4170-101-0890)	−135,171,000
(5) Amount payable from the Federal Citation Penalties Account, Special Deposit Fund (Item 4170-103-0942)	−1,442,000

Provisions:

1. To the extent the United States enacts a minimum wage equal to or greater than that of California, state funding provided in this item for the Senior Community Service Employment Program shall revert to the General Fund.

4170-101-0289—For local assistance, Department of Aging, for payment to Item 4170-101-0001, payable from the State HICAP Fund 1,580,000

4170-101-0890—For local assistance, Department of Aging, for payment to Item 4170-101-0001, payable from the Federal Trust Fund 135,171,000

Provisions:

1. Provision 1 of Item 4170-001-0890 is also applicable to this item.
2. Notwithstanding subdivision (d) of Section 28.00 of this act, the Department of Finance, upon notification by the California Department of Aging, may authorize augmentations in this item for budget revisions submitted by Area Agencies on Aging and approved by the Department of Aging for estimated entitlements of per-meal reimbursements from the U.S. Department of Agriculture and for funds allocated to Area Agencies on Aging for federal Title III and Title VII one-time-only allocations.

4170-103-0942—For local assistance, Department of Aging, for payment to Item 4170-101-0001, payable from the Federal Citation Penalties Account, Special Deposit Fund 1,442,000

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Provisions:

1. Notwithstanding any other provision of law, funds appropriated by this item shall be allocated by the Department of Aging to each local ombudsman program in accordance with a formula calculated on the number of beds in licensed skilled nursing home facilities in each program's area of service in proportion to the total number of beds in licensed skilled nursing homes in the state.

4180-001-0983—For support of Commission on Aging, payable from the California Fund for Senior Citizens 289,000

Provisions:

1. Funds appropriated in this item from the California Fund for Senior Citizens shall be allocated by the Commission on Aging for the purposes specified in Section 18723 of the Revenue and Taxation Code.
2. Pursuant to Section 18723 of the Revenue and Taxation Code, the balance of this item as well as the balance of prior year appropriations from the California Fund for Senior Citizens may be carried over and expended in any following fiscal year.
3. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures from the California Fund for Senior Citizens for the Commission on Aging in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee.

4180-002-0886—For support of Commission on Aging, payable from the California Seniors Special Fund 70,000

Provisions:

1. Pursuant to Section 18773 of the Revenue and Taxation Code, the balance of this item as well as the balance of prior year appropriations from the California Seniors Special Fund may be carried over and expended in any following fiscal year.
2. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures from the California Seniors Special Fund for the Commission on Aging in excess of the amount appropriated not sooner than 30 days after notifica-

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tion in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

4180-002-0890—For support of Commission on Aging, payable from the Federal Trust Fund..... 313,000

4200-001-0001—For support of Department of Alcohol and Drug Programs..... 4,578,000

Schedule:

(1) 15-Alcohol and Other Drug Services Program..... 41,379,000

(2) 30.01-State Administration 10,770,000

(3) 30.02-State Administration—Distributed.....–10,770,000

(4) Reimbursements..... –4,252,000

(5) Amount payable from the Driving-Under-the-Influence Program Licensing Trust Fund (Item 4200-001-0139)..... –1,634,000

(6) Amount payable from the Narcotic Treatment Program Licensing Trust Fund (Item 4200-001-0243)..... –1,135,000

(6.5) Amount payable from Indian Gaming Special Distribution Fund (Item 4200-001-0367) ..... –3,000,000

(7) Amount payable from the Audit Repayment Trust Fund (Item 4200-001-0816)..... –67,000

(8) Amount payable from the Federal Trust Fund (Item 4200-001-0890).....–23,076,000

(9) Amount payable from the Substance Abuse Treatment Trust Fund (Item 4200-001-3019) ..... –3,637,000

Provisions:

1. By January 10, 2005, the Department of Alcohol and Drug Programs shall report to the Chairperson of the Joint Legislative Budget Committee and the chairs of the fiscal committees of both houses of the Legislature regarding the feasibility and advisability of establishing a quality improvement fee for licensed narcotic treatment providers as a means of obtaining additional federal funds

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for the support of treatment services, enhancing departmental quality assurance activities and antifraud efforts, and increasing reimbursements to Narcotic Treatment Program providers. At its discretion, the department may also report on any other alternatives it determines are feasible and advisable for increasing federal financial support of the Drug Medi-Cal Program or other state substance abuse treatment programs. It is the intent of the Legislature that the Department of Health Services assist the Department of Alcohol and Drug Programs in its analysis in matters pertaining to this report and relating to compliance with applicable federal Medicaid law and regulations.

4200-001-0139—For support of Department of Alcohol and Drug Programs, for payment to Item 4200-001-0001, payable from the Driving-Under-the-Influence Program Licensing Trust Fund 1,634,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the Driving-Under-the-Influence Program Licensing Trust Fund in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

4200-001-0243—For support of Department of Alcohol and Drug Programs, for payment to Item 4200-001-0001, payable from the Narcotic Treatment Program Licensing Trust Fund 1,135,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the Narcotic Treatment Program Licensing Trust Fund in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

Item	Amount
4200-001-0367—For support of Department of Alcohol and Drug Programs, for payment to Item 4200-001-0001, payable from the Indian Gaming Special Distribution Fund	3,000,000
4200-001-0816—For support of Department of Alcohol and Drug Programs, for payment to Item 4200-001-0001, payable from the Audit Repayment Trust Fund	67,000
4200-001-0890—For support of Department of Alcohol and Drug Programs, for payment to Item 4200-001-0001, payable from the Federal Trust Fund	23,076,000
Provisions:	
1. Of the amount appropriated in this item, $2,050,000 is available for information technology projects. These funds may not be expended without the prior approval of the required planning documents for technology projects by both the Department of Information Technology and the Department of Finance.	
4200-001-3019—For support of Department of Alcohol and Drug Programs, for payment to Item 4200-001-0001, payable from the Substance Abuse Treatment Trust Fund	3,637,000
Provisions:	
1. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated for administration pursuant to Section 11999.6 of the Health and Safety Code.	
2. Notwithstanding any other provision of law, the Department of Finance may authorize a loan from the General Fund to the Substance Abuse Treatment Trust Fund for administrative costs of the State Department of Alcohol and Drug Programs made necessary by the provisions of the Substance Abuse and Crime Prevention Act of 2000. The amounts so transferred are in augmentation of Item 4200-001-3019, as directed by the Department of Finance. The moneys shall be repaid to the General Fund without interest, from the next annual allocation of the Substance Abuse Treatment Trust Fund pursuant to Section 11999.6 of the Health and Safety Code, prior to the distribution of trust funds to the counties and state departments.	
4200-017-0001—For support of Department of Alcohol and Drug Programs	817,000

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Schedule:

(1) 15-Alcohol and Other Drug Services Program 1,764,000

(2) Reimbursements ..... –947,000

4200-101-0001—For local assistance, Department of Alcohol and Drug Programs 31,143,000

Schedule:

(1) 15-Alcohol and Other Drug Services Program 288,639,000

(2) Reimbursements .....–15,395,000

(3) Amount payable from the Federal Trust Fund (Item 4200-101-0890) ..... –241,957,000

(4) Amount payable from the Resident-Run Housing Revolving Fund (Item 4200-101-0977) ..... –144,000

Provisions:

1. Upon approval by the Director of Finance, the Controller shall transfer such funds as are necessary between this item and Items 4200-001-0001, 4200-102-0001, 4200-103-0001, and 4200-104-0001. In determining which transfers are necessary pursuant to this provision, the director shall assess those programs and operations that have the most critical need. In making this assessment, the director shall consider such factors as caseload requirements, availability of personnel to provide essential services, other funding sources, and relevant information provided by affected state agencies.
2. Upon approval by the Department of Finance, one or more short-term loans not to exceed a cumulative total of $59,745,000 may be made available from the General Fund when there is a delay in the allocation of federal Substance Abuse Prevention and Treatment (SAPT) Block Grant funds to California. The loans shall be repaid, with interest calculated pursuant to subdivision (a) of Section 16314 of the Government Code, upon receipt of the federal SAPT Block Grant.

4200-101-0890—For local assistance, Department of Alcohol and Drug Programs, for payment to Item 4200-101-0001, payable from the Federal Trust Fund..... 241,957,000

Provisions:

1. Upon order of the Department of Finance, the Controller shall transfer funds as necessary between this item and Item 4200-001-0890. In de-

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termining which transfers are necessary pursuant to this provision, the director shall assess those programs and operations that have the most critical need. In making this assessment, the director shall consider such factors as caseload requirements, availability of personnel to provide essential services, other funding sources, and relevant information provided by affected state agencies.

4200-101-0977—For local assistance, Department of Alcohol and Drug Programs, for payment to Item 4200-101-0001, payable from the Resident-Run Housing Revolving Fund 144,000

Provisions:

1. To the extent that moneys available in the Resident-Run Housing Revolving Fund are less than the amount appropriated by this item, this appropriation shall be limited to that lesser amount.
2. Notwithstanding any other provision of law, if revenues and loan repayments to the Resident-Run Housing Revolving Fund are sufficient to create additional allocation workload, the Director of Finance may authorize expenditures for the Department of Alcohol and Drug Programs in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

4200-102-0001—For local assistance, Department of Alcohol and Drug Programs, for perinatal substance abuse treatment programs (Drug Medi-Cal) 2,183,000

Schedule:

(1) 15-Alcohol and Other Drug Services Program 4,366,000

(2) Reimbursements ..... –2,183,000

Provisions:

1. Upon approval by the Director of Finance, the Controller shall transfer such funds as are necessary between this item and Items 4200-001-0001, 4200-101-0001, 4200-103-0001, and 4200-104-0001. In determining which transfers are necessary pursuant to this provision, the director shall assess those programs and operations that have the most critical need. In making this assessment,

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the director shall consider such factors as caseload requirements, availability of personnel to provide essential services, other funding sources, and relevant information provided by affected state agencies.

2. The funds appropriated by this item, are available to provide funding for the state's share of expenditures for perinatal substance abuse services provided to persons eligible for Medi-Cal.
3. The funds appropriated in this item are available to provide funding for the state's share of expenditures for substance abuse services provided to persons eligible for Medi-Cal.
4. Notwithstanding subdivision (a) of Section 2.00 and Section 26.00, the Department of Finance may authorize a transfer of expenditure authority between this item and Item 4200-103-0001 so that the funds appropriated in either item may be used to pay the state and federal share of prior fiscal years' allowable Medi-Cal costs that exceed the amount encumbered in prior fiscal years. The Director of Finance shall notify the Legislature within 10 days after authorizing a transfer pursuant to this provision unless prior notification of the transfer has been included in the Medi-Cal estimates submitted pursuant to Section 14100.5 of the Welfare and Institutions Code.
5. Effective July 1, 2004, the maximum reimbursement rates for perinatal Drug Medi-Cal services in the fiscal year shall be the same rate that was authorized in regulation for the 2002–03 fiscal year.

4200-103-0001—For local assistance, Department of Alcohol and Drug Programs, Drug Medi-Cal Services 55,165,000

Schedule:

(1) 15-Alcohol and Other Drug Services Program.....105,181,000

(2) Reimbursements.....–50,016,000

Provisions:

1. Upon approval by the Director of Finance, the Controller shall transfer such funds as are necessary between this item and Items 4200-001-0001, 4200-101-0001, 4200-102-0001, and 4200-104-0001. In determining which transfers are necessary pursuant to this provision, the director shall assess those programs and operations that have the most critical need. In making this assessment,

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the director shall consider such factors as caseload requirements, availability of personnel to provide essential services, other funding sources, and relevant information provided by affected state agencies.

2. The funds appropriated in this item are available to provide funding for the state's share of expenditures for substance abuse services provided to persons eligible for Medi-Cal.
3. Notwithstanding subdivision (a) of Section 2.00 and Section 26.00, the Department of Finance may authorize a transfer of expenditure authority between this item and Item 4200-102-0001 so that the funds appropriated in either item may be used to pay the state and federal share of prior fiscal years' allowable Medi-Cal costs that exceed the amount encumbered in prior fiscal years. The Director of Finance shall notify the Legislature within 10 days after authorizing a transfer pursuant to this provision unless prior notification of the transfer has been included in the Medi-Cal estimates submitted pursuant to Section 14100.5 of the Welfare and Institutions Code.
4. Notwithstanding any other provision of law, both the federal and nonfederal shares of any moneys recovered for previously paid drug Medi-Cal program services provided pursuant to Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code are hereby appropriated and shall be expended as soon as practicable for drug Medi-Cal program services, as defined in the Welfare and Institutions Code.
5. Effective July 1, 2004, the maximum reimbursement rates for nonperinatal Drug Medi-Cal services in the fiscal year shall be the same rate that was authorized in regulation for the 2002–03 fiscal year.

4200-104-0001—For local assistance, Department of Alcohol and Drug Programs, for perinatal substance abuse treatment programs 23,457,000

Schedule:

(1) 15-Alcohol and Other Drug Services Program 40,511,000

(2) Amount payable from the Federal Trust Fund (Item 4200-104-0890).–17,054,000

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Provisions:

1. Upon approval by the Director of Finance, the Controller shall transfer such funds as are necessary between this item and Items 4200-001-0001, 4200-101-0001, 4200-102-0001, and 4200-103-0001. In determining which transfers are necessary pursuant to this provision, the director shall assess those programs and operations that have the most critical need. In making this assessment, the director shall consider such factors as caseload requirements, availability of personnel to provide essential services, other funding sources, and relevant information provided by affected state agencies.
2. Of the funds appropriated in this item, $6,408,000 shall be used to fund existing residential perinatal treatment programs that were begun through federal Center for Substance Abuse Treatment grants but whose grants have since expired and currently are constituted as Women and Children's Residential Treatment Services. For counties in which there is such a provider, the Department of Alcohol and Drug Programs shall include language in those counties' allocation letters that indicates the amount of the allocation designated for the provider during the fiscal year. Pursuant to Section 11840.1 of the Health and Safety Code, the treatment programs that were established through federal Center for Substance Abuse Treatment grants are not subject to the county 10-percent match. All of the funds allocated for programs shall be passed through those counties directly to the designated nine residential treatment programs in each county, respectively.
3. Notwithstanding any specified amount in other provisions of this item, any general reduction in this item shall be made proportionately between the Women and Children's Residential Treatment Services and other perinatal programs.

4200-104-0890—For support of Department of Alcohol and Drug Programs, for payments to Item 4200-104-0001, payable from the Federal Trust Fund 17,054,000

4260-001-0001—For support of Department of Health Services 224,177,000

Schedule:

(1) 10-Public and Environmental Health 301,442,000

Item	Amount
(2) 20-Health Care Services	548,255,000
(4) 30.01-Departmental Administration	45,170,000
(5) 30.02-Departmental Administration—Distributed	–42,574,000
(6) Reimbursements	–37,385,000
(7) Amount payable from the Breast Cancer Research Account (Item 4260-001-0007)	–1,657,000
(8) Amount payable from the Breast Cancer Control Account (Item 4260-001-0009)	–8,099,000
(9) Amount payable from the Nuclear Planning Assessment Special Account (Item 4260-001-0029)	–691,000
(10) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 4260-001-0044)	–1,155,000
(11) Amount payable from the Sale of Tobacco to Minors Control Account (Item 4260-001-0066)	–2,370,000
(12) Amount payable from the Occupational Lead Poisoning Prevention Account (Item 4260-001-0070)	–2,794,000
(13) Amount payable from the Medical Waste Management Fund (Item 4260-001-0074)	–1,164,000
(14) Amount payable from the Radiation Control Fund (Item 4260-001-0075)	–18,362,000
(15) Amount payable from the Tissue Bank License Fund (Item 4260-001-0076)	–275,000
(16) Amount payable from the Childhood Lead Poisoning Prevention Fund (Item 4260-001-0080)	–10,124,000
(17) Amount payable from the Export Document Program Fund (Item 4260-001-0082)	–148,000
(18) Amount payable from the Clinical Laboratory Improvement Fund (Item 4260-001-0098)	–3,406,000
(19) Amount payable from the Health Statistics Special Fund (Item 4260-001-0099)	–16,503,000

Item	Amount
(20) Amount payable from the Wine Safety Fund (Item 4260-001-0116)	–54,000
(21) Amount payable from the Water Device Certification Special Account (Item 4260-001-0129)	–191,000
(22) Amount payable from the Food Safety Fund (Item 4260-001-0177)	–4,107,000
(23) Amount payable from the Environmental Laboratory Improvement Fund (Item 4260-001-0179)	–3,478,000
(24) Amount payable from the Genetic Disease Testing Fund (Item 4260-001-0203)	–70,262,000
(25) Amount payable from the Health Education Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-001-0231)	–4,936,000
(26) Amount payable from the Research Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-001-0234)	–5,026,000
(27) Amount payable from the Unallocated Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-001-0236)	–2,855,000
(28) Amount payable from the Drinking Water Operator Certification Special Account (Item 4260-001-0247)	–1,208,000
(29) Amount payable from the Nursing Home Administrator's State License Examining Fund (Item 4260-001-0260)	–467,000
(29.1) Amount payable from the Infant Botulism Treatment and Prevention Fund (Item 4260-001-0272)	–3,785,000
(30) Amount payable from the Safe Drinking Water Account (Item 4260-001-0306)	–8,410,000
(31) Amount payable from the Registered Environmental Health Specialist Fund (Item 4260-001-0335)	–244,000

Item	Amount
(32) Amount payable from the Mosquitoborne Disease Surveillance Account (Item 4260-001-0478).....	–37,000
(33) Amount payable from the Drinking Water Treatment and Research Fund (Item 4260-001-0622).....	–595,000
(34) Amount payable from the Domestic Violence Training and Education Fund (Item 4260-001-0642)...	–761,000
(35) Amount payable from the Emergency Services and Supplemental Payments Fund (Item 4260-001-0693).....	–143,000
(36) Amount payable from the California Alzheimer's and Related Disorders Research Fund (Item 4260-001-0823).....	–794,000
(37) Amount payable from the Medi-Cal Inpatient Payment Adjustment Fund (Item 4260-001-0834).....	–2,307,000
(38) Amount payable from the Federal Trust Fund (Item 4260-001-0890).....	–409,675,000
(39) Amount payable from the Drug and Device Safety Fund (Item 4260-001-3018).....	–1,075,000
(39.5) Amount payable from the Medical Marijuana Program Fund (Item 4260-001-3074).....	–983,000
(40) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 4260-001-6031).....	–2,207,000
(41) Amount payable from the Asthma and Lung Disease Research Fund (Item 4260-001-8003).....	–183,000
(42) Amount payable from the Lupus Foundation of America Fund (Item 4260-001-8006).....	–250,000

Provisions:

1. Except as otherwise prohibited by law, the department shall promulgate emergency regulations to adjust the public health fees set by regulation to an amount, such that if the new fees were effective throughout the 2004–05 fiscal year, the esti-

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mated revenues would be sufficient to offset at least 95 percent of the approved program level intended to be supported by those fees.

The General Fund fees of the State Department of Health Services (DHS) that are subject to the annual fee adjustment pursuant to subdivision (a) of Section 100425 of the Health and Safety Code shall be increased by 0.73 percent. The special fund fees of DHS that are subject to the annual fee adjustment pursuant to subdivision (a) of Section 100425 of the Health and Safety Code may be increased by 0.73 percent only if the fund condition statements project fund reserves to be less than 10 percent and the revenues projected for the 2004–05 fiscal year are less than the appropriation contained in this act.

2. Effective July 1, 2004, the annual fee for a general acute care hospital, acute psychiatric hospital, special hospital, general acute care rehabilitation hospital and chemical dependency recovery hospital shall be $64.34 per bed. Effective July 1, 2004, the annual fee for a skilled nursing facility, intermediate care facility, or intermediate care facility for the developmentally disabled is $222.56 per bed.

   The fees of the State Department of Health Services that are subject to the annual fee adjustment pursuant to subdivision (a) of Section 100445 of the Health and Safety Code shall not be increased for the 2004–05 fiscal year.

   Notwithstanding subdivision (b) of Section 100450 of the Health and Safety Code, departmental fees that are subject to the annual fee adjustment pursuant to subdivision (a) of Section 100450 of the Health and Safety Code shall not be increased for the 2004–05 fiscal year.
3. Provision 4 of Item 4260-111-0001 also applies to this item.
4. The Department of Health Services shall limit expenditures in this item to implement the Uniform Anatomical Gift Act (Chapter 819, Statutes of 2000) to the amount of actual fees collected from tissue banks.
5. $7,380,000 of the funds appropriated in this item are intended to pay the General Fund portion of annual rents for the Capitol East End Office Complex.

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6. Effective February 1, 2004, the Department of Health Services shall report semiannually in writing on the results of the additional positions established under the 2003 Medi-Cal Anti-Fraud Initiative to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee. The report shall include the results of the error rate study and random claim sampling process, the number of positions filled by division, and, for each of the components of the initiative, the amount of savings and cost avoidance achieved and estimated, the number of providers sanctioned, and the number of claims and beneficiary records reviewed.
7. By November 1, 2004, the Department of Health Services shall report in writing on the results of the Medi-Cal error rate study to the chairperson of the committee in each house of the Legislature that considers appropriations and the Chairperson of the Joint Legislative Budget Committee.
8. The Department of Health Services shall inform the fiscal and policy committees of the Legislature by November 1, 2004, regarding specific actions they have taken to improve their contract process to ensure that contracts for all services related to local assistance funding, as well as administrative and business needs, are developed and executed in a timely and effective manner. A comprehensive letter regarding the specific actions taken may be provided to the Legislature to meet this requirement.

4260-001-0007—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Breast Cancer Research Account 1,657,000

4260-001-0009—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Breast Cancer Control Account..... 8,099,000

4260-001-0029—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Nuclear Planning Assessment Special Account 691,000

4260-001-0044—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Motor Vehicle Account, State Transportation Fund 1,155,000

Item	Amount
4260-001-0066—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Sale of Tobacco to Minors Control Account	2,370,000
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Government Code Section 13332.18.	
4260-001-0070—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Occupational Lead Poisoning Prevention Account	2,794,000
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
4260-001-0074—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Medical Waste Management Fund	1,164,000
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
4260-001-0075—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Radiation Control Fund	18,312,000
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
4260-001-0076—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Tissue Bank License Fund	275,000
4260-001-0080—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Childhood Lead Poisoning Prevention Fund	10,124,000
4260-001-0082—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Export Document Program Fund	148,000

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4260-001-0098—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Clinical Laboratory Improvement Fund	3,406,000
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
4260-001-0099—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Health Statistics Special Fund	16,503,000
4260-001-0116—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Wine Safety Fund	54,000
4260-001-0129—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Water Device Certification Special Account	191,000
4260-001-0177—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Food Safety Fund	4,107,000
4260-001-0179—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Environmental Laboratory Improvement Fund	3,478,000
4260-001-0203—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Genetic Disease Testing Fund	70,262,000
Provisions:	
1. Beginning in July 2004, the Department of Health Services shall provide on a quarterly basis to the chairperson of the budget committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee copies of the monthly status and oversight reports submitted to the Department of Finance for the Genetic Disease Branch Screening Information System.	
2. The Department of Health Services shall restructure its fee collection and customer service functions within the Genetic Disease Branch in order to be more efficient and effective at collecting fees and providing customer service for all of the programs it administers. This restructuring effort will enable fee collection and customer service to	

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each have a separate and distinct focus and will provide proper separation of accounting and cashiering duties as recommended in the 1997 Bureau of State Audits report regarding these activities.	
4260-001-0231—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Health Education Account, Cigarette and Tobacco Products Surtax Fund	4,936,000
4260-001-0234—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Research Account, Cigarette and Tobacco Products Surtax Fund.....	5,026,000
4260-001-0236—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Unallocated Account, Cigarette and Tobacco Products Surtax Fund.....	2,855,000
4260-001-0247—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Drinking Water Operator Certification Special Account.....	1,208,000
4260-001-0260—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Nursing Home Administrator's State License Examining Fund.....	467,000
4260-001-0272—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Infant Botulism Treatment and Prevention Fund	3,785,000
4260-001-0306—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Safe Drinking Water Account	8,410,000
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
4260-001-0335—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Registered Environmental Health Specialist Fund	244,000
4260-001-0478—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Mosquitoborne Disease Surveillance Account	37,000

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4260-001-0622—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Drinking Water Treatment and Research Fund	595,000
4260-001-0642—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Domestic Violence Training and Education Fund	761,000
4260-001-0693—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Emergency Services and Supplemental Payments Fund	143,000

Provisions:

1. To the extent that moneys available in the Emergency Services and Supplemental Payments Fund are less than the amount appropriated in this item, this appropriation shall be limited to that lesser amount.
2. Notwithstanding any other provision of law, if revenues to the Emergency Services and Supplemental Payments Fund are sufficient to create additional allocation workload, the Director of Finance may authorize expenditures for the Department of Health Services in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

4260-001-0823—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the California Alzheimer's and Related Disorders Research Fund	794,000
4260-001-0834—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Medi-Cal Inpatient Payment Adjustment Fund	2,307,000
4260-001-0890—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Federal Trust Fund	409,675,000

Provisions:

1. Of the funds appropriated in this item, $54,014,000 shall be available for administration, research, and training projects. Notwithstanding

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Section 28.00 of this act, the State Department of Health Services shall report under that section any new project over $200,000 or any increase in excess of $400,000 for an identified project.

2. $5,531,000 of the funds appropriated in this item are intended to pay the federal fund portion of annual rents for the Capitol East End Office Complex.
3. The Department of Finance may authorize the transfer of amounts from this item to Item 4260-111-0890 in order to reflect modifications in the use of federal bioterrorism grants. The funds may not be approved sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house of the Legislature that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or no sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may in each instance determine.
4. Notwithstanding any other provision of law, moneys made available for bioterrorism preparedness pursuant to this act shall be available for expenditure and encumbrance until August 30, 2005.
5. The Department of Health Services shall include a request for funding in the state's application for Cooperative Agreement for funding from the federal Centers for Disease Control and Prevention's Public Health Preparedness and Responses to Bioterrorism Program regarding the state's efforts to establish reporting procedures for low-level-radioactive waste as contained in Section 115000.1 of the Health and Safety Code.
6. The Department of Health Services shall notify the fiscal and relevant policy committees of the Legislature in a timely manner regarding the federal government's approval of the state's application for Cooperative Agreement for funding from the federal Centers for Disease Control and Prevention's Public Health Preparedness and Response to Bioterrorism Program. The notification shall include a summary of all policy and fiscal changes made by the federal government to the state's application. If additional changes are made

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throughout the fiscal year, the Department of Health Services shall notify the fiscal and relevant policy committees of the Legislature in a similar manner.	
4260-001-3018—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Drug and Device Safety Fund.....	1,075,000
4260-001-3074—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Medical Marijuana Program Fund.....	983,000
4260-001-6031—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002	2,207,000
Provisions:	
1. The funds available in this item are intended to provide support costs pursuant to the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (Proposition 50), associated with statewide water security improvements and the provision of safe drinking water grants and loans to local water agencies.	
4260-001-8003—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Asthma and Lung Disease Research Fund	183,000
Provisions:	
1. The funds appropriated in this item are for allocation to the American Lung Association of California, pursuant to Section 18833 of the Revenue and Taxation Code, for research of specified lung diseases and asthma.	
4260-001-8006—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Lupus Foundation of America, California Chapters Fund	250,000
Provisions:	
1. Notwithstanding any other provision of law, the balance as of June 30, 2004, for the Prostate Cancer Treatment Program is reappropriated and is available for expenditure through June 30, 2005.	
4260-002-0942—For support of Department of Health Services, payable from the Health Facilities Citation Penalties Account, Special Deposit Fund.....	5,002,000
4260-003-0001—For support of Department of Health Services, for rental payments on lease-revenue bonds (Richmond Laboratory).....	11,569,000

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Schedule:

(1) Base Rental and Fees 12,122,000

(2) Insurance 64,000

(3) Reimbursements ..... –617,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

4260-003-0044—For support of Department of Health Services, for rental payments on lease-revenue bonds, payable from the Motor Vehicle Account, State Transportation Fund 368,000

Schedule:

(1) Base Rental and Fees 366,000

(2) Insurance 2,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

4260-003-0080—For support of Department of Health Services, for rental payments on lease-revenue bonds, payable from the Childhood Lead Poisoning Prevention Fund 231,000

Schedule:

(1) Base Rental and Fees 230,000

(2) Insurance 1,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

4260-003-0098—For support of Department of Health Services, for rental payments on lease-revenue bonds, payable from the Clinical Lab Improvement Fund 96,000

Schedule:

(1) Base Rental..... 96,000

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Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

4260-003-0179—For support of Department of Health Services, for rental payments on lease-revenue bonds, payable from the Environmental Laboratory Improvement Fund 5,000

Schedule:

(1) Base Rental..... 5,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

4260-003-0203—For support of Department of Health Services, for rental payments on lease-revenue bonds, payable from the Genetic Disease Testing Fund 2,793,000

Schedule:

(1) Base Rental and Fees 2,778,000

(2) Insurance 15,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

4260-003-0890—For support of Department of Health Services, for rental payments on lease-revenue bonds, payable from the Federal Trust Fund..... 57,000

Schedule:

(1) Base Rental..... 57,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

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4260-003-0942—For support of Department of Health Services, payable from the Federal Citation Penalties Account, Special Deposit Fund	909,000
4260-004-0942—For support of Department of Health Services, payable from the Local Education Agency Medi-Cal Recovery Account, Special Deposit Fund	1,500,000
4260-007-0890—For support of Department of Health Services, payable from the Federal Trust Fund	15,893,000
Provisions:	
1. Notwithstanding Section 28.00 of this act, adjustments may be made to align the federal funds for legislative actions and other technical adjustments affecting the recipient department's appropriation authority.	
4260-011-0001—For transfer by the Controller to the Genetic Disease Testing Fund	(3,000,000)
Provisions:	
1. The amount transferred by this item is a loan to the Genetic Disease Testing Fund. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account at the time of transfer. Principal and interest earned on the loan shall be repaid in full no later than June 30, 2009.	
2. The transfer authorized by this item shall not be made until the Department of Health Services provides to the chairperson of the budget committee in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee an updated project schedule, cost estimates, and copies of oversight reports submitted to the Department of Finance for the Genetic Disease Branch Screening Information System.	
4260-011-0099—For transfer by the Controller, upon order of the Director of Finance, from the Health Statistics Special Fund to the Infant Botulism Treatment and Prevention Fund and the Medical Marijuana Program Fund.....	(1,483,000)
Provisions:	
1. Of the amount transferred by this item, $500,000 is a loan to the Infant Botulism Treatment and Prevention Fund. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account at the time of the	

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transfer. Principal and interest shall be repaid in full after all General Fund loans to the Infant Botulism Program are repaid, and shall be paid in full no later than June 30, 2007.

2. Of the amount transferred by this item, $983,000 is a loan to the Medical Marijuana Program Fund. Notwithstanding any other provision of law, this loan shall be repaid no later than June 30, 2008, with interest calculated at the rate earned by the Pooled Money Investment Account at the time of the transfer.

4260-017-0001—For support of Department of Health Services, for implementation of the Health Insurance Portability and Accountability Act 4,864,000

Schedule:

(2) 20-Health Care Services 16,280,000

(3) Amount payable from the Genetic Disease Testing Fund (Item 4260-017-0203) ..... –495,000

(4) Amount payable from Federal Trust Fund (Item 4260-017-0890).....–10,921,000

Provisions:

1. The funding appropriated in this item is limited to the amount specified in Control Section 17.00. These funds are to be used in support of compliance activities related to the federal Health Insurance Portability and Accountability Act (HIPAA) of 1996.

4260-017-0203—For support of Department of Health Services, for payment to Item 4260-017-0001, payable from the Genetic Disease Testing Fund, for implementation of the Health Insurance Portability and Accountability Act 495,000

Provisions:

1. The funding appropriated in this item is limited to the amount specified in Control Section 17.00. These funds are to be used in support of compliance activities related to the federal Health Insurance Portability and Accountability Act (HIPAA) of 1996.

4260-017-0890—For support of Department of Health Services, for payment to Item 4260-017-0001, payable from the Federal Trust Fund, for implementation of the Health Insurance Portability and Accountability Act 10,921,000

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Provisions:

1. The funding appropriated in this item is limited to the amount specified in Control Section 17.00. These funds are to be used in support of compliance activities related to the federal Health Insurance Portability and Accountability Act (HIPAA) of 1996.

4260-101-0001—For local assistance, Department of Health Services, Medical Assistance Program, payable from the Health Care Deposit Fund (0912) after transfer from the General Fund 11,728,217,000

Schedule:

(1) 20.10.010-Eligibility (County Administration)..... 1,505,166,000
(2) 20.10.020-Fiscal Intermediary Management 280,890,000
(3) 20.10.030-Benefits (Medical Care and Services)..... 28,531,016,000
(4) Reimbursements..... –851,000
(5) Amount payable from Childhood Lead Poisoning Prevention Fund (Item 4260-101-0080) ..... –3,200,000
(6) Amount payable from the Federal Trust Fund (Item 4260-101-0890)..... –18,577,411,000
(7) Amount payable from Federal Trust Fund (Item 4260-103-0890)..... –7,393,000

Provisions:

1. The aggregate principal amount of disproportionate share hospital general obligation debt that may be issued in the 2004–05 fiscal year pursuant to subparagraph (A) of paragraph (2) of subdivision (f) of Section 14085.5 of the Welfare and Institutions Code shall be $0.
2. Notwithstanding any other provision of law, both the federal and nonfederal shares of any moneys recovered for previously paid health care services, provided pursuant to Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code, are hereby appropriated and shall be expended as soon as practicable for medical care and services as defined in the Welfare and Institutions Code.
3. Notwithstanding any other provision of law, accounts receivable for recoveries as described in Provision 2 above shall have no effect upon the positive balance of the General Fund or the Health

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Care Deposit Fund. Notwithstanding any other provision of law, moneys recovered as described in this item that are required to be transferred from the Health Care Deposit Fund to the General Fund shall be credited by the Controller to the General Fund without regard to the appropriation from which it was drawn.

4. Without regard to fiscal year, the General Fund shall make one or more loans available not to exceed a cumulative total of $45,000,000 to be transferred as needed to the Health Care Deposit Fund to meet cash needs. The loans are subject to the repayment provisions of Section 16351 of the Government Code. Any additional loan requirement in excess of $45,000,000 shall be processed in the manner prescribed by Section 16351 of the Government Code.
5. Notwithstanding any other provision of law, the Director of Health Services may give public notice relative to proposing or amending any rule or regulation that could result in increased costs in the Medi-Cal program only after approval by the Department of Finance; and any rule or regulation adopted by the Director of Health Services and any communication that revises the Medi-Cal program shall be effective only from and after the date upon which it is approved by the Department of Finance.
6. Of the funds appropriated in this item, up to $50,000 may be allocated for attorneys' fees awarded pursuant to state or federal law without prior notification to the Legislature. Individual settlements authorized under this language shall not exceed $5,000. The semiannual estimates of Medi-Cal expenditures due to the Legislature in January and May shall reflect attorney fees paid 15 or more days prior to the transmittal of the estimate.
7. Change orders to the medical or the dental fiscal intermediary contract for amounts exceeding a total cost of $250,000 shall be approved by the Director of Finance not sooner than 30 days after written notification of the change order is provided to the chairpersons of the fiscal and policy committees in each house and to the Chairperson of the Joint Legislative Budget Committee or not sooner than such lesser time as the Chairperson of

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the Joint Legislative Budget Committee, or his or her designee, may designate. The semiannual estimates of Medi-Cal expenditures due to the Legislature in January and May may constitute the notification required by this provision.

8. Recoveries of advances made to counties in prior years pursuant to Section 14153 of the Welfare and Institutions Code are reappropriated to the Health Care Deposit Fund for reimbursement of those counties where allowable costs exceeded the amounts advanced. Recoveries in excess of the amounts required to fully reimburse allowable costs shall be transferred to the General Fund. When a projected deficiency exists in the Medical Assistance Program, these funds, subject to notification to the Chairperson of the Joint Legislative Budget Committee, are appropriated and shall be expended as soon as practicable for the state's share of payments for medical care and services, county administration, and fiscal intermediary services.
9. The Department of Finance may transfer funds representing all or any portion of any estimated savings that are a result of improvements in the Medi-Cal claims processing procedures from the Medi-Cal services budget or the support budget of the State Department of Health Services (Item 4260-001-0001) to the fiscal intermediary budget item for purposes of making improvements to the Medi-Cal claims system.
10. Notwithstanding any other provision of law, the Department of Finance may authorize transfer of expenditure authority between Schedule (1), (2), (3) and Schedule (4) of this item and between this item and Items 4260-102-0001 and 4260-113-0001 in order to effectively administer the Medi-Cal program.

    The Director of Finance shall notify the Legislature within 10 days of authorizing such a transfer unless prior notification of the transfer has been included in the Medi-Cal estimates submitted pursuant to Section 14100.5 of the Welfare and Institutions Code.
12. The Department of Health Services shall report in writing to the Chairperson of the Joint Legislative Budget Committee on the anticipated impact to local education agencies of any Medicaid

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State Plan Amendments that may be submitted to the federal Centers for Medicare and Medicaid Services and would affect local education agencies that serve as Medi-Cal service providers under an interagency agreement with the Department of Education.

13. The Department of Health Services shall pursue a federal law change to enable all county organized health systems to participate in the quality improvement assessment fee on Medi-Cal managed care plans.
14. Notwithstanding any other provision of law, the Department of Health Services may use up to $1,300,000 to implement and conduct activities associated with long-term care integration, including support to local organizing groups for the purpose of completing activities to allow for the implementation of the integration initiatives.
15. The Department of Health Services shall transfer from the Health Care Deposit Fund to the Department of Developmental Services $29,878,403 in residual funds held for the federal deferral related to the South Central Los Angeles Regional Center. The Department of Developmental Services shall identify for the Department of Health Services and the State Controller by letter the appropriate amounts and appropriations to receive this transfer.
16. Of the amount appropriated in this item, up to $1,500,000 (total funds) shall be used by the Department of Health Services to reimburse, for costs associated with case management and medication adherence services, not-for-profit HIV/AIDS clinics that directly offer comprehensive medical services, specifically to include primary medical care, mental health, medical and/or psychosocial case management and pharmacy services, to Medi-Cal recipients receiving HIV/AIDS specific antiviral drugs. The department shall allocate these funds as deemed appropriate to ensure quality of care and access to medications.

4260-101-0080—For local assistance, Department of Health Services, for payment to Item 4260-101-0001, payable from the Childhood Lead Poisoning Prevention Fund 3,200,000

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4260-101-0693—Notwithstanding any other provision of law, moneys available in the Emergency Services and Supplemental Payments Fund, after the appropriation made by Item 4260-001-0693 of this act, are appropriated to the Department of Health Services for expenditure for local assistance for the purposes specified in Section 14085.6 of the Welfare and Institutions Code.

4260-101-0890—For local assistance, Department of Health Services, for payment to Item 4260-101-0001, payable from the Federal Trust Fund..... 18,577,411,000

Provisions:

1. Any of the provisions in Item 4260-101-0001 that are relevant to this item also apply to this item.
2. In order to more thoroughly monitor conditions and outcomes pertaining to quality assurance and access to health care regarding the implementation of the Los Angeles County 1115 Waiver, the Department of Health Services may expend up to $2,000,000 in additional federal trust funds if funds are made available for this purpose.

4260-102-0001—For local assistance, Department of Health Services, Program 20.10.030-Benefits (Medical Care and Services), for supplemental reimbursement for debt service pursuant to Section 14085.5 of the Welfare and Institutions Code..... 64,211,000

Provisions:

1. Notwithstanding any other provision of law, the Department of Finance may authorize transfer of expenditure authority between this item and Items 4260-101-0001 and 4260-113-0001 in order to effectively administer the Medi-Cal program.

   The Director of Finance shall notify the Legislature within 10 days of authorizing such a transfer unless prior notification of the transfer has been included in the Medi-Cal estimates submitted pursuant to Section 14100.5 of the Welfare and Institutions Code.

4260-102-0890—For local assistance, Department of Health Services, Program 20.10.030-Benefits (Medical Care and Services), payable from the Federal Trust Fund, for supplemental reimbursement for debt service pursuant to Section 14085.5 of the Welfare and Institutions Code..... 64,211,000

Provisions:

1. Any of the provisions in Item 4260-102-0001 that are relevant to this item also apply to this item.

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4260-103-0890—For local assistance, for refugee services, Department of Health Services, for payment to Item 4260-101-0001, payable from the Federal Trust Fund	7,393,000
Provisions:	
1. Any of the provisions in Item 4260-101-0001 that are relevant to this item also apply to this item.	
4260-111-0001—For local assistance, Department of Health Services	408,872,000
Schedule:	
(1) 10.10.010-Vital Records Improvement Project	510,000
(2) 10.20.010-Environmental Management	164,175,000
(3) 10.20.040-Drinking Water	4,437,000
(4) 10.30.030-Childhood Lead Poisoning Prevention	11,000,000
(5) 10.30.040-Chronic Diseases	137,077,000
(6) 10.30.050-Communicable Disease Control	66,220,000
(7) 10.30.060-AIDS	333,619,000
(8) 20.30-County Health Services	50,867,000
(9) 20.40-Primary Care and Family Health	1,561,225,000
(10) Reimbursements	−170,423,000
(11) Amount payable from the Breast Cancer Control Account (Item 4260-111-0009)	−8,086,000
(12) Amount payable from the Childhood Lead Poisoning Prevention Fund (Item 4260-111-0080)	−11,300,000
(13) Amount payable from the Health Statistics Special Fund (Item 4260-111-0099)	−510,000
(14) Amount payable from the California Health Data and Planning Fund (Item 4260-111-0143)	−200,000
(15) Amount payable from the Health Education Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-111-0231)	−47,354,000
(16) Amount payable from the Hospital Services Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-111-0232)	−31,625,000

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(17) Amount payable from the Physicians Services Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-111-0233).....	–3,007,000
(18) Amount payable from the Unallocated Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-111-0236).....	–34,612,000
(19) Amount payable from the Child Health and Safety Fund (Item 4260-111-0279).....	–491,000
(20) Amount payable from the Drinking Water Treatment and Research Fund (Item 4260-111-0622).....	–4,374,000
(21) Amount payable from the Domestic Violence Training and Education Fund (Item 4260-111-0642)...	–1,050,000
(22) Amount payable from the Federal Trust Fund (Item 4260-111-0890)	–1,253,874,000
(23) Amount payable from the WIC Manufacturer Rebate Fund (Item 4260-111-3023)	–262,401,000
(24) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 4260-111-6031).....	–90,951,000

Provisions:

1. Program 10.30.060-AIDS: The Office of AIDS in the State Department of Health Services, in allocating and processing contracts and grants, shall comply with the same requirements that are established for contracts and grants for other public health programs. The contracts or grants administered by the Office of AIDS shall be exempt from the Public Contract Code and shall be exempt from approval by the Department of General Services prior to their execution.
2. Program 20.40-Primary Care and Family Health: Counties may retain 50 percent of total enrollment and assessment fees that are collected by the counties for the CCS Program. Fifty percent of the enrollment and assessment fee for each county shall be offset from the state's match for that county.

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3. Nonfederal funds appropriated in this item and Item 4260-001-0001 which have been budgeted to meet the state's Temporary Assistance for Needy Families maintenance-of-effort requirement established pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.	
4260-111-0009—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the Breast Cancer Control Account	8,086,000
4260-111-0080—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the Childhood Lead Poisoning Prevention Fund	11,300,000
4260-111-0099—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the Health Statistics Special Fund	510,000
4260-111-0143—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the California Health Data and Planning Fund	200,000
4260-111-0231—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the Health Education Account, Cigarette and Tobacco Products Surtax Fund	47,354,000
4260-111-0232—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the Hospital Services Account, Cigarette and Tobacco Product Surtax Fund	31,625,000
4260-111-0233—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the Physician Services Account, Cigarette and Tobacco Products Surtax Fund	3,007,000
4260-111-0236—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the Unallocated Account, Cigarette and Tobacco Products Surtax Fund	34,612,000
4260-111-0279—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the Child Health and Safety Fund	491,000

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4260-111-0622—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the Drinking Water Treatment and Research Fund	4,374,000
4260-111-0642—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the Domestic Violence Training and Education Fund	1,050,000
4260-111-0890—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the Federal Trust Fund	1,253,874,000
Provisions:	
1. Of the funds appropriated in this item, $57,207,000 shall be available for administration, research, and training projects. Notwithstanding the provisions of Section 28.00 of this act, the State Department of Health Services shall report under that section any new project over $200,000 or any increase in excess of $400,000 for an identified project.	
2. Notwithstanding any other provision of law, moneys made available for bioterrorism preparedness pursuant to this act shall be available for expenditure and encumbrance until August 30, 2006.	
4260-111-3023—For local assistance, State Department of Health Services, for payment to Item 4260-111-0001, payable from the WIC Manufacturer Rebate Fund	262,401,000
4260-111-6031—For local assistance, State Department of Health Services, for payment to Item 4260-111-0001, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002	90,951,000
4260-113-0001—For local assistance, Department of Health Services, for the Healthy Families Program (Medi-Cal)	117,108,000
Schedule:	
(1) 20.10.010-Eligibility (County Administration)	4,135,000
(2) 20.10.020-Fiscal Intermediary Management	149,000
(3) 20.10.030-Benefits (Medical Care and Services)	280,462,000
(4) Amount payable from the Federal Trust Fund (Item 4260-113-0890)	−167,638,000

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Provisions:

1. Notwithstanding any other provision of law, the Department of Finance may authorize transfer of expenditure authority between Schedules (1), (2), and (3) of this item and between this item and Items 4260-101-0001 and 4260-102-0001 in order to effectively administer the Medi-Cal program.

   The Director of Finance shall notify the Legislature within 10 days of authorizing such a transfer unless prior notification of the transfer has been included in the Medi-Cal estimates submitted pursuant to Section 14100.5 of the Welfare and Institutions Code.

4260-113-0890—For local assistance, Department of Health Services, for payment to Item 4260-113-0001, payable from the Federal Trust Fund 167,638,000

Provisions:

1. Any of the provisions in Item 4260-113-0001 that are relevant to this item also apply to this item.

4260-115-0890—For transfer by the Controller from the Federal Trust Fund to the Safe Drinking Water State Revolving Loan Fund 85,000,000

4260-115-6031—For transfer by the Controller from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 to the Safe Drinking Water State Revolving Loan Fund..... 17,000,000

4260-117-0001—For local assistance, Department of Health Services, for implementation of the Health Insurance Portability and Accountability Act 6,454,000

Schedule:

(1) 20.10.010-Eligibility (County Administration) 5,597,000

(2) 20.10.020-Fiscal Intermediary Management 31,259,000

(3) 20.10.030-Benefits (Medical Care and Services) 0

(4) Amount payable from the Federal Trust Fund (Item 4260-117-0890).–30,402,000

Provisions:

1. The funding appropriated in this item is limited to the amount specified in Section 17.00 of this act. These funds are to be used in support of compliance activities related to the federal Health Insurance Portability and Accountability Act (HIPAA) of 1996.

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2. Notwithstanding subdivision (a) of Section 2.00 and Section 26.00 of this act, the Department of Finance may authorize transfer of expenditure authority between Schedules (1) and (2). The Director of Finance shall notify the Legislature within 10 days of authorizing such a transfer unless prior notification of the transfer has been included in the Medi-Cal estimates submitted pursuant to Section 14100.5 of the Welfare and Institutions Code.

4260-117-0890—For local assistance, Department of Health Services, for payment to Item 4260-117-0001, payable from the Federal Trust Fund, for implementation of the Health Insurance Portability and Accountability Act 30,402,000

Provisions:

1. The funding appropriated in this item is limited to the amount specified in Control Section 17.00. These funds are to be used in support of compliance activities related to the federal Health Insurance Portability and Accountability Act (HIPAA) of 1996.
2. Any of the provisions in Item 4260-117-0001 that are relevant to this item also apply to this item.

4260-295-0001—For local assistance, Department of Health Services, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller 4,000

Schedule:

(1) 98.01.091.692-Pacific Beach Safety (Ch. 916, Stats. 1992) 1,000
(2) 98.01.095.589-SIDS Autopsies (Ch. 955, Stats. 1989) 0
(3) 98.01.108.888-AIDS Search Warrants (Ch. 1088, Stats. 1988)..... 1,000
(4) 98.01.116.381-Medi-Cal Beneficiary Death Notices (Ch. 102, Stats. 1981 and Ch. 1163, Stats. 1981)..... 1,000
(5) 98.01.159.788-Inmates AIDS Testing (Ch. 1597, Stats. 1988) 0

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(6) 98.01.160.390-Perinatal services for alcohol/drug exposed infants (Ch. 1603, Stats. 1990)	1,000
(7) 98.01.111.189-SIDS Training for Firefighters (Ch. 1111, Stats. 1989).....	0
(8) 98.01.026.891-SIDS contacts by Local Health Officers (Ch. 268, Stats. 1991).....	0
(9) 98.01.045.374-SIDS Notices (Ch. 453, Stats. 1974).....	0

Provisions:

1. Except as provided in Provision 2 of this item, allocations of funds provided in this item to the appropriate local entities shall be made by the State Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated in this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.
2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the State Controller may, upon notifying the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.
3. Pursuant to Section 17581 of the Government Code, mandates identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the 2004–05 fiscal year:
   (2) SIDS Autopsies (Ch. 955, Stats. 1989)

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(5) Inmate AIDS testing (Ch.1597, Stats. 1988)
(7) SIDS Training for Firefighters (Ch. 1111, Stats. 1989)

4260-301-0001—For capital outlay, Department of Health Services..... 200,000
Schedule:
(1) 94.50.030-Southern California Laboratory Space—Study..... 200,000

4260-401—Approximately $3.4 million General Fund has been loaned to the Department of Health Services (DHS), Botulism Treatment and Prevention Fund, pursuant to Health and Safety Code, Section 123707 to support the development of the Botulism Immunoglobin (BIG) vaccine. This loan is to be fully repaid now that BIG has been approved and licensed by the U.S. Food and Drug Administration. In conjunction with payments from the Botulism Treatment and Prevention Fund beginning in FY 2004–05, a reduction of $500,000 has been made in Item 4260-001-0001, Program 10, Public and Environmental Health, until the loan is paid off. These funds will be restored after the debt to the General Fund has been satisfied.

4260-490—Reappropriation, Department of Health Services. Notwithstanding any other provision of law, the balance of the funds for the appropriations provided in the following citations are reappropriated for expenditure pursuant to the following provisions and are available for encumbrance or expenditure until June 30, 2004:

0001—General Fund
(1) Item 4260-101-0001, Budget Act of 2002 (Ch. 379, Stats. 2002)

0890—Federal Trust Fund
(1) Item 4260-101-0890, Budget Act of 2002 (Ch. 379, Stats. 2002)

Provisions:

1. It is the intent of this item to continue funding approved activities for the automation projects that, due to schedule changes, result in unexpended appropriations for one year and the need for additional funding in the following year. Therefore, notwithstanding any other provision of law, the balance of the appropriations for these automation projects may, upon approval of the Department of

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Finance, be reappropriated for transfer to and in augmentation of the corresponding items in this act. The funds reappropriated by this provision shall be made available consistent with the amount approved by the Department of Finance based on an approved special project report or equivalent document not sooner than 30 days after providing notification in writing to the chairperson of the fiscal committee of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee.

4260-491—Reappropriation, Department of Health Services. Notwithstanding any other provision of law, the balances of the appropriations provided for in the following citations are reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in those appropriations, and shall be available for encumbrance or expenditure until June 30, 2005, as specified.

0589—Cancer Research Fund

(1) Item 4260-001-0589, Budget Act of 2002 (Ch. 379, Stats. 2002). Funds appropriated in this item for the Cancer Research Program are made available for the 2004–05 fiscal year, subject to the provisions for the appropriation, and shall be continuously appropriated without regard to fiscal year until such time that each project currently funded has fulfilled their contractual obligation with the Department of Health Services.

3020—Tobacco Settlement Fund

(1) Item 4260-001-3020, Budget Act of 2001 (Ch. 106, Stats. 2001). Notwithstanding any other provision of law, the balance as of June 30, 2004, for the Prostate Cancer Treatment Program is reappropriated and is available for expenditure through June 30, 2005.

(2) Item 4260-001-3020, Budget Act of 2002 (Ch. 379, Stats. 2002). Notwithstanding any other provision of law, the balance as of June 30, 2004, for the Prostate Cancer Treatment Program is reappropriated and is available for expenditure through June 30, 2005.

4260-495—Reversion, Department of Health Services. As of June 30, 2004, the balances specified below, of the appropriations provided for in the following ci-

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tations, shall revert to the fund balance from which the appropriation was made:

0001—General Fund

(1) $15,656,299 from Program 10-Public and Environmental Health in Item 4260-001-0001 of the Budget Act of 2000 (Ch. 52, Stats. 2000)

(2) $250,000 from Program 10-Public and Environmental Health in Item 4260-001-0001, Budget Act of 2000 (Ch. 52, Stats. 2000), as reappropriated by Item 1260-491 of the Budget Act of 2001 (Ch. 106, Stats. 2001), of the Budget Act of 2002, (Ch. 379, Stats. 2002), and the Budget Act of 2003 (Ch. 157, Stats. 2003)

(3) $145,000 in Chapter 841 of the Statutes of 2000

(4) $63,000 from Program 10.20.040—Drinking Water in Item 4260-111-0001 of the Budget Act of 2001 (Ch. 106, Stats. 2001)

(5) $11,100,000 from Program 10.30.040—Chronic Diseases in Item 4260-111-0001 of the Budget Act of 2001 (Ch. 106, Stats. 2001)

(6) $3,000,000 from Program 20.30—County Health Services in Item 4260-111-0001 of the Budget Act of 2001 (Ch. 106, Stats. 2001)

(7) $736,000 from Program 20.40—Primary Care and Family Health in Item 4260-111-0001 of the Budget Act of 2001 (Ch. 106, Stats. 2001)

(8) $500,000 in Chapter 751 of the Statutes of 2001—Valley Fever Vaccine Research

3020—Tobacco Settlement Fund

(1) $2,648,063 from Program 10.30.40.70—Cancer Detection in Item 4260-001-3020 of the Budget Act of 2001 (Ch. 106, Stats. 2001)

(2) $13,675,000 from Program 20-40—Primary Care and Family Health in Item 4260-111-3020 of the Budget Act of 2001 (Ch. 106, Stats. 2001)

4260-496—Reversion, Department of Health Services. As of June 30, 2004, the balances specified below of the appropriations provided for in the following citations shall revert to the balance in the fund from which the appropriation was made:

0001—General Fund

(1) $2,855,000 from Program 20-Health Care Services in Item 4260-001-0001 of the Budget Act of 2000 (Ch. 52, Stats. 2000)

(2) $400,000 from Program 20-Health Care Services in Item 4260-001-0001 of the Budget Act of 2000 (Ch. 52, Stats. 2000) as reappropriated by

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Item 4260-491 of the Budget Act of 2001 (Ch. 106, Stats. 2001), and the Budget Act of 2002 (Ch. 379, Stats. 2002)	
(3) $500,000 from Program 20-Health Care Services in Item 4260-001-0001 of the Budget Act of 2001 (Ch. 106, Stats. 2001) as reappropriated by Item 4260-490 of the Budget Act of 2002 (Ch. 379, Stats. 2002)	
(4) $2,100,000 from Program 20.10.020-Fiscal Intermediary Management in Item 4260-117-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002)	
3020—Tobacco Settlement Fund	
(5) $1,482,535 from Program 20-Health Care Services in Item 4260-001-3020 of the Budget Act of 2001 (Ch. 106, Stats. 2001)	
4270-001-0001—For support of California Medical Assistance Commission.....	1,157,000
Schedule:	
(1) 10-California Medical Assistance Commission..... 2,515,000	
(2) Reimbursements..... −1,247,000	
(3) Amount payable from Emergency Services and Supplemental Payments Fund (Item 4270-001-0693)..... −111,000	
4270-001-0693—For support, California Medical Assistance Commission, for payment to Item 4270-001-0001, payable from the Emergency Services and Supplemental Payments Fund.....	111,000
Provisions:	
1. To the extent that moneys available in the Emergency Services and Supplemental Payments Fund are less than the amount appropriated in this item, this appropriation shall be limited to that lesser amount.	
2. Notwithstanding any other provision of law, if revenues to the Emergency Services and Supplemental Payments Fund are sufficient to create additional allocation workload, the Director of Finance may authorize expenditures for the California Medical Assistance Commission in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than	

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whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.	
4280-001-0001—For support of Managed Risk Medical Insurance Board	1,565,000
Schedule:	
(1) 10-Major Risk Medical Insurance Program	843,000
(2) 20-Access for Infants and Mothers Program	874,000
(3) 40-Healthy Families Program	5,168,000
(4) 50-Children's Health Initiative Matching Fund Program	280,000
(5) Reimbursements	−154,000
(6) Amount payable from Perinatal Insurance Fund (Item 4280-001-0309)	−874,000
(7) Amount payable from Major Risk Medical Insurance Fund (Item 4280-001-0313)	−843,000
(8) Amount payable from Federal Trust Fund (Item 4280-001-0890)	−3,449,000
(9) Amount payable from Federal Trust Fund (Item 4280-003-0890)	−182,000
(10) Amount payable from Children's Health Initiative Matching Fund (Item 4280-003-3055)	−98,000

Provisions:

1. Upon order of the Director of Finance, the State Controller shall transfer such funds as are necessary between this item and Item 4280-103-0890 or Item 4280-103-3055 in order to effectively administer the County Health Initiative Matching Fund Program.
2. To provide for the effective use of federal State Children's Health Insurance Program funds in the County Health Initiative Matching Fund Program, notwithstanding Section 28.00 of this act, this item may be reduced or increased by the Department of Finance not sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or such lesser time as the chairperson of the committee, or

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his or her designee, may in each instance determine. This provision shall not apply to any General Fund increases or reductions.	
4280-001-0309—For support of Managed Risk Medical Insurance Board, for payment to Item 4280-001-0001, payable from the Perinatal Insurance Fund....	874,000
Provisions:	
1. Provision 1 of Item 4280-001-0313 also applies to this item.	
4280-001-0313—For support of Managed Risk Medical Insurance Board, for payment to Item 4280-001-0001, payable from the Major Risk Medical Insurance Fund	843,000
Provisions:	
1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the Managed Risk Medical Insurance Board in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.	
4280-001-0890—For support of Managed Risk Medical Insurance Board, for payment to Item 4280-001-0001, payable from the Federal Trust Fund, for Healthy Families Program.....	3,449,000
4280-003-0890—For support of Managed Risk Medical Insurance Board, for payment to Item 4280-001-0001, payable from the Federal Trust Fund, for Children's Health Initiative Matching Fund Program.....	182,000
Provisions:	
1. Provisions 1 and 2 of Item 4280-001-0001 also apply to this item.	
4280-003-3055—For support of Managed Risk Medical Insurance Board, for payment of Item 4280-001-0001, payable from the Children's Health Initiative Matching Fund, for Children's Health Initiative Matching Fund Program	98,000
Provisions:	
1. Provisions 1 and 2 of Item 4280-001-0001 also apply to this item.	
4280-017-0001—For support of Managed Risk Medical Insurance Board, for implementation of the Health Insurance Portability and Accountability Act	25,000

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Schedule:		
(1) 10-Major Risk Medical Insurance Program	15,000	
(2) 20-Access for Infants and Mothers Program	15,000	
(3) 40-Healthy Families Program	71,000	
(4) Amount payable from the Perinatal Insurance Fund (Item 4280-017-0309)	−15,000	
(5) Amount payable from the Major Risk Medical Insurance Fund (Item 4280-017-0313)	−15,000	
(6) Amount payable from the Federal Trust Fund (Item 4280-017-0890).	−46,000	
4280-017-0309—For support of Managed Risk Medical Insurance Board, for payment to Item 4280-017-0001, payable from the Perinatal Insurance Fund, for implementation of the Health Insurance Portability and Accountability Act		15,000
4280-017-0313—For support of Managed Risk Medical Insurance Board, for payment to Item 4280-017-0001, payable from the Major Risk Medical Insurance Fund, for implementation of the Health Insurance Portability and Accountability Act		15,000
4280-017-0890—For support of Managed Risk Medical Insurance Board, for payment to Item 4280-017-0001, payable from the Federal Trust Fund, for implementation of the Health Insurance Portability and Accountability Act		46,000
4280-101-0001—For local assistance, Managed Risk Medical Insurance Board, for the Healthy Families Program		302,260,000
Schedule:		
(1) 20-Access for Infants and Mothers Program	18,389,000	
(2) 40-Healthy Families Program	803,818,000	
(3) Amount payable from the Federal Trust Fund (Item 4280-101-0890)	−519,947,000	
Provisions:		
1. Upon order of the Director of Finance, the State Controller shall transfer such funds as are necessary between this item and Item 4280-102-0001 in order to effectively administer the Healthy Families Program.		

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4280-101-0890—For local assistance, Managed Risk Medical Insurance Board, for payment to Item 4280-101-0001, payable from the Federal Trust Fund, for the Healthy Families Program	519,947,000
Provisions:	
1. Upon order of the Director of Finance, the State Controller shall transfer such funds, as are necessary between this item and Item 4280-102-0890 in order to effectively administer the Healthy Families Program.	
4280-102-0001—For local assistance, Managed Risk Medical Insurance Board, for the Healthy Families Program administrative contracts	23,064,000
Schedule:	
(1) 40-Healthy Families Program 64,816,000	
(2) Reimbursements ..... –7,764,000	
(3) Amount payable from the Federal Trust Fund (Item 4280-102-0890) ..... –33,988,000	
Provisions:	
1. Upon order of the Director of Finance, the State Controller shall transfer such funds as are necessary between this item and Item 4280-101-0001 in order to effectively administer the Healthy Families Program.	
4280-102-0890—For local assistance, Managed Risk Medical Insurance Board, for payment to Item 4280-102-0001, payable from the Federal Trust Fund, for Healthy Families Program administrative contracts	33,988,000
Provisions:	
1. Upon order of the Director of Finance, the State Controller shall transfer such funds, as are necessary between this item and Item 4280-101-0890 in order to effectively administer the Healthy Families Program.	
4280-103-0890—For local assistance, Managed Risk Medical Insurance Board, for payment to Item 4280-103-3055, payable from the Federal Trust Fund, for the Children's Health Initiative Matching Fund Program	74,824,000
Provisions:	
1. Provisions 1, 2, and 3 of Item 4280-103-3055 also apply to this item.	
4280-103-3055—For local assistance, Managed Risk Medical Insurance Board, for the Children's Health Initiative Matching Fund Program	40,290,000

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Schedule:

(1) 50-County Health Initiative Matching Fund Program 115,114,000

(2) Amount payable from the Federal Trust Fund (Item 4280-103-0890). –74,824,000

Provisions:

1. Upon order of the Director of Finance, the State Controller shall transfer such funds as are necessary between this item and Item 4280-003-0890 or Item 4280-003-3055 in order to effectively administer the County Health Initiative Matching Fund program. The Department of Finance may also authorize the establishment of positions in order to allow the Managed Risk Medical Insurance Board to effectively administer the County Health Initiative Matching Fund program.
2. Funds in this item are subject to the availability, as determined by the Department of Finance, of federal State Children's Health Insurance Program funds not needed for state-funded health programs, including, but not limited to, the Healthy Families Program and, as funded by the federal State Children's Health Insurance Program, the Access for Infants and Mothers Program and the Medi-Cal program. To determine the availability of funds, all entities participating in the County Health Initiative Matching Fund program shall submit, on or before August 1 and February 1 of each year, an estimate of expenditures under this item to the Managed Risk Medical Insurance Board. The Managed Risk Medical Insurance Board shall submit, by September 10 and March 1 of each year, an estimate of expenditures under this item to the Department of Finance.
3. To provide for the effective use of federal State Children's Health Insurance Program funds in the County Health Initiative Matching Fund program, notwithstanding Section 28.00, this item may be reduced or increased by the Department of Finance not sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or such lesser time as the chairperson of the committee, or his or her designee, may in each instance determine.

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4280-104-0236—For local assistance, Managed Risk Medical Insurance Board, for the Healthy Families Program Rural Health Demonstration Project	1,047,000
Schedule:	
(1) 40-Healthy Families Program 2,887,000	
(2) Amount payable from Federal Trust Fund (Item 4280-104-0890)..... –1,840,000	
4280-104-0890—For local assistance, Managed Risk Medical Insurance Board, for payment to Item 4280-104-0236, payable from the Federal Trust Fund, for the Healthy Families Program Rural Health Demonstration Project	1,840,000
4280-111-0232—For transfer by the Controller from the Hospital Services Account, Cigarette and Tobacco Products Surtax Fund to the Perinatal Insurance Fund, for the Access for Infants and Mothers Program	(53,055,000)
4280-111-0233—For transfer by the Controller from the Physician Services Account, Cigarette and Tobacco Products Surtax Fund to the Perinatal Insurance Fund, for the Access for Infants and Mothers Program	(13,837,000)
4280-111-0236—For transfer by the Controller from the Unallocated Account, Cigarette and Tobacco Products Surtax Fund to the Perinatal Insurance Fund, for the Access for Infants and Mothers Program	(27,521,000)
4280-112-0232—For transfer by the Controller from the Hospital Services Account, Cigarette and Tobacco Products Surtax Fund to the Major Risk Medical Insurance Fund, for the Major Risk Medical Insurance Program	(6,393,000)
4280-112-0233—For transfer by the Controller from the Physician Services Account, Cigarette and Tobacco Products Surtax Fund to the Major Risk Medical Insurance Fund, for the Major Risk Medical Insurance Program	(3,607,000)
4300-001-0001—For support of Department of Developmental Services	22,773,000
Schedule:	
(1) 10-Community Services Program... 22,292,000	
(2) 20-Developmental Centers Program..... 11,890,000	
(3) 35.01-Administration..... 23,236,000	
(4) 35.02-Distributed Administration ...–23,236,000	
(5) Reimbursements..... –9,000,000	

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(6) Amount payable from the Developmental Disabilities Program Development Fund (Item 4300-001-0172)	–296,000
(7) Amount payable from the Federal Trust Fund (Item 4300-001-0890)	–2,113,000

Provisions:

1. Upon order of the Director of Finance, the State Controller shall transfer such funds as are necessary between this item and Item 4300-003-0001 in order to appropriately align General Fund and Medi-Cal reimbursements from the Department of Health Services with budgeted activities. Within 10 working days after approval of a transfer as authorized by this provision, the Department of Finance shall notify the chairperson of the fiscal committee of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee of the transfer, including the amount transferred, how the amount was determined, and how the amount will be utilized.
2. The General Fund shall make a loan available to the State Department of Developmental Services not to exceed a cumulative total of $3,000,000. The loan funds will be transferred to this item as needed to meet cashflow needs due to delays in collecting reimbursements for the Health Care Deposit Fund, and are subject to the repayment provisions in Section 16351 of the Government Code.
3. The State Department of Developmental Services may promulgate regulations specifically for implementing proposals to increase federal funding to the state. These regulations shall be deemed emergency regulations necessary for the immediate preservation of the public peace, health and safety, or general welfare for purposes of subdivision (b) of Section 11346.1 of the Government Code.
4. Notwithstanding Section 26.00 of this act, the Department of Finance may authorize transfer of expenditure authority between Schedules (1) and (2) in order to accurately reflect expenditures in these programs.

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5. On or before October 1, 2004, the Director of Finance shall provide to the chairpersons of the budget committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee an oversight report on the Department of Developmental Services' California Developmental Disabilities Information System Project. The report shall include, but is not limited to, an overall project status report identifying the project's tasks that have been completed and those that are still outstanding, an assessment of the project's ability to meet critical deadlines, and actions the department must take to address project and contract management issues identified by the project's independent oversight consultant and the Department of Finance.
6. Beginning July 1, 2004, the Department of Developmental Services shall provide, on a quarterly basis, to the Chairperson of the Joint Legislative Budget Committee copies of the monthly status and oversight reports submitted to the Department of Finance for the California Developmental Disabilities Information System Project.
7. The State Department of Developmental Services shall provide to the Legislature by January 10, 2005, a summary of actual expenditure data by regional center for the most recent fiscal year, as required by Sections 4631 and 4639.5 of the Welfare and Institutions Code, as well as an analysis of the data that tabulates and compares the following key attributes regarding regional center operations:
   (a) Personnel expenditures and positions, by key function, segregated by intake and assessment, clinical team, and case management staff.
   (b) Number of positions and classification levels assigned to Home and Community-based Waiver enrollment and fiscal processing.
   (c) Operating expenditures.
   (d) ''Best practices'' and cost-efficiencies adopted by regional centers regarding administrative procedures and operation expenditures.
8. For purposes of apportioning the 2004–05 unallocated reduction to regional center operations, the State Department of Developmental Services

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shall develop and use a methodology that incorporates an evaluation of the relative performance of each regional center. That evaluation shall include, but is not limited to, the following performance indicators: (a) achievement of Medicaid waiver enrollment targets, (b) compliance with audits, (c) compliance with Individual Program Plan and Individual Family Service Plan requirements, and (d) accuracy of purchase of service expenditure projections.

4300-001-0172—For support of Department of Developmental Services, for payment to Item 4300-001-0001, payable from the Developmental Disabilities Program Development Fund..... 296,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the Department of Developmental Services in excess of the amount appropriated no sooner than 30 days after notification in writing is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or no sooner than such lesser time as the chairperson of the committee, or his or her designee, may in each instance determine.

4300-001-0890—For support of Department of Developmental Services, for payment to Item 4300-001-0001, payable from the Federal Trust Fund 2,113,000

Provisions:

1. Upon order of the Director of Finance, the State Controller shall transfer such funds as are necessary between this item and Item 4300-101-0890 in order to effectively administer the Early Intervention Program (Part C of the Individuals with Disabilities Education Act).

4300-003-0001—For support of Department of Developmental Services, for Developmental Centers..... 367,741,000

Schedule:

(1) 20-Developmental Centers Program.....690,096,000
(2) Reimbursements ..... –319,283,000
(3) Amount payable from the California State Lottery Education Fund (Item 4300-003-0814) ..... –2,259,000
(4) Amount payable from the Federal Trust Fund (Item 4300-003-0890)..... –813,000

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Provisions:

1. The General Fund shall make a loan available to the State Department of Developmental Services not to exceed a cumulative total of $77,000,000. The loan funds will be transferred to this item as needed to meet cashflow needs due to delays in collecting reimbursements from the Health Care Deposit Fund, and subject to the repayment provisions of Section 16351 of the Government Code.
2. Upon order of the Director of Finance, the State Controller shall transfer such funds as are necessary between this item and Item 4300-001-0001 in order to appropriately align General Fund and Medi-Cal reimbursements from the Department of Health Services with budgeted activities. Within 10 working days after approval of a transfer as authorized by this provision, the Department of Finance shall notify the chairperson of the fiscal committee of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee of the transfer, including the amount transferred, how the amount was determined, and how the amount will be utilized.
3. Of the amount appropriated in Schedule (1), $444,000 is provided for payment of energy service contracts as required in connection with issuance of Public Works Board Energy Efficiency Revenue Bonds (State Pool Program), Series 1986 A.
4. Upon order of the Director of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4300-101-0001.
5. The State Department of Developmental Services (DDS) shall notify the chairperson of each fiscal committee and policy committee of each house of the Legislature of specific outcomes resulting from citations and the results of annual surveys conducted by the State Department of Health Services, as well as findings of any other government agency authorized to conduct investigations or surveys of state developmental centers. DDS shall forward the notifications, including a copy of the specific findings, to the chairpersons of the respective committees within 10 working days of its receipt of these findings. DDS also shall forward

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these findings, within three working days of submission, to the appropriate investigating agency. In addition, DDS shall provide notification to the above-mentioned committee chairs, within three working days, of its receipt of information concerning any investigation initiated by the United States Department of Justice and the private nonprofit corporation designated by the Governor pursuant to Division 4.7 (commencing with Section 4900) of the Welfare and Institutions Code or concerning any findings or recommendations resulting from any of these investigations.

4300-003-0814—For support of Department of Developmental Services, for payment to Item 4300-003-0001, payable from the California State Lottery Education Fund 2,259,000

Provisions:

1. All funds received pursuant to Proposition 37 that are allocable to the Department of Developmental Services pursuant to Section 8880.5 of the Government Code, and that are in excess of the amount appropriated in this item, are hereby appropriated in augmentation of this item. These additional funds may be expended only upon written approval of the Director of Finance.

4300-003-0890—For support of Department of Developmental Services, for payment to Item 4300-003-0001, payable from the Federal Trust Fund 813,000

Provisions:

1. Upon order of the Director of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4300-101-0890 in order to effectively administer the Foster Grandparent Program.

4300-004-0001—For support of Department of Developmental Services (Proposition 98), for Developmental Centers 10,672,000

Schedule:

(1) 20-Developmental Centers Program 14,669,000
  (a) 20.17-AB 1202 Contracts 2,000,000
  (b) 20.66-Medi-Cal Eligible Services ... 12,669,000
(2) Reimbursements ..... –3,997,000

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Provisions:

1. Of the amount appropriated in this item, $3,997,000 is to be used to provide the General Fund match for Medi-Cal Eligible Services.

4300-017-0001—For support of Department of Developmental Services 250,000

Schedule:

(1) 20-Developmental Centers Program..... 416,000

(2) Reimbursements..... −166,000

4300-101-0001—For local assistance, Department of Developmental Services, for Regional Centers 1,817,821,000

Schedule:

(1) 10.10.010-Operations.....426,941,000

(2) 10.10.020-Purchase of Services 2,296,341,000

(3) 10.10.060-Early Intervention Programs 20,095,000

(4) Reimbursements ..... −872,945,000

(5) Amount payable from Developmental Disabilities Program Development Fund (Item 4300-101-0172)..... −1,200,000

(6) Amount payable from Developmental Disabilities Services Account (Item 4300-101-0496) ..... −300,000

(7) Amount payable from Federal Trust Fund (Item 4300-101-0890).....−51,111,000

Provisions:

1. Upon order of the Director of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4300-003-0001.
2. A loan shall be made available from the General Fund to the State Department of Developmental Services not to exceed a cumulative total of $160,000,000. The loan funds shall be transferred to this item as needed to meet cashflow needs due to delays in collecting reimbursements from the Health Care Deposit Fund, and are subject to the repayment provisions of Section 16351 of the Government Code.
3. Upon order of the Director of Finance, the Controller shall transfer funds as are necessary between this item and Item 5160-001-0001 to provide for the transportation costs to and from work activity programs of clients who are receiving vo-

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cational rehabilitation services through the Vocational Rehabilitation/Work Activity Program (VR/WAP) Transition Program.

5. Upon order of the Director of Finance, in order to meet client services needs, the Controller shall transfer the General Fund share of budgeted client costs as necessary between this item and Items 5160-001-0001 and 5160-101-0001 to provide for the transfer of clients between the Department of Developmental Services and the Department of Rehabilitation resulting from program closures. The amount transferred shall be based on the amount budgeted per client by each department for the remainder of the fiscal year.

4300-101-0172—For local assistance, Department of Developmental Services, for payment to Item 4300-101-0001, payable from the Developmental Disabilities Program Development Fund 1,200,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the Department of Developmental Services in excess of the amount appropriated no sooner than 30 days after notification in writing of the chairperson of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or no sooner than such lesser time as the chairperson of the committee, or his or her designee, may in each instance determine.

4300-101-0496—For local assistance, Department of Developmental Services, for payment to Item 4300-101-0001, payable from the Developmental Disabilities Services Account..... 300,000

4300-101-0890—For local assistance, Department of Developmental Services, for Regional Centers, for payment to Item 4300-101-0001, payable from Federal Trust Fund..... 51,111,000

Provisions:

1. Upon order of the Director of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4300-001-0890 in order to effectively administer the Early Intervention Program (Part C of the Individuals with Disabilities Education Act).
2. Upon order of the Director of Finance, the Controller shall transfer such funds as are necessary

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between this item and Item 4300-003-0890 in order to effectively administer the Foster Grandparent Program.

4300-105-0001—For local assistance, Department of Developmental Services, Special Item for Agnews Transition 11,115,000

Provisions:

1. Funds appropriated in this item may only be expended to facilitate the development of community-based living options for current residents of Agnews Developmental Center. The Department of Developmental Services, through the California Health and Human Services Agency, shall submit an expenditure plan for these funds to the Joint Legislative Budget Committee. The Joint Legislative Budget Committee shall have 60 days to review the expenditure plan prior to its implementation. The expenditure plan shall be implemented no sooner than 60 days after a comprehensive closure plan for Agnews Developmental Center, developed pursuant to Section 4474.1 of the Welfare and Institutions Code, has been submitted to the Legislature.

4300-117-0001—For local assistance, Department of Developmental Services 708,000

Schedule:

(1) 10.10.010-Regional Centers: Operations..... 1,416,000

(2) Reimbursements..... –708,000

4300-295-0001—For local assistance, Department of Developmental Services, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller..... 4,000

Schedule:

(1) 98.01.064.480-Judicial Proceedings (Ch. 644, Stats. 1980) 1,000

(2) 98.01.069.475-Developmentally Disabled Attorneys Services (Ch. 694, Stats. 1975)..... 1,000

(3) 98.01.125.380-Mentally Retarded Defendents (MRD): Diversion (Ch. 1253, Stats. 1980) 1,000

Item	Amount
(4) 98.01.130.480-Conservatorship: Developmentally Disabled Adults (Ch. 1304, Stats. 1980)	1,000
(5) 98.01.135.776-Guardianship/ Conservatorship filings (Ch. 1357, Stats. 1976)	0

Provisions:

1. Except as provided in Provision 2, allocations of funds provided in this item to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated in this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.
2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the Controller may, upon notifying the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.
3. Pursuant to Section 17581 of the Government Code, mandates identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the 2004–05 fiscal year:
   (5) Guardianship/Conservatorship filings (Ch. 1257, Stats. 1976)

4300-490—Reappropriation, Department of Developmental Services. Notwithstanding any other provision of law, as of June 30, 2004, the balances of the appropriations provided in the following citations are reappropriated for the purposes specified and shall be available for encumbrance or expenditure until June 30, 2005, unless otherwise stated.

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0001—General Fund

(1) Item 4300-101-0001 (1) 10.10.010 and (2) 10.10.020, Budget Act of 2003 (Ch. 157, Stats. 2003) for the Life Quality Assessment Interagency Agreement.

4300-495—Reversion, Department of Developmental Services. As of June 30, 2004, the unencumbered amounts specified in the following citations shall revert to the balance of the fund from which the appropriation was made:

0001—General Fund

(1) Item 4300-003-0001, Budget Act of 2002 (Ch. 379, Stats. 2002), as reappropriated in Item 4300-490, Budget Act of 2003 (Ch. 157, Stats. 2003)

(1) 20-Developmental Centers Program 5,000,000

4440-001-0001—For support of Department of Mental Health 28,342,000

Schedule:

(1) 10-Community Services 39,154,000
(2) 20-Long-Term Care Services 12,023,000
(3) 35.01-Departmental Administration..... 16,056,000
(4) 35.02-Distributed Departmental Administration..... –16,056,000
(5) Reimbursements ..... –19,231,000
(6) Amount payable from the Traumatic Brain Injury Fund (Item 4440-001-0311)..... –203,000
(7) Amount payable from the Federal Trust Fund (Item 4440-001-0890). –3,401,000

Provisions:

1. Upon order of the Director of Finance, and following 30-day notification to the Joint Legislative Budget Committee, the Controller shall transfer between this item and Item 4440-016-0001 those funds that are necessary for direct community services, as well as administrative and ancillary services related to the provision of direct services.
2. Of the amount appropriated in Schedule (1) the $382,000 allocated for Preadmission Screening and Resident Review information technology activities shall not be expended until the Department of Finance reviews and approves the Feasibility Study Report for this project.

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3. Of the funds appropriated in this item, up to $472,000 shall be used for the sole purpose of funding staff and contract services to identify and evaluate approaches for increasing federal funding and reducing state costs for community mental health services and the state hospital system, such as establishing counties as sole legal entities, a home-based care waiver program, and quality assurance fees. By January 10, 2005, the Department of Mental Health shall provide to the chairpersons of the budget committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee a status report on the consultant's work and findings and recommendations and a proposed timeline for the implementation of any actions deemed feasible and advisable by the department.

4440-001-0311—For support of Department of Mental Health, for payment to Item 4440-001-0001, payable from the Traumatic Brain Injury Fund..... 203,000

4440-001-0890—For support of Department of Mental Health, for payment to Item 4440-001-0001, payable from the Federal Trust Fund 3,401,000

Provisions:

1. Upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between this item and Item 4440-101-0890.

4440-003-0001—For support of the Department of Mental Health for rental payments on lease-revenue bonds 10,279,000

Schedule:

(1) Base Rent and Fees..... 10,137,000
(2) Insurance 142,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

4440-011-0001—For support of the State Hospitals, Department of Mental Health 573,446,000

Schedule:

(1) 20.10-Long-Term Care Services—Lanterman-Petris-Short..... 83,750,000

Item	Amount
(2) 20.20-Long-Term Care Services—Penal Code and Judicially Committed	582,396,000
(3) 20.30-Long-Term Care Services—Other State Hospital Services	53,253,000
(4) Reimbursements	−137,592,000
(5) Amount payable from the California State Lottery Education Fund (Item 4440-011-0814)	−1,421,000
(6) Amount payable from the Unallocated Account, Cigarette and Tobacco Products Surtax Fund (Item 4440-011-0236)	−6,940,000

Provisions:

1. Upon order of the Director of Finance, the Controller shall transfer such funds as are necessary between this item and Item 5240-001-0001.
2. Upon order of the Director of Finance, and following 30-day notification to the Joint Legislative Budget Committee, the Controller shall transfer between this item and Item 4440-016-0001 those funds that are necessary for direct community services, as well as administrative and ancillary services related to the provision of direct services.
3. Upon approval of the State Department of Mental Health, a portion of the funds appropriated in Schedule (2) shall be available to reimburse counties for the cost of treatment and legal services to patients in the four State Department of Mental Health State Hospitals, pursuant to Section 4117 of the Welfare and Institutions Code. Expenditures made under this item shall be charged to either the fiscal year in which the claim is received or the fiscal year in which the Controller issues the warrant. Claims filed by local jurisdictions for legal services may be scheduled by the Controller for payment.
4. The reimbursements identified in Schedule (4) of this item shall include amounts received by the State Department of Mental Health as a result of billing for LPS state hospital bed day expenditures attributable to conservatees who are gravely disabled as defined in subparagraph (B) of paragraph (1) of subdivision (h) of Section 5008 of the Welfare and Institutions Code (Murphy Conservatee).

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5. Of the total amount attributable in the 2003–04 fiscal year to patient-generated collections for LPS patients, the Controller shall transfer $8,000,000 as revenue to the General Fund, and the remainder shall be used to offset county costs for LPS state hospital beds.
6. Funds appropriated to accommodate projected hospital population levels in excess of those that actually materialize, if any, shall revert to the General Fund. However, the Director of Finance may approve an increase in expenditures that are not related to caseload for the state hospitals through the redirection of funding that is reasonably believed not to be needed for accommodating projected hospital population levels if the approval is made in writing and filed with the Chairperson of the Joint Legislative Budget Committee and the chairperson of each house of the Legislature that considers appropriations not later than 30 days prior to the effective date of the approval, or prior to whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may in each instance determine. All notifications shall include (a) the reason for the proposed redirection of caseload funding to expenditures that are not related to caseload, (b) the approved amount, and (c) the basis of the director's determination that the funding is not needed for accommodating projected hospital population levels.
8. Notwithstanding Section 26.00 of this act, the Department of Finance may authorize transfer of expenditure authority between Schedules (1), (2), and (3) in order to accurately reflect caseload in these programs.

4440-011-0236—For support of Department of Mental Health, for payment to Item 4440-001-0001, payable from the Unallocated Account, Cigarette and Tobacco Products Surtax Fund..... 6,940,000

4440-011-0814—For support of Department of Mental Health, for payment to Item 4440-011-0001, payable from the California State Lottery Education Fund... 1,421,000

Provisions:

1. All funds received pursuant to Proposition 37 that are allocable to the Department of Mental Health pursuant to Section 8880.5 of the Government Code, and that are in excess of the amount appro-

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priated in this item, are appropriated in augmentation of this item. These additional funds may be expended only upon written approval of the Director of Finance.

4440-012-0001—For support of the State Hospitals (Proposition 98), Department of Mental Health 3,400,000

Schedule:

(1) 20.10-Long-Term Care Services—Lanterman-Petris-Short..... 3,400,000

Provisions:

1. The funds appropriated in this item are available to contract for the provision of education services for mental health patients on state hospital grounds.

4440-016-0001—For support of Department of Mental Health, for Conditional Release Services..... 21,417,000

Schedule:

(1) 20-Long-Term Care Services 21,417,000

Provisions:

1. The funds appropriated in this item shall be used to provide community services as provided in Section 4360 of the Welfare and Institutions Code. These funds shall support direct community services, as well as administrative and ancillary services related to the provision of direct services.
2. Upon order of the Director of Finance, and following 30-day notification to the Joint Legislative Budget Committee, the Controller shall transfer between this item and Items 4440-001-0001 and 4440-011-0001 those funds that are necessary for direct community services, as well as administrative and ancillary services related to the provision of direct services.
3. The State Department of Mental Health shall provide forensic conditional release services mandated either in Title 15 (commencing with Section 1600) of Part 2 or in Title 15 (commencing with Section 2960) of Article 3 of the Penal Code, through contracts with programs which integrate the supervision and treatment roles and providers selected consistent with Section 1615 of the Penal Code.
4. Of the funds appropriated in this item, it is intended that no funds shall be available for the payment of treatment services to persons on court

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visit from state hospitals to the community as designated in subdivision (a) of Section 4117 of the Welfare and Institutions Code.

4440-017-0001—For support of Department of Mental Health 1,042,000

Schedule:

(1) 10-Community Services 2,085,000

(2) 20-Long-Term Care Services 0

(3) 35.01-Departmental Administration..... 2,331,000

(4) 35.02-Distributed Departmental Administration ..... –2,331,000

(5) Reimbursements..... –1,043,000

4440-101-0001—For local assistance, Department of Mental Health..... 79,676,000

Schedule:

(1) 10.25-Community Services—Other Treatment..... 1,439,054,000

(1.5) 10.47-Community Services—Children's Mental Health Services. 20,000,000

(2) 10.85-Community Services—AIDS..... 1,500,000

(3) 10.97-Community Services—Healthy Families..... 17,083,000

(4) Reimbursements ..... –1,397,961,000

Provisions:

1. Augmentations to reimbursements in this item from the Office of Emergency Services for Disaster Relief are exempt from Section 28.00 of this act. The State Department of Mental Health shall provide written notification to the Joint Legislative Budget Committee describing the nature and planned expenditure of these augmentations when the amount received exceeds $200,000.
2. It is the intent of the Legislature that local expenditures for mental health services for Medi-Cal eligible individuals serve as the match to draw down maximum federal financial participation to continue the Short-Doyle/Medi-Cal program.

4440-101-0311—For local assistance, Department of Mental Health, all funds that are transferred into the Traumatic Brain Injury Fund pursuant to subdivision (f) of Section 1464 of the Penal Code..... 1,219,000

Schedule:

(1) 10.87-Community Services—Traumatic Brain Injury Projects.... 1,451,000

(2) Reimbursements..... –232,000

Item	Amount
4440-101-0890—For local assistance, Department of Mental Health, payable from the Federal Trust Fund	58,404,000

Schedule:

(1) 10.25-Community Services—Other Treatment 51,772,000

(2) 10.75-Community Services—Homeless Mentally Disabled 6,632,000

Provisions:

1. The funds appropriated in this item are for assistance to local agencies in the establishment and operation of mental health services, in accordance with Division 5 (commencing with Section 5000) of the Welfare and Institutions Code.
2. The Department of Mental Health may authorize advance payments of federal grant funds on a monthly basis to the counties for grantees. These advance payments may not exceed one-twelfth of Section 2.00 of the individual grant award for the 2004–05 fiscal year.
3. Upon order of the Department of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4440-001-0890.

4440-102-0001—For local assistance, Department of Mental Health (Proposition 98) for early mental health services	5,000,000
4440-103-0001—For local assistance, Department of Mental Health, Program 10.25-Community Services: Other Treatment for Mental Health Managed Care	222,424,000

Provisions:

1. The allocation of funds appropriated in this item shall be determined based on a methodology developed by the Department of Mental Health in consultation with a statewide organization representing counties. This methodology shall be based on a review of actual and projected expenditures for mental health services for Medi-Cal beneficiaries, by county.
2. Of the amount appropriated in this item, $8,000,000 shall be transferred to the Mental Health Managed Care Deposit Fund (Fund 0865).
3. Upon order of the Director of Finance and agreement between the Department of Mental Health and the Department of Health Services, the Controller shall transfer between this item and Item

Item		Amount
4260-101-0001 any General Fund amount determined necessary to fully reflect the transfer of responsibility for administration of mental health services pursuant to the implementation of mental health managed care.		
4440-111-0001—For local assistance, Department of Mental Health, for caregiver resource centers serving families of adults with acquired brain injuries ..		11,747,000
4440-295-0001—For local assistance, Department of Mental Health, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or of Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller		7,000
Schedule:		
(1) 98.01.049.877-Coroner's Costs (Ch. 498, Stats. 1977)	1,000	
(2) 98.01.081.579-Short-Doyle Case Management (Ch. 815, Stats. 1979).....	0	
(3) 98.01.103.678-Mentally Disordered Sex Offender Extended Commitments (Ch. 1036, Stats. 1978).....	1,000	
(4) 98.01.111.479-Not Guilty By Reason of Insanity (Ch. 1114, Stats. 1979).....	1,000	
(5) 98.01.132.784-Short-Doyle Audits (Ch. 1327, Stats. 1984)	0	
(6) 98.01.135.285-Residential Care Services (Ch. 1352, Stats. 1985)...	0	
(7) 98.01.174.784-Services to Handicapped Students (Ch. 1747, Stats. 1984).....	1,000	
(8) 98.01.043.593-Mentally Disordered Offender's Extended Commitment Proceedings (Ch. 435, Stats. 1993).....	1,000	
(9) 98.01.076.295-Sexually Violent Predators (Chs. 762 and 763, Stats. 1995).....	1,000	
(10) 98.01.065.496-Seriously Emotionally Disturbed Pupils (Ch. 654, Stats. 1996).....	1,000	

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Provisions:

1. Except as provided in Provision 2 of this item, allocations of funds provided in this item to the appropriate local entities shall be made by the State Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated in this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.
2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the State Controller may, upon notifying the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amount therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.
3. Pursuant to Section 17581 of the Government Code, mandates identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the 2004–05 fiscal year:
   (2) Short-Doyle Case Management (Ch. 815, Stats. 1979)
   (5) Short-Doyle Audits (Ch. 1327, Stats. 1984)
   (6) Residential Care Services (Ch. 1352, Stats. 1985)

4440-301-0001—For capital outlay, Department of Mental Health 429,000

Schedule:

(1)	55.35.295-Metropolitan: Remodel Satellite Serving Kitchens—Working drawings	259,000
(2)	55.10.205-Minor Project	170,000

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Provisions:

1. Notwithstanding any other provision of law, the project funded in Schedule (1) shall be considered part of the Metropolitan: Construct New Kitchen and Remodel Satellite Serving Kitchens project funded in Item 4440-301-0660, Schedule (2), of the 2003 Budget Act. The Schedule (1) project is exempt from competitive bid in order to facilitate management of the overall project.

4440-401—Notwithstanding Section 14666 of the Government Code, the Department of General Services may grant an easement, subject to Department of Finance approval, to the Napa Sanitation District at Napa State Hospital for the installation of reclaimed water piping and a storage tank.

4440-485—Reappropriation (Proposition 98), Department of Mental Health. The sum of $5,000,000 is reappropriated from the Proposition 98 Reversion Account for the following purpose:

0001—General Fund

(1) $5,000,000 to the Department of Mental Health for the purpose of funding the Early Mental Health Initiative

4440-490—Reappropriation, Department of Mental Health. The balance of the appropriation provided in the following citation is reappropriated for the purposes provided for in that appropriation and shall be available for encumbrance and expenditure until June 30, 2005:

0001—General Fund

(1) $250,000 in Item 4440-001-0001, Budget Act of 2003 (Ch. 157, Stats. 2003)

(1) 10—Community Services

4440-491—Reappropriation, Department of Mental Health. The balance of the appropriations provided in the following citations are reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in those appropriations and shall be available for encumbrance and expenditure as set forth in Provision 1:

0660—Public Buildings Construction Fund

(1) Item 4440-301-0660, Budget Act of 2003 (Ch. 157, Stats. 2003)

(3) 55.45.270-Patton: Renovate Admission Suite and Fire and Life Safety and Environ-

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mental Improvements Phases II and III, EB Building—Preliminary plans, working drawings, and construction.

(2) Item 4440-301-0660, Budget Act of 2002 (Ch. 379, Stats. 2002), as reappropriated by Item 4440-491, Budget Act of 2003 (Ch. 157, Stats. 2003)

(2) 55.35.305-Metropolitan: Construct School Building—Construction

Provisions:

1. Notwithstanding any other provision of law, funds appropriated in Item 4440-301-0660, Schedule (3) of the Budget Act of 2003 (Ch. 157, Stats. 2003), for the Patton: Renovate Admission Suite and Fire and Life Safety and Environmental Improvements Phases II and III, EB Building project may be expended for preliminary plans and working drawings until June 30, 2005, and may be expended for construction until June 30, 2008.

4440-496—Reversion, Department of Mental Health. As of June 30, 2004, the balance specified below of the appropriation provided in the following citation shall revert to the balance of the fund from which the appropriation was made:

0660—Public Buildings Construction Fund

(1) Item 4440-301-0660, Budget Act of 2003 (Ch. 157, Stats. 2003). The amount of $3,873,000 provided for project 55.35.295-Metropolitan: Construct New Kitchen and Remodel Satellite Serving Kitchens—Preliminary plans, working drawings, and construction.

4700-001-0001—For support of Department of Community Services and Development 75,000

Schedule:

(1) 47-Naturalization Services 75,000

4700-001-0890—For support of the Department of Community Services and Development, payable from the Federal Trust Fund 9,625,000

Schedule:

(1) 20-Energy Programs..... 8,675,000
(2) 40-Community Services 3,048,000
(3) 50.01-Administration..... 3,300,000
(4) 50.02-Distributed Administration ... –3,300,000
(5) Reimbursements..... –2,098,000

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Provisions:

1. On a federal fiscal year basis, the Department of Community Services and Development shall make the following program allocation for the community services block grant, as a percentage of the total block grant:
   (a) Administration ..... 5 percent
2. Any unexpended federal funds from Item 4700-001-0890, Budget Act of 2003 (Ch. 157, Stats. 2003), shall be in augmentation of Item 4700-001-0890 of this act and not subject to the provisions of Section 28.00.

4700-101-0001—For local assistance, Department of Community Services and Development 1,425,000

Schedule:

(1) 47-Naturalization Services 1,425,000

4700-101-0890—For local assistance, Department of Community Services and Development, for assistance to individuals and payments to service providers, payable from the Federal Trust Fund 154,536,000

Schedule:

(1) 20-Energy Programs 92,404,000
(2) 40-Community Services 62,132,000

Provisions:

1. On a federal fiscal year basis, the department shall make the following program allocations for the community services block grant as a percentage of the total block grant:
   (a) Discretionary ..... 5 percent
   (b) Migrant and seasonal farm workers ..... 10 percent
   (c) Native American Indian programs ..... 3.9 percent
   (d) Community action agencies and rural community services..... 76.1 percent

   All grantees under the community services block grant program are subject to standard state contracting procedures required under the program.
2. Funds collected by the department from energy contractors as a result of overpayments shall be used for local assistance for energy programs, and funds collected from community service block grant (CSBG) contractors as a result of overpayments shall be used for local assistance for CSBG programs in the 2004–05 fiscal year.

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3. Funds scheduled in Item 4700-101-0890 may be transferred to Item 4700-001-0890 for the administration of the Low Income Home Energy Assistance Programs, subject to approval of the Department of Finance.
4. Any unexpended federal funds from Item 4700-101-0890 of the Budget Act of 2003 (Ch. 157, Stats. 2003), shall be in augmentation of Item 4700-101-0890 of this act and are not subject to the provisions of Section 28.00.

5160-001-0001—For support of Department of Rehabilitation..... 44,098,000

Schedule:

(1) 10-Vocational Rehabilitation Services.....321,119,000
(2) 30-Support of Community Facilities 3,923,000
(3) 40.01-Administration..... 24,187,000
(4) 40.02-Distributed Administration ...–24,187,000
(5) Reimbursements..... –7,900,000
(6) Amount payable from the Vending Stand Fund (Item 5160-001-0600)..... –3,394,000
(7) Amount payable from the Federal Trust Fund (Item 5160-001-0890) ..... –269,650,000

Provisions:

1. Upon order of the Director of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4300-101-0001 to provide for the transportation costs to and from work activity programs of clients who are receiving vocational rehabilitation services through the Vocational Rehabilitation/Work Activity Program (VR/WAP) Transition program.
2. The department shall maximize its use of certified time as a match for federal vocational rehabilitation funds. To the extent that certified time is available, it shall be used in lieu of the General Fund moneys.
3. Upon order of the Director of Finance, the Controller shall transfer the General Fund share of budgeted client costs as necessary between this item and Item 4300-101-0001 to provide for the net transfer of clients, resulting from program closures, between the Department of Rehabilitation and the Department of Developmental Services.

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The amount transferred shall be based on the amount budgeted per client by each department for the remainder of the fiscal year.

5160-001-0600—For support of Department of Rehabilitation, for payment to Item 5160-001-0001, payable from the Vending Stand Fund 3,394,000

5160-001-0890—For support of Department of Rehabilitation, for payment to Item 5160-001-0001, payable from the Federal Trust Fund 269,650,000

Provisions:

1. The amount appropriated in this item that is payable from federal Social Security Act funds for vocational rehabilitation services for SSI/SSDI recipients shall be expended only to the extent that funds received exceed the amount appropriated by Item 5160-101-0890 that is payable from the federal Social Security Act funds. It is the intent of the Legislature that first priority of federal Social Security Act funding be given to independent living centers in the amount of federal Social Security Act funding appropriated by Item 5160-101-0890.

5160-101-0890—For local assistance, Department of Rehabilitation, payable from the Federal Trust Fund... 15,736,000

Schedule:

(2) 30-Support of Community Facilities 15,736,000

5160-490—Reappropriation, Department of Rehabilitation. $1,736,000 of the balance of the appropriations provided in the following citations is reappropriated to pay for expenditures from the 2002–03 fiscal year, and shall be available for encumbrance or expenditure until June 30, 2005:

0001—General Fund

(1) Item 5160-001-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003), $736,000 from Schedule (1) 10—Vocational Rehabilitation Services

(2) Item 5160-101-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003), $1,000,000 from Schedule (1.5) 20—Habilitation Services

5170-001-0001—For support of State Independent Living Council 0

Schedule:

(1) 10-State Council Services..... 452,000

(2) Reimbursements..... –452,000

5175-001-0001—For support of Department of Child Support Services..... 11,998,000

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Schedule:

(1) 10-Child Support Services 36,674,000

(2) Reimbursements ..... −122,000

(3) Amount payable from the Federal Trust Fund (Item 5175-001-0890) ..... −24,554,000

Provisions:

1. It is the intent of the Legislature to continue to provide funding for those activities necessary for the child support state administrative hearing process, to ensure compliance with statutory timeframes. Notwithstanding any other provision of law, upon request by the Department of Child Support Services, the Department of Finance may augment the amount available for expenditure in this item to pay costs associated with the state administrative hearing process. Concurrent with the Department of Finance's approval, written notification shall be provided to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house that considers appropriations.
2. Notwithstanding any other provision of law, upon request by the Department of Child Support Services, the Department of Finance may augment the amount available for expenditure in this item and establish new positions as necessary, if the revenues generated by the Child Support Enhanced Collection Reforms and the associated workload justify such an increase. The augmentation may be effected not sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house of the Legislature that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the joint committee, or his or her designee, may in each instance determine.
3. Notwithstanding any other provision of law, upon request by the Department of Child Support Services, the Director of Finance may augment the amount available for expenditure in this item to pay costs for version 1 implementation of the Child Support Automation Project and for startup costs for the second component, the State Disbursement Unit. The augmentation may be effected not sooner than 30 days after notification in

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writing of necessity therefor to the chairperson of the committee in each house of the Legislature that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, unless the chairperson of the joint committee, or his or her designee, determines that a lesser time period is sufficient. The funds appropriated by this provision shall be consistent with the amount approved by the Department of Finance based on its review and approval of the required Feasibility Study Report, a Special Project Report, or equivalent document.

5175-001-0890—For support of Department of Child Support Services, for payment to Item 5175-001-0001, payable from the Federal Trust Fund 24,554,000

Provisions:

1. It is the intent of the Legislature to provide sufficient funding to ensure that Child Support State Administrative Hearings are conducted to meet statutory timeframes. Notwithstanding the 30-day notification requirement set forth in subdivision (d) of Section 28.00 of this act, upon request by the Department of Child Support Services, the Department of Finance may augment expenditure authority in this item to fund increased hearings' costs at the time the request is made. Concurrent with the Department of Finance approval, written notification shall be provided to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house that considers appropriations.
2. Provisions 2 and 3 of Item 5175-001-0001 shall also apply to this item.

5175-002-0001—For support of Department of Child Support Services..... 23,989,000

Schedule:

(1) 10-Child Support Services..... 85,818,000
(2) Amount payable from the Federal Trust Fund (Item 5175-002-0890).....–61,829,000

Provisions:

1. Funds in this item shall be used for contracts and interagency agreements in the child support program, unless otherwise authorized by the Department of Finance no sooner than 30 days after providing notification in writing to the chairperson of the fiscal committee of each house of the Legis-

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lature and the Chairperson of the Joint Legislative Budget Committee, or no sooner than such lesser time as the chairperson of the committee, or his or her designee, may in each instance determine.

2. Notwithstanding any other provision of law, the Department of Finance may augment this item to reimburse the Judicial Council for the increased costs associated with salary adjustments for child support commissioners and family law facilitators pursuant to Section 70141(e) of the Government Code, in the event such salary adjustments are provided to superior court judges, no sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house of the Legislature that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may in each instance determine.
3. It is the intent of the Legislature to continue to provide funding for those activities necessary for the child support state administrative hearing process to ensure compliance with statutory timeframes. Notwithstanding any other provision of law, upon request by the Department of Child Support Services, the Department of Finance may augment the amount available for expenditure in this item to pay costs associated with the state administrative hearing process. Concurrent with the Department of Finance approval, written notification will be provided to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house that considers appropriations.
4. Notwithstanding any other provision of law, upon request by the Department of Child Support Services, the Department of Finance may augment the amount available for expenditure in this item and establish new positions as necessary, if the revenues generated by the Child Support Enhanced Collection Reforms and the associated workload justify such an increase. The augmentation may be effected not sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house of the Legislature that considers appropriations and

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the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the joint committee, or his or her designee, may in each instance determine.

5. Notwithstanding any other provision of law, upon request by the Department of Child Support Services, the Director of Finance may augment the amount available for expenditure in this item to pay costs for version 1 implementation of the Child Support Automation Project and for startup costs for the second component, the State Disbursement Unit. The augmentation may be effected not sooner than 30 days after notification in writing of necessity therefor to the chairperson of the committee in each house of the Legislature that considers appropriations and the Chairperson of the Joint Legislative Budget Committee unless the chairperson of the joint committee, or his or her designee, determines that a lesser time period is sufficient. The funds appropriated by this provision shall be consistent with the amount approved by the Director of Finance based on its review and approval of the required Feasibility Study Report, Special Project Report or equivalent document.

5175-002-0890—For support of Department of Child Support Services, for payment to Item 5175-002-0001, payable from the Federal Trust Fund 61,829,000

Provisions:

1. Provisions 1, 2, 4, and 5 of Item 5175-002-0001 also apply to this item.
2. It is the intent of the Legislature to provide sufficient funding to ensure that Child Support State Administrative Hearings are conducted to meet statutory timeframes. Notwithstanding the 30-day notice requirement set forth in subdivision (d) of Section 28.00 of this act, upon request by the Department of Child Support Services, the Department of Finance may augment expenditure authority in this item to fund increased costs associated with the state administrative hearing process at the time the request is made. Concurrent with the Department of Finance approval, written notification shall be provided to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house that considers appropriations.

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5175-101-0001—For local assistance, Department of Child Support Services			252,159,000
Schedule:			
(1) 10-Child Support Services		978,519,000	
(a) 10.01-Child Support Administration	875,095,000		
(b) 10.03-Child Support Automation	103,424,000		
(2) Reimbursements		−321,000	
(3) Amount payable from the Federal Trust Fund (Item 5175-101-0890)		−447,175,000	
(4) Amount payable from the Child Support Collections Recovery Fund (Item 5175-101-8004)		−278,864,000	

Provisions:

1. No funds appropriated in this item shall be encumbered unless every rule or regulation adopted and every child support services letter or similar instruction issued by the Department of Child Support Services that adds to the cost of the child support program is approved by the Department of Finance as to the availability of funds before it becomes effective. In making the determination as to availability of funds to meet the expenditures of a rule, regulation, or child support services letter that would increase the costs of the program, the Department of Finance shall consider the amount of the proposed increase on an annualized basis, the effect the change would have on the expenditure limitations for the program set forth in this act, the extent to which the rule, regulation, or child support services letter constitutes a deviation from the premises under which the expenditure limitations were prepared, and any additional factors relating to the fiscal integrity of the program or the state's fiscal situation.

   Notwithstanding Section 28.00 of this act, the availability of funds contained in this item for child support program rules, regulations, or child support services letters that add to program costs funded from the General Fund in excess of $500,000 on an annual basis, including those that are the result of federal regulations but excluding those that are (a) specifically required as a result

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of the enactment of a federal or state law, or (b) included in the appropriation made by this act, shall not be approved by the Department of Finance sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or such lesser time as the chairperson of the committee, or his or her designee, may in each instance determine. Funds appropriated in this item are for the child support program consisting of state and federal statutory law, regulations, and court decisions, if funds necessary to carry out those decisions are specifically appropriated in this act.

2. Notwithstanding any other provision of law, a loan not to exceed $136,000,000 shall be made available from the General Fund, from funds not otherwise appropriated, to cover the federal share of costs of the program when the federal funds have not been received by this state prior to the usual time for transmitting that federal share to the counties of this state or to cover the federal share of child support collections for which the federal funds have been reduced prior to the collections being received from the counties. This loan from the General Fund shall be repaid when the federal share of costs for the program becomes available or when the collections are received from the counties.
3. The Department of Finance may authorize the establishment of positions and transfer of amounts from this item to Item 5175-001-0001 in order to allow the state to perform the functions or oversee the functions of the local child support agency in the event a county fails to perform that function or is out of compliance with state performance standards.
4. It is the intent of the Legislature that the California Child Support Automation Project receive the highest commitment and priority of all of the state's child support automation activities.
5. Of the amount appropriated in this item, $5,364,000 shall be available for approving funding for county-specific automation projects for the enhancements to existing county child support

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automation systems and for transitioning counties from existing legacy systems to one of the four selected consortia systems. The funds subject to this provision shall be available for expenditure by the Department of Child Support Services until June 30, 2006.

6. Of the amount appropriated in this item, the $5,364,000 allocated for enhancements to the existing county child support automation systems shall not be expended until the Department of Finance approves the Advance Planning Document that is submitted to the federal Administration of Children and Families. In the event that any proposed enhancements are not approved for federal financial participation, the Department of Child Support Services shall submit a revised plan to the Department of Finance detailing how it will reprioritize projects to remain within existing General Fund expenditure authority.
7. Notwithstanding any other provision of law, upon request by the Department of Child Support Services, the Department of Finance may augment the amount available for expenditure in this item to pay costs for version 1 implementation of the Child Support Automation Project and for startup costs for the second component, the State Disbursement Unit. The augmentation may be effected no sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house of the Legislature that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, unless the chairperson of the joint committee, or his or her designee, determines that a lesser time period is sufficient. The funds appropriated by this provision shall be consistent with the amount approved by the Department of Finance based on its review and approval of the required Feasibility Study Report, Special Project Report, or equivalent document.
8. The Department of Child Support Services, Franchise Tax Board, and Department of Finance shall jointly report during the annual budget subcommittee hearings on the status of the Child Support Automation Project in meeting major milestones in the 2004–05 fiscal year project schedule such

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as documentation of the software requirements for the design of version 2, award of the State Disbursement Unit contract, and conversion of the remaining 14 counties to the California Assisted Support Enforcement System (CASES).

9. Of the amount appropriated in this item, $4,000,000 shall be made available to the Los Angeles Local Child Support Agency (LALCSA) for a period of one year. This amount shall be in addition to the LALCSA's initial planning allocation and shall be utilized by LALCSA to improve program performance, including, but not limited to, increasing child support collections and increasing performance in the five federal performance measures above the performance expectations set by the Department of Child Support Services for the 2004–05 fiscal year. As a condition of receiving these funds, LALCSA shall increase child support collections by at least $15,622,505 above the level estimated by the department for LALCSA for the 2004–05 fiscal year. The estimated General Fund share of these collections would be $2,152,000. Failure to meet collections standards for the 2004–05 fiscal year will require Los Angeles County to repay funds in proportion to the increased performance level (collection) achieved. If Los Angeles County does not remit the full amount due by that date, any unpaid amount shall be deducted by the Department of Finance from the county allocation for the 2005–06 fiscal year, but the deduction shall in no case exceed $4,000,000.

5175-101-0890—For local assistance, Department of Child Support Services, for payment to Item 5175-101-0001, payable from the Federal Trust Fund..... 447,175,000

Provisions:

1. Provisions 1 and 5 of Item 5175-101-0001 also apply to this item.
2. The Department of Finance may authorize the establishment of positions and transfer of amounts from this item to Item 5175-001-0890 in order to allow the state to perform the functions or oversee the functions of the local child support agency in the event a county fails to perform that function or is out of compliance with state performance standards.

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3. Of the funds appropriated in this item, the Department of Child Support Services shall reimburse the Department of Social Services quarterly for the federal share of foster care child support collections reported to the federal government.
4. Upon request of the Department of Child Support Services, the Department of Finance may increase or decrease the expenditure authority in this item pursuant to the provisions of Section 28.00 of this act to offset any increases or decreases in collections deposited in the Child Support Collections Recovery Fund and appropriated in Item 5175-101-8004.
5. Provision 7 of Item 5175-101-0001 shall also apply to this item.

5175-101-8004—For local assistance, Department of Child Support Services, for payment to Item 5175-101-0001, payable from the Child Support Collections Recovery Fund..... 278,864,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may increase or decrease this appropriation, for the purposes of Section 17702.5 of the Family Code, not sooner than 30 days after notification in writing of the necessity thereof is provided to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house of the Legislature that considers appropriations, or not sooner than whatever lesser time as the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may in each instance determine. Adjustments to expenditure authority shall be consistent with those made pursuant to Provision 4 of Item 5175-101-0890.

5175-490—Reappropriation, Department of Child Support Services. The amount of the appropriations specified in the following citations are reappropriated for the purpose of conducting conversions of two consortia automation systems and shall be available for encumbrance or expenditure until June 30, 2005.

0001—General Fund

(1) Up to $711,000 in Item 5175-101-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003)
    (1) (a) 10.01 Child Support Administration

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0890—Federal Trust Fund

(1) Up to $96,000 in Item 5175-101-0890 of the Budget Act of 2003 (Ch. 157, Stats. 2003)

(1) (a) 10.01 Child Support Administration

5175-495—Reversion, Department of Child Support Services. As of June 30, 2004, the amount of the appropriation specified in the following citation shall revert to the fund from which the appropriation was made:

0001—General Fund

(1) Up to $715,000 appropriated in Item 5175-101-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003)

(1) 10-Child Support Services

(a) 10.01 Child Support Administration

5180-001-0001—For support of Department of Social Services 75,205,000

Schedule:

(1) 16-Welfare Programs..... 65,115,000

(2) 25-Social Services and Licensing...129,076,000

(3) 35-Disability Evaluation and Other Services.....231,567,000

(6) 60.01-Administration..... 34,654,000

(7) 60.02-Distributed Administration ...–34,654,000

(8) Reimbursements.....–23,290,000

(9) Amount payable from Foster Family Home and Small Family Home Insurance Fund (Item 5180-001-0131)..... –2,695,000

(10) Amount payable from the Federal Trust Fund (Item 5180-001-0890) ..... –324,568,000

Provisions:

1. The Department of Finance may authorize the transfer of funds from Schedule (2) of this item to Schedule (1), Program 25.30, of Item 5180-151-0001, Children and Adult Services and Licensing, in order to allow counties to perform the facilities evaluation function.

2. The Department of Finance may authorize the transfer of funds from Schedule (2) of this item to Schedule (1), Program 25.30, of Item 5180-151-0001, Children and Adult Services and Licensing, in order to allow counties to perform the adoptions program function.

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3. Nonfederal funds appropriated in this item which have been budgeted to meet the state's Temporary Assistance for Needy Families maintenance-of-effort requirement established pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.
4. Notwithstanding paragraph (4) of subdivision (b) of Section 1778 of the Health and Safety Code, the State Department of Social Services may use no more than 20 percent of the fees collected pursuant to Chapter 10 (commencing with Section 1770) of Division 2 of the Health and Safety Code for overhead costs, facilities operation, and indirect department costs.
5. It is the intent of the Legislature to provide sufficient funding to ensure that child support state administrative hearings are conducted to meet statutory timeframes. Notwithstanding the 30-day notice requirement set forth in subdivision (d) of Section 28.00 of this act, upon request of the Department of Child Support Services, the Department of Finance may augment expenditure authority in this item to fund increased costs associated with the state administrative hearing process at the time the request is made. Concurrent with the Department of Finance approval, written notification shall be provided to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house that considers appropriations.
6. It is the intent of the Legislature to provide sufficient funding to ensure that electronic benefit transfer state administrative hearings are conducted to meet statutory timeframes. Notwithstanding the 30-day notice requirement set forth in subdivision (d) of Section 28.00 of this act, upon request by the Department of Social Services, the Department of Finance may augment expenditure authority in this item to fund increased costs associated with the state administrative hearing process at the time the request is made. Concurrent with the Department of Finance approval, written notification shall be provided to

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the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house that considers appropriations.

7. Expenditures incurred by the Department of Social Services for its implementation of Chapter 669, Statutes of 2002 (SB 646) shall not exceed the amount of revenue collected from charging substitute child care employee registries an administrative fee for participation.

5180-001-0131—For support of Department of Social Services, for payment to Item 5180-001-0001, for claim payments and the operation and maintenance of the Foster Family Home and Small Family Home Insurance Fund 2,695,000

Provisions:

1. The Department of Finance is authorized to approve expenditures from the unexpended balance available from prior years' appropriations in the Foster Family Home and Small Family Home Insurance Fund during the 2004–05 fiscal year, in those amounts made necessary by increases in either the payment of claims or the costs of operating and maintaining the Foster Family Home and Small Family Home Insurance Fund, which are within or in excess of amounts appropriated in this act for that year.

   If the Department of Finance determines that the estimate of expenditures will exceed the expenditures authorized for the 2004–05 fiscal year, the department shall notify the Legislature. Upon notification the amount of the limitation for the 2004–05 fiscal year shall be increased by the amount of such excess from the unexpended balance available from prior years' appropriations in the Foster Family Home and Small Family Home Insurance Fund.

5180-001-0270—For support of Department of Social Services, payable from the Technical Assistance Fund 23,951,000

5180-001-0271—For support of Department of Social Services, payable from the Certification Fund 1,139,000

5180-001-0279—For support of Department of Social Services, payable from the Child Health and Safety Fund 840,000

5180-001-0803—For support of Department of Social Services, payable from the State Children's Trust Fund 152,000

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5180-001-0890—For support of Department of Social Services, for payment to Item 5180-001-0001, payable from the Federal Trust Fund 324,568,000

Provisions:

1. The Department of Finance may authorize the transfer of federal funds from this item to Item 5180-151-0890 in order to allow counties to perform the adoption program functions, and the facilities evaluation function in Community Care Licensing in the Department of Social Services.
2. Provisions 5 and 6 of Item 5180-001-0001 also apply to this item.

5180-011-0001—For transfer by the Controller to the Foster Family Home and Small Family Home Insurance Fund 1,729,000

Provisions:

1. Provision 1 of Item 5180-001-0131 also applies to this item.

5180-011-0279—For transfer by the Controller from the Child Health and Safety Fund to the State Children's Trust Fund..... 44,000

5180-011-0890—For transfer by the Controller from the Federal Trust Fund to the Foster Family Home and Small Family Home Insurance Fund 966,000

Provisions:

1. Provision 1 of Item 5180-001-0131 also applies to this item.

5180-101-0001—For local assistance, Department of Social Services 2,881,929,000

Schedule:

(1) 16.30-CalWORKs..... 5,231,280,000
(2) 16.65-Other Assistance Payments 1,522,917,000
(3) Reimbursements ..... –138,204,000
(4) Amount payable from the Emergency Food Assistance Program Fund (Item 5180-101-0122)..... –505,000
(5) Amount payable from the Employment Training Fund (Item 5180-101-0514) .....–56,432,000
(6) Amount payable from the Federal Trust Fund (Item 5180-101-0890) ..... –3,677,127,000

Provisions:

1. No funds appropriated in this item shall be encumbered unless every rule or regulation adopted and every all-county letter issued by the Depart-

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ment of Social Services that adds to the cost of any program is approved by the Department of Finance as to the availability of funds before it becomes effective. In making the determination as to availability of funds to meet the expenditures of a rule, regulation, or all-county letter that would increase the costs of a program, the Department of Finance shall consider the amount of the proposed increase on an annualized basis, the effect the change would have on the expenditure limitations for the program set forth in this act, the extent to which the rule, regulation, or all-county letter constitutes a deviation from the premises under which the expenditure limitations were prepared, and any additional factors relating to the fiscal integrity of the program or the state's fiscal situation.

Notwithstanding Sections 28.00 and 28.50 of this act, the availability of funds contained in this item for rules, regulations, or all-county letters that add to program costs funded from the General Fund in excess of $500,000 on an annual basis, including those that are the result of a federal regulation but excluding those that are (a) specifically required as a result of the enactment of a federal or state law, or (b) included in the appropriation made by this act, shall not be approved by the Department of Finance sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or such lesser time as the chairperson of the committee, or his or her designee, may in each instance determine.

2. Notwithstanding Chapter 1 (commencing with Section 18000) of Part 6 of Division 9 of the Welfare and Institutions Code, a loan not to exceed $500,000,000 shall be made available from the General Fund, from funds not otherwise appropriated, to cover the federal share of costs of a program(s) when the federal funds have not been received by this state prior to the usual time for transmitting that federal share to the counties of this state. This loan from the General Fund shall be repaid when the federal share of costs for the program or programs becomes available.

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3. The Department of Finance may authorize the transfer of amounts from this item to Item 5180-001-0001 in order to fund the cost of the administrative hearing process associated with changes in aid payments in the CalWORKs program.
4. The Department of Finance is authorized to approve expenditures in those amounts made necessary by changes in either caseload or payments, or any rule or regulation adopted and any all-county letter issued as a result of the enactment of a federal or state law, the adoption of a federal regulation, or the following of a court decision, during the 2004–05 fiscal year that are within or in excess of amounts appropriated in this act for that year.

   If the Department of Finance determines that the estimate of expenditures will exceed the expenditures authorized for this item, the department shall so report to the Legislature. At the time the report is made, the amount of the limitation shall be increased by the amount of the excess unless and until otherwise provided by law.
6. Nonfederal funds appropriated in this item which have been budgeted to meet the state's Temporary Assistance for Needy Families maintenance-of-effort requirement established pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.
7. In the event of declared disaster and upon county request, the State Department of Social Services may act in the place of any county and assume direct responsibility for the administration of eligibility and grant determination. Upon recommendation of the Director of Social Services, the Department of Finance may authorize the transfer of funds from Items 5180-101-0001 and 5180-101-0890, to Items 5180-001-0001 and 5180-001-0890, for this purpose.
8. Pursuant to the Electronic Benefit Transfer (EBT) Act (Chapter 3 (commencing with Section 10065) of Part 1 of Division 9 of the Welfare and Institutions Code) and in accordance with the EBT System regulations (Manual of Policies and Pro-

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cedures Section 16-401.15), in the event a county fails to reimburse the EBT contractor for settlement of EBT transactions made against the county's cash assistance programs, the state is required to pay the contractor. The Department of Social Services may use funds from this item to reimburse the EBT contractor for settlement on behalf of the county. The county shall be required to reimburse the Department of Social Services for county's settlement via direct payment or administrative offset.

9. Upon certification that funds are available pursuant to Section 6.60 of this act, the Director of Finance shall augment this item by up to $40,000,000. Any augmentation to this item shall be in lieu of funds appropriated in Item 5180-101-0514 for CalWORKs employment services.
10. Upon request of the Department of Social Services, the Director of Finance may increase or decrease the expenditure authority in this item pursuant to the provisions of Section 28.00 of this act to offset any increases or decreases in collections deposited in the Child Support Collections Recovery Fund and appropriated in Item 5180-101-8004.
11. It is the intent of the Legislature that General Fund moneys appropriated in this item for the purpose of meeting the federal Temporary Assistance for Needy Families (TANF) maintenance-of-effort (MOE) requirement account for the MOE-countable General Fund moneys appropriated in Item 6110-196-0001. General Fund moneys appropriated in Item 6110-196-0001 for child care should be countable towards the TANF MOE requirement to the extent those funds are expended on behalf of CalWORKs recipients.

5180-101-0122—For local assistance, Department of Social Services, for payment to Item 5180-101-0001, payable from the Emergency Food Assistance Program Fund..... 505,000

5180-101-0514—For local assistance, Department of Social Services, for payment to Item 5180-101-0001, payable from the Employment Training Fund..... 56,432,000

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Provisions:

1. The amount appropriated in this item shall be reduced by the amount that Item 5180-101-0001 is augmented pursuant to Provision 9 of that item up to $40,000,000.

5180-101-0890—For local assistance, Department of Social Services, for payment to Item 5180-101-0001, payable from the Federal Trust Fund 3,677,127,000

Provisions:

1. Provisions 1, 4, 7, and 8 of Item 5180-101-0001 also apply to this item.
2. The Director of Finance may authorize the transfer of amounts from this item to Item 5180-001-0890 in order to fund the cost of the administrative hearing process associated with changes in aid payments in the CalWORKs program.
3. The State Department of Social Services may transfer up to $10,000,000 of the funds appropriated in this item for Program 16.30—CalWORKs, from the TANF block grant to the Social Services Block Grant (Title XX) pursuant to authorization in the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193). The Title XX funds shall be pooled with TANF funds appropriated in this item for CalWORKs Child Care, for the purpose of broadening access to federal Child and Adult Care Food Program benefits for low-income children in proprietary child care centers. This transfer shall occur only if the Director of Finance approves the pooling of Title XX funds with CCDF and/or TANF funds.

5180-101-8004—For local assistance, Department of Social Services, Program 10.02 Foster Care, payable from the Child Support Collections Recovery Fund 13,063,000

Provisions:

1. Notwithstanding any other provision of law, upon request by the Department of Social Services, the Department of Finance may increase or decrease this appropriation, for the purposes of Section 17702.5 of the Family Code, no sooner than 30 days after notification in writing of the necessity thereof, is provided to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house of the Legislature that considers appropriations, unless the

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Chairperson of the Joint Legislative Budget Committee, or his or her designee, imposes a lesser time. Adjustments to expenditure authority shall be consistent with those made pursuant to Provision 4 of Item 5180-101-0890.

5180-111-0001—For local assistance, Department of Social Services 4,643,150,000

Schedule:

(1) 16.70-SSI/SSP 3,485,408,000

(2) 25.15-IHSS..... 3,511,729,000

(3) Reimbursements ..... –2,353,987,000

Provisions:

1. Provisions 1 and 4 of Item 5180-101-0001 also apply to this item.
2. Notwithstanding Chapter 1 (commencing with Section 18000) of Part 6 of Division 9 of the Welfare and Institutions Code, a loan not to exceed $195,000,000 shall be made available from the General Fund from funds not otherwise appropriated, to cover the federal share or reimbursable share, or both, of costs of a program(s) when the federal funds or reimbursements (from the Health Care Deposit Fund or counties) have not been received by this state prior to the usual time for transmitting payments for the federal or reimbursable share of costs for this state. That loan from the General Fund shall be repaid when the federal share of costs for the program(s) becomes available, or in the case of reimbursements, subject to Section 16351 of the Government Code. County reimbursements also shall be subject to Section 16314 of the Government Code, which specifies the rate of interest. The department may offset a county's share of cost of the In-Home Supportive Services (IHSS) program against local assistance payments made to the county if the county fails to reimburse its share of cost of the IHSS program to the state.
4. The State Department of Social Services shall provide technical assistance to counties to ensure that they maximize the receipt of federal funds for the In-Home Supportive Services Program, without compromising the quality of the services provided to In-Home Supportive Services recipients.

5180-141-0001—For local assistance, Department of Social Services 405,478,000

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Schedule:

(1) 16.75-County Administration and Automation Projects 1,024,616,000

(2) Reimbursements .....–38,313,000

(3) Amount payable from the Federal Trust Fund (Item 5180-141-0890) ..... –580,825,000

Provisions:

1. Notwithstanding Chapter 1 (commencing with Section 18000) of Part 6 of Division 9 of the Welfare and Institutions Code, a loan not to exceed $127,000,000 shall be made available from the General Fund, from funds not otherwise appropriated, to cover the federal share of costs of a program(s) when the federal funds have not been received by this state prior to the usual time for transmitting that federal share to the counties of this state. This loan from the General Fund shall be repaid when the federal share of costs for the program or programs becomes available.
2. In the event of declared disaster and upon county request, the State Department of Social Services may act in the place of any county and assume direct responsibility for the administration of eligibility and grant determination. Upon recommendation of the Director of Social Services, the Department of Finance may authorize the transfer of funds from Items 5180-141-0001 and 5180-141-0890, to Items 5180-001-0001 and 5180-001-0890, for this purpose.
3. Provision 1 of Item 5180-101-0001 also applies to this item.
4. Pursuant to public assistance caseload estimates reflected in the annual Governor's Budget, the Department of Finance may approve expenditures in those amounts made necessary by changes in caseload that are in excess of amounts appropriated in this act. If the Department of Finance determines that the estimate of expenditures will exceed the expenditures authorized for this item, the department shall so report to the Legislature. At the time the report is made, the amount of the limitation shall be increased by the amount of the excess unless and until otherwise provided by law.

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5. Nonfederal funds appropriated in this item which have been budgeted to meet the state's Temporary Assistance for Needy Families maintenance-of-effort requirement established pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.
6. Section 11.00 of this act shall apply to contracts entered into for the development and implementation of the Consortium IV, Interim Statewide Automated Welfare System, Los Angeles Eligibility, Automated Determination, Evaluation, and Reporting, and Welfare Client Data Systems consortia of the Statewide Automated Welfare System.

5180-141-0890—For local assistance, Department of Social Services, for payment to Item 5180-141-0001, payable from the Federal Trust Fund..... 580,825,000

Provisions:

1. Provisions 2, 3, 4, and 6 of Item 5180-141-0001 also apply to this item.

5180-151-0001—For local assistance, Department of Social Services 768,509,000

Schedule:

(1) 25.30-Children and Adult Services and Licensing..... 2,049,695,000
(2) 25.35-Special Programs..... 21,900,000
(3) Reimbursements.....–85,906,000
(4) Amount payable from the Child Health and Safety Fund (Item 5180-151-0279) ..... –445,000
(5) Amount payable from the State Children's Trust Fund (Item 5180-151-0803)..... –6,332,000
(6) Amount payable from the Federal Trust Fund (Item 5180-151-0890) ..... –1,210,403,000

Provisions:

1. Provision 1 of Item 5180-101-0001 also applies to this item.
2. Notwithstanding Chapter 1 (commencing with Section 18000) of Part 6 of Division 9 of the Welfare and Institutions Code, a loan not to exceed $50,000,000 shall be made available from the General Fund from funds not otherwise appropri-

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ated, to cover the federal share of costs of a program(s) when the federal funds have not been received by this state prior to the usual time for transmitting that federal share to the counties of this state. That loan from the General Fund shall be repaid when the federal share of costs for the program(s) becomes available.

3. The Department of Finance may authorize the establishment of positions and transfer of amounts from this item to Item 5180-001-0001, in order to allow the state to perform the facilities evaluation function of Community Care Licensing in the event the counties fail to perform that function.
4. Nonfederal funds appropriated in this item which have been budgeted to meet the state's Temporary Assistance for Needy Families maintenance-of-effort requirement established pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.
5. The Department of Finance may authorize the establishment of positions and transfer of amounts from this item to Item 5180-001-0001, in order to allow the state to perform the adoptions function in the event that a county notifies the Department of Social Services that it intends to cease performing that function.
6. Notwithstanding any other provision of law, upon request by the State Department of Social Services, the Department of Finance may redirect funding appropriated in this item for the Child Welfare Services/Case Management System (CWS/CMS) to pay costs associated with the planning and procurement of the migration of the hosting function of the CWS/CMS to the Health and Human Services Data Center, upon approval by the federal government of the state's ''Go-Forward'' plan for the CWS/CMS project and restoration of Statewide Automated Child Welfare Information System-level federal funding. This redirection shall not be effected sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house of the Legislature that considers appropriations and the Chairperson of the Joint Leg-

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islative Budget Committee, or whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine. The redirection of expenditure authority granted pursuant to this provision shall be consistent with the amount approved by the Department of Finance based on its review of the special project report or equivalent document.

7. It is the intent of the Legislature that the Department of Social Services and the Health and Human Services Data Center provide the highest commitment and priority to completing the Technical Architecture Alternatives Analysis plan and beginning the re-procurement for the Child Welfare Services/Case Management System.
8. On or before April 1, 2005, the Department of Social Services shall submit the Technical Architecture Alternatives plan to the federal government and the Chairperson of the Joint Legislative Budget Committee. The plan shall include, but is not limited to, analyses of both Statewide Automated Child Welfare Information System (SACWIS) and non-SACWIS alternatives, including a cost-benefit analysis of each alternative. Alternatives for technology changes must examine both the technology of the existing system and other technologies that can be readily enhanced and modernized for the expected life of the system, and that employ open architectures and standards. Each alternative examined shall consider a strategy that ensures open and fair competition, including a multi-procurement strategy. The Department of Social Services shall consult with the County Welfare Directors Association during the development of the plan.
9. Of the amount appropriated in this item, $54,319,000 from the General Fund shall be available to maintain and operate the Child Welfare Services/Case Management System. In the event that the federal government disapproves federal financial participation in any amount, the Department of Social Services shall immediately notify the Department of Finance. Within 45 days of receiving notification of federal government disapprovals exceeding a cumulative total of $1,000,000, the Department of Finance shall provide the Chairperson of the Joint Legislative Bud-

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get Committee and the chairpersons of the fiscal committees of both houses of the Legislature a proposed revised expenditure plan.

10. The Department of Social Services shall consult with the counties, children's advocates, and current and former foster youth in the development and implementation of permanency and youth services initiatives.
11. On or before July 1, 2005, the Department of Social Services, with input from the Continuing Care Advisory Committee established pursuant to Section 1777 of the Health and Safety Code, shall create a panel of residents, providers, and representatives of the department to develop governance standards for applicants and operators of continuing care retirement communities, including, but not limited to, standards that define the authority and representation of independent directors on boards of directors of continuing care retirement communities and on the audit, compensation, and nominating committees of the boards of directors.
12. Of the amount appropriated in this item, $91,440,000 shall be provided to counties to fund additional child welfare service activities and shall be allocated based on child welfare services caseload and county unit costs. However, no county shall receive less than $100,000. These funds shall be expressly targeted for emergency response, family reunification, family maintenance, and permanent placement services, and shall be used to supplement, not to supplant, child welfare services funds. A county is not required to provide a match of the funds received pursuant to this provision if the county appropriates the required full match for the county's child welfare services program exclusive of the funds received pursuant to this provision. These funds are available only to counties that have certified that they are fully utilizing the Child Welfare Services/Case Management System (CWS/CMS) or have entered into an agreed-upon plan with the State Department of Social Services outlining the steps that will be taken to achieve full utilization. The department shall reallocate any funds that counties choose not to accept under this provision to other

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counties based on the allocation formula specified in this provision. The department, in collaboration with the County Welfare Directors Association and representatives from labor groups representing social workers, shall develop the definition of full utilization of the CWS/CMS, the method for measuring full utilization, the process for the state and counties to work together to move counties toward full utilization, and measurements of progress toward full utilization.

5180-151-0279—For local assistance, Department of Social Services, for payment to Item 5180-151-0001, payable from the Child Health and Safety Fund 445,000

5180-151-0803—For local assistance, Department of Social Services, payable from the State Children's Trust Fund..... 6,332,000

5180-151-0890—For local assistance, Department of Social Services, for payment to Item 5180-151-0001, payable from the Federal Trust Fund 1,210,403,000

Provisions:

1. Provisions 1, 3, 5, and 12 of Item 5180-151-0001 also apply to this item.

5180-153-0001—For local assistance, Department of Social Services 1,368,000

5180-402—The Director of Finance is authorized to approve transfers of $315,203,000 from the federal Temporary Assistance for Needy Families (TANF) block grant to the Child Care and Development Fund (CCDF) administered by the State Department of Education, and the entire amount so transferred shall be used for CalWORKs local assistance Stage II child care. The moneys transferred to the Department of Education shall be used only for direct services to Stage II child care recipients, and the Department of Education shall use other existing funds available for child care quality expenditures to meet the 4 percent quality requirement of federal law associated with CCDF expenditures. Prior to any fund transfers from TANF to CCDF, the Department of Education shall certify that the transfer will not require additional quality expenditures beyond the existing expenditures. Should additional quality expenditures be required as a result of a transfer pursuant to this provision, these transfers shall become TANF funds and shall not be transferred to the CCDF. In the event of a TANF transfer pursuant to this item,

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the Department of Education shall comply with existing TANF and CalWORKs regulations and reporting requirements.

Provisions:

1. Upon request from the State Department of Education, and upon approval by the Director of Finance, the State Department of Social Services is authorized to transfer up to $10,000,000 from the federal Temporary Assistance to Needy Families (TANF) block grant to the Social Services Block Grant (Title XX) pursuant to authorization in the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193). These funds shall be provided to the State Department of Education, to be pooled with moneys in the Child Care and Development Fund (CCDF), TANF, or both, for the purpose of broadening access to federal Child and Adult Care Food Program benefits for low-income children in proprietary child care centers. The total amount to be transferred to the State Department of Education from Title XX and TANF combined shall not exceed $315,203,000. In the event Title XX funds are provided to the State Department of Education pursuant to this provision, the State Department of Education shall comply with all Title XX regulations and reporting requirements. The Department of Finance shall provide written notification to the chairpersons of the fiscal committees of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee at the time of the transfer.

5180-403—The Director of Finance is authorized to approve transfers not to exceed $171,091,000 from the federal Temporary Assistance for Needy Families (TANF) block grant to and in augmentation of any program for which TANF funds have been appropriated in this act, only if the request (1) meets all of the conditions set forth in Section 28.00 of this act, or (2) is consistent with Provision 4 of Item 5180-101-0001. Any transfers pursuant to this paragraph shall require the respective legislative notification procedures set forth in Section 28.00 of this act or Provision 4 of Item 5180-101-0001, whichever is applicable.

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Provisions:

1. Notwithstanding any other provision of law, any funds transferred in accordance with this item may not be transferred into the social services block grant (Title XX of the Federal Social Security Act).
2. Of the amount available for transfer pursuant to this item, $8,900,000 shall be available as necessary to fund subsidized child care services for children who are 11 or 12 years of age, consistent with Section 8263.4 of the Education Code.

5180-491—Reappropriation, Department of Social Services. Notwithstanding any other provision of law, the balance of the funds for the appropriations provided in the following citations is reappropriated for expenditure pursuant to Provision 1 and is available for encumbrance or expenditure until June 30, 2005:

0001—General Fund

(1) Item 5180-111-0001, Budget Act of 2003 (Ch. 157, Stats. 2003)
(2) Item 5180-141-0001, Budget Act of 2003 (Ch. 157, Stats. 2003)
(3) Item 5180-151-0001, Budget Act of 2003 (Ch. 157, Stats. 2003)

0890—Federal Trust Fund

(1) Item 5180-111-0890, Budget Act of 2003 (Ch. 157, Stats. 2003)
(2) Item 5180-141-0890, Budget Act of 2003 (Ch. 157, Stats. 2003)
(3) Item 5180-151-0890, Budget Act of 2003 (Ch. 157, Stats. 2003)

Provisions:

1. It is the intent of this item to continue funding approved activities for the automation projects that, due to schedule changes, result in unexpended appropriations one year and the need for additional funding in the following year. Therefore, notwithstanding any other provision of law, the balance of the appropriations for these automation projects may, upon approval of the Department of Finance, be reappropriated for transfer to and in augmentation of the corresponding items in this act. The funds reappropriated by this provision shall be made available consistent with the amount approved by the Department of Finance based on an approved special project report or equivalent document not sooner than 30 days after providing

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notification in writing to the chairperson of the fiscal committee of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee.

5180-492—Reappropriation, Department of Social Services. Notwithstanding any other provision of law, the balance of funds for the appropriations provided in the following citations are reappropriated for expenditure pursuant to Provision 1 and are available for encumbrance or expenditure until June 30, 2005:

0001—General Fund

(1) Item 5180-151-0001, Budget Act of 2003 (Ch. 157, Stats. 2003)

0890—Federal Trust Fund

(1) Item 5180-151-0890, Budget Act of 2003 (Ch. 157, Stats. 2003)

0803—State Children's Trust Fund

(1) Item 5180-151-0803, Budget Act of 2003 (Ch. 157, Stats. 2003)

Provisions:

1. For the 2003–04 fiscal year, no later than 60 days after receipt of fourth quarter claims submitted by the counties, the Department of Social Services, in consultation with the County Welfare Directors Association, shall determine the amount of unspent funds allocated to the Cohort 1 counties for approved Child Welfare Services redesign activities. Thereafter, notwithstanding any other provision of law, the balance of the appropriations for these redesign activities, as approved by the Department of Finance, shall be reappropriated for transfer to and in augmentation of the corresponding items in this act. The funds reappropriated by this provision shall be made available to the Cohort 1 counties that had the unspent funds, consistent with the amount approved by the Department of Finance.

YOUTH AND ADULT CORRECTIONAL AGENCY

5240-001-0001—For support of the Department of Corrections..... 5,311,082,000

Schedule:

(1) 21-Institution Program 3,739,070,000

(2) 22-Health Care Services Program.....942,126,000

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(2.5) 23-Bargaining Unit 6 Provision 8.05 Section H..... 47,626,000
(2.6) 24-Inmate Education.....163,495,000
(3) 31-Community Correctional Program.....543,239,000
(4) 41.01-Administration.....141,302,000
(5) 41.02-Distributed Administration..... –141,302,000
(6) Reimbursements.....–68,837,000
(7) Amount payable from the Federal Trust Fund (Item 5240-001-0890). –2,476,000
(8) Amount payable from the Inmate Welfare Fund (Item 5240-001-0917).....–53,161,000

Provisions:

1. Funds appropriated to accommodate projected institutional population levels in excess of those that actually materialize, if any, shall revert to the General Fund, except that the Director of Finance may approve an increase in expenditures that are not related to caseload for the Department of Corrections through the redirection of funding that is reasonably believed not to be needed for accommodating projected institutional population levels if the approval is made in writing and filed with the Chairperson of the Joint Legislative Budget Committee and the chairperson of each house of the Legislature that considers appropriations not later than 30 days prior to the effective date of the approval, or prior to whatever lesser time the chairperson of the joint committee, or his or her designee, may in each instance determine. All notifications shall include (a) the reason for the proposed redirection of caseload funding to expenditures that are not related to caseload, (b) the approved amount, and (c) the basis of the director's determination that the funding is not needed for accommodating projected institutional population levels.
2. Funds appropriated to accommodate projected parole population levels in excess of those that actually materialize, if any, shall revert to the General Fund, except that the Director of Finance may approve an increase in expenditures that are not related to caseload for the Department of Corrections through the redirection of funding that is reasonably believed not to be needed for accom-

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modating projected parole population levels if the approval is made in writing and filed with the Chairperson of the Joint Legislative Budget Committee and the chairperson of each house of the Legislature that considers appropriations not later than 30 days prior to the effective date of the approval, or prior to whatever lesser time the chairperson of the joint committee, or his or her designee, may in each instance determine. All notifications shall include (a) the reason for the proposed redirection of caseload funding to expenditures that are not related to caseload, (b) the approved amount, and (c) the basis of the director's determination that the funding is not needed for accommodating projected parole population levels.

3. Any funds recovered as a result of audits of locally operated return-to-custody centers shall revert to the General Fund.
4. When contracting with counties for vacant jail beds for any inmate under the jurisdiction of the Director of the Department of Corrections, the department shall not reimburse counties more than the average amount it costs the state to provide the same services in comparable state institutions. This restriction shall not apply to any existing contract, but shall apply to the extension or renewal of that contract. In addition, the total operational cost of incarcerating state inmates in leased county jail beds (which includes state costs, but is exclusive of one-time and capital outlay costs), shall not exceed the department's average cost for operating comparable institutions.
5. Notwithstanding any other provision of law, but subject to providing 30 days' prior notification to the Joint Legislative Budget Committee, funds appropriated in Schedule (1) or (3), or both, of this item may be transferred to Item 5240-101-0001, Schedule (2), upon order of the Director of Finance, to provide funds for the reimbursement of counties for the cost of holding parole violators in local jail.
6. Notwithstanding any other provision of law, upon approval of the Department of Finance, the Department of Corrections may transfer, between Schedules (1), (2), and (3) of this item, up to 5 percent of the amounts appropriated in these

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schedules. Any transfer of funds appropriated in Schedules (1), (2), and (3) of this item exceeding 5 percent may occur not sooner than 30 days after notification thereof to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the fiscal committees of the Legislature.

7. The Department of Corrections shall adjust the number of contracted beds with the Department of Mental Health necessary to house its offenders as part of its ongoing Coleman compliance effort. This revision shall be based on actual and reasonably projected bed usage, and be included in the Governor's Budget population-related request and adjusted in the May Revision as necessary.

9. No later than February 17, 2005, the Director of Corrections shall submit to the chairpersons and vice chairpersons of the Committee on Budget in both the Assembly and Senate and to the Legislative Analyst's Office, an operating budget for each of the correctional facilities under the control of the Department of Corrections. For every institution, the operating budget shall clearly identify the number of authorized and vacant positions, the estimated personal service costs, the estimated overtime budget, the estimated benefits budget, the estimated operating expense and equipment budget, and a list of all capital outlay projects occurring or projected to occur during the 2004–05 fiscal year.

10. No later than 60 days following enactment of this act, and subsequently on February 10 and upon release of the May Revision, the Director of Corrections shall submit to the Director of Finance the Post Assignment Schedule for each institution, reconciled to budgeted authority and consistent with approved programs, along with allotments consistent with the reconciled Post Assignment Schedule for each institution.

11. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures in this item in excess of the amount appropriated for purposes of compliance with the Remedial Plan, adopted in response to the decision in Valdivia v. Davis (E.D.Ca. 2002) 206 F.Supp.2d 1068, and for no other purpose. Any authorization shall be based upon data that shall be provided by the Department of Corrections, through

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the Youth and Adult Correctional Agency, and in conjunction with the Board of Prison Terms, on a monthly basis. This information shall include parole serves and hearing related workload, including, at a minimum, the number and average duration of parole serves performed, the number of parolees directed into a sanction program prior to a Probable Cause Hearing, and the average time from parole hold to serve, to Probable Cause Hearing, and to Revocation Hearing. The Director of Finance shall not approve any expenditure unless the approval is made in writing and filed with the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house that considers appropriations no less than 30 days prior to the effective date of the approval, or prior to whatever lesser time the chairperson of the joint committee, or his or her designee, may determine.

12. Of the amount appropriated in this item, $650,000 is for establishing performance measures for, and evaluating the effectiveness of, various prison and parole programs. Prior to the expenditure of these funds, the Department of Corrections shall provide the Legislature with a plan specifying how the department will use these funds. This plan shall include, but is not limited to, a list of the programs chosen for performance measures and evaluation, a description of the evaluation methodologies that will be employed for each program listed, the estimated costs to conduct each program evaluation, and a schedule of when reports describing the evaluation results will be completed. This appropriation is limited to two years, unless the Legislature specifically acts to further extend the funding.

13. It is the intent of the Legislature that any funds allocated to the Department of Corrections for the purpose of staffing administrative segregation units that remain unspent at the end of the fiscal year revert to the General Fund. In addition, the Department of Corrections will provide to the Legislature no later than October 1, 2004, a report regarding departmental policies affecting the placement and removal of inmates in administrative segregation units, as well as the cri-

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teria and procedures to be used by department headquarters in determining how administrative segregation funding controlled at headquarters will be distributed to individual prisons.

5240-001-0890—For support of the Department of Corrections, for payment to Item 5240-001-0001, payable from the Federal Trust Fund 2,476,000

5240-001-0917—For support of the Department of Corrections, for payment to Item 5240-001-0001, payable from the Inmate Welfare Fund 53,161,000

5240-003-0001—For support of the Department of Corrections for rental payments on lease-revenue bonds 266,806,000

Schedule:

(1) Base Rental and Fees 268,613,000
(2) Insurance 2,144,000
(3) Reimbursements ..... –3,951,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

5240-101-0001—For local assistance, Department of Corrections 44,714,000

Schedule:

(1) 21-Institution Program..... 12,576,000
(2) 31-Community Correctional Program..... 32,138,000

Provisions:

1. The amount appropriated in this item is provided for the following purposes:
   (a) To pay the transportation costs of prisoners to and between state prisons, including the return of parole violators to prison and for the conveying of persons under provisions of Division 3 (commencing with Section 3000) of the Welfare and Institutions Code and the Western Interstate Corrections Compact (Section 11190 of the Penal Code), in accordance with Section 26749 of the Government Code. Claims filed by local jurisdictions shall be filed within six months after the end of the month in which those transportation costs are incurred. Expenditures shall be charged to ei-

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ther the fiscal year in which the claim is received by the Controller or the fiscal year in which the warrant is issued by the Controller. Claims filed by local jurisdictions directly with the Controller may be paid by the Controller.	
(b) To pay the expenses of returning fugitives from justice from outside the state, in accordance with Sections 1389, 1549, and 1557 of the Penal Code. Claims filed by local jurisdictions shall be filed within six months after the end of the month in which expenses are incurred. Expenditures shall be charged to either the fiscal year in which the claim is received by the Controller or the fiscal year in which the warrant is issued by the Controller, and any restitution received by the state for those expenses shall be credited to the appropriation of the year in which the Controller's receipt is issued. Claims filed by local jurisdictions directly with the Controller may be paid by the Controller.	
(c) To pay county charges, payable under Sections 4700.1, 4750 to 4755, inclusive, and 6005 of the Penal Code. Claims shall be filed by local jurisdictions within six months after the end of the month in which a service is performed by the coroner, a hearing is held on the return of a writ of habeas corpus, the district attorney declines to prosecute a case referred by the Department of Corrections, a judgment is rendered for a court hearing or trial, an appeal ruling is rendered for the trial judgment, or an activity is performed as permitted by these sections. Expenditures shall be charged to either the fiscal year in which the claim is received by the Controller or the fiscal year in which the warrant is issued by the Controller. Claims filed by local jurisdictions directly with the Controller may be paid by the Controller.	
(d) To reimburse counties for the cost of detaining state parolees pursuant to Section 4016.5 of the Penal Code. Claims shall be filed by local jurisdictions within six months after the end of the month in which the costs are in-	

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curred. Claims filed by local jurisdictions may not include booking fees, may not recover detention costs in excess of $59 per day, and shall be limited to the detention costs for those days on which parolees are held subject only to a Department of Corrections request pursuant to subdivision (b) of Section 4016.5 of the Penal Code. Expenditures shall be charged to either the fiscal year in which the claim is received by the Department of Corrections or the fiscal year in which the warrant is issued.

2. Notwithstanding any other provision of law, upon 30-day prior notification to the Chairperson of the Joint Legislative Budget Committee, funds appropriated in Schedule (2) of this item may be transferred to Schedule (1) or (3), or both, of Item 5240-001-0001, upon order of the Director of Finance, to provide funds for the reimbursement of counties for the cost of holding parole violators in local jails or for the auditing or monitoring of local assistance costs.

5240-295-0001—For local assistance, Department of Corrections, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller 1,000

Schedule:

(1) 98.01.082.091-Prisoner Parental Rights (Ch. 820, Stats. 1991) 1,000

Provisions:

1. Except as provided in Provision 2 of this item, allocations of funds provided in this item to the appropriate local entities shall be made by the State Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated in this item may be used to provide reimbursement pursuant to Article 5

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(commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.		
2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the State Controller may, upon notifying the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.		
5240-301-0001—For capital outlay, Department of Corrections, payable from the General Fund		18,840,000
Schedule:		
(1) 61.01.001-Statewide: Budget Packages and Advance Planning	1,000,000	
(2) 61.01.030-Statewide: Evaluation of Mental Health Facilities—Study ...	1,750,000	
(3) 61.06.029-Deuel Vocational Institution, Tracy: Groundwater Treatment/Non-Potable Water Distribution System—Preliminary plans....	570,000	
(4) 61.08.036-California Institution for Men, Chino: Cell Security Lighting/RC Central Facility, Phase II—Construction	669,000	
(5) 61.08.037-California Institution for Men-East, Chino: Electrified Fence—Construction	5,417,000	
(6) 61.10.049-California Men's Colony, San Luis Obispo: Potable Water Distribution System Upgrade—Preliminary plans.....	1,317,000	
(7) 61.14.030-Minor Projects	5,000,000	
(8) 61.22.004-Chuckawalla Valley State Prison, Blythe: Heating, Ventilation, and Air Conditioning System—Working drawings	1,234,000	
(9) 61.33.003-High Desert State Prison/California Correctional Center, Susanville: Arsenic Removal from Potable Water Supply—Preliminary plans	845,000	

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(10) 61.38.002-California Substance Abuse Treatment Facility and State Prison at Corcoran, Corcoran: 19 Station Hemodialysis Clinic—Working drawings and construction..... 1,038,000

Provisions:

1. The funds appropriated in Schedule (1) are to be allocated by the Department of Corrections, upon approval by the Department of Finance to develop design and cost information for new projects for which funds have not been previously appropriated, but for which preliminary plan funds, working drawings funds, or working drawings and construction funds are expected to be included in the 2005–06 or 2006–07 Governor's Budget, and for which cost estimates or preliminary plans can be developed prior to legislative hearings on the 2005–06 and 2006–07 Governor's Budgets, respectively. These funds may be used for all of the following: budget package development, environmental services, architectural programming, engineering assessments, schematic design, and preliminary plans. The amount appropriated in this item for these purposes is not to be construed as a commitment by the Legislature as to the amount of capital outlay funds it will appropriate in any future year. Before using these funds for preliminary plans, the Department of Corrections shall provide a 20-day notification to the Chairperson of the Joint Legislative Budget Committee, the chairpersons of the respective fiscal committees, and the legislative members of the State Public Works Board, discussing the scope, cost, and future implications of the use of funds for preliminary plans.
2. As used in this appropriation, studies shall include site studies and suitability reports, environmental studies, master planning, architectural programming and schematics.

5240-302-0001—For capital outlay, Department of Corrections 5,400,000

Schedule:

(1) 61.01.900-Statewide Parole Revocation Capital Improvements 5,400,000

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5240-490—Reappropriation, Department of Corrections. The balance of the appropriations provided in the following citations is reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in the appropriations:

0001—General Fund

(1) Item 5240-301-0001, Budget Act of 2001 (Ch. 106, Stats. 2001), as partially reappropriated by Item 5240-490, Budget Act of 2002 (Ch. 379, Stats. 2002) and Budget Act of 2003 (Ch. 157, Stats. 2003)

(26) 61.16.021-Sierra Conservation Center, Jamestown: Effluent Disposal Pipeline—Construction

(2) Item 5240-301-0001, Budget Act of 2002 (Ch. 379, Stats. 2002), as partially reappropriated by Item 5240-490, Budget Act of 2003 (Ch. 157, Stats. 2003)

(1.5) 61.12.426—California State Prison, San Quentin, San Quentin: Correctional Treatment Center, Phase II—Preliminary plans

(6) 61.15.027-California Rehabilitation Center, Norco: Potable Water System Improvements—Construction

0660—Public Buildings Construction Fund

(1) Item 5240-301-0660, Budget Act of 2003 (Ch. 157, Stats. 2003)

(1) 61.04.040-California Correctional Institution, Tehachapi: Wastewater Treatment Plant—Construction

(2) 61.09.036-California Medical Facility, Vacaville: Mental Health Crisis Beds—Preliminary plans, working drawings, and construction

0747—1988 Prison Construction Bond Fund

(1) Item 5240-302-0747, Budget Act of 2003 (Ch. 157, Stats. 2003)

(3) 61.08.037-California Institution for Men-East, Chino: Electrified Fence—Preliminary plans and working drawings

0751—1990 Prison Construction Bond Fund

(1) Item 5240-301-0751, Budget Act of 2002 (Ch. 379, Stats. 2002), as reappropriated by Item 5240-490, Budget Act of 2003 (Ch. 157, Stats. 2003)

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(1) 61.22.004-Chuckawalla Valley State Prison, Blythe: Heating, Ventilation, and Air-conditioning System—Preliminary plans

5240-493—Reappropriation, Department of Corrections. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in the appropriations, and shall be available for encumbrance or expenditure as cited below:

0001—General Fund

(1) Item 5240-001-0001 of the Budget Act of 2001 (Ch. 106, Stats. 2001), Provision 8, as reappropriated in Item 5240-493 of the Budget Act of 2002 (Ch. 379, Stats. 2002) and Item 5240-493 of the Budget Act of 2003 (Ch. 157, Stats. 2003). The balance of the $7,903,000 appropriated in Schedule (2) of this item is reappropriated only for the purpose of installing and implementing the Madrid Patient Information Management System at Pelican Bay State Prison and shall be available for expenditure until June 30, 2005. Any of the funds not used for these purposes shall revert to the General Fund.

(2) Item 5240-001-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003). $799,000 is reappropriated only for the purpose of the development of the Statewide Offender Management System and shall be available for expenditure until June 30, 2005. Any of the funds not used for this purpose shall revert to the General Fund.

(3) Item 5240-001-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003). $450,000 is reappropriated only for the purpose of the development of statewide staffing standards for posted positions and shall be available for expenditure until June 30, 2005. Any of the funds not used for this purpose shall revert to the General Fund.

(4) The balance of the allocation from Item 9909-017-0001 of the Budget Act of 2002 (Ch. 379, Stats. 2002), as reappropriated by Item 5240-493 of the Budget Act of 2003 (Ch. 157, Stats. 2003) is reappropriated only for the purpose of implementing the Health Insurance Portability and Accountability Act and shall be available for expenditure until June 30, 2005. Any of the funds not used for this purpose shall revert to the General Fund.

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(5) Item 5240-001-0917 of the Budget Act of 2003 (Ch. 157, Stats. 2003). $2,300,000 is reappropriated only for the purpose of the development and implementation of the Inmate Canteen, Restitution, and Banking System and shall be available for expenditure until June 30, 2005. Any of the funds not used for this purpose shall revert to the General Fund.		
5430-001-0001—For support of the Board of Corrections		1,407,000
Schedule:		
(1) 11-Corrections Planning and Programs	627,000	
(2) 14-Facilities Standards and Operations	1,304,000	
(3) 21-Standards and Training for Corrections	2,616,000	
(3.1) 31.01-Administration	352,000	
(3.2) 31.02-Distributed Administration.	–352,000	
(4) Reimbursements	–478,000	
(5) Amount payable from the Corrections Training Fund (Item 5430-001-0170)	–2,361,000	
(6) Amount payable from Federal Trust Fund (Item 5430-001-0890)	–301,000	
5430-001-0170—For support of the Board of Corrections, for payment to Item 5430-001-0001, payable from Corrections Training Fund		2,361,000
5430-001-0890—For support of the Board of Corrections, for payment to Item 5430-001-0001, payable from Federal Trust Fund		301,000
5430-002-0170—For transfer by the Controller, upon order of the Director of Finance, from the Corrections Training Fund, to the General Fund		(10,257,000)
5430-004-0001—For support of Board of Corrections		507,000
Schedule:		
(1) 50-Juvenile Justice Grants Program	1,177,000	
(2) Reimbursements	–10,000	
(3) Amount payable from the Federal Trust Fund (Item 5430-004-0890).	–660,000	
5430-004-0890—For support of Board of Corrections, for payment to Item 5430-004-0001, payable from the Federal Trust Fund		660,000
5430-101-0001—For local assistance, Board of Corrections		134,275,000

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Provisions:

1. Of the funds appropriated in this item, $134,275,000 shall be available for county probation services. These funds, combined with $67,138,000 in Temporary Assistance for Needy Families (TANF) funds appropriated in Item 5180-101-0890, shall be allocated in accordance with Sections 18220, 18221, 18222, 18223, 18224, and 18225 of the Welfare and Institutions Code, as these sections existed on the date of enactment of this act. County expenditure of these funds shall be consistent with the uses of funds specified in these sections of the Welfare and Institutions Code. The Board of Corrections shall seek to identify other funding sources, including federal funds, to support these county probation services.

5430-104-0890—For local assistance, Board of Corrections, payable from the Federal Trust Fund 34,950,000

Schedule:

(1) 50.30.701-Juvenile Justice and Delinquency Prevention..... 7,065,000

(2) 50.30.703-Community Delinquency Prevention Program..... 5,002,000

(3) 50.30.705-Juvenile Accountability Incentive..... 21,769,000

(4) 50.30.706-Juvenile Justice—Project Challenge..... 1,114,000

Provisions:

1. Notwithstanding any other provision of law, the Board of Corrections may provide advance payment of up to 25 percent of grant funds awarded to community-based, nonprofit organizations, cities, school districts, counties, and other units of local government that have demonstrated cashflow problems according to the criteria set forth by the Board of Corrections.

5430-295-0001—For local assistance, Board of Corrections, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller 1,000

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Schedule:	
(1) 98.01.018.392-Mandates: Domestic Violence Treatment Services (Ch. 183, Stats. 1992)	1,000
(2) 98.01.033.281-Mandates: Victims' Statements—Minors (Ch. 332, Stats. 1981)	0

Provisions:

1. Except as provided in Provision 2 of this item, allocations of funds provided in this item to the appropriate local entities shall be made by the State Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated in this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.
2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the State Controller may, upon notifying the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.
3. Pursuant to Section 17581 of the Government Code, mandates identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the 2004–05 fiscal year:
   (2) Victims' Statements—Minors (Ch. 332, Stats. 1981)

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5430-490—Reappropriation—Board of Corrections. The balance of the appropriation provided in the following citation is reappropriated for the purposes provided for in that appropriation and shall be available for encumbrance and expenditure until December 31, 2005:

0890—Federal Funds

(1) Item 5430-107-0890, Budget Act of 1999 (Ch. 50, Stats. 1999)

5440-001-0001—For support of the Board of Prison Terms 60,020,000

Schedule:

(1) 10-Board of Prison Terms 60,101,000

(2) Reimbursements ..... –81,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures in this item in excess of the amount appropriated for purposes of compliance with the Remedial Plan adopted in response to the decision in Valdivia v. Davis (E.D.Ca. 2002) 206 F.Supp.2d 1068, and for no other purpose. Any authorization must be based upon data that shall be provided by the Board of Prison Terms, through the Youth and Adult Correctional Agency, and in conjunction with the Department of Corrections. This information shall include applicable attorneys' fees and hearing related workload, including, at a minimum, the number of hearings and associated time necessary to perform the hearings on a monthly basis. The Director of Finance may not approve any expenditure unless the approval is made in writing and filed with the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house that considers appropriations no later than 30 days prior to the effective date of approval, or prior to whatever lesser time the chairperson of the joint committee, or his or her designee, may determine.

5460-001-0001—For support of the Department of the Youth Authority 286,699,000

Schedule:

(1) 20-Institutions and Camps 295,258,000

(1.5) 21-Bargaining Unit 6 Provision 8.05 Section H..... 2,510,000

(2) 30-Parole Services..... 37,204,000

(3) 40-Education Services 9,427,000

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(4) 45-Youth Authority Board 3,051,000
(5) 50.01-Administration..... 30,077,000
(6) 50.02-Distributed Administration ...–29,429,000
(7) Reimbursements.....–59,499,000
(8) Amount payable from the California State Lottery Education Fund—California Youth Authority (Item 5460-001-0831) ..... –405,000
(9) Amount payable from the Federal Trust Fund (Item 5460-001-0890)..... –1,495,000

Provisions:

1. Of the funds appropriated in Schedule (1), $31,000 is provided for payment of energy service contracts in connection with the issuance of Public Works Board Energy Efficiency Revenue Bonds (State Pool Program), Series 1986A.
2. Notwithstanding any other provision of law, the Director of Finance may authorize a loan from the General Fund to the Department of the Youth Authority for the purpose of meeting operational cashflow obligations for the 2004–05 fiscal year. The loan shall not exceed the estimated amount of uncollected reimbursements pursuant to Chapter 6 of the Statutes of 1996, for the final quarter of any fiscal year in which the loan is to be provided.
3. The funds contained in Schedule (1.5) of this item are to provide post coverage for employees when they attend the Off-Post Training Sessions, as specified in Provision 8.05, Section H of the Memorandum of Understanding with the California Correctional Peace Officers' Association.

5460-001-0831—For support of the Department of the Youth Authority, for payment to Item 5460-001-0001, payable from the California State Lottery Education Fund—California Youth Authority..... 405,000

Provisions:

1. All funds received pursuant to Proposition 37 that are allocable to the Department of the Youth Authority pursuant to Section 8880.5 of the Government Code and that are in excess of the amount appropriated in this item, are hereby appropriated in augmentation of this item. Such additional funds may be expended only upon written approval of the Department of Finance.

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5460-001-0890—For support of the Department of the Youth Authority, for payment to Item 5460-001-0001, payable from the Federal Trust Fund	1,495,000
5460-003-0001—For support of the Department of the Youth Authority, for rental payments on lease-revenue bonds	1,315,000
Schedule:	
(1) Base Rental and Fees 1,466,000	
(2) Insurance 15,000	
(3) Reimbursement ..... −166,000	
Provisions:	
1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.	
5460-011-0001—For support of the Department of the Youth Authority (Proposition 98)	35,695,000
Schedule:	
(1) 40-Education Services 35,695,000	
5460-101-0001—For local assistance, Department of the Youth Authority	2,331,000
Schedule:	
(1) 20-Institutions and Camps 78,000	
(2) 30-Parole Services..... 2,253,000	
Provisions:	
1. Of the amount appropriated in this item, $1,481,000 is provided for the following purposes:	
(a) To pay the transportation costs of persons committed to the Department of the Youth Authority to or between its facilities, including the return of parole violators, provided that expenditures made under this item shall be charged to either the fiscal year in which the claim is received by the Controller or the fiscal year in which the warrant is issued by the Controller. However, claims shall be filed by local jurisdictions within six months after the end of the month in which the costs are incurred.	
(b) To reimburse counties, pursuant to Section 1776 of the Welfare and Institutions Code, for the cost of the detention of Youth Authority parolees who are detained on alleged parole	

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violations, provided that expenditures made under this item shall be charged to either the fiscal year in which the claim is received by the Controller or the fiscal year in which the warrant is issued by the Controller. However, claims shall be filed by local jurisdictions within six months after the end of the month in which the costs are incurred.

5460-295-0001—For local assistance, Department of the Youth Authority, for reimbursements, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller 0

Schedule:

(1) 98.01.026.798-Extended Commitment—Youth Authority (Ch. 267, Stats. 1998)..... 0

Provisions:

1. Pursuant to Section 17581 of the Government Code, the mandate identified in the appropriation scheduled by this item with an appropriation of $0 and included in the language of this provision is specifically identified by the Legislature for suspension during the 2004–05 fiscal year:
   (1) Extended Commitment-Youth Authority (Ch. 267, Stats. 1998)

5460-301-0001—For capital outlay, Department of the Youth Authority 2,750,000

Schedule:

(1) 60.01.035-Statewide: Pre-Schematic/Master Planning Budget Packages and Advance Planning... 250,000

(2) 60.90.010-Minor Projects 2,500,000

Provisions:

1. The funds appropriated in Schedule (1) shall be allocated by the Department of the Youth Authority to develop design and cost information for new projects for which funds have not been previously appropriated, but for which preliminary plans funds, working drawings funds, or working drawing or construction funds are expected to be included in the Governor's Budget for the 2005–06

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or 2006–07 fiscal year, and for which cost estimates and/or preliminary plans can be developed prior to legislative hearings on the Governor's Budget for the 2005–06 or 2006–07 fiscal year. These funds may be used for the following: budget package development, architectural programming, engineering assessments, schematic design, and preliminary plans. The amount appropriated in this item for these purposes shall not be construed as a commitment by the Legislature as to the amount of capital outlay funds it will appropriate in any future year. Before using these funds for preliminary plans, the department shall provide 20 days' notice to the Chairperson of the Joint Legislative Budget Committee, the chairpersons of the fiscal committees for each house of the Legislature, and the legislative member of the State Public Works Board, discussing the scope, cost, and future implications of the use of funds for preliminary plans.

2. As used in this appropriation, studies shall include site studies and suitability reports, environmental studies, master planning, architectural programming and schematics.

5460-301-0747—For capital outlay, Department of the Youth Authority, payable from the 1988 Prison Construction Bond Fund 1,500,000

Schedule:

(1) 60.56.145.204-Southern Youth Correctional Reception Center and Clinic, Norwalk and Heman G. Stark Youth Correctional Facility, Chino: Housing Unit and Education Modifications—Construction . 1,500,000

Provisions:

1. Notwithstanding Section 10108 of the Public Contract Code or Section 1760.6 of the Welfare and Institutions Code, or any other provision of law, the Department of the Youth Authority may utilize in-house staff to complete working drawings and ward labor to construct the projects for which funds are appropriated in this item.

5460-301-0751—For capital outlay, Department of the Youth Authority, payable from the 1990 Prison Construction Bond 500,000

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Schedule:

(1) 60.56.145-Southern Youth Correctional Reception Center and Clinic, Norwalk, and Heman G. Stark Youth Correctional Facility, Chino: Housing Unit and Education Renovations—Preliminary Plans, Working Drawings, and Construction..... 500,000

Provisions:

1. Notwithstanding Section 10108 of the Public Contract Code or Section 1760.6 of the Welfare and Institutions Code, or any other provision of law, the Department of the Youth Authority may utilize in-house staff to complete working drawings and ward labor to construct the projects for which funds are appropriated in this item.

5460-485—Reappropriation (Proposition 98), Department of the Youth Authority. The sum of $440,000 is reappropriated from the Proposition 98 Reversion Account for the following purpose:

0001—General Fund

(1) $440,000 to the Department of the Youth Authority for the purpose of funding a 2003–04 deficit due to an unexpected increase in student caseload.

5480-001-0001—For support of Commission on Correctional Peace Officers' Standards and Training, Program 10 1,077,000

EDUCATION

6110-001-0001—For support of Department of Education 36,443,000

Schedule:

(1) 10-Instruction..... 53,393,000
(2) 20-Instructional Support 83,520,000
(3) 30-Special Programs..... 47,830,000
(4) 41-Executive Management and Special Services..... 8,341,000
(5) 41.01-State Board of Education 1,456,000
(6) 42.01-Department Management and Special Services..... 29,941,000
(7) 42.02-Distributed Department Management and Special Services.....–29,941,000
(8) Reimbursements.....–19,889,000

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(9) Amount payable from Federal Trust Fund (Item 6110-001-0890) .... −138,208,000

Provisions:

1. An amount equal to or greater than the amount appropriated in Schedule (5) shall be available for support of the State Board of Education (SBE) and shall be directed to meet the policy priorities of its members. Of the amount appropriated in this schedule, $130,000 is allocated for statutory oversight of charter schools approved by the SBE. In addition, the State Department of Education is authorized to receive and expend statutory reimbursements of an amount estimated to be $130,000 for purposes of overseeing SBE-approved charter schools.
2. Notwithstanding Section 33190 of the Education Code, or any other provision of law, the State Department of Education shall expend no funds to prepare (a) a statewide summary of student performance on school district proficiency assessments or (b) a compilation of information on private schools with five or fewer pupils.
3. Notwithstanding any other provision of law, of the funds appropriated in this item, $699,000 shall be used to provide technical assistance and administrative support to remaining Healthy Start grantees. The State Department of Education may use these funds to provide grant funding to the Healthy Start Field Office and regional network leads to provide technical assistance and administrative support to Healthy Start grantees.
4. Funds appropriated in this item may be expended or encumbered to make one or more payments under a personal services contract of a visiting educator pursuant to Section 19050.8 of the Government Code, a long-term special consultant services contract, or an employment contract between an entity that is not a state agency and a person who is under the direct or daily supervision of a state agency, only if all of the following conditions are met:
   (a) The person providing service under the contract provides full financial disclosure to the Fair Political Practices Commission in accordance with the rules and regulations of the commission.

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(b) The service provided under the contract does not result in the displacement of any represented civil service employee.

(c) The rate of compensation for salary and health benefits for the person providing service under the contract does not exceed by more than 10 percent the current rate of compensation for salary and health benefits determined by the Department of Personnel Administration for civil service personnel in a comparable position. The payment of any other compensation or any reimbursement for travel or per diem expenses shall be in accordance with the State Administrative Manual and the rules and regulations of the State Board of Control.

5. The funds appropriated in this item may not be expended for any REACH program.

6. The funds appropriated in this item may not be expended for the development or dissemination of program advisories, including, but not limited to, program advisories on the subject areas of reading, writing, and mathematics, unless explicitly authorized by the State Board of Education.

7. Of the funds appropriated in this item, $206,000 shall be available as matching funds for the State Department of Rehabilitation to provide coordinated services to disabled pupils. Expenditure of the funds shall be identified in the memorandum of understanding or other written agreement with the Department of Rehabilitation to ensure an appropriate match to federal vocational rehabilitation funds.

8. (a) Of the funds appropriated in this item, no less than $3,778,000 is available for support of Child Care Services, including State Preschool and After School Programs pursuant to Chapters 318, 319, and 320 of the Statutes of 1998 (Program 30.10).

9. Of the amount appropriated in this item, $1,627,000 is provided for the sole purpose of funding 13.5 positions and associated operating expenses and equipment costs related to implementation of the Public Schools Accountability Act, as established by Chapter 6.1 (commencing with Section 52050) of Part 28 of the Education Code.

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10. Of the funds appropriated in this item, $360,000 is for the purpose of providing the STAR and HSEE programs each with two staff possessing psychometric and test development expertise. Encumbrance of these funds is contingent upon the redirection and reclassification of existing vacant and unfunded positions from elsewhere within the State Department of Education.
11. Of the funds appropriated in this item, $400,000 is for the purpose of funding two existing positions for the STAR Program and two existing positions for various other testing programs, including the HSEE, and English Language Development Test. These positions previously were funded through Goals 2000.
12. Of the funds appropriated in this item, $150,000 is provided solely for the purpose of funding existing positions from within the State Department of Education, to provide the Curriculum Commission with subject matter specialists.
13. Of the funds appropriated in this item, $200,000 is to contract for a review of proposals submitted by school districts that wish to participate in the Mathematics and Reading Professional Development program. The selection of this contractor shall be subject to the approval of the State Board of Education.
14. Of the funds appropriated in this item, $858,000 shall be available for costs associated with the administration of the High Priority Schools Grant Program pursuant to Chapter 6.1 (commencing with Section 52055.600) of Part 28 of the Education Code and the Immediate Intervention/Underperforming Schools Program pursuant to Chapter 6.1 (commencing with Section 52053) of Part 28 of the Education Code.
15. (a) Notwithstanding any other provision of law, any unexpended funds appropriated in any prior Budget Act for the purposes of rewriting the Principal Apportionments System shall remain available for expenditure for the same purposes for which they were appropriated. For expenditures pursuant to this provision, the State Department of Education shall submit an expenditure plan to the Department of Finance and the Joint Legislative Budget Committee. The Department

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of Finance shall review the plan and either approve or disapprove the plan within 21 days of submission. If the Department of Finance fails to either approve or disapprove the plan within 21 days the plan shall be deemed to be approved. If the Department of Finance disapproves the plan it shall (1) submit a letter to the Joint Legislative Budget Committee that explains the rationale for disapproval and (2) convene a working group consisting of representatives of the Department of Finance, the State Department of Education, and staff of the appropriate policy and fiscal committees of the Legislature. The working group shall jointly develop a revised expenditure plan and submit that plan to the Director of Finance for approval.

(b) By October 31, 2004, the State Department of Education shall provide to the Department of Finance a file of all charter school ADA and state and local revenue associated with charter school general purpose entitlements as part of the P2 Revenue Limit File. By March 1, 2005, the Department of Education shall provide to the Department of Finance a file of all charter school ADA and state and local revenue associated with charter school general purpose entitlements as part of the P1 Revenue Limit File. It is the expectation that such reports will be provided annually.

16. On or before April 15, 2005, the State Department of Education (SDE) shall provide to the Department of Finance an electronic file that includes complete district- and county-level state appropriations limit information reported to SDE. SDE shall make every effort to ensure that all districts have submitted the necessary information requested on the relevant reporting forms.

17. Of the funds appropriated in this item, $3,025,000 shall be available for State Department of Education rental costs for the East End Complex and other leased space. In addition to the funds appropriated in this item, $37,000 shall be available for the Special Deposit Fund for

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State Department of Education rental costs associated with the East End Complex and other leased space. In addition to the funds appropriated in this item for rental costs of the State Department of Education, additional amounts will be allocated through Section 4.60 of this act.

18. The SDE shall make information available to the Department of Finance, the Legislative Analyst's Office, and the budget committees of each house of the Legislature by October 31, 2004; March 31, 2005; and May 31, 2005, regarding the amount of Proposition 98 savings estimated to be available for reversion by June 30, 2005.
19. Of the funds appropriated in this item, $2,000,000 shall be available to SDE for nutrition education and physical activity promotion pursuant to an interagency agreement with the Department of Health Services.
20. Of the funds appropriated in this item, $250,000 is provided, on a one-time basis, for the Model Curriculum for Human Rights and Genocide approved by the State Board of Education and for other appropriate genocide-related curriculum and instructional materials as identified by the State Department of Education, to be printed and distributed to K–12 schools, districts, and county offices of education. If applicable, the Department of Education shall ensure that the model curriculum reflects an update of any currently confirmed research regarding the topics covered in the model curriculum.
21. The report required by Section 60800 of the Education Code is not required to be printed and mailed, but shall be compiled and reported electronically.

6110-001-0140—For support of the Department of Education, Program 20.10.055-Environmental Education, payable from the California Environmental License Plate Fund 41,000

6110-001-0178—For support of the Department of Education, Program 20.30.003-Instructional Support, for the purpose of conducting schoolbus driver instructor training as provided in Section 40070 of the Education Code, payable from the Driver Training Penalty Assessment Fund 1,055,000

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Provisions:	
1. Of the funds appropriated in this item, $47,300 shall be available for SDE rental costs associated with the East End Complex and other leased space. In addition to the funds appropriated in this item for rental costs of the State Department of Education, additional amounts will be allocated through Section 4.60 of this act.	
6110-001-0231—For support of Department of Education, Program 20.10.045-Instructional Support, Curriculum Services-Health and Physical Education-Drug Free Schools, payable from the Health Education Account, Cigarette and Tobacco Products Surtax Fund	916,000
Provisions:	
1. Of the funds appropriated in this item, $50,500 shall be available for SDE rental costs associated with the East End Complex and other leased space. In addition to the funds appropriated in this item for rental costs of the State Department of Education, additional amounts will be allocated through Section 4.60 of this act.	
6110-001-0687—For support of Department of Education, for the California State Agency for Donated Food Distribution, Program 30.50-Donated Food Distribution, payable from the Donated Food Revolving Fund	5,698,000
Provisions:	
1. Of the funds appropriated in this item, $329,600 shall be available for SDE rental costs associated with the East End Complex and other leased space. In addition to the funds appropriated in this item for rental costs of the State Department of Education, additional amounts will be allocated through Section 4.60 of this act.	
6110-001-0890—For support of Department of Education, for payment to Item 6110-001-0001, payable from the Federal Trust Fund	138,208,000
Provisions:	
1. The funds appropriated in this item include Federal Vocational Education Act funds for the 2004–05 fiscal year to be transferred to community colleges by means of interagency agreements. These funds shall be used by community colleges for the administration of vocational education programs.	

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2. Of the funds appropriated in this item, $96,000 is available to the Advisory Commission on Special Education for the in-state travel expenses of the commissioners and the secretary to the commission.
3. Of the funds appropriated in this item, $401,000 is available for programs for homeless youth and adults pursuant to the federal McKinney-Vento Homeless Assistance Act. The department shall consult with the State Departments of Economic Opportunity, Mental Health, Housing and Community Development, and Economic Development in operating this program.
4. Of the funds appropriated in this item, up to $364,000 shall be used to provide in-service training for special and regular educators and related persons, including, but not limited to, parents, administrators, and organizations serving severely disabled children. These funds are also to provide up to four positions for this purpose.
5. Of the funds appropriated in this item, $318,000 shall be used to provide training in culturally nonbiased assessment and specialized language skills to special education teachers.
6. Of the amount appropriated in this item, $1,265,000 shall be used for the administration of the federal charter schools program. These activities include monitoring of grant recipients, and increased review and technical assistance support for federal charter school grant applicants and recipients. For the 2004–05 fiscal year, one Education Program Consultant position shall support fiscal issues pertaining to charter schools, including implementation of the funding model pursuant to Chapter 34 of the Statutes of 1998.
7. (a) Of the funds appropriated in this item, $12,998,000 is from the Child Care and Development Block Grant Fund and is available for support of Child Care Services.

   (c) Of the amount appropriated in this item, $530,000 is for 5.5 positions within the Department of Education to address compliance monitoring and overpayments, which may contribute to early detection of fraud. The department shall provide information to the Legislature and Department of Finance each year that quantifies provider-by-provider

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level data, including instances and amounts of overpayments and fraud, as documented by the department's compliance monitoring efforts for the prior fiscal year.

(d) As a condition of receiving the resources specified in subparagraph (c) of this provision, it is expected that every alternative payment agency, subject to the audit threshold for the federal single audit as required by P.L. 104-156, as amended, will be audited each year using sufficient sampling of provider records of the following: (i) family fee determinations, (ii) income eligibility, (iii) rate limits, and (iv) basis for hours of care, to determine compliance rates, any instances of misallocation of resources, and the amount of funds expected to be recovered from instances of both potential fraud and overpayment when no intent to defraud is suspected. This information will be contained in a separate report for each provider, with a single statewide summary report annually submitted to the Governor and Legislature at a date to be mutually established between the department and the Governor, but not later than April 15, 2005.

(e) Of the amount appropriated in this item, not more than $1,000,000 may be used by the State Department of Education to pay the travel, per diem, and other expenses of county special investigators and district attorneys necessary to consult with the department in the development and implementation of the error rate study required by Article 16.5 (commencing with Section 8385) of Chapter 2 of Part 6 of the Education Code. If the department believes it necessary to use these funds for other services or costs, the department shall first specify those reasons and secure the approval of both the Department of Finance and the Joint Legislative Budget Committee.

8. Of the funds appropriated in this item, $2,159,000 shall be used for administration of the Enhancing Education Through Technology Grant Program. Of this amount:

(a) $580,000 is available only for contracted technical support and evaluation services.

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9. Of the funds appropriated in this item, $10,140,000 is for dispute resolution services, including mediation and fair hearing services, provided through contract for the Special Education Program.
10. Of the amount provided in this item, $881,000 is provided for staff for the Special Education Focused Monitoring Pilot Program to be established by the State Department of Education for the purpose of monitoring local educational agency compliance with state and federal laws and regulations governing special education.
11. Of the funds appropriated in this item, $125,000 shall be allocated for increased travel costs associated with program reviews conducted by the Special Education Division Focused Monitoring and Technical Assistance Units. Expenditure of these funds is subject to Department of Finance approval of an expenditure plan. The expenditure plan shall include the proposed travel costs associated with focused monitoring and technical assistance provided by the State Department of Education. It shall also include the estimated type and number of reviews to be conducted, and shall provide an estimated average cost per type of review. Annual renewal of this funding is subject to Department of Finance approval of an annual focused monitoring final expenditure report. The report shall be submitted on or before September 30, 2004. It shall provide the total number of reviews conducted each fiscal year, the amount of staff and personnel days and hours associated with each category of review, the travel costs associated with the type and number of reviews conducted, and an average cost per type of review.
12. Of the funds appropriated in this item, $120,000 shall be used solely for the administration of the federal advance placement examination fee payment grant program for low-income pupils.
13. Of the funds appropriated in this item, $350,000 shall be available for the preparation, analysis, and production of the annual federal accountability reports, as required by the Carl D. Perkins Vocational Technical Education Act.

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14. Of the funds appropriated in this item, $303,000 shall be allocated by the Department of Education to the California State University, San Bernardino, Center for the Study of Correctional Education, for special education monitoring of and technical assistance for the California Youth Authority pursuant to Chapter 536, Statutes of 2001.
15. Of the funds appropriated in this item, $798,000 shall be available for costs associated with the administration of the High Priority Schools Grant Program pursuant to Article 3.5 (commencing with Section 52055.600) of Chapter 6.1 of Part 28 of the Education Code and the Immediate Intervention/Underperforming Schools Program pursuant to Article 3 (commencing with Section 52053) of Chapter 6.1 of Part 28 of the Education Code.
16. Of the funds appropriated in this item, $419,000 shall be available pursuant to Chapter 1020, Statutes of 2002 for the development and implementation of corrective action plans and sanctions pursuant to federal law.
17. Of the funds appropriated in this item, $1,414,000 is for administration of the Reading First Program. Of this amount, $873,000 is to redirect 6.0 staff to assist in program administration, and $500,000 is for the department to contract for annual evaluations of program effectiveness.
18. Of the amount appropriated in this item, $500,000 is provided for a biennial evaluation of the Public Schools Accountability Act, as established by Chapter 6.1 (commencing with Section 52050) of Part 28 of the Education Code.
19. Of the appropriated funds in this item, $668,000 is for the department to continue developing a comprehensive strategy to address data reporting requirements associated with the No Child Left Behind Act (P.L. 107-110), and to establish 5.0 positions to assist with this task.
20. Of the funds appropriated in this item, $600,000 is provided for the second year of a three-year evaluation of the High Priority Schools Grant Program pursuant to Chapter 42, Statutes of 2002.

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21. Of the funds appropriated in this item $4,550,800 shall be available for State Department of Education rental costs for the East End Complex and other leased space. In addition to the funds appropriated in this item for rental costs of the State Department of Education, additional amounts will be allocated through Section 4.60 of this act.
22. Of the funds appropriated in this item, $688,000 is to support state operations related to the development of a longitudinal database for the requirements of the No Child Left Behind Act (P.L. 107-110). Of this funding, $154,000 is for the development of a Request for Proposals and is contingent upon Department of Finance approval following approval of a Feasibility Study Report.
23. Of the funds appropriated in this item, $170,000 is provided, on a one-time basis, to support a contract with a community college to establish a distance learning Interpreter Training Program for rural areas.
24. Of the funds appropriated in this item, $180,000 is provided, on a one-time basis, to contract with an outside entity to evaluate the 12 Family Empowerment Centers on Disability pursuant to Chapter 690 of the Statutes of 2001.
27. The State Department of Education shall report by October 1, 2004, to the Legislative Analyst's Office, the Department of Finance, and the fiscal committees of the Legislature the following: (a) the department's planned use of the additional $1,942,000 in state operations for an additional 10 positions within the department, training of local agency staff, streamlining the local review process and adopting new forms, and temporary staff to conduct required local agency reviews; and (b) a comparison of the department's actual performance and federal performance criteria on all major program functions that are subject to federal compliance reviews. The report shall identify any state and federal program performance deficiencies and include the department's plan for correcting them. The department shall fill the 10 authorized compli-

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ance positions within 90 days of enactment of this act, or the positions are no longer authorized.

28. Of the amount appropriated in this item, $1,480,000 in carryover special education funds are available for the state's share of costs in the settlement of Emma C. v. Delaine Eastin et al. (N.D.Cal., No. C96-4179TEH). The State Department of Education shall report by January 1, 2005, to the fiscal committees of the Legislature, the Department of Finance, and the Legislative Analyst's Office on the planned use of the additional special education funds provided to Ravenswood Elementary School District pursuant to this settlement. The report shall also provide the department's best estimate of when this supplemental funding will no longer be required by the court. The department shall comply with the requirements of Section 948 of the Government Code in any future requests for funds to satisfy this settlement.

29. Of the amount appropriated in this item, $400,000 is available to fund 3.0 positions (2.75 PYs) and associated costs for administering the English Language Development materials program specified in Provision 2 of Item 6110-189-0001. The positions are available on a two-year limited-term basis.

30. Of the amount appropriated in this item, $267,000 shall be used to develop an Internet-based electronic clearinghouse system to improve the availability of parental information documents that are translated into languages other than English. The purpose of this system is to improve the availability of these documents at the local level and reduce the local costs of providing these documents by eliminating duplication of effort in translating standard documents. The system shall include an interactive Web portal located on the State Department of Education's Web site, which shall allow local education agencies to submit, locate, and access locally translated parental documents and may include documents that the department is responsible for translating. The funding shall also be used to fund one position to manage the de-

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velopment and maintenance of the Internet clearinghouse site. The addition of an electronic clearinghouse for locally translated documents to the department's Web site shall not constitute a new information technology project or increase in funding for an information technology project for purposes of project reporting and oversight.

6110-001-0975—For support of Department of Education, Program 20.40.040-Library and Learning Resources, payable from the California Public School Library Protection Fund 16,000

Provisions:

1. Subject to the conditions of Article 6 (commencing with Section 18175) of Chapter 2 of Part 6 of the Education Code, and based on increases in the funds deposited in the California Public School Library Protection Fund, the appropriation made in this item may be increased subject to the approval of the Department of Finance.

6110-001-6036—For support of Department of Education, Program 20.30-Administrative Services to local educational agencies, payable from the 2002 State School Facilities Fund 2,290,000

Provisions:

1. Funds appropriated by this item are for support of the activities of the School Facilities Planning Division and are to be used exclusively for activities related to local school construction, modernization, and schoolsite acquisition.
2. Of the funds appropriated in this item, $119,000 shall be available for SDE rental costs for the East End Complex and other leased space. In addition to the funds appropriated in this item for rental costs of the State Department of Education, additional amounts will be allocated through Section 4.60 of this act.

6110-002-0001—For support of the California Department of Education, for rental payments on lease-revenue bonds 91,000

(1) Base Rental and Fees 90,000
(2) Insurance 1,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule

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shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

6110-003-0001—For support of Department of Education, Program 20.30.020-Instructional Support, Standardized Account Code Structure 1,021,000

Provisions:

1. The funds appropriated in this item shall be used only for the direct costs to administer the Standardized Account Code Structure program, pursuant to Section 42103.3 of the Education Code, to assist any school district or county office of education in financial distress or bankruptcy, to make available standard fiscal, demographic, and performance data to policy decisionmakers, and for indirect costs for those programs at the rate approved by the United States Department of Education.

6110-005-0001—For support of Department of Education, as allocated by the Department of Education to the State Special Schools, Program 10.60.040 32,870,000

Schedule:

(1) 10.60.040-Instruction..... 33,457,000
  (a) 10.60.040.001-School for the Blind, Fremont 4,775,000
  (b) 10.60.040.002-School for the Deaf, Fremont 15,500,000
  (c) 10.60.040.003-School for the Deaf, Riverside.....13,182,000

(2) Reimbursements..... –587,000

Provisions:

1. The State Special Schools for the Deaf in Fremont and Riverside and the State Special School for the Blind in Fremont shall provide a four-week extended session.

6110-006-0001—For support of Department of Education (Proposition 98), as allocated by the Department of Education to the State Special Schools..... 40,302,000

Schedule:

(1) 10.60.040-Instruction, State Special Schools..... 45,664,000
  (a) 10.60.040.001-School for the Blind, Fremont 5,767,000

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(b) 10.60.040.002-School for the Deaf, Fremont 15,949,000
(c) 10.60.040.003-School for the Deaf, Riverside.....13,315,000
(d) 10.60.040.007-Diagnostic Centers ...10,633,000
(2) Reimbursements ..... –5,235,000
(3) Amount payable from the California State Lottery Education Fund (Item 6110-006-0814) ..... –127,000

Provisions:

1. On or before September 15 of each year, the superintendent of each State Special School shall report to each school district the number of pupils from that district who are attending a State Special School and the estimated payment due on behalf of the district for those pupils pursuant to Section 59300 of the Education Code. The Controller shall withhold from the State School Fund in the first principal apportionment of that fiscal year the amount due from each school district, as reported to the Controller by the Superintendent of Public Instruction. The amount withheld shall be transferred from the State School Fund to this item. The Superintendent of Public Instruction is authorized to adjust the estimated payments required after the close of the fiscal year by reporting to the Controller the information needed to make the adjustment. The payments by the Controller that result from this yearend adjustment shall be applied to the current year.
2. The State Special Schools for the Deaf in Fremont and Riverside and the State Special School for the Blind in Fremont shall provide a four-week extended session.

6110-006-0814—For support of Department of Education, for payment to Item 6110-006-0001, payable from the California State Lottery Education Fund... 127,000

Provisions:

1. All funds received pursuant to Chapter 12.5 (commencing with Section 8880) of Division 1 of Title 2 of the Government Code that are allocable to the State Special Schools pursuant to Section 8880.5

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of the Government Code, and, that are in excess of the amount appropriated in this item, are hereby appropriated in augmentation of this item.	
6110-007-0001—For support of Department of Education, Program 20.20.010-Instructional Materials Management and Distribution—Curriculum Frameworks and Instructional Materials.....	117,000
Provisions:	
1. Funds appropriated by this item shall be used only for direct costs to conduct biennial state adoptions of basic instructional materials pursuant to Section 60200 of the Education Code and for indirect costs for that purpose at the rate approved by the United States Department of Education.	
6110-008-0001—For support of Department of Education, as allocated by the Department of Education to the State Special Schools for student transportation allowances, Program 10.60.040.....	1,402,000
Provisions:	
1. Funds appropriated in this item are in lieu of funds that otherwise would be transferred from the General Fund to Section A of the State School Fund in accordance with Sections 14007 and 41301.5 of the Education Code.	
6110-015-0001—For support of Department of Education, Program 20.20.020-Instructional Materials Management and Distribution	438,000
Provisions:	
1. Funds appropriated in this item are for transfer by the Controller to the State Instructional Materials Fund, for allocation during the 2004–05 fiscal year pursuant to Article 3 (commencing with Section 60240) of Chapter 2 of Part 33 of the Education Code. These funds shall be transferred in amounts claimed by the Department of Education, for direct disbursement by the Department of Education from the State Instructional Materials Fund.	
2. Of the funds appropriated in this item, $26,200 shall be available for SDE rental costs associated with the East End Complex and other leased space. In addition to the funds appropriated in this item for rental costs of the State Department of Education, additional amounts will be allocated through Section 4.60 of this act.	

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6110-021-0001—For support, Department of Education, Program 30.20.005-Child Nutrition—Nutrition Education Projects	70,000
6110-101-0231—For local assistance, Department of Education, Program 20.10.045-Instructional Support, Curriculum Services—Health and Physical Education—Drug Free Schools, for county offices of education, payable from the Health Education Account, Cigarette and Tobacco Products Surtax Fund	3,106,000
6110-101-0814—For local assistance, Department of Education, Program 10.10-School Apportionment, for allocation by the Controller in accordance with Section 8880.5 of the Government Code as enacted by the voters in Proposition 37 at the November 1984 general election, payable from the California State Lottery Education Fund	806,755,000
Provisions:	
1. All funds received pursuant to Chapter 12.5 of Division 1 of Title 2 of the Government Code that can be allocated to local education agencies that serve pupils in kindergarten or any of grades 1 to 12, inclusive, pursuant to Section 8880.5 of the Government Code, and that are in excess of the amount appropriated in this item, are hereby appropriated in augmentation of this item.	
6110-101-0975—For local assistance, Department of Education, Program 20.40.040-Library and Learning Resources, payable from the California Public School Library Protection Fund	4,574,000
Provisions:	
1. Subject to the conditions of Article 6 (commencing with Section 18175) of Chapter 2 of Part 11 of the Education Code, and based on increases in the funds deposited in the California Public School Library Protection Fund, the appropriation made in this item may be increased subject to the approval of the Department of Finance.	
6110-102-0231—For local assistance, Department of Education, Program 20.10.045-Instructional Support, Curriculum Services Health and Physical Education, Drug Free Schools, for local assistance, payable from the Health Education Account, Cigarette and Tobacco Products Surtax Fund	18,998,000

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Provisions:	
1. On or before June 1, 2005, the State Department of Education shall report to the Joint Legislative Budget Committee on the amount of Tobacco-Use Prevention Education funds that it intends to transfer from the competitive grades 9–12 program to the formula grades 4–8 program in the 2004–05 fiscal year.	
6110-102-0890—For local assistance, Department of Education, Program 20.60.038-Learn and Serve America Program, payable from the Federal Trust Fund	2,339,000
6110-103-0001—For local assistance, Department of Education (Proposition 98), Program 10.10.001.005-School Apportionments for transfer to Section A of the State School Fund, for the purposes of Section 8152 of the Education Code.....	10,456,000
Provisions:	
1. Notwithstanding Section 8154 of the Education Code, or any other provision of law, the funds appropriated in this item shall be the only funds available for and allocated by the Superintendent of Public Instruction for the apprenticeship programs operated by school districts and county offices of education.	
2. Notwithstanding Section 8152 of the Education Code, each 60-minute hour of teaching time devoted to each indentured apprentice enrolled in and attending classes of related and supplemental instruction as provided under Section 3074 of the Labor Code shall be reimbursed at the rate of $4.86 per hour. For purposes of this provision, each hour of teaching time may include up to 10 minutes for passing time and breaks.	
3. No school district or county office of education shall use funds allocated pursuant to this item to offer any new or expanded apprenticeship program unless the program has been approved by the Superintendent of Public Instruction.	
4. The Superintendent of Public Instruction shall report to the Department of Finance and the Legislature not later than February 1, 2005, on the amount of funds expended for and the hours of related and supplemental instruction offered in the apprenticeship program during the 2003–04 fiscal	

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year, with information to be provided by the school district, county office of education, program sponsor, and trade. Expenditure information shall distinguish between direct and indirect costs, including administrative costs funded for the State Department of Education, school districts, and county offices of education. In addition, the report shall identify the hours of related and supplemental instruction proposed for the 2003–04 and 2004–05 fiscal years by the school district, county office of education, program sponsor, and trade. As a condition of receiving funds for the apprenticeship programs, school districts, and county offices of education and regional occupational centers and programs shall report to the Superintendent of Public Instruction the information necessary for the completion of this report.

5. Notwithstanding Article 8 (commencing with Section 8150) of Chapter 1 of Part 6 of the Education Code, or any other provision of law, the total number of hours eligible for state reimbursement in apprenticeship programs operated by school districts and county offices of education shall be limited to an amount equal to the amount of the total appropriation made in this item divided by the hourly rate specified in Provision 2. The Superintendent of Public Instruction shall have the authority to determine which apprenticeship programs and which hours offered in those programs, are eligible for reimbursement.
6. Of the funds appropriated in this item, $342,000 is provided to increase the number of participants in the program.
7. An additional $5,933,000 in expenditures for this item has been deferred until the 2005–06 fiscal year.

6110-103-0890—For local assistance, Department of Education, Program 41.20.030.003-Robert C. Byrd Honors Scholarship Program, payable from the Federal Trust Fund 5,072,000

6110-104-0001—For local assistance, Department of Education (Proposition 98), Program 10.10.011-School Apportionments—Remedial Supplemental Instruction Programs, for transfer to Section A of the State School Fund, for supplemental instruction and remedial programs 277,862,000

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Schedule:	
(1) 10.10.011.008-School Apportionments, for Supplemental Instruction, Remedial, Grades 7–12 for the purposes of Section 37252 of the Education Code	157,438,000
(2) 10.10.011.009-School Apportionments, for Supplemental Instruction, Retained, or Recommended for Retention, Grades 2–9, for the purposes of Section 37252.2 of the Education Code, as applicable	38,020,000
(3) 10.10.011.010-School Apportionments, for Supplemental Instruction, Low STAR, or at-risk, Grades 2–6, for the purposes of Section 37252.8 of the Education Code, as applicable	14,462,000
(4) 10.10.011.011-School Apportionments, for Supplemental Instruction, Core Academic, Grades K–12, for the purposes of Section 37253 of the Education Code	67,942,000

Provisions:

1. Notwithstanding any other provision of law, for the 2004–05 fiscal year the Superintendent of Public Instruction shall allocate a minimum of $7,573 for supplemental summer school programs in each school district for which the prior fiscal year enrollment was less than 500 and that, in the 2004–05 fiscal year, offers at least 1,500 hours of supplemental summer school instruction. A small school district, as described above, that offers less than 1,500 hours of supplemental summer school offerings shall receive a proportionate reduction in its allocation. For the purpose of this provision, supplemental summer school programs shall be defined as programs authorized under paragraph (2) of subdivision (f) of Section 42239 of the Education Code as it read on July 1, 1999.
2. Notwithstanding any other provision of law, for the 2004–05 fiscal year, the maximum reimbursement to a school district or charter school for the program listed in Schedule (4) shall not exceed 5 percent of the district or charter school's enrollment multiplied by 120 hours, multiplied by the hourly rate for the 2004–05 fiscal year.

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4. Notwithstanding any other provision of law, the rate of reimbursement shall be $3.59 per hour of supplemental instruction.
5. Notwithstanding any other provision of law, if the funds in this item are insufficient to fund otherwise valid claims, the superintendent shall adjust the rates to conform to available funds.
6. Of the funds appropriated in this item, $8,560,000 is for the purpose of providing a cost-of-living adjustment of 2.41 percent. Additionally, $3,342,000 is for the purpose of providing for increases in average daily attendance at a rate of 0.95 percent for supplemental instruction and remedial programs, in lieu of the amount that would otherwise be provided pursuant to any other provision of law.
7. Funds contained in Schedules (1) and (2) of this item shall first be used to offset any state-mandated reimbursable costs that may otherwise be claimed through the state mandates reimbursement process of implementing Sections 37252 and 37252.2 of the Education Code. Local education agencies accepting funding from these schedules shall reduce their estimated and actual mandate reimbursement claims by the amount of funding provided to them from these schedules.
8. Notwithstanding any other provision of law, an additional $85,866,000 in expenditures for this item has been deferred until the 2005–06 fiscal year.

6110-105-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund for the purposes of Article 1 (commencing with Section 52300) of Chapter 9 of Part 28 of the Education Code 356,243,000

Schedule:

(1) 10.10.004-Instruction Program—School Apportionments, Regional Occupational Centers and Programs 363,560,000

(2) Reimbursements ..... −7,317,000

Provisions:

1. Notwithstanding any other provision of law, the funds appropriated in this item are for transfer by the Controller to Section A of the State School Fund, in lieu of the amount that otherwise would be appropriated for transfer from the General

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Fund in the State Treasury to Section A of the State School Fund for the 2004–05 fiscal year pursuant to Sections 14002 and 14004 of the Education Code, in an amount as needed for apportionment pursuant to Article 1 (commencing with Section 52300) of Chapter 9 of Part 28 of the Education Code.

2. Funds appropriated in this item shall be apportioned by the Superintendent of Public Instruction pursuant to Article 1.5 (commencing with Section 52335) of Chapter 9 of Part 28 of the Education Code.
3. Because Chapter 482 of the Statutes of 1984 was chaptered after Chapter 268 of the Statutes of 1984, the Legislature's intent regarding the eligibility of regional occupational centers and programs for incentive funding for a longer instructional year under Section 46200 of the Education Code was not carried out. It is the intent of the Legislature that regional occupational centers and programs not be eligible for that incentive funding.

   Notwithstanding any other provision of law, the funds appropriated in this item may not be expended for the purposes of providing or continuing incentive funding for a longer instructional year pursuant to Section 46200 of the Education Code.
4. Notwithstanding any other provision of law, funds appropriated in this item for average daily attendance (ADA) generated by participants in welfare-to-work activities under the CalWORKs program established in Article 3.2 (commencing with Section 11320) of Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions Code may be appropriated on an advance basis to local education agencies based on anticipated units of ADA if a prior application for this additional ADA funding has been approved by the Superintendent of Public Instruction.
5. Of the amount appropriated in this item $1,161,000 is to fund remedial education services for participants in welfare-to-work activities under the CalWORKs program.
6. Of the funds appropriated in this item, $13,595,000 is provided for increases in average daily attendance at a rate of 3.67 percent. If

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growth funds are insufficient, the State Department of Education may adjust the per-pupil growth rates to conform to available funds. Additionally, $9,255,000 is for the purpose of providing a cost-of-living adjustment at a rate of 2.41 percent.

7. An additional $37,051,000 in expenditures for this item has been deferred until the 2005–06 fiscal year.

6110-106-0001—For local assistance, Department of Education (Proposition 98), for transfer by the Controller to Section A of the State School Fund, Program 20.30, West Contra Costa Facilities Payment . 800,000

Provisions:

1. For allocation to the West Contra Costa Unified School District as specified by paragraph (1) of subdivision (a) of Education Code Section 41329.

6110-107-0001—For local assistance, Department of Education (Proposition 98), Program 10.10-County Offices of Education Fiscal Oversight 10,052,000

Schedule:

(1)	10.10.002-COE Oversight.....	5,268,000
(2)	10.10.005-FCMAT	2,729,000
(3)	10.10.012-FCMAT: CSIS.....	250,000
(4)	10.10.013-Audit Appeal Panel	55,000
(5)	10.10.015-Interim Reporting.....	1,050,000
(6)	10.10.016-Staff Development.....	700,000

Provisions:

1. The funds appropriated in Schedule (1) of this item are for the purposes provided in paragraph (1) of subdivision (a) of Section 29 of Chapter 1213 of the Statutes of 1991 and subsequent legislation.
2. Funds contained in Schedule (1) may be used for activities, including, but not limited to, conducting reviews, examinations, and audits of districts and providing written notifications of the results at least annually by county offices of education on the fiscal solvency of the districts with disapproved budgets, qualified or negative certifications, or, pursuant to Section 42127.6 of the Education Code, districts facing fiscal uncertainty. Written notifications of the results of these reviews, audits, and examinations shall be provided at least annually to the district governing board,

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the Superintendent of Public Instruction, the Director of Finance, and the Office of the Secretary for Education.

2.5. Funds contained in Schedule (1) shall first be used to offset any state-mandated reimbursable costs that may otherwise be claimed through the state mandates reimbursement process for implementing Sections 42100, 42127, 42127.5, 42127.6, 42128, and 42131 of the Education Code, and Section 3540.2 of the Government Code.

3. Of the funds appropriated in Schedule (2) of this item:

(a) $2,061,000 shall be allocated by the Controller directly to a county office of education, selected pursuant to subdivision (a) of Section 42127.8 of the Education Code to oversee Fiscal Crisis and Management Assistance Team (FCMAT) responsibilities with respect to these funds, to meet the costs of participation under Section 42127.8 of the Education Code.

(b) $250,000 shall be available to develop and implement the activities of regional teams of fiscal experts to assist districts in fiscal distress.

(c) $418,000 shall be allocated to FCMAT for the purpose of providing, through computer technology, financial and demographic information that is interactive and immediately accessible to all local education agencies to assist them in their decisionmaking process. To ensure a completely integrated system, this computer information should be developed in collaboration with the State Department of Education, and should be compatible with the hardware and software of the State Department of Education, so that this information may also assist state-level policymakers in making comparable standardized financial information available to the local education agencies and the public.

4. Of the funds appropriated in Schedule (3) of this item, $250,000 shall be available to the FCMAT to pay for project management services for CSIS.

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These funds shall be used to supplement and not supplant other CSIS funds available for project management services.

5. The funds appropriated in Schedule (5) of this item are for the increased responsibility of county offices of education for oversight of school districts with audit exceptions, districts with qualified or negative interim reports, districts that may be unable to meet financial obligations for the current or subsequent fiscal years, or districts with disapproved budgets, as provided under Chapter 924 of the Statutes of 1993. Of these funds, $150,000 shall be available for no more than a 25 percent state reimbursement for the previously specified activities.
6. Up to $900,000 of the funds appropriated in Schedule (5) may also be used to fully reimburse county office of education activities for extraordinary costs of audits, examinations, or reviews of district budgets in cases where fraud, misappropriation of funds or other illegal fiscal practices require COE review, pursuant to Section 2 of Chapter 620 of the Statutes of 2001. Allocation of the funds shall be administered by the Fiscal Crisis and Management Assistance Team (FCMAT) on a reimbursement basis. All reimbursements shall be subject to the approval of both the Department of Finance and the State Department of Education.
7. The amount appropriated in Schedule (5) of this item and in Schedule (5) of Item 6110-107-0001 of the Budget Act of 2003 (Chapter 157, Statutes of 2003) shall remain available for expenditure for the 2004–05 and 2005–06 fiscal years. Any unexpended balance as of September 1, 2005, shall be available through July 30, 2006, for the following, in order of descending priority:
   (a) Regional assistance teams developed pursuant to Provision 3(b) of this item.
   (b) Staff development pursuant to Provision 10 of this item.
8. Notwithstanding Section 26.00, the funds appropriated in this item shall be allocated in accordance with the above schedule unless a revision to the allocations contained herein has been approved by the Department of Finance. The Department of Finance may not authorize any such

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revision sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the joint committee, or his or her designee, may in each instance determine.

9. The funds appropriated in Schedule (4) of this item are for the additional staff and resources needed for FCMAT to ensure that timely resolution of audit findings is achieved pursuant to the directives of Education Code Section 41344.

10. Of the funds appropriated in Schedule (6) of this item, $500,000 is for the purpose of providing staff development to local education agency school finance and business personnel, as provided in Section 42127.8 of the Education Code. The funds appropriated in Schedule (6) shall be allocated by the Controller directly to a county office of education selected pursuant to subdivision (a) of Section 42127.8 of the Education Code to oversee FCMAT's responsibilities with respect to these funds. $200,000 of the funds appropriated in Schedule (6) is for the purpose of providing training that shall be developed and facilitated pursuant to Section 42127.8 of the Education Code to increase school district and school-level capacity to implement and manage site-based budgeting and decisionmaking governance structures.

11. Notwithstanding any other provision of law, funds appropriated in Schedules (1), (2), (4), (5), and (6), of this item to a county office of education, selected pursuant to subdivision (a) of Section 42127.8 of the Education Code to oversee FCMAT responsibilities, shall be allocated by the State Controller directly to that county office of education as soon as possible but no later than 60 days after the enactment of the Budget Act. Funds appropriated in this item shall not be subject to grant allocation or review processes on the part of the State Department of Education nor the Superintendent of Public Instruction. The county office of education that receives these funds shall annually provide a report detailing past year expenditures, identifying the local edu-

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cation agencies (LEA) assisted with these funds and a summary of progress for each. Additionally, the report shall identify a plan for the proposed uses of the allocations in this item, identifying estimated expenditures for each LEA anticipated to be served. This report shall be submitted to the Department of Education and to the Department of Finance by October 1, 2004.

6110-108-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, Program 20.60.020.200-Tenth Grade Counseling pursuant to Section 48431.7 of the Education Code 11,830,000

Provisions:

1. Of the funds appropriated in this item, $109,000 is for the purpose of providing an adjustment for increases in average daily attendance at a rate of 0.95 percent. Additionally, $278,000 is for the purpose of providing a cost-of-living adjustment at a rate of 2.41 percent.

6110-111-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, Home to School Transportation, pursuant to Article 10 (commencing with Section 41850) of Chapter 5 of Part 24 of the Education Code and Small School District Transportation, pursuant to Article 4.5 (commencing with Section 42290) of Chapter 7 of Part 24 of the Education Code 491,829,000

Schedule:

(1) 10.10.006-Pupil Transportation 487,117,000

(2) 10.10.008-Small School District Bus Replacement 4,712,000

Provisions:

1. Of the funds appropriated in this item, $4,980,000 is for the purpose of providing an adjustment for increases in average daily attendance at a rate of 0.95 percent. If funds for growth are insufficient, the State Department of Education may adjust the per-pupil growth rates to conform to available funds. Additionally, $12,753,000 is for the purpose of providing a cost-of-living adjustment (COLA) at a rate of 2.41 percent.
2. An additional $50,103,000 in expenditures for this item has been deferred until the 2005–06 fiscal year.

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6110-112-0001—For local assistance, Department of Education (Proposition 98), for transfer by the Controller to Section A of the State School Fund, Program 20.60.017-Instructional Time and Staff Development Reform Program..... 237,024,000

Provisions:

1. The funds appropriated in this item are available for the purposes of the Instructional Time and Staff Development Reform Program established by Article 7.5 (commencing with Section 44579) of Chapter 3 of Part 25 of Division 3 of Title 2 of the Education Code.
2. Of the funds appropriated in this item, $1,737,000 is provided for increases in the number of eligible participants. Additionally, $5,620,000 is for the purpose of providing a cost-of-living adjustment at a rate of 2.41 percent, resulting in a daily rate of $306.50 for teachers and $158.92 for classified paraprofessionals.

6110-112-0890—For local assistance, Department of Education, Program 20.60.036-Public Charter Schools, payable from the Federal Trust Fund..... 37,822,000

Provisions:

1. Of the funds appropriated in this item, an amount of up to $422,000 may be transferred to Item 6110-001-0890 to be used for state operations purposes relating to federal charter school grants.

6110-113-0001—For local assistance, Department of Education (Proposition 98), for purposes of California's pupil testing program..... 79,360,000

Schedule:

(2) 20.70.030.005-Assessment Review and Reporting	2,313,000
(3) 20.70.030.006-STAR Program	53,836,000
(4) 20.70.030.007-English Language Development Assessment	11,437,000
(5) 20.70.030.008-High School Exit Examination	10,367,000
(6) 20.70.030.016-Test Development: STAR Exam	1,407,000
(7) 20.70.030.015-California High School Proficiency Exam	1,020,000
(8) Reimbursements	−1,020,000

Provisions:

1. The funds appropriated in this item shall be for the pupil testing programs authorized by Chapter 5 (commencing with Section 60600), Chapter 7

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(commencing with Section 60810), and Chapter 9 (commencing with Section 60850) of Part 33 of the Education Code.

2. The funds appropriated in Schedule (3) include funds for primary language tests administered pursuant to Article 4 (commencing with Section 60640) of Chapter 5 of Part 33 of the Education Code.
3. The funds appropriated in Schedule (4) shall be available for approved contract costs and apportionment costs for administration of an English Language development test meeting the requirements of Chapter 7 (commencing with Section 60810) of Part 33 of the Education Code. A total of $9,593,000 is provided as incentive funding of $5 per pupil for district apportionments for the English Language Development Test. As a condition of receiving these funds, school districts must agree to provide information determined to be necessary to comply with the data collection and reporting requirements of the No Child Left Behind Act of 2001 (P.L. 107–110) regarding English language learners by the State Department of Education with approval by the State Board of Education.
4. The funds appropriated in Schedule (5) include funds for approved contract costs and apportionment costs for the administration of the HSEE pursuant to Chapter 9 (commencing with Section 60850) of Part 33 of the Education Code.
5. The funds appropriated in Schedule (6) shall be available for test item development for the STAR program during the 2004–05 fiscal year. The test items developed with these funds shall make progress in aligning this exam with the State Board of Education-approved academic content standards and in ensuring that this exam is valid and reliable as measured by industry standards.
6. It is the intent of the Legislature that the State Department of Education develop a plan to streamline existing programs to eliminate duplicative tests and minimize the instructional time lost to test administration. The State Department of Education shall ensure that all statewide tests meet industry standards for validity and reliability.

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7. The State Board of Education shall annually establish the amount of funding to be apportioned to school districts for the English Language Development Assessment and the High School Exit Examination. The amount of funding to be apportioned per test shall not be valid without the approval of the Department of Finance.		
8. Funds provided in Schedules (3), (4), and (5) shall first be used to offset any state-mandated reimbursable costs that otherwise may be claimed through the state mandates reimbursement process for the Standardized Testing and Reporting Program, the California English Language Development Test, and the California High School Exit Exam, respectively. Local education agencies accepting funding from these schedules shall reduce their estimated and actual mandate reimbursement claims by the amount of funding provided to them from these schedules.		
6110-113-0890—For local assistance, Department of Education-Title VI Flexibility and Accountability, payable from the Federal Trust Fund.....		41,289,000
Schedule:		
(1) 20.60.030.030-Alternative Schools Accountability Model.....	775,000	
(2) 20.70.030.006-STAR Program	8,549,000	
(2.5) 20.70.030.016-Instructional Support: Test Development—STAR Exam.....	535,000	
(3) 20.70.030.008-High School Exit Examination.....	7,884,000	
(4) 20.70.030.017-NCLB Longitudinal Database.....	2,993,000	
(5.5) 20.70.030.007-Instructional Support: English Language Development Assessment.....	10,156,000	
(6) 20.70.030.022-High School Exit Examination Workbooks.....	2,500,000	
(6.5) 20.70.030.026-Instructional Support: Primary Language Test Developmental	3,000,000	
(7) 20.70.030.032-California Alternate Performance Assessment	2,200,000	
(8) 20.070.030.029-High School Exit Examination: Evaluation of Instruction	498,000	

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(9) 20.070.030.031-CELDT-Vertical Scaling Project	300,000
(10) 20.070.030.005-Assessment Review and Reporting	600,000
(11) 20.90.001.010-California School Information Services (CSIS) Local Grants	1,000,000
(12) 20.90.001.020-California School Information Services (CSIS) Administration	299,000

Provisions:

1. Funds appropriated in Schedule (1) are provided for the continued development of the Alternative Schools Accountability Model to include alternative schools within the state's system of accountability.
2. Funds appropriated in Schedule (2) are provided for approved contract and district apportionment costs related to the Standardized Testing and Reporting program. Of this amount, $1.4 million is for the planning and development of science tests and $650,000 is for reporting Adequate Yearly Progress pursuant to the No Child Left Behind Act of 2001 (P.L. 107-110).
3. Funds appropriated in Schedule (3) are provided for approved contract and district apportionment costs related to the High School Exit Examination.
4. Funds appropriated in Schedule (4) are provided to the California School Information Services (CSIS) for the assignment and maintenance of student identifiers necessary for the establishment of a longitudinal database for the requirements of the No Child Left Behind Act of 2001 (P.L. 107-110), pursuant to Chapter 1002, Statutes of 2002. Of these funds, $721,000 is provided on a one-time basis, carried over from previous years.
5. The funds appropriated in Schedule (5.5) shall be available for approved contract costs for administration of an English language development test meeting the requirements of Chapter 7 (commencing with Section 60810) of Part 33 of the Education Code.
6. Funds appropriated in Schedule (6) are for the printing and distribution of the High School Exit Examination Workbooks.

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7. Funds appropriated in Schedule (7) are for approved contract costs and district apportionments of $5 per pupil for the California Alternate Performance Assessment.
8. Funds appropriated in Schedule (8) are for an evaluation of instruction in the standards covered by the High School Exit Examination in order to determine the progress of middle schools and high schools in implementing instruction and curriculum aligned to those standards. The Department of Finance may transfer funds provided pursuant to this provision to Item 6110-001-0890.
9. Funds appropriated in Schedule (9) are to produce a vertical scale for the California English Language Development Test to allow a more accurate system of holding schools accountable for improving English proficiency among English Language learners. The Department of Finance may transfer funds provided pursuant to this provision to Item 6110-001-0890.
10. Funds appropriated in Schedule (10) are for providing local education agencies information regarding federal requirements associated with assessments.
11. Funds provided in Schedules (2), (3), (5.5), and (7) shall first be used to offset any state-mandated reimbursable cost that otherwise may be claimed through the state mandates reimbursement process for the Standardized Testing and Reporting Program, the California High School Exit Exam, the California English Language Development Test, and the California Alternate Performance Assessment, respectively. Local education agencies accepting funding from these schedules shall reduce their estimated and actual mandate reimbursement claims by the amount of funding provided to them from these schedules.
12. The funds appropriated in Schedule (2.5) shall be available for test item development for the STAR program during the 2004–05 fiscal year. The test items developed with these funds shall make progress in aligning this exam with academic content standards approved by the State Board of Education and in ensuring that this exam is valid and reliable as measured to industry standards.

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13. The funds appropriated in Schedule (6.5) are for the development of primary language tests aligned to state-adopted academic content standards, pursuant to legislation enacted during the 2003–04 Regular Session.
14. Of the amount appropriated in Schedule (11), $1,000,000 is to provide partial first-year funding to implement the California School Information Services in up to 53 districts. It is the intent of the Legislature to appropriate $2,900,000 in the Budget Act of 2005 to provide the remaining first-year funding and for the second-year implementation funding for the same districts. Funding amounts for first- and second-year implementation costs will be provided pursuant to Section 49084 of the Education Code.

6110-116-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, Program 20.60.030-School Improvement Programs, pursuant to Chapter 6 (commencing with Section 52000) of Part 28 of Division 4 of Title 2 of the Education Code..... 398,272,000

Schedule:

(1) 20.60.030.010-For the purposes of making allowances for kindergarten and grades 1 to 6, inclusive....328,081,000

(2) 20.60.030.020-For the purpose of making allowances for grades 7 to 12, inclusive 70,191,000

Provisions:

1. From the funds appropriated in Schedule (2), the State Department of Education shall allocate $31.42 per unit of average daily attendance (ADA) generated by pupils enrolled in grades 7 and 8 to those school districts that received School Improvement Grants in the 1989–90 fiscal year at a rate of $30 per unit of ADA generated by pupils enrolled in grades 7 and 8.
2. Of the funds appropriated in this item, $1,709,000 is to provide an adjustment for increases in enrollment at a rate of 2.56 percent and $9,372,000 is to provide a cost-of-living adjustment at a rate of 2.41 percent.

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6110-117-0001—For local assistance, State Department of Education, Program 10.70-Vocational Education, in lieu of the amount that otherwise would be appropriated pursuant to subdivision (b) of Section 19632 of the Business and Professions Code.....	512,000
6110-119-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, Program 20.40.060-Educational Services for Foster Youth pursuant to Chapter 11.3 (commencing with Section 42920) of Part 24 of Division 3 of Title 2 of the Education Code	9,048,000
Provisions:	
1. Of the funds appropriated in this item, $83,000 is to provide an adjustment for increases in average daily attendance at a rate of 0.95 percent. If growth funds are insufficient, the State Department of Education may adjust the per-pupil growth rate to conform to the available funds. Additionally, $213,000 is to provide a cost-of-living adjustment at a rate of 2.41 percent.	
6110-119-0890—For local assistance, Department of Education, for 10.30.060.002—Title I Program for Neglected and Delinquent Children, payable from the Federal Trust Fund.....	3,317,000
6110-120-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund Program 20.40.100-Pupil Dropout Prevention Programs established pursuant to Article 6 (commencing with Section 52890) and Article 7 (commencing with Section 52900) of Chapter 12 of Part 28 of, Article 7 (commencing with Section 54720) of Chapter 9 of Part 29 of, and Chapter 3.5 (commencing with Section 58550) of Part 31 of, the Education Code	22,625,000
Provisions:	
1. The following provisions apply to pupil dropout prevention programs receiving funds pursuant to this item:	
(a) Prior to hiring an outreach consultant with funds appropriated in this item, a school or school district shall have adopted a plan, that includes a statement describing the specific duties of the outreach consultant and that has been approved by the Superintendent of Pub-	

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lic Instruction. This duty statement shall require that the outreach consultant perform only activities that directly benefit "high-risk pupils" as defined in subdivision (c) of Section 54721 of the Education Code. Each outreach consultant shall receive no more than $51,732 as annual compensation.

(b) A school district or any school receiving funds for outreach consultants in schools with motivation and maintenance plans developed in accordance with Article 7 (commencing with Section 54720) of Chapter 9 of Part 29 of the Education Code shall collect and report data to the Superintendent of Public Instruction on pupil dropouts, together with any other data deemed necessary by the superintendent for the evaluation of motivation and maintenance programs. The data shall be reported in a format to be determined by the superintendent. Whenever feasible, the superintendent shall collect this data through the California Basic Educational Data System (CBEDS).

(c) Notwithstanding the schedule set forth in Section 58554 of the Education Code, (1) the maximum fee for an initial diagnosis prepared by an educational clinic under the terms of the contract entered into pursuant to Section 58553 or 58553.5 of the Education Code shall not exceed $106.14 and may be expended for outreach and pupil and family counseling in addition to the initial diagnosis of entering pupils, and (2) the maximum fee for each instructional hour or fee for additional diagnosis provided under the terms of a contract entered into pursuant to Section 58553 or 58553.5 of the Education Code shall not exceed $7.12 per hour.

2. Of the amount appropriated in this item, $208,000 is for the purpose of providing an adjustment for increases in average daily attendance at a rate of 0.95 percent. Additionally, $532,000 is for the purpose of providing a cost-of-living adjustment at a rate of 2.41 percent.

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6110-122-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, Program 20.40.090-Specialized Secondary Programs, pursuant to Chapter 6 (commencing with Section 58800) of Part 31 of the Education Code 5,310,000

Provisions:

1. Of the funds appropriated in this item, $1,500,000 shall be allocated to Specialized Secondary Programs established pursuant to Chapter 6 (commencing with Section 58800) of Part 31 of the Education Code prior to the 1991–92 fiscal year that operate in conjunction with the California State University.
2. Of the funds appropriated in this item, $49,000 is to provide an adjustment for increases in average daily attendance at a rate of 0.95 percent. If growth funds are insufficient, the State Department of Education may adjust the per-pupil growth rate to conform to available funds. Additionally, $125,000 is to provide a cost-of-living adjustment at a rate of 2.41 percent.

6110-123-0001—For local assistance, Department of Education (Proposition 98), for implementation of the Public Schools Accountability Act, pursuant to Chapter 6.1 (commencing with Section 52050) of Part 28 of the Education Code 249,209,000

Schedule:

(1) 20.60.030.031-Immediate Intervention/Underperforming Schools Program..... 53,067,000
(2) 20.60.030.034-Low-Performing Schools.....193,141,000
(3) 20.60.030.036-Corrective Actions .. 3,001,000

Provisions:

1. Funds appropriated in Schedule (1) are provided solely for the purpose of implementing the Immediate Intervention/Underperforming Schools Program, pursuant to Article 3 (commencing with Section 52053) of Chapter 6.1 of Part 28 of the Education Code. These funds are to fund implementation grants for the second and third cohorts of schools that received planning grants under the program during the 2000–01 and 2001–02 fiscal years.

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2. Funds appropriated in Schedule (2) are provided solely for the purpose of implementing the High Priority Schools Grant Program for Low-Performing Schools, pursuant to Article 3.5 (commencing with Section 52055.600) of Chapter 6.1 of Part 28 of the Education Code.
3. Pursuant to Chapter 1020, Statutes of 2002, the funds appropriated in Schedule (3) shall, upon approval by the State Board of Education, be available to support schools working with School Assistance and Intervention Teams or schools subject to state or federal sanctions by the Superintendent of Public Instruction as part of the Immediate Intervention/Underperforming Schools Program or No Child Left Behind Act of 2001 (P.L. 107-110). To the extent necessary to fully fund the Immediate Intervention/Underperforming Schools Program and School Assistance and Intervention Teams, the Department of Finance may transfer funds between Schedule (1) and Schedule (3) of this item.

6110-123-0890—For local assistance, Department of Education, payable from the Federal Trust Fund..... 112,673,000

Schedule:

(1) 20.60.030.031-Immediate Intervention/Underperforming Schools Program..... 72,444,000

(2) 20.60.030.035-Innovative Program, Title V-ESEA..... 40,229,000

Provisions:

1. Of the funds appropriated in Schedule (1) of this item, $28,800,000 is available to provide implementation grants for federally funded schools currently participating in the Immediate Intervention/Underperforming Schools Program or the High Priority Schools Grant Program.
2. Of the funds appropriated in Schedule (1) of this item, $43,644,000 is available for new Comprehensive School Reform Program grants. The State Department of Education may allocate up to $15.2 million of these funds to qualified applications received in response to the Request for Applications the State Department of Education released in December 2003. For the remaining balance of these funds, the State Department of

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Education shall award grants in the following priority order to qualified applications from schools that neither are receiving nor have received funding from the High Priority Schools Grants Program, the Immediate Intervention/Underperforming Schools Program, or the Comprehensive School Reform Program: (a) schools in federal program improvement in districts that have either 15 or more schools in federal program improvement or in which 55 percent or more of the schools are in federal program improvement, (b) schools in federal program improvement, and (c) any other eligible schools in deciles 1 through 5, inclusive. Within each of these categories, schools having the lowest Academic Performance Index scores shall have priority. Funding shall be provided at a rate of $200 per pupil, with each qualified applicant receiving a minimum grant of $50,000, plus an additional 10 percent of the award amount for district support. In accordance with Section 52055.600 of the Education Code, to the extent that a school receiving a new Comprehensive School Reform Program grant also participates in a new cohort of the High Priority Schools Grant Program, funds for the Comprehensive School Reform Program shall count against that school's High Priority Schools Grant. Funding for the second and third years is contingent upon California receiving sufficient funding from the federal government to continue providing grants. If the State Department of Education does not receive sufficient qualified applications, any excess funding left may be used to provide second year grants to qualified applicants.

3. Of the funds appropriated in Schedule (1) of this item, $32,928,000 are carryover funds from the 2003–04 fiscal year.

6110-124-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, Program 10.80.010-Gifted and Talented Pupil Program established pursuant to Chapter 8 (commencing with Section 52200) of Part 28 of the Education Code 44,018,000

Provisions:

1. An additional $4,092,000 in expenditures for this purpose has been deferred to the 2005–06 fiscal year.

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2. Of the funds appropriated in this item, $404,000 is for the purpose of providing an adjustment for increases in average daily attendance at a rate of 0.95 percent. Additionally, $1,036,000 is for the purpose of providing a cost-of-living adjustment at a rate of 2.41 percent.

6110-125-0001—For local assistance, Department of Education (Proposition 98), for English Language Learners Program 20.10.006-English Language Learners Student Assistance pursuant to Chapter 4 (commencing with Section 400) of Part 1 of Division 1 of Title 1 of the Education Code 54,999,000

Provisions:

1. Of the funds appropriated in this item, $505,000 is to provide an adjustment for increases in average daily attendance at a rate of 0.95 percent. If growth funds are insufficient, the State Department of Education may adjust the per-pupil growth rate to conform to available funds. Additionally, $1,294,000 is to provide a cost-of-living adjustment at a rate of 2.41 percent.

6110-125-0890—For local assistance, Department of Education 293,037,000

Schedule:

(1) 10.30.010-Title I, Migrant Education.....135,678,000
(2) 10.40.030.004-Refugee Children School Impact Grant 2,050,000
(3) 20.10.004-Title III, Language Acquisition 155,309,000

Provisions:

1. Of the funds appropriated in Schedule (1) of this item, the State Department of Education shall use no less than $6,500,000 and up to $7,100,000 for the California Mini-Corps Program.
2. The State Department of Education shall submit an expenditure plan to the Director of Finance and the Chairperson of the Joint Legislative Budget Committee that allocates all available carryover funds in the most effective method consistent with the one-time nature of the funds that ensures complete expenditure of the funds by local Migrant Education regions during the 2004–05 fiscal year. The Department of Finance shall review and approve or disapprove the plan within 21 days of submission. If the Department of Finance fails to either approve or disapprove the plan within 21

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days, the plan shall be deemed to be approved. If the Department of Finance disapproves the plan, it shall (1) submit a letter to the Joint Legislative Budget Committee that explains the rationale for the disapproval, and (2) convene a working group consisting of representatives of the Department of Finance and the State Department of Education and the staff of the appropriate policy and fiscal committees of the Legislature. The working group shall jointly develop a revised expenditure plan and submit that plan to the Director of Finance for approval.

3. Of the funds appropriated in Schedule (1), $10,200,000 in carryover funding for Migrant Education is provided on a one-time basis and shall be used for grants to the 22 Migrant Education regions. The State Department of Education shall allocate $6,200,000 under the current state funding formula to promote academic achievement, and $4,000,000 equitably to all 22 regions to promote parent involvement and leadership activities. Local education agencies shall decide which local entities can most effectively perform parental involvement services.

4. Of the funds appropriated in Schedule (3), $278,000 in carryover funding for Title III, Language Acquisition, is provided on a one-time basis.

6. The Department of Education shall make information available to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the fiscal committees of each house of the Legislature, the Department of Finance and the Legislative Analyst's Office, by January 1, 2005, regarding (a) its progress in developing the new multiyear contract for statewide projects for the 2005–06 fiscal year and (b) an estimated date at which it expects to put out the 2005–06 fiscal year statewide project contracts. It is the intent of the Legislature that statewide project contracts be approved in a timely manner.

6110-126-0890—For local assistance, Department of Education, Program 20.60.290-Instructional Support, Title I, Part B of the Elementary and Secondary Education Act (Reading First Program) payable from the Federal Trust Fund..... 174,221,000

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Provisions:

1. The funds appropriated in this item are provided pursuant to Article 1 (commencing with Section 51700) of Chapter 5 of Part 28 of the Education Code.
2. Of the funds appropriated in this item, $13,635,000 is available for bilingual programs pursuant to Section 51701 of the Education Code. If this funding is insufficient to fully fund the approved districts with these programs in a third round of Reading First grant approvals, first priority for available Reading First base funding shall be the approved districts with bilingual programs. The State Board of Education shall ensure parity in the duration and level of funding between grants for bilingual classrooms operating under Section 310 of the Education Code and grants for non-bilingual classrooms, including supplemental grants pursuant to Provision 3.
3. Of the funds appropriated in this item, $29,564,000 is available from prior years. The first priority for this funding is to increase the grant amount provided to existing grantees to $8,000 per full-time-equivalent classroom teacher in the Reading First Program. As a condition of the receipt of this supplemental funding, the grantee shall provide a plan to utilize his or her Reading First program to lower the number of special education referrals based upon reading below grade-level and to provide alternative assistance to pupils. The plan should consist of, but is not limited to, providing diagnostic reading assessments, teacher release time to review assessment information and conduct reading intervention planning sessions, providing instruction to pupils identified as having reading difficulties, and teacher participation in the professional development activities focused on assisting students with reading difficulties. Any remaining amount shall be available to provide additional Reading First grants.
4. The State Board of Education shall be required to seek legislative approval of any changes to the Reading First Program that exceed or modify program components authorized in Article 1 (commencing with Section 51700) of Chapter 5 of Part 28 of the Education Code, including any exten-

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sion of the grant period beyond three years. Reading First funds appropriated in this item may be used to provide student instruction pursuant to subparagraph (E) of paragraph (3) of subdivision (c) of Section 51700 of the Education Code.

6110-127-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, Program 20.40.070-Opportunity Classes and Programs pursuant to Article 2.3 (commencing with Section 48643) of Chapter 4 of Part 27 of Division 4 of Title 2 of the Education Code 2,700,000

Provisions:

1. Notwithstanding Section 48644 of the Education Code, funds allocated to school districts for the expansion of Opportunity Classes and Programs may not exceed $518 per unit of average daily attendance (ADA), based on the additional enrollment in these classes and programs above the 1982–83 enrollment levels, expressed in terms of ADA. For purposes of making this allocation to opportunity programs, the Superintendent of Public Instruction shall use the following definition to express enrollment in opportunity programs: using total positive clock hours scheduled and attended during the year, 405 hours of opportunity program assignment equals one opportunity program ADA (405 hours is the product of a second principal apportionment divisor of 135 and three hours of attendance per day).
2. Of the funds appropriated in this item, $25,000 is to provide an adjustment for increases in average daily attendance at a rate of 0.95 percent. If growth funds are insufficient, the State Department of Education may adjust the per-pupil growth rate to conform to available funds. Additionally, $64,000 is to provide a cost-of-living adjustment at a rate of 2.41 percent.

6110-128-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, Program 10.30.070-Economic Impact Aid 536,236,000

Schedule:

(1) 10.30.070.001-Article 2 (commencing with Section 54020) of Chapter 1 of Part 29 of Division 4 of Title 2 of the Education Code 375,364,000

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(2) 10.30.070.020-Sections 54031 and 54033 of the Education Code, and Article 4 (commencing with Section 54040) of Chapter 1 of Part 29 of Division 4 of Title 2 of the Education Code 160,872,000

Provisions:

1. If the funds appropriated in this item are insufficient to fully fund the allocations under Article 4 (commencing with Section 54040) of Chapter 1 of Part 29 of Division 4 of Title 2 of the Education Code, the Superintendent of Public Instruction shall prorate the allocations made pursuant to that article to reflect the amount of funding available.
3. Of the funds appropriated in this item, $24,934,000 is for the purpose of providing an adjustment for increases in average daily attendance at a rate of 5 percent. If growth funds are insufficient, the State Department of Education may adjust the per-pupil growth rates to conform to available funds. Additionally, $12,619,000 is to provide a cost-of-living adjustment at a rate of 2.41 percent.

6110-130-0001—For local assistance, Department of Education, Program 20.60.100-Advancement Via Individual Determination 10,300,000

Provisions:

1. Of the funds appropriated, $1,300,000 is available for administration of the Advancement Via Individual Determination (AVID) centers and $6,000,000 is available for competitive outreach grants to local education agencies for the AVID program. Notwithstanding any other provision of law, the remaining $3,000,000 shall be used solely for the provision of advanced placement teacher training or tutoring services.

6110-132-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, Program 10.10-Targeted Instructional Improvement Grant pursuant to Chapter 2.5 (commencing with Section 54200) of Part 29 of the Education Code 569,009,000

Provisions:

1. Of the funds appropriated in this item, $7,007,000 is to provide an adjustment for increases in average daily attendance at a rate of 0.95 percent. If growth funds are insufficient, the State Depart-

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ment of Education may adjust the per-pupil growth rates to conform to available funds. Additionally, $17,945,000 is to provide a cost-of-living adjustment at a rate of 2.41 percent.

2. An additional $95,397,000 in expenditures for this item has been deferred until the 2005–06 fiscal year. An additional $95,397,000 in expenditures for this purpose is provided in Item 6110-485.

6110-136-0890—For local assistance, Department of Education, payable from the Federal Trust Fund..... 1,838,026,000

Schedule:

(1) 10.30.060-Title I-ESEA 1,726,791,000

(2) 10.30.065-McKinney-Vento Homeless Children Education..... 9,326,000

(3) 10.30.080-Title I-School Improvement.....101,909,000

Provisions:

1. In administering the accountability system required by this item, the State Department of Education shall align the forms, processes, and procedures required of local educational agencies in a manner that they may be utilized for the purposes of implementing the Public School Accountability Act, as established by Chapter 6.1 (commencing with Section 52050) of Part 28 of the Education Code, so that duplication of effort is minimized at the local level.

2. Of the funds appropriated in Schedule (3) of this item, $12,500,000 shall be available for use by the State Department of Education for the purposes of the Statewide System of School Support established by Article 4.2 (commencing with Section 52059) of Chapter 6.1 of Part 28 of the Education Code. Of this amount, $2,500,000 shall be provided on a one-time basis for costs incurred by counties in the 2003–04 fiscal year.

3. Of the funds appropriated in Schedule (3) of this item, up to $8,600,000 shall be made available to support school assistance and intervention teams that enter into a contract with a school pursuant to subdivision (a) of Section 52055.51 of the Education Code. These funds shall be allocated in the amount of $75,000 for each school assistance and intervention team assigned to an elementary or middle school, and $100,000 for each team as-

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signed to a high school. The State Department of Education and Department of Finance may approve applications with justification for a total funding level of $125,000.

4. Of the funds appropriated in Schedule (3) of this item, up to $13,600,000 shall be made available to provide $150 per pupil for each pupil in a school that is managed in accordance with paragraph (3) of subdivision (b) of Section 52055.5 of the Education Code or that contracts with a school assistance and intervention team pursuant to subdivision (a) of Section 52055.51 of the Education Code.
5. Of the funds appropriated in Schedule (1), $10,700,000 for Even Start, and $8,980,000 for Title I Basic, are carryover funds provided on a one-time basis.
6. Of the funds appropriated in Schedule (2), $1,229,000 for McKinney-Vento Homeless Children Education are carryover funds provided on a one-time basis.
7. Of the funds appropriated in Schedule (3), $66,796,000 shall be available pursuant to pending legislation regarding Title I district accountability. Of this amount, $31,987,000 are carryover funds.

6110-137-0001—For local assistance, Department of Education, (Proposition 98), for transfer to Section A of the State School Fund, Program 20.60.260—Instructional Support, Mathematics and Reading Professional Development Program 31,728,000

Provisions:

1. The funds appropriated in this item shall be for allocation to local education agencies that participate in the Mathematics and Reading Professional Development Program established pursuant to Article 3 (commencing with Section 99230) of Chapter 5 of Part 65 of the Education Code.
2. Within 30 days of the enactment of this act, the Superintendent of Public Instruction shall calculate the percentage of teachers eligible for funding based on the funds appropriated in this item. Prior to notifying local education agencies of this percentage, the Superintendent of Public Instruction shall submit the calculation to the Department of Finance for verification.

Item	Amount
6110-137-0890—For local assistance, Department of Education, Program 20.10.005-Rural and Low Income Schools Grant, payable from the Federal Trust Fund	2,710,000
6110-139-0001—For local assistance, Department of Education (Proposition 98), Program 10.10-School Apportionments, Pupil Residency Verification	168,000

Provisions:

1. Funds appropriated in this item are for the purpose of assisting school districts that are adjacent to the international border with their pupil residency verification, consistent with the intent of Section 48204.6 of the Education Code.

6110-140-0001—For local assistance, Department of Education, (Proposition 98), Program 20-Instructional Support	4,549,000

Schedule:

(1) 20.80.001-Student Friendly Services	500,000
(2) 20.90.001.020-California School Information Services Administration	3,899,000
(3) 20.90.001.030-California School Information Services Administration Independent Project Oversight	150,000

Provisions:

1. The Superintendent of Public Instruction shall allocate the funds appropriated in Schedule (1) of this item for the Student Friendly Services program.
2. The funds appropriated in Schedule (2) in this item shall be for allocation to the Fiscal Crisis and Management Assistance Team for costs associated with administration of the CSIS project.
3. The Superintendent of Public Instruction shall allocate the funds appropriated in Schedule (3) to the Sacramento County Office of Education, which shall use the funds to contract for independent project oversight of the California School Information Services (CSIS) program. The independent project oversight shall include the submission of quarterly project reports on the progress of the CSIS program to the Legislature, the Department of Finance, the Superintendent of Public Instruction, the State Board of Education,

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the Governor, the Legislative Analyst's Office, and the Fiscal Crisis and Management Assistance Team for the duration of the program implementation.

6110-144-0001—For local assistance, Department of Education (Proposition 98), Program 20.60.270-Principal Training Program pursuant to Article 4.6 (commencing with Section 44510) of Chapter 3 of Part 25 of the Education Code 5,000,000

6110-149-0001—For transfer by the Controller to the California Public School Library Protection Fund, pursuant to Section 18182 of the Education Code (Proposition 98)..... 4,229,000

Provisions:

1. Funds appropriated in this item shall be transferred to the California Public School Library Protection Fund to provide funding for the acquisition of school library materials pursuant to Article 7 (commencing with Section 18180) of Chapter 2 of Part 11 of the Education Code.

6110-151-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, Program 10.30.050 and Program 10.30.051-American Indian Education..... 4,476,000

Schedule:

(1) 10.30.050-American Indian Education Centers established pursuant to Article 6 (commencing with Section 33380) of Chapter 3 of Part 20 of Division 2 of Title 2 of the Education Code 3,906,000

(2) 10.30.051-American Indian Early Childhood Education Program established pursuant to Chapter 6.5 (commencing with Section 52060) of Part 28 of the Education Code . 570,000

Provisions:

1. Of the amount appropriated in this item, $41,000 is to provide an adjustment for increases in average daily attendance at a rate of 0.95 percent. If the amount needed to fund growth is insufficient, the State Department of Education may adjust the per-pupil growth rate to reflect the available funds. Additionally, $105,000 is to provide a cost-of-living adjustment (COLA) at a rate of 2.41 percent.

Item	Amount
6110-152-0001—For local assistance, Department of Education, Program 10.30.050-American Indian Education Centers pursuant to Article 6 (commencing with Section 33380) of Chapter 3 of Part 20 of the Education Code	376,000
6110-156-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, for allocation by the Superintendent of Public Instruction to school districts, county offices of education, and other agencies for the purposes of Proposition 98 educational programs funded by this item, in lieu of the amount that otherwise would be appropriated pursuant to statute....	563,533,000

Schedule:

(1) 10.50.010.001-Adult Education.....563,533,000

(2) 10.50.010.008-Remedial education services for participants in the CalWORKs program..... 8,739,000

(3) Reimbursements-CalWORKs..... –8,739,000

Provisions:

1. Credit for participating in adult education classes or programs may be generated by a special day class pupil only for days in which the pupil has met the minimum day requirements set forth in Section 46141 of the Education Code.
2. The funds appropriated in Schedule (2) constitute the funding for both remedial education and job training services for participants in the CalWORKs program (Article 3.2 (commencing with Section 11320) of Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions Code). Funds shall be apportioned by the Superintendent of Public Instruction for direct instructional costs only to school districts and Regional Occupational Centers and Programs (ROC/Ps) that certify that they are unable to provide educational services to CalWORKs recipients within their adult education block entitlement or ROC/P block entitlement, or both. Allocations shall be distributed by the Superintendent of Public Instruction as equal statewide dollar amounts, based on the number of CalWORKs eligible family members served in the county.
3. Providers receiving funds under this item for adult basic education, English as a Second Language, and English as a Second Language-Citizenship for legal permanent residents, shall, to the extent

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possible, grant priority for services to immigrants facing the loss of federal benefits under the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Citizenship and naturalization preparation services funded by this item shall include, to the extent consistent with applicable federal law, all of the following: (a) outreach services; (b) assessment of skills; (c) instruction and curriculum development; (d) professional development; (e) citizenship testing; (f) naturalization preparation and assistance; and (g) regional and state coordination and program evaluation.

4. The funds appropriated in Schedule (2) of this item shall be subject to the following:
   (a) The funds shall be used only for educational activities for welfare recipient students and those in transition off of welfare. The education activities shall be limited to those designed to increase self-sufficiency, job training, and work. These funds shall be used to supplement and not supplant existing funds and services provided for welfare recipient students and those in transition off of welfare.
   (b) Notwithstanding any other provisions of law, each local education agency's individual cap for adult education and regional occupational center and programs (ROC/Ps), average daily attendance shall not be increased as a result of the appropriations made by this section.
   (c) Funds may be claimed by local education agencies for services provided to welfare recipient students and those in transition off of welfare pursuant to this section only if all of the following occur:
      (1) Each local education agency has met the terms of the interagency agreement between the State Department of Education and the Department of Social Services pursuant to Provision 2 of this item.
      (2) Each local education agency has fully claimed its respective adult education or ROC/P average daily attendance cap for the current year.

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(3) Each local education agency has claimed the maximum allowable funds available under the interagency agreement pursuant to Provision 2 of this item.

(d) Each local education agency shall be reimbursed at the same rate as it would otherwise receive for services provided pursuant to this item or pursuant to Item 6110-105-0001 of Section 2.00 of this act, and shall comply with the program requirements for adult education pursuant to Chapter 10 (commencing with Section 52500) of Part 28 of Division 4 of Title 2 of the Education Code, and ROC/P requirements pursuant to Article 1 (commencing with Section 52300) of, and Article 1.5 (commencing with Section 52335) of, Chapter 9 of, Part 28 of Division 4 of Title 2 of the Education Code, respectively.

(e) Notwithstanding any other provisions of law, funds appropriated in this section for average daily attendance (ADA) generated by participants in the CalWORKs program may be apportioned on an advance basis to local education agencies based on anticipated units of ADA if a prior application for this additional ADA funding has been approved by the Superintendent of Public Instruction.

(f) The Legislature finds the need for good information on the role of local education agencies in providing services to individuals who are eligible for or recipients of CalWORKs assistance. This information includes the extent to which local education programs serve public assistance recipients and the impact these services have on the recipients' ability to find jobs and become self-supporting.

(g) The State Department of Education shall develop a data and accountability system to obtain information on education and job training services provided through state-funded adult education programs and regional occupational centers and programs. The system shall collect information on (1) program funding levels and sources; (2) characteristics of participants; and (3) pupil and program outcomes. The department shall work with the Department of Finance and Legislative Ana-

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lyst in determining the specific data elements of the system and shall meet all information technology reporting requirements of the Department of Finance.

(h) As a condition of receiving funds provided in Schedule (2) of this item or any General Fund appropriation made to the State Department of Education specifically for education and training services to welfare recipient students and those in transition off of welfare, local adult education programs and regional occupational centers and programs shall collect program and participant data as described in this section and as required by the State Department of Education. The State Department of Education shall require that local providers submit to the state aggregate data for the period July 1, 2004, to June 30, 2005, inclusive.

5. Of the funds appropriated in this item, $13,421,000 is provided for increases in average daily attendance at a rate of 2.50 percent. If growth funds are insufficient, the State Department of Education may adjust the per-pupil growth rates to conform to available funds. Additionally, $13,262,000 is for the purpose of providing a cost-of-living adjustment at a rate of 2.41 percent.

6. An additional $42,959,000 in expenditures for this item has been deferred until the 2005–06 fiscal year.

6110-156-0890—For local assistance, Department of Education, Program 10.50.010.001-Adult Education, payable from the Federal Trust Fund..... 81,715,000

Provisions:

1. Under any grant awarded by the State Department of Education under this item to a qualifying community-based organization to provide adult basic education in English as a Second Language and English as a Second Language-Citizenship classes, the department shall make an initial payment to the organization of 25 percent of the amount of the grant. In order to qualify for an advance payment, a community-based organization shall submit an expenditure plan and shall guarantee that appropriate standards of educational quality and fiscal accountability are maintained. In addition, reimbursement of claims shall be dis-

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tributed on a quarterly basis. The State Department of Education shall withhold 10 percent of the final payment of a grant as described in this provision until all claims for that community-based organization have been submitted for final payment.

2. (a) Notwithstanding any other provision of law, all nonlocal educational agencies (Non-LEA) receiving greater than $300,000 pursuant to this item shall submit an annual organizational audit, as specified, to the State Department of Education, Office of External Audits.

All audits shall be performed by one of the following: (1) a certified public accountant possessing a valid license to practice within California; (2) a member of the State Department of Education's staff of auditors; or (3) in-house auditors, if the entity receiving funds pursuant to this item is a public agency, and if the public agency has internal staff that performs auditing functions and meets the tests of independence found in Standards for Audits of Governmental Organization, Programs, Activities and Functions issued by the Comptroller General of the United States.

The audit shall be in accordance with State Department of Education audit guidelines and Office of Management and Budget, Circular No. A-133, Audits of Institutions of Higher Education and Other Non-Profit Institutions.

Non-LEA entities receiving funds pursuant to this item shall submit the annual audit no later than six months from the end of the agency fiscal year. If, for any reason, the contract is terminated during the contract period, the auditor shall cover the period from the beginning of the contract through the date of termination.

Non-LEA entities receiving funds pursuant to this item shall be held liable for all State Department of Education costs incurred in obtaining an independent audit if the contractor fails to produce or submit an acceptable audit.

(b) Notwithstanding any other provision of law, the State Department of Education shall annually submit to the Governor, Joint Legisla-

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tive Budget Committee, and Joint Legislative Audit Committee limited scope audit reports of all subrecipients it is responsible for monitoring that receive between $25,000 and $300,000 of federal awards, and that do not have an organization-wide audit performed. These limited scope audits shall be conducted in accordance with the State Department of Education audit guidelines and Office of Management and Budget, Circular No. A-133. The State Department of Education may charge audit costs to applicable federal awards, as authorized by OMB, Circular No. A-133 Section 230(b)(2).

The limited scope audits shall include agreed-upon procedures engagements conducted in accordance with either AICPA generally accepted auditing standards or attestation standards, and address one or more of the following types of compliance requirements: allowed or unallowed activities; allowable costs and cost principles; eligibility; matching; level of effort; earmarking; and reporting.

The State Department of Education shall contract for the limited scope audits with a certified public accountant possessing a valid license to practice within the state or with an independent auditor.

3. On or before March 1, 2005, the State Department of Education shall report to the appropriate subcommittees of the Assembly Budget Committee and the Senate Budget and Fiscal Review Committee on the following aspects of Title II of the federal Workforce Investment Act: (a) the makeup of those adult education providers that applied for competitive grants under Title II and those that obtained grants, by size, geographic location, and type (school district, community colleges, community-based organizations, other local entities); (b) the extent to which participating programs were able to meet planned performance targets; and (c) a breakdown of the types of courses (ESL, ESL Citizenship, ABE, ASE) included in the performance targets of participating agencies. It is the intent of the Legislature that the Legisla-

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ture and State Department of Education utilize the information provided pursuant to this provision to (a) evaluate whether any changes need to be made to improve the implementation of the accountability-based funding system under Title II and (b) evaluate the feasibility of any future expansion of the accountability-based funding system using state funds.

4. The State Department of Education shall continue to ensure that outcome measures for Department of Mental Health and Department of Developmental Services clients are set at a level where these clients will continue to be eligible for adult education services in the 2004–05 fiscal year and beyond to the full extent authorized under federal law. The State Department of Education shall also consult with the Department of Mental Health, Department of Developmental Services, and Department of Finance for this purpose.

6110-158-0001—For local assistance, Department of Education (Proposition 98), for transfer by the Controller to Section A of the State School Fund in lieu of the amount that otherwise would be appropriated pursuant to Section 41841.5 of the Education Code, Program 10.50.010.002-Adults in Correctional Facilities 14,596,000

Provisions:

1. Notwithstanding Section 41841.5 of the Education Code, or any other provision of law, the amount appropriated in this item and any amount allocated for this program in this act shall be the only funds available for allocation by the Superintendent of Public Instruction to school districts or county offices of education for the Adults in Correctional Facilities program.
2. Notwithstanding Section 41841.5 of the Education Code, or any other provision of law, the amount appropriated in this item shall be allocated based upon prior-year rather than current year expenditures.
3. Notwithstanding any other provision of law, funding distributed to each local education agency (LEA) for reimbursement of services provided in the 2003–04 fiscal year for the Adults in Correction Facilities program shall be limited to the amount received by the agency for services provided in the 2002–03 fiscal year. Funding shall re-

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duced or eliminated, as appropriate, for any LEA that reduces or eliminates services provided under this program in the 2003–04 fiscal year, as compared to the level of services provided in the 2002–03 fiscal year. Any funds remaining as a result of those decreased levels of service shall be allocated to provide support for new programs in accordance with Section 41841.8 of the Education Code.

4. Notwithstanding any other provision of law, funds appropriated by this item for growth in average daily attendance first shall be allocated to programs that are funded for 20 units or less of average daily attendance, up to a maximum of 20 additional units of average daily attendance per program.
5. Of the funds appropriated in this item, $349,000 is provided for increases in average daily attendance at a rate of 2.50 percent. If growth funds are insufficient, the State Department of Education may adjust the per-pupil growth rates to conform to available funds. Additionally, $281,000 is for the purpose of providing a cost-of-living adjustment at a rate of 1.96 percent.

6110-161-0001—For local assistance, Department of Education (Proposition 98), Program 10.60-Special Education Programs for Exceptional Children..... 2,718,608,000

Schedule:

(1) 10.60.050.003-Special education instruction 2,658,023,000
(2) 10.60.050.080-Early Education Program for Individuals with Exceptional Needs 74,980,000
(3) Reimbursements for Early Education Program, Part C .....–14,395,000

Provisions:

1. Funds appropriated by this item are for transfer by the Controller to Section A of the State School Fund, in lieu of the amount that otherwise would be appropriated for transfer from the General Fund in the State Treasury to Section A of the State School Fund for the 2004–05 fiscal year pursuant to Sections 14002 and 41301 of the Education Code, for apportionment pursuant to Part 30 (commencing with Section 56000) of the Education Code, superseding all prior law.

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2. Of the funds appropriated in Schedule (1) of this item, $11,234,000, plus any COLA, shall be available for the purchase, repair, and inventory maintenance of specialized books, materials, and equipment for pupils with low-incidence disabilities, as defined in Section 56026.5 of the Education Code.
3. Of the funds appropriated in Schedule (1) of this item, $8,612,000, plus any COLA, shall be available for the purposes of vocational training and job placement for special education pupils through Project Workability I pursuant to Article 3 (commencing with Section 56470) of Chapter 4.5 of Part 30 of the Education Code. As a condition of receiving these funds, each local educational agency shall certify that the amount of nonfederal resources, exclusive of funds received pursuant to this provision, devoted to the provision of vocational education for special education pupils shall be maintained at or above the level provided in the 1984–85 fiscal year. The Superintendent of Public Instruction may waive this requirement for local educational agencies that demonstrate that the requirement would impose a severe hardship.
4. Of the funds appropriated in Schedule (1) of this item, $4,492,000, plus any COLA, shall be available for regional occupational centers and programs that serve pupils having disabilities, and $75,614,000, plus any COLA, shall be available for regionalized program specialist services, $1,765,000, plus any COLA, for small special education local plan areas (SELPAs) pursuant to Section 56836.24 of the Education Code.
5. Of the funds appropriated in Schedule (1), $1,000,000 is provided for extraordinary costs associated with single placements in nonpublic, nonsectarian schools, pursuant to Section 56836.21 of the Education Code.
6. Of the funds appropriated in Schedule (1), a total of $155,858,000, plus any COLA, is available to fully fund the costs of children placed in licensed children's institutions who attend nonpublic schools based on a funding formula revised pursuant to legislation that includes pupils placed in skilled nursing facilities enacted in the 2003–04 Regular Session.

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7. Of the amount appropriated in Schedule (2) of this item, $686,000, plus any COLA, shall be available for infant program growth units (ages birth–two years). Funds for infant units shall be allocated pursuant to Provision 11 of this item, with the following average number of pupils per unit:
   (a) For special classes and centers—16.
   (b) For resource specialist programs—24.
   (c) For designated instructional services—16.
8. Notwithstanding any other provision of law, early education programs for infants and toddlers shall be offered for 200 days. Funds appropriated in Schedule (2) shall be allocated by the State Department of Education for the 2004–05 fiscal year to those programs receiving allocations for instructional units pursuant to Section 56432 of the Education Code for the Early Education Program for Individuals with Exceptional Needs operated pursuant to Chapter 4.4 (commencing with Section 56425) of Part 30 of the Education Code, based on computing 200-day entitlements. Notwithstanding any other provision of law, funds in Schedule (2) shall be used only for the purposes specified in Provisions 10 and 11 of this item.
9. Notwithstanding any other provision of law, state funds appropriated in Schedule (2) of this item in excess of the amount necessary to fund the deficited entitlements pursuant to Section 56432 of the Education Code and Provision 10 of this item shall be available for allocation by the State Department of Education to local educational agencies for the operation of programs serving solely low-incidence infants and toddlers pursuant to Title 14 (commencing with Section 95000) of the Government Code. These funds shall be allocated to each local educational agency for each solely low-incidence child through age two in excess of the number of solely low-incidence children through age two served by the local educational agency during the 1992–93 fiscal year and reported on the April 1993 pupil count. These funds shall only be allocated if the amount of reimbursement received from the State Department of Developmental Services is insufficient to fully fund

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the costs of operating the Early Intervention Program, as authorized by Title 14 (commencing with Section 95000) of the Government Code.

10. The State Department of Education, through coordination with the SELPAs, shall ensure local interagency coordination and collaboration in the provision of early intervention services, including local training activities, child-find activities, public awareness, and the family resource center activities.
11. Funds appropriated in this item, unless otherwise specified, are available for the sole purpose of funding 2004–05 special education program costs and shall not be used to fund any prior year adjustments, claims or costs.
12. Of the amount provided in Schedule (1), $158,000, plus any COLA, shall be available to fully fund the declining enrollment of necessary small SELPAs pursuant to Chapter 551 of the Statutes of 2001 (AB 303).
14. Of the funds appropriated in Schedule (1), up to $1,000,000 may be used to fund licensed children's institution growth pursuant to Section 56836.18 of the Education Code.
15. Pursuant to Section 56427 of the Education Code, of the funds appropriated in Schedule (1) of this item, up to $2,324,000 may be used to provide funding for infant programs, and may be used for those programs that do not qualify for funding pursuant to Section 56432 of the Education Code.
16. Of the funds appropriated in Schedule (1) of this item, $29,475,000 shall be allocated to local education agencies for the purposes of Project Workability I.
17. Of the funds appropriated in Schedule (1) of this item, $1,700,000 shall be used to provide specialized services to pupils with low-incidence disabilities, as defined in Section 56026.5 of the Education Code.
18. Of the funds appropriated in Schedule (1) of this item, up to $1,117,000 shall be used for a personnel development program. This program shall include state-sponsored staff development, local in-service components, bilingual, student study team, and core curriculum components.

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20. Of the amount specified in Schedule (1) of this item, $31,000,000 shall be used to provide mental health services required by an individual education plan pursuant to the federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.) and pursuant to legislation enacted in the 2003–04 Regular Session that clarifies the manner in which the services are to be provided.
19. Of the funds appropriated in Schedule (1) of this item, up to $200,000 shall be used for research and training in cross-cultural assessments.

6110-161-0890—For local assistance, Department of Education, payable from the Federal Trust Fund, Program 10.60-Special Education Programs for Exceptional Children 1,091,674,000

Schedule:

(1) 10.60.050.012-Local Agency Entitlements, IDEA Special Education 937,195,000
(2) 10.60.050.013-State Agency Entitlements, IDEA Special Education..... 1,791,000
(3) 10.60.050.015-IDEA, Local Entitlements, Preschool Program 34,792,000
(4) 10.60.050.021-IDEA, Capacity Building, Special Education 72,857,000
(5) 10.60.050.030-P.L. 99-457, Preschool Grant Program 39,767,000
(6) 10.60.050.031-IDEA, State Improvement Grant, Special Education..... 1,840,000
(7) 10.60.050.032-IDEA, Family Empowerment Centers 3,432,000

Provisions:

1. If the funds for Part B of the federal Individuals with Disabilities Education Act that are actually received by the state exceed $1,073,400,000, at least 95 percent of the funds received in excess of that amount shall be allocated for local entitlements and to state agencies with approved local plans. Up to five percent of the amount received in excess of $1,073,400,000 may be used for state administrative expenses upon approval of the Department of Finance. If the funds for Part B of the federal Individuals with Disabilities Education

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Act that are actually received by the state are less than $1,073,400,000, the reduction shall be taken in capacity building.

2. The funds appropriated in Schedule (2) shall be distributed to state-operated programs serving disabled children from 3 to 21 years of age, inclusive. In accordance with federal law, the funds appropriated in Schedules (1) and (2) shall be distributed to local and state agencies on the basis of the federal Individuals with Disabilities Education Act permanent formula.
3. Of the funds appropriated in Schedule (4) of this item, $2,500,000 shall be allocated directly to special education local plan areas for a personnel development program. The local in-service programs shall include a parent training component and may include a staff training component. Use of these funds shall be described in the local plans. These funds may be used to provide training in alternative dispute resolution and the local mediation of disputes. All programs are to include evaluation components.
4. Of the funds appropriated in Schedule (4) of this item, up to $300,000 shall be used to develop and test procedures, materials, and training for alternative dispute resolution in special education.
5. Of the funds appropriated by Schedule (5) for the Preschool Grant Program, $1,228,000 shall be used for in-service training and shall include a parent training component and may, in addition, include a staff training program. These funds may be used to provide training in alternative dispute resolution and the local mediation of disputes. This program shall include state-sponsored and local components.
6. Of the funds appropriated in this item, $1,420,000 is available for local assistance grants for the Quality Assurance and Focused Monitoring Pilot Program to monitor local education agency compliance with state and federal laws and regulations governing special education. This funding level is to be used to continue the facilitated reviews and, to the extent consistent with the key performance indicators developed by the State Department of Education, these activities focus on local educa-

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tion agencies identified by the United States Department of Education's Office of Special Education Programs.

7. The funds appropriated in Schedule (7) shall be used for the purposes of establishing Family Empowerment Centers on Disabilities pursuant to Chapter 690, Statutes of 2001.
8. Notwithstanding the notification requirements listed in Section 26.00 (d) of this act, the Department of Finance is authorized to approve intra-schedule transfers of funds within this item submitted by the State Department of Education for the purposes of ensuring that special education funding provided in this item is appropriated in accordance with the statutory funding formula required by federal IDEA and the special education funding formula required pursuant to Chapter 7.2 (commencing with Section 56836) of Part 30 of Division 4 of Title 2 of the Education Code, without waiting 30 days, but shall provide a notice to the Legislature each time a transfer occurs.
9. Of the funds appropriated in Schedule (2) of this item, $250,000 shall be provided to districts for interpreter instruction, training, and certification. This funding shall be annually renewable for two years.
10. Pursuant to legislation enacted in the 2003–04 Regular Session, of the funds appropriated in Schedule (4) of this item, $69,000,000 shall be used exclusively to support mental health services provided during the 2004–05 fiscal year by county mental health agencies pursuant to Chapter 26.5 (commencing with Section 7570) of Division 7 of the Government Code and that are included within an individualized education program pursuant to the Federal Individuals with Disabilities Education Act (IDEA).
11. Of the funds appropriated in Schedule (7) of this item, $700,000 shall be used to establish four additional centers.

6110-164-0001—For local assistance, Department of Education (Proposition 98), for purposes of funding School-to-Career Partnerships, pursuant to Chapter 17 (commencing with Section 53080) of Part 28 of the Education Code 1,700,000

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Provisions:

1. For purposes of the local school-to-career partnership grants, local educational agencies may elect to contract with nonprofit or private entities for providing service delivery. Funds appropriated in this item shall be used to match cash or in-kind contributions raised by local educational agencies, or nonprofit or private entities contracted by local educational agencies, for School-to-Career Partnerships. Funds may not be disbursed from this appropriation until the requesting local educational agency or contracting nonprofit entity or private entity has demonstrated to the Interagency Partnership for School-to-Career Programs that it has raised those matching funds from nonprofit and private entities equal to or exceeding the state contribution.

6110-166-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, Program 10.70.070-Vocational Education, for the purpose of Article 5 (commencing with Section 54690) of Chapter 9 of Part 29 of the Education Code, Partnership Academies Program..... 22,999,000

Provisions:

1. If there are any funds in this item that are not allocated for planning or operational grants, the State Department of Education may allocate those remaining funds as one-time grants to state-funded partnership academies to be used for one-time purposes.

6110-166-0890—For local assistance, Department of Education, Program 10.70-Vocational Education, payable from the Federal Trust Fund..... 136,651,000

Provisions:

1. The funds appropriated in this item include Federal Vocational Education Act funds for the 2004–05 fiscal year to be transferred to the community colleges by means of interagency agreements for the purpose of funding vocational education programs in community colleges.
2. The State Board of Education and the Board of Governors of the California Community Colleges shall target funds appropriated by this item to provide services to persons participating in welfare-to-work activities under the CalWORKs program.
3. The Superintendent of Public Instruction shall re-

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port, not later than February 1 of each year, to the Joint Legislative Budget Committee and the Director of Finance, describing the amount of carryover funds from this item, reasons for the carryover, and plans to reduce the amount of carryover.

6110-167-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, Program 10.70-Agricultural Vocational Educational Incentive Program established pursuant to Article 7.5 (commencing with Section 52460) of Chapter 9 of Part 28 of the Education Code 4,475,000

Provisions:

1. As a condition of receiving funds appropriated in this item, a school district shall certify to the Superintendent of Public Instruction both of the following:
   (a) Agricultural Vocational Education Incentive Program funds shall be expended for the items identified in its application, except that, in items of expenditure classification 4000, only the total cost of expenses shall be required and itemization shall not be required.
   (b) The school district shall provide at least 50 percent of the cost of the items and costs from expenditure classification 4000, as identified in its application, from other funding sources. Nothing in this provision shall be construed to limit the authority of the Superintendent of Public Instruction to waive the local matching requirement established by subdivision (b) of Section 52461.5 of the Education Code.
2. Of the funds appropriated in this item, $41,000 is provided for increases in average daily attendance at a rate of 0.95 percent. Additionally, $105,000 is for the purpose of providing a cost-of-living adjustment at a rate of 2.41 percent.

6110-180-0890—For local assistance, Department of Education, Program 20.10.025-Educational Technology, payable from the Federal Trust Fund 91,141,000

Provisions:

1. Of the funds appropriated in this item, $44,373,000 is for allocation to school districts that are awarded formula grants pursuant to the federal Enhancing Education Through Technology Grant Program.

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2. Of the funds appropriated in this item, $44,372,000 is available for competitive grants pursuant to Chapter 8.9 (commencing with Section 52295.10) of Part 28 of Division 3 of the Education Code and the requirements of the federal Enhancing Education Through Technology Grant Program—including the eligibility criteria established in federal law to target local education agencies with high numbers or percentages of children from families with incomes below the poverty line and one or more schools either qualifying for federal School Improvement or demonstrating substantial technology needs. Under no circumstances shall the legislation designate specific local education agencies as subgrant recipients.
3. Of the funds appropriated in this item, $2,096,000 is available for the California Technology Assistance Project (CTAP) to provide federally required technical assistance and to help districts apply for and take full advantage of the federal Enhancing Education Through Technology grants.
4. Of the funds appropriated in this item, $300,000 is available for the Technology Information Center for Administrative Leadership to assist districts and site administrators in improving the use of technology in teaching, learning, and school administration.

6110-181-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund Program 20.10.025-Educational Technology programs funded pursuant to Article 15 (commencing with Section 51870) of Chapter 5 of Part 28 and Chapter 3.34 (commencing with Section 44730) of Part 25 of the Education Code 15,311,000

Provisions:

1. Of the funds appropriated in this item, $141,000 is for the purpose of providing an adjustment for increases in average daily attendance at a rate of 0.95 percent. If growth funds are insufficient, the State Department of Education may adjust the per-pupil growth rates to conform to available funds.

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2. Of the funds appropriated in this item, $360,000 is for the purpose of providing a cost-of-living adjustment (COLA) at a rate or 2.41 percent.	
6110-181-0140—For local assistance, Department of Education, payable from the California Environmental License Plate Fund	360,000
Schedule:	
(1) Program 20.10.055-Environmental Education 548,000	
(2) Reimbursements ..... –188,000	
6110-182-0001—For local assistance, Department of Education (Proposition 98), Program 20.20-Instructional Materials Management and Distribution.....	21,025,000
Provisions:	
1. The State Department of Education shall provide a grant to a lead county office of education selected on a competitive basis to implement K–12 Internet connectivity to provide high-speed Internet connectivity and network infrastructure for local education agencies. If an audit is not approved by August 31, 2004, by the Joint Legislative Audit Committee, up to $300,000 of the total funding provided in this item shall be used by the lead agency to contract with an independent consultant selected by the lead county office using competitive procurements in consultation with the Department of Finance and the Legislative Analyst's Office. These independent consultants shall report to the fiscal and policy committees of the Legislature and to the Department of Finance by March 1, 2005, on the following: (a) a financial audit of the K–20 Internet system currently administered by Corporation for Education Network Initiatives in California, including the components serving the higher education segments, including an assessment as to the relative shares of cost borne by the various user groups and alternative ways of assessing the costs in a fair manner, a detailed budget for the 2004–05 fiscal year, and detailed expenditure information on the Digital California Project since its inception. The audit shall identify any multi-year commitments that exist and any assets owned by the state, or any other public agency, or any nonprofit corporation in connection with the Digital California Project, (b) long-term projections of likely types of use and impacts on capacity usage and future costs, (c) cost-	

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versus-benefit analyses of current common K–12 uses including both academic and administrative uses, which shall include an estimate of the cost to provide the current service level through private vendors, (d) identification of problems, and (e) recommendations for addressing these problems.

2. The lead agency shall be selected based on its ability to appropriately disburse the funds provided in this item to maintain and enhance Internet connectivity for school districts and county offices of education and arrange for and participate in the audits and studies required in Provisions 1 and 2 of this item and shall be provided 85 percent of the amount in this item by the Department of Education, after deducting $300,000, within 90 days of the enactment of the budget. The Department of Finance shall authorize the Department of Education to the release of the remainder of the funds in this item to the lead agency upon verifying that the lead agency has submitted the following report to the fiscal and policy committees of the Legislature, the Department of Finance, and the State Department of Education. The Department of Education shall not hold back, reserve, or delay payment of any funding for this program except as provided in this provision. The status report shall be developed by the lead agency in consultation with the Department of Finance and the Legislative Analyst's Office and shall include, but not be limited to, the following information: (a) project accomplishments to date, (b) project activities underway or planned for the 2004–05 fiscal year, (c) proposed activities, including a three-year budget plan assuming current service levels, (d) the cost-effectiveness of connecting schools not currently connected as compared to other alternatives, (e) annual revenues from all sources for this project (including General Fund, E-rate, California Teleconnect fund, and other revenues), (f) expenditures to date in support of these projects (including all costs for the lead agency such as personnel, contracts, circuits, hardware, and software), (g) an estimate of the annual savings to local education agencies as a result of the project, and (h) information regarding any multi-year commitments that exist and any assets owned by the state or any other public agency in connec-

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tion with the Digital California Project. In the report, the lead agency also shall include descriptions of actions taken to address problems identified.

3. It is the intent of the Legislature that, commencing with the 2005–06 fiscal year, the funding for this program shall be governed by statute, which will provide that the program shall be overseen by a governance structure that accomplishes goals that include, but are not limited to, the following: (a) development of a long-term information technology, implementation, and business plan for this project, including an analysis of the benefits and risks of integrating other statewide programs with this system, (b) ongoing cost oversight of the project, including mechanisms to control statewide costs and exposure, and (c) ongoing technical oversight of the project, including external evaluation and independent validation and verification, where appropriate.

6110-183-0890—For local assistance, Department of Education, Instructional Support—Safe and Drug Free Schools and Communities Act of 1994 (Public Law 103-382), payable from the Federal Trust Fund 52,939,000

Schedule:

(1) 20.10.045-Health and Physical Education, Drug Free Schools 52,939,000

Provisions:

1. Local education agencies shall give priority in the expenditure of the funds appropriated by this item to create comprehensive drug and violence prevention programs that promote school safety, reduce the use of drugs, and create learning environments that are free of alcohol and guns and that support academic achievement for all pupils. In addition to preventing drug and alcohol use, prevention programs will respond to the crisis of violence in our schools by addressing the need to prevent serious crime, violence, and discipline problems. The Superintendent of Public Instruction shall (a) notify local education agencies of this policy, and (b) incorporate the policy into the department's compliance review procedures.
2. Of the funds appropriated in this item, $1,526,000 is available for one-time grants for drug and violence prevention and intervention services.

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6110-187-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, for a cost-of-living increase to be transferred to, in lieu of the amount that otherwise would be provided pursuant to statute, and in augmentation of, the respective appropriation by the Controller upon enactment in accordance with the following 787,000

Schedule:

(1) 10.10.011.005-School Apportionments, Continuation Schools (Section 42243.7 of the Education Code) 787,000

Provisions:

1. (a) Notwithstanding any other provision of law, the funds appropriated in Schedule (1) of this item for school apportionments to continuation schools shall be allocated on a dollar amount basis rather than as a percentage increase, and shall be allocated to any school district that operated a continuation high school in the 2003–04 fiscal year, without regard to whether that district's program commenced on, after, or prior to July 1, 1978. The amount allocated to each school district shall be equal to the total amount appropriated by Schedule (1) of this item, divided by the total number of units of continuation high school average daily attendance (ADA) for the state at the second principal apportionment for the 2003–04 fiscal year, multiplied by the units of that ADA reported by the district for the second principal apportionment for the 2003–04 fiscal year.

(b) The total amount allocated pursuant to subdivision (a) of this provision shall not exceed the total amount of the funds appropriated in Schedule (1) of this item.

6110-188-0001—For local assistance, Department of Education (Proposition 98), Program 10.10-School Apportionments Deferred Maintenance, for transfer to the State School Deferred Maintenance Fund 237,802,000

Provisions:

1. The funds appropriated in this item shall be transferred to the State School Deferred Maintenance Fund and are available for funding applications received by the Department of General Services,

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Office of Public School Construction for the purpose of payments to school districts for deferred maintenance projects pursuant to Section 17584 of the Education Code.

6110-189-0001—For local assistance, Department of Education (Proposition 98), for transfer to Instructional Materials Fund..... 363,000,000

Schedule:

(1) 20.20.020.005-Instructional Materials Block Grant.....363,000,000

Provisions:

1. The funds in this item shall be allocated to school districts to purchase standards aligned instructional materials, pursuant to Chapter 802 of the Statutes of 2002.

2. (a) Of the funds appropriated in this item, $30,000,000 shall be available on a one-time basis to provide supplemental instructional materials specifically for English language learners in Kindergarten and grades 1 to 12, inclusive. The purpose of these materials will be to accelerate pupils as rapidly as possible towards grade level proficiency. These funds shall be available for encumbrance by local education agencies until June 30, 2006. The funds shall be used to purchase supplemental materials that are designed to help English language learners become proficient in reading, writing, and speaking English. These materials may only be used in addition to the standards-aligned materials adopted by the State Board of Education pursuant to Section 60605 of the Education Code.

(b) Local education agencies shall be eligible for apportionment funding of up to $25 per pupil, based on the most recently certified language census number of English language learners in Kindergarten and grades 1 to 12, inclusive, to purchase any materials that the State Department of Education verifies and the State Board of Education approves are substantially correlated to identified state standards adopted pursuant to Section 60811 of the Education Code, as applied in the standards adopted pursuant to Section 60605 of the Education Code. Funding may be provided only for the number of pupils that the local

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education agency certifies it will purchase materials for pursuant to subdivision (e). Local education agencies may expend no more than $30 per pupil from these funds for these materials. Local education agencies shall return to the state any funds allocated under this subdivision that are not expended for purchase of materials pursuant to this provision.	
(c) The department shall develop a correlation matrix that shall be used to determine if the instructional materials correlate to the standards adopted by the State Board of Education. The contents of the matrix will be divided into the English language development levels of proficiency (for example, beginning, advanced) and indicate how the English language development standards will be used to provide a path to obtaining grade level skills in reading, writing, and speaking. The department, with input from the State Board of Education, shall assign individuals with demonstrated expertise in English language development and the education of English language learners to the task of developing the correlation matrix. The department shall not assign the development of the correlation matrix to the Curriculum Development and Supplemental Materials Commission established pursuant to Section 33530 of the Education Code.	
(d) Prior to submission of materials to the department for verification that the materials correlate to identified standards, publishers shall be required to submit standards maps to the department and any requesting local education agency so that the department and the local education agency can determine the extent to which each item, if purchased separately, or set of instructional materials for English language learners are correlated to the standards adopted by the State Board of Education. The standards maps shall be filled out using the most recent format approved by the State Board of Education. The contents for the standards map will be the correlation matrix as described in subdivision (c).	

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(e) As a condition of receipt of funds, local education agencies that elect to participate shall do both of the following: (1) no later than March 31, 2005, submit an intent to purchase, specifying the title, ISBN number, grade levels, type, and publisher of the materials they intend to purchase, and the number of pupils for which materials will be purchased; and (2) certify that materials they intend to purchase are substantially correlated to support the identified state standards and adopted materials, and shall submit this certification to the department.

(f) After a local education agency notifies the department that it intends to purchase materials, the department may select and train panels of teachers and educators to verify the standards maps provided by the publishers and examine the materials for legal and social compliance. The department will also provide an appeals process to allow due process review of discrepancies of findings in the verification process. The department's verification shall not constitute a state adoption of instructional materials pursuant to Section 60200 of the Education Code. The department shall give first priority in verifying correlation to identified state standards to those materials that are most commonly cited in districts' intents to purchase provided under subdivision (e). The department shall submit its verification results to the State Board of Education for approval and the State Board of Education shall approve or disapprove the materials at the next regularly scheduled meeting after receipt of the department's verification, in accordance with public notification requirements.

6110-190-0001—For local assistance, Department of Education (Proposition 98), Program 10.10-School Apportionments, Community Day Schools 40,502,000

Provisions:

1. The funds appropriated in this item are for transfer to Section A of the State School Fund to reimburse costs incurred pursuant to Chapter 974 of the Statutes of 1995 as amended by Chapter 847 of the Statutes of 1998.

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2. Funds appropriated in this item shall not be available for the purposes of Section 41972 of the Education Code.
3. Of the funds appropriated in this item, $669,000 is for the purpose of providing a cost-of-living adjustment (COLA) at a rate of 2.41 percent to community day schools in lieu of the amount that would otherwise be provided pursuant to subdivision (b) of Section 42238.1 of the Education Code.
4. An additional $4,558,000 in expenditures for this item has been deferred until the 2005–06 fiscal year.

6110-191-0001—For local assistance, State Department of Education (Proposition 98), for transfer to Section A of the State School Fund, Program 20.60.050.002-Beginning Teacher Support and Assessment Program 80,892,000

Provisions:

1. The funds appropriated in this item are for direct disbursement by the State Department of Education for the Beginning Teacher Support and Assessment System, as set forth in Article 4.5 (commencing with Section 44279.1) of Chapter 2 of Part 25 of the Education Code. These funds shall be expended only after development of a program and expenditure plan by the State Department of Education, and approval of the plan by the Department of Finance.
2. Funds appropriated in this item are for the purpose of providing grants to support 22,000 teachers throughout local Beginning Teacher Support and Assessment Programs.
4. It is the intent of the Legislature that first-year holders of preliminary teaching credentials, as defined in subdivision (b) of Section 44259 of the Education Code, be afforded first priority for funding appropriated in this item. To the extent that any funds appropriated in this item remain after all first-year holders of preliminary teaching credentials have been served, those funds may be used to serve second-year holders of preliminary teaching credentials.
5. If funds are insufficient to service all second-year holders of preliminary teaching credentials, the State Department of Education shall prorate the

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funds to conform to the amount remaining in this item, consistent with Provision 4 of this item.

6. Of the funds appropriated in this item, $1,825,000 is provided for a cost-of-living adjustment at a rate of 2.41 percent, for a total per participant grant level of $3,526.

6110-193-0001—For local assistance, State Department of Education (Proposition 98), for transfer to Section A of the State School Fund, Program 20.60-Staff Development 28,237,000

Schedule:

(1) 20.60.070-Bilingual Teacher Training Assistance Program 1,859,000

(2) 20.60.060-Instructional Support: Teacher Peer Review..... 26,029,000

(3) 20.60.110-Instructional Support: Improving School Effectiveness-Reader Services for Blind Teachers 349,000

Provisions:

1. The funds appropriated in this item are for transfer by the Controller to Section A of the State School Fund, for allocation by the Superintendent of Public Instruction to school districts, county offices of education, and other educational agencies for purposes of the Proposition 98 programs funded in this item, in lieu of the amounts otherwise provided for those programs by statute.

2. Notwithstanding any other provision of law, the amount appropriated in Schedule (1) shall be the maximum amount allocated for the purposes of the Bilingual Teacher Training Assistance Program established by Article 4 (commencing with Section 52180) of Chapter 7 of Part 28 of Division 4 of Title 2 of the Education Code.

2.5 Of the funds appropriated in Schedule (1) of this item, $17,000 is provided for increases in average daily attendance at a rate of 0.95 percent. If growth funds are insufficient, the State Department of Education may adjust the per-pupil growth rates to conform to available funds. Additionally, $44,000 is for the purpose of providing a cost-of-living adjustment at a rate of 2.41 percent.

3. The funds appropriated in Schedule (2) shall be allocated in accordance with Article 4.5 (commencing with Section 44500) of Chapter 3 of Part

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25 of Division 3 of Title 2 of the Education Code. Funds appropriated in Schedule (2) include $239,000 for the purpose of making adjustments for increases in average daily attendance at a rate of 0.95 percent. If growth funds are insufficient, the State Department of Education may adjust the per-pupil growth rates to conform to available funds. Additionally, $613,000 is for the purpose of providing a cost-of-living adjustment at a rate of 2.41 percent.

4. Notwithstanding any other provision of law, the amount appropriated in Schedule (3) shall be the maximum amount allocated for the purposes of the Reader Services for Blind Teachers, for transfer to the Reader Employment Fund established by Section 45371 of the Education Code for the purposes of Section 44925 of the Education Code.
5. Of the funds appropriated in Schedule (3) of this item, $3,000 is provided for increases in average daily attendance at a rate of 0.95 percent. If growth funds are insufficient, the State Department of Education may adjust the per-pupil growth rates to conform to available funds. Additionally, $8,000 is for the purpose of providing a cost-of-living adjustment at a rate of 2.41 percent.

6110-193-0890—For local assistance, Department of Education, Program 20.60-Instructional Support, Title II, Part B of the Elementary and Secondary Education Act (Mathematics and Science Partnership Grants) payable from the Federal Trust Fund .. 20,279,000

6110-195-0001—For local assistance, Department of Education (Proposition 98), Program 20.60.140-Staff Development: Teacher improvement, Teacher Incentives National Board Certification 7,535,000

Provisions:

1. The funds appropriated in this item shall be for the purpose of providing incentive grants to teachers with certification by the National Board for Professional Teaching Standards that are teaching in low-performing schools pursuant to Article 13 (commencing with Section 44395) of Chapter 2 of Part 25 of the Education Code.

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6110-195-0890—For local assistance, Department of Education, Program 20.60-Instructional Support, Title II, Part A of the Elementary and Secondary Education Act (Teacher and Principal Training and Recruiting Fund), payable from the Federal Trust Fund 330,286,000

Schedule:

(1) 20.60.280-Improving Teacher Quality Local Grants.....324,382,000

(2) 20.60.270-Principal Training Program..... 1,554,000

(3) 20.60.190.300-California Subject Matter Projects 4,350,000

Provisions:

1. The funds appropriated in Schedule (2) of this item shall be for the Principal Training Program authorized pursuant to Article 4.6 (commencing with Section 44510) of Chapter 3 of Part 25 of the Education Code.
2. The funds appropriated in Schedule (3) of this item shall be for transfer to the University of California, which shall use the funds for the Science Subject Matter Projects.
3. Of the funds appropriated in Schedule (1) of this item, $197,000 in one-time carryover funds shall be for transfer to the Commission on Teacher Credentialing through an interagency agreement for the completion of data collection and evaluation related to the effectiveness of professional development programs.

6110-196-0001—For local assistance, Department of Education (Proposition 98), for transfer by the Controller to Section A of the State School Fund, for allocation by the Superintendent of Public Instruction to school districts, county offices of education, and other agencies for the purposes of Proposition 98 educational programs funded in this item, in lieu of the amount that otherwise would be appropriated pursuant to any other statute 1,097,357,000

Schedule:

(1) 30.10.010-Special Program, Child Development, Preschool Education 313,883,000

(1.5) 30.10.020-Child Care Services 1,612,656,000

Item	Amount
(a) 30.10.020.001-Special Program, Child Development, General Child Development Programs..	590,703,000
(b) 30.10.020.002-Special Program, Child Development, Community College Match—Required Center ...	3,173,000
(c) 30.10.020.004-Special Program, Child Development, Migrant Day Care	32,516,000
(d) 30.10.020.007-Special Program, Child Development, Alternative Payment Program.....	173,090,000
(e) 30.10.020.011-Special Program, Child Development, Alternative Payment Program—Stage 2..	356,955,000
(f) 30.10.020.012-Special Program, Child Development, Alternative Payment Program—Stage 3 Setaside	331,347,000
(g) 30.10.020.008-Special Program, Child Development, Resource and Referral.....	16,448,000
(h) 30.10.020.009-Special Program, Child Development, Campus Child Care Tax Bailout	5,784,000

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(i) 30.10.020.015-Special Program, Child Development, Extended Day Care	25,837,000	
(j) 30.10.020.096-Special Program, Child Development, Allowance for Handicapped	1,559,000	
(k) 30.10.020.106-Special Program, Child Development, California Child Care Initiative	250,000	
(*l*) 30.10.020.901-Special Program, Child Development, Quality Improvement	69,379,000	
(m) 30.10.020.920-Special Program, Child Development, Local Planning Councils	5,615,000	
(3) 30.10.020.908-Special Program, Child Development, Cost-of-Living Adjustments		29,473,000
(4) 30.10.020.909-Special Program, Child Development, Growth Adjustments		15,804,000
(5) Amount payable from the Federal Trust Fund (Item 6110-196-0890)		–874,459,000

Provisions:

1. Notwithstanding Section 8278 of the Education Code, funds available for expenditure pursuant to Section 8278 of the Education Code shall be expended in the 2004–05 fiscal year pursuant to the following schedule:
   (a) $4,000,000 or whatever lesser or greater amount is necessary for accounts payable pursuant to paragraph (1) of subdivision (b) of Section 8278 of the Education Code.

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(b) $101,015,000 shall be available for CalWORKs Stage 2 child care.

(e) The Controller shall establish an account entitled Section 8278 Expenditures in 2003 in Item 6110-196-0001, Program 30.10.060. Any unexpended General Fund balances as of June 30, 2004, or subsequent abatements, from those amounts listed in Schedules (1), (1.5)(a), (1.5)(b), (1.5)(c), (1.5)(d), (1.5)(g), (1.5)(h), (1.5)(i), (1.5)(j), (1.5)(k), (1.5)(*l*), and (1.5)(m) of this item, that are available pursuant to Section 8278 of the Education Code, shall be transferred to the account for the purpose of making expenditures pursuant to that section and as specified in this provision.

2. The State Department of Education shall report to the Joint Legislative Budget Committee and the Department of Finance, by March 31, 2005, the amount of child development funds, by program, that have been determined after audit to be unearned. The report shall include the settlement of claims payable by program from unearned contract fund balances. This provision includes both Federal Fund and General Fund contracts.

4. (a) Notwithstanding any other provision of law, alternative payment child care programs shall be subject to the rate ceilings established in the Regional Market Rate Survey of California child care and development providers for provider payments. The SDE shall utilize a federal fund contract, to be awarded through a competitive bid process, to conduct a market rate survey. A summary report and analyses of changes in mean and ceiling rates, adjustment factors, and region rates shall be forwarded to the Department of Finance along with the mean and ceiling rates. The contract shall also provide resources sufficient for the contractor to respond to requests for related information by the Department of Finance. Any changes to the market rate limits, adjustment factors or regions are subject to the approval process for child care contract funding terms and conditions as specified in Section 8447 of the Education Code. When approved, those changes

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shall be utilized by the SDE and DSS in various programs under the jurisdiction of both departments to determine limits of reimbursement to providers.

(b) Notwithstanding any other provision of law, the funds appropriated in this item for the cost of child care services provided through alternative payment or voucher programs including those provided under Article 3 (commencing with Section 8220) and Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of the Education Code shall be used only to reimburse child care costs up to the 85th percentile of the rates charged by providers offering the same type of child care for the same age child in that region.

5. The funds appropriated in this item for campus child care tax bailout shall be allocated by the State Department of Education based on a schedule provided by the Chancellor of the California Community Colleges. The chancellor shall schedule the allocation of these funds to community college districts that levied child care permissive override taxes in the 1977–78 fiscal year pursuant to Sections 8329 and 8330 of the Education Code in an amount equal to the property tax revenues, tax relief subventions, and state aid required to be made available by the district to its child care and development program for the 1979–80 fiscal year pursuant to Section 30 of Chapter 1035 of the Statutes of 1979, increased by any cost-of-living increases granted in subsequent fiscal years. These funds shall be used only for the purpose of community college child care and development programs.

6. Notwithstanding any provision of law, higher educational institutions may establish and maintain child development programs on or near their respective campuses with priority for services given to children of students of that campus. Those higher educational institutions under contract with the State Department of Education for child care and development services shall be subject to the rules and regulations adopted by the Superintendent of Public Instruction, except where those rules and regulations differ with re-

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spect to the conditions specified for the community colleges in Provision 14 of Item 6870-101-0001.

7. Funds in Schedule (1.5) (1) of this item, shall be reserved for activities to improve the quality and availability of child care, pursuant to the following:
   (a) $2,067,000 is for the schoolage care and resource and referral earmark.
   (b) $11,656,000 is for the infant and toddler earmark and shall be used for increasing the supply of quality child care for infants and toddlers. Notwithstanding any other provision of law, expenditure plans and contract provisions for awarding these funds shall give high, but not exclusive, priority to the development of new family day care home providers, especially those who offer care during nontraditional hours such as weekends, evenings, and nights and who offer care for special needs children.
   (c) $9,044,000 in one-time federal funding is available to continue dissemination and training efforts for the Pre-Kindergarten guidelines and curriculum, health and safety training, and other programs to improve the quality of care provided by licensed and license-exempt providers. It is intended that these expenditures also be available for activities related to the development and implementation of quality standards established for individuals receiving reimbursements through voucher programs. Notwithstanding any other provision of law, these funds shall be available for expenditure until June 30, 2006.
   (d) From the remaining funds, the following amounts shall be allocated for the following purposes: $4,000,000 to train former CalWORKs recipients as child care teachers; $2,700,000 for contracting with the Department of Social Services for increased inspections of child care facilities; $1,200,000 for Trustline registration workload (Chapter 3.35 (commencing with Section 1596.60) of Division 2 of the Health and Safety Code); $500,000 for health and safety training for li-

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censed and exempt child care providers; $320,000 for the Child Development Training Consortium; $300,000 for the Health Hotline; and $300,000 to implement a technical assistance program to child care providers in accessing financing for renovation, expansion, and/or construction of child care facilities.

(e) The State Department of Education shall allocate $425,000 to preschool education projects, including, but not limited to, those operated by the public television stations in Redding, Sacramento, San Francisco, San Jose, Los Angeles, Fresno, and San Diego. Of this amount, the department shall allocate up to $320,000 to public television stations in Redding, Sacramento, San Francisco, San Jose, and Los Angeles, based upon the satisfaction by the projects operated by the public television stations in each of those cities of all of the following criteria: (1) the 30 percent minimum match; (2) a plan that identifies the providers to be trained; (3) number of trainers to be trained; (4) the quality of the training offered; (5) linkages to the child care community; and (6) cost-effectiveness. The balance of the $425,000 identified in this subdivision shall be made available to support projects in Fresno and San Diego, based upon the determination by the State Department of Education of the satisfaction by the projects operated by the public television station in each of those cities of the criteria set forth in (1) to (6), inclusive, of this subdivision.

(f) $30,000 shall be made available for a preschool public television project in Eureka.

(g) As required by federal law, the State Department of Education shall develop an expenditure plan that sets forth the final priorities and the reasons therefor if the final priorities are different from those approved in response to the reporting requirement contained in Provision 7(g) of Item 6110-196-0001 of Section 2.00 of the Budget Act of 2002 (Ch. 379, Stats. 2002). This plan shall be submitted to the Department of Finance by January 1, 2005, and funds shall not be encumbered

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prior to approval of the plan by the Department of Finance. The State Department of Education shall coordinate with the Department of Social Services, the California Children and Families State Commission, and other applicable entities to identify annual statewide expenditures for quality enhancements which qualify for meeting federal requirements, and shall reference these expenditures in its biennial federal quality plans or any subsequent amendments.

(h) The department shall establish expenditure priorities for the 2005–06 fiscal year that set forth the proposed state and local activities to improve child care, including the reasons therefor, to be undertaken in the 2005–06 fiscal year. This plan shall be submitted in a format developed in consultation with the Department of Finance and shall be submitted to the Department of Finance and to the fiscal committees of both houses of the Legislature at least 30 days prior to the commencement of public hearings on the proposed plan and no later than March 1, 2005.

(i) $15,000,000 from the General Fund shall be for child care worker recruitment and retention programs as specified by Chapter 547 of the Statutes of 2000.

8. (a) The department shall maintain an improved allocation, contracting, and reimbursement system for CalWORKs Stage 2 and Stage 3 Setaside funding to ensure funds are distributed in proportion to statewide needs. These needs shall recognize attrition experience and family fees collected at the local level which shall be counted toward the funding available to meet those needs. The department shall conduct monthly analyses of caseloads and expenditures and adjust agency contract maximum reimbursement amounts and allocations as necessary to ensure funds are distributed proportional to need. The department shall share monthly caseload analyses with the Department of Social Services (DSS).

(b) The department shall provide quarterly reports on the sufficiency of funding for Stage 2 and Stage 3 Setaside to the Department of Fi-

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nance, the DSS, and the Legislative Analyst's Office. The department shall provide caseloads, expenditures, allocations, unit costs, family fees, and other key variables and assumptions used in determining the sufficiency of state allocations. Detailed backup by month and on a county-by-county basis shall be provided to the DSS at least on a quarterly basis for comparisons with Stage 1 trends.

(c) Any request from the Temporary Assistance to Needy Families (TANF) reserve shall be based on the information and analyses pursuant to the preceding paragraphs and shall be made jointly and coordinated with the DSS to eliminate duplication. In order to facilitate coordination, detailed backup by month and on a county-by-county basis, if different from quarterly data provided pursuant to the previous paragraph, shall be provided to the DSS to facilitate its analyses and comparison of overall CalWORKs caseloads and related child care needs.

(d) By September 15, 2004, and March 15, 2005, the department shall ensure that detailed caseload and expenditure data, through the most recent period for Stage 2 and Stage 3 Setaside along with all relevant assumptions, is provided to DSS to facilitate budget development and the May Revision, respectively. The detailed data provided shall include actual and projected monthly caseload from Stage 2 scheduled to time off of their transitional child care benefit from the last actual month reported by agencies through the 2006–07 fiscal year as well as local attrition experience. DSS shall utilize data provided by the department, including key variables from the prior fiscal year and the first two months of the 2004–05 fiscal year, to provide coordinated estimates in November 2004 for each of the three stages of care for preparation of the 2005–06 Governor's Budget, and shall utilize data from at least the first two quarters of the 2004–05 fiscal year, and any additional months' data as they become available for preparation of the 2005 May Revision. DSS

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shall share its assumptions and methodology with SDE in the preparation of the 2005–06 Governor's Budget.

(e) As deemed necessary by the department for counties where there is more than one Alternative Payment Program participating in CalWORKs child care programs, county welfare departments shall participate jointly with the Alternative Payment Programs, as applicable, to jointly determine the amount of funds initially distributed to each Alternative Payment Program. However, the department may adjust these allocations at any time for providers deemed by the department to be on conditional status and shall adjust the allocations as necessary to ensure a distribution of funding proportional to each alternative payment provider's documented need pursuant to the analysis specified in this provision.

(f) Upon request by the Department of Finance, the department shall determine, through survey or mandatory reporting, and through use of consultant services as necessary, requested information (such as selected updates of data collected pursuant to Provision 8(c)(6) of the Budget Act of 2000 (Ch. 52, Stats. 2000)) which shall be provided to the Department of Finance for use in 2005–06 budget development.

(g) The department shall coordinate with the DSS to identify annual general subsidized child care program expenditures for TANF-eligible children. The department shall modify existing reporting forms to capture this data.

(h) The State Department of Education shall provide to the Department of Social Services, upon request, access to the information and data elements necessary to comply with federal reporting requirements and any other information deemed necessary to improve estimation of child care budgeting needs.

9. Notwithstanding any other provision of law, the funds in Schedule (1.5)(f) for Stage 3 Setaside are reserved exclusively for continuing child care for (1) former CalWORKs families who are working, have left cash aid and have exhausted their two-

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year eligibility for transitional services in either Stage 1 or 2 pursuant to subdivision (c) of Section 8351 or 8353 of the Education Code, respectively, but still meet eligibility requirements for receipt of subsidized child care services; and (2) families who received lump-sum diversion payments or diversion services under Section 11266.5 of the Welfare and Institutions Code and have spent two years in Stage 2 off of cash aid, but still meet eligibility requirements for receipt of subsidized child care services.

10. Nonfederal funds appropriated by this item to meet the state's Temporary Assistance for Needy Families maintenance-of-effort requirement established pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) shall only be expended on behalf of CalWORKs recipients and may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.
11. Administrative and support services allowances for the Alternative Payment, Stage 2, and Stage 3 Setaside child care programs funded through Schedules (1.5)(d), (1.5)(e), and (1.5)(f) of this item, shall be limited to no more than 23.4568 percent of the direct cost-of-care payments to child care providers.
12. Notwithstanding Section 26.00 of this act, the funds appropriated in Schedule (3) of this item, for child development cost-of-living adjustments, are for allocation among Schedules (1), (1.5)(a), (1.5)(b), (1.5)(c), (1.5)(d), (1.5)(g), (1.5)(h), (1.5)(i), (1.5)(j), and (1.5)(m) within this item. Funds shall not be allocated to programs prior to approval of a budget revision by the Department of Finance. After allocation of the 2004–05 COLA, the maximum standard reimbursement rate shall not exceed $28.82 per day for General Child Care programs and $18.39 per day for State Preschool. Furthermore, the Community College Match, the Migrant Child Care, and the Cal-SAFE Child Care programs shall adhere to the maximum standard reimbursement rates as prescribed for the General Child Care programs. All other rates and adjustment factors shall be revised to conform.

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13. Notwithstanding Section 26.00 of this act, the funds appropriated in Schedule (4) of this item, for child development growth adjustments, are for allocation among Schedules (1), (1.5)(a), (1.5)(b), (1.5)(c), (1.5)(d), (1.5)(i), and (1.5)(j) within this item. Funds shall not be allocated to programs prior to approval of a budget revision by the Department of Finance.

14. (a) Notwithstanding any other provision of law, funds appropriated in this item shall not be used to provide child care and development services to children over the age of 12, except for children with exceptional needs, children participating in the After School Education and Safety Program or the Six-to-Six Before and After School Program provided in Article 22.5 (commencing with Section 8482) and Article 23.4 (commencing with Section 8488.5) of Chapter 2 of Part 6 of the Education Code.

    (b) Notwithstanding any other provision of law, the funds appropriated in this item shall not be used to provide child care services to grandfathered families eligible only under subdivision (b) of Section 8263.1 of the Education Code.

    (c) Notwithstanding any other provision of law, the income eligibility limits pursuant to subdivision (a) of Section 8263.1 of the Education Code used in the 2003–04 fiscal year shall remain in effect for the 2004–05 fiscal year.

15. Notwithstanding any other provision of law, it is the intent of the Legislature that unearned contract amounts appropriated for CalWORKs Stage 2 and Stage 3 Setaside in any prior year be used to offset direct services costs in CalWORKs Stage 2 child care in each subsequent year. Therefore, in order to account for these funds in determining the budget, the Department of Education shall disencumber any amounts in excess of a two-percent reserve of the original contract amount for each unaudited contract and shall provide a report by September 1, 2004, and April 1, 2005, of the available balances to the Department of Finance. The Department of Edu-

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cation shall ensure child care audits are closed out in a timely fashion to ensure savings are available in the fiscal year budget following initial appropriation.

16. Notwithstanding any other provision of law, the Superintendent of Public Instruction may, upon request by a program that is earning the full grant amount, waive the funding caps for core grants for elementary, middle, and junior high school students to allow expenditure of any uncommitted funds that are available to enable those programs to create additional slots for 11- and 12-year-old pupils and their eligible younger siblings redirected from state-funded and federally funded subsidized child care programs pursuant to Section 8263.4 of the Education Code.

6110-196-0890—For local assistance, Department of Education, payable from the Federal Trust Fund..... 874,459,000

Provisions:

1. Notwithstanding any other provision of law, the funds appropriated in this item, to the extent permissible under federal law, are subject to Section 8262 of the Education Code.
2. The funds appropriated in this item include the federal Child Care and Development Block Grant and are contingent upon receipt of that federal grant.
3. Of the funds appropriated in this item, $315,203,000 is from the transfer of funds from the federal Temporary Assistance for Needy Families (TANF) Block Grant administered by the State Department of Social Services to the federal Child Care and Development Block Grant for Stage 2 child care. This amount may be increased by transfer from the TANF reserve pursuant to Item 5180-403 of this act, except that funds may not be first transferred to the Child Care Development Block Grant if those transfers result in an increase to the federal quality requirements beyond the level currently budgeted for quality activities.
4. Of the funds appropriated in this item, $1,061,000 is available on a one-time basis for Stage 3 child care. This funding reflects funds made available on a one-time basis by a federal reallocation.

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5. Of the funds appropriated in this item, $45,553,000 is available on a one-time basis for Stage 3 and $2,100,000 is available on a one-time basis for Stage 2 from federal Child Care and Development Block Grant funds appropriated prior to the 2004 federal fiscal year.
6. Of the funds appropriated in this item, $9,044,000 is available on a one-time basis for quality projects from federal Child Care and Development Block Grant funds appropriated prior to the 2004 federal fiscal year.

6110-197-0001—For local assistance, Department of Education (Proposition 98), Program 20.60.100—Instructional Support-Improving School Effectiveness—Intersegmental Programs..... 2,091,000

Provisions:

1. The funds appropriated by this item are for transfer by the Controller to Section A of the State School Fund, for allocation by the Superintendent of Public Instruction to school districts, county offices of education, and other educational agencies for purposes of the Proposition 98 programs in this item, in lieu of the amounts otherwise provided for those programs by statute.
2. Of the amount appropriated in this item, $19,000 is provided for increases in average daily attendance at a rate of 0.95 percent. If an amount to fund growth is insufficient, the State Department of Education may adjust the per-pupil growth rates to reflect available funds. Additionally, $49,000 is for the purpose of providing a cost-of-living adjustment at a rate of 2.41 percent.

6110-197-0890—For local assistance, Department of Education, payable from the Federal Trust Fund, 21st Century Community Learning Centers Program 162,757,000

Schedule:

(1) 30.10.080-Special Program, Child Development, 21st Century Community Learning Centers Program.....162,757,000

Provisions:

1. (a) It is the intent of the Legislature that the department give significant weight in rating applications, reallocations of available funding and in approving use of grant carryover amounts to the level of student participation

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and cost per student served. Approval of use of carryover funds from year to year for programs receiving grants shall ensure that additional participation be required so as to not increase the cost per student served in the fiscal year in which grant funds are expended. The department shall also track cost per student planned versus actually achieved and actively ensure that each grant maximizes student participation in relation to the level of the annual grant or shall reduce grant amounts accordingly in subsequent years.

(b) The department shall provide an annual report to the Legislature and Department of Finance by September 1 of each year that identifies by cohort for the previous fiscal year each high school program funded, the amount of the annual grant and actual funds expended, the numbers of students served and planned to be served, and the average cost per student per day. If the average cost per student per day exceeds $10 per day, the department shall provide specific reasons why the costs are justified and cannot be reduced. In calculating cost per student per day, the department shall not count attendance unless the student is under the direct supervision of after school program staff funded through the grant. Additionally, the department shall calculate cost per day on the basis of the equivalent of a three-hour day for 180 days per school year. The department shall also identify for each program, as applicable, if the attendance of students is restricted to any particular subgroup of students at the school in which the program is located. If such restrictions exist, the department shall provide an explanation of the circumstances and necessity therefor.

2. The State Department of Education (SDE) shall provide a report to the Department of Finance (DOF), the budget committees of each house of the Legislature, and the Legislative Analyst's Office (LAO) by October 15, 2004, on the requests and awards of direct grants pursuant to Article 22.6 (commencing with Section 8484.7) of Chapter 2 of Part 6 of the Education Code, the 21st Century Community Learning Centers Program.

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The report shall include, but not be limited to, the purposes of the direct grants awarded, the amount requested and the subsequent awards received. The report shall also include the number of applications and awards, both core and direct grants, categorized by public and private high schools, then by school type (elementary, middle, or junior high schools) as well as information identifying those grantees that have been awarded funding through both the state-funded and the federally-funded program. In addition, SDE shall report to DOF, the budget committees of each house of the Legislature, and the LAO by May 1, 2005, on the effectiveness of 21st Century Community Learning Centers Program operated by private schools.

3. The provisions of this item shall become inoperative in the event federal funds are not made available for this purpose. It is the intent of the Legislature that the provisions of this item not be considered a precedent for General Fund augmentation of either this state-administered, federally funded program or any state-funded before or after school program.
4. Of the amount appropriated in this item, $60,410,000 is new ongoing federal 21st Century Community Learning Centers Program funds, $782,000 is one-time reallocated federal funds, and $608,000 is one-time federal carryover funds. Of the ongoing funds, $5,000,000 shall be used for high school grants, and $47,977,000 shall be used for elementary, middle, and junior high school grants, with priority placed on increasing the number of slots available for 11- and 12-year-olds and their eligible younger siblings in order to accommodate them in after-school programs rather than subsidized child care programs pursuant to Section 8263.4 of the Education Code.
   (b) Notwithstanding any other provision of law, the Superintendent of Public Instruction may, upon request by a program that is earning the full grant amount, waive the funding caps for core grants for elementary, middle, and junior high schools to enable those programs to create additional slots for 11- and 12-year-old pupils and their eligible younger siblings pursuant to subdivision (a).

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(c) Of the funds remaining in subdivision (a) after the allocations pursuant to that subdivision, $2,118,000 shall be for technical assistance grants, $5,195,000 shall be for access grants, and $1,510,000 shall be for literacy grants.

5. (a) Of the amount appropriated in this item, $25,430,000 is available on a one-time basis, of which $488,000 is one-time federal reallocated funds, and the remaining $24,942,000 is carryover of program savings. $20,000,000 of these funds shall be expended in priority order as follows, to: (1) increase core grant caps for those programs that are at or above their maximum amount to provide additional slots for 11- and 12-year-olds and their eligible younger siblings; (2) expand existing grants to allow programs to offer summer, vacation, and intercession programs thus increasing the number of program days of operation, and (3) increase core grant caps for programs above their maximum amount or with waiting lists. Notwithstanding any other provision of law, the Superintendent of Public Instruction may waive the caps on core grants for these purposes.

(b) The remainder of these funds shall be available on a one-time basis to programs that were allocated funding from the appropriation in this item in the 2002 Budget Act (Ch. 379, Stats 2002) and in the 2003 Budget Act (Ch. 157, Stats. 2003). Funds shall be available for training, standards-aligned materials, and other allowable one-time costs. The State Department of Education shall provide a report to the Legislature and the Department of Finance by October 1, 2005, identifying how these funds were allocated.

6110-198-0001—For local assistance, Department of Education (Proposition 98), for transfer by the Controller to Section A of the State School Fund, for allocation to school districts and county offices of education, in lieu of the amount that otherwise would be appropriated pursuant to statute..... 50,497,000

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Schedule:

(1) 20.60.220-CalSAFE Academic and Supportive Services..... 13,707,000

(2) 30.10.020-CalSAFE Child Care..... 23,353,000

(3) 20.60.221-All Services for Non-converting Pregnant Minors Programs 13,437,000

Provisions:

1. Notwithstanding any other provision of law, a school district or county superintendent of schools operating, by October 1, 1999, a School Age Parent and Infant Development Program pursuant to Article 17 (commencing with Section 8390) of Chapter 2 of Part 6 of, a Pregnant Minors Program pursuant to Chapter 6 (commencing with Section 8900) of Part 6 of, and Section 2551.3 of, or a Pregnant and Lactating Students Program pursuant to Sections 49553 and 49559 of, the Education Code, or any combination thereof, that chooses to participate in the CalSAFE program shall have priority for CalSAFE program funding for an amount up to the dollar amount provided under those provisions in the fiscal year prior to participation in the CalSAFE program, provided an application is submitted and approved.
2. The amounts in Schedules (1), (2), and (3) of this item are based on estimates of the amounts required by existing programs for operation of CalSAFE programs in 2004–05. By October 31, 2004, the Department of Education shall submit to the Department of Finance current expenditure data for 2003–04 and 2004–05 showing each agency's allocation and supporting detail including average daily attendance and child care attendance and enrollment data. The State Department of Education shall also provide estimates of average daily attendance and child care to be provided in 2005–06.
3. Schedule (3) above is to provide funding for all child care, as well as both academic and supportive services for programs choosing to retain their Pregnant Minors Program revenue limit. Notwithstanding any other provision of law, the department shall compute allocations to these agencies using the respective agencies' 1998–99 Pregnant Minors Program revenue limits. Further, notwithstanding any other provision of law, programs

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which choose to retain their Pregnant Minors revenue limit rather than convert to the CalSAFE revenue limit must provide child care within the revenue limit funding for children of students comprising base-year average daily attendance. To the extent additional units of average daily attendance are authorized by the department for growth for these agencies, academic and supportive services reimbursement for such growth shall be computed using the new CalSAFE revenue limit. Growth funding for the child care component shall be equal to the proportionate share of total child care costs for the specific agency's program as determined by dividing the authorized growth in student average daily attendance by the total authorized average daily attendance.

4. Of the funds appropriated in this item, $464,000 is for the purpose of providing an adjustment for increases in average daily attendance at a rate of 0.95 percent, and $1,188,000 is for the purpose of providing a cost-of-living adjustment at a rate of 2.41 percent.

6110-201-0001—For local assistance, Department of Education (Proposition 98)..... 1,010,000

Schedule:

(1) 30.20.010-Child Nutrition..... 1,010,000

Provisions:

1. Notwithstanding any other provision of law, the amount appropriated in this item is for the purpose of providing grants to school districts and county superintendents of schools during the 2004–05 school year for school breakfast program startup grants pursuant to Section 49550.3 of the Education Code, and for nonconcurring expenses incurred by a school district or county office of education in initiating or expanding a Summer Food Service Program for children pursuant to Section 49547.5 of the Education Code following criteria developed by the State Department of Education.
2. Of the amount appropriated in this item, $10,000 is for the purpose of providing an adjustment for increases in average daily attendance at a rate of 0.95 percent.

6110-201-0890—For local assistance, Department of Education, Program 30.20-Child Nutrition, payable from the Federal Trust Fund..... 1,616,804,000

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Schedule:
(1) 30.20.010-Child Nutrition 1,594,354,000
(2) 30.20.040-Summer Food Service Program..... 22,450,000

6110-202-0001—For local assistance, Department of Education 10,779,000
Schedule:
(1) 30.20.010-Child Nutrition..... 10,779,000
Provisions:
1. Funds appropriated in Schedule (1) of this item are for child nutrition programs pursuant to Section 41311 of the Education Code. Claims for reimbursement of meals pursuant to this appropriation shall be submitted no later than September 30, 2005, to be eligible for reimbursement.
2. Notwithstanding any other provision of law, except as provided in this provision, funds appropriated in Schedule (1) of this item shall be available for allocation in accordance with Section 49536 of the Education Code, except that the allocation shall not be made based on all meals served, but based on the number of meals that are served and that qualify as free or reduced-price meals in accordance with Sections 49501, 49550, and 49552 of the Education Code.
3. Of the funds appropriated in this item, $99,000 is for the purpose of providing an adjustment for increases in average daily attendance at a rate of 0.95 percent. Additionally, $254,000 is for the purpose of providing a cost-of-living adjustment at a rate of 2.41 percent.

6110-203-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, Program 30.20.010-Child Nutrition Programs, established pursuant to Sections 41311, 49536, 49501, 49550, 49552, and 49559 of the Education Code 80,079,000
Schedule:
(1) 30.20.010-Child Nutrition Programs 83,073,000
(2) Reimbursements..... –2,994,000
Provisions:
1. Funds appropriated in Schedule (1) of this item shall be allocated pursuant to Section 41311 of the Education Code. Claims for reimbursement of

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meals pursuant to this allocation shall be submitted by school districts on or before September 30, 2005, to be eligible for reimbursement.

2. Notwithstanding any other provision of law and except as otherwise provided in these provisions, funds designed for child nutrition programs in Schedule (1) of this item shall be allocated in accordance with Section 49536 of the Education Code; however, that the allocation shall be based not on all meals served, but on the number of meals that are served and that qualify as free or reduced-price meals in accordance with Sections 49501, 49550, and 49552 of the Education Code.
3. Of the funds appropriated in this item, $2,000,000 shall be available for grants to local education agencies to improve school nutrition services. Funding for these grants shall be contingent on an award from the Vitamin Cases Consumer Settlement Fund for this purpose. Funding for these grants shall not exceed the amount of the award.
4. Of the funds appropriated in this item, $1,884,000 is for the purpose of providing a cost-of-living adjustment at a rate of 2.41 percent.

6110-208-0001—For local assistance, Department of Education (Proposition 98), Program 20, for allocation to the Center for Civic Education..... 250,000

Provisions:

1. The funds appropriated in this item are for the purpose of implementing a middle school and junior high school civic education program.

6110-209-0001—For local assistance, State Department of Education (Proposition 98), Program 10.10.090.002-Teacher Dismissal Apportionments, for transfer to Section A of the State School Fund and allocation by the Controller for payment of claims received pursuant to Section 44944 of the Education Code 41,000

Provisions:

1. Of the funds appropriated in this item, $1,000 is for the purpose of providing a cost-of-living adjustment at a rate of 2.41 percent.

6110-211-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, Program 20.60.036 for Categorical Programs for charter schools..... 52,807,000

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Provisions:

1. Funds appropriated in this item are for the charter school categorical block grant. Notwithstanding Sections 47634 and 47634.5 of the Education Code, the State Department of Education shall distribute base block grant funds using a single funding rate per unit of average daily attendance (ADA). This rate shall not exceed $292 per unit of ADA and shall be pro-rated downward as necessary given total charter school ADA. Supplemental disadvantaged student block grant funds shall be distributed pursuant to subdivisions (f) and (g) of Section 47634 of the Education Code.

1.3. Programs associated with the following items are included in the charter school categorical block grant: 6110-103-0001, 6110-108-0001, 6110-112-0001, 6110-116-0001, 6110-119-0001, 6110-120-0001, 6110-122-0001, 6110-124-0001, 6110-127-0001, 6110-128-0001, 6110-137-0001, 6110-166-0001, 6110-167-0001, 6110-189-0001, 6110-190-0001, 6110-191-0001, 6110-193-0001, 6110-197-0001, 6110-201-0001, 6110-203-0001, 6110-212-0001, 6110-224-0001, 6110-228-0001, 6110-232-0001, 6110-235-0001, 6110-240-0001. Charter schools may not apply separately for funding for any of these programs.

1.5. No later than September 15, 2004, the Legislative Analyst's Office and the Department of Finance shall convene a working group consisting of the State Department of Education, the charter school community, and other interested stakeholders to develop a simpler and clearer method for calculating the charter school block grant appropriation in future years.

2. The Department of Education shall provide an estimate of average daily attendance expected to be claimed for this item for the 2005–06 fiscal year to the Department of Finance and the Legislative Analyst's Office by October 1, 2004, for use in developing the 2005–06 Governor's Budget. The Department of Education shall provide an update of the estimate by March 31, 2005, for preparation of the May Revision.

3. An additional $5,298,000 in expenditures for this item has been deferred until the 2005–2006 fiscal year.

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6110-212-0001—For local assistance, Department of Education (Proposition 98), Program 20.60-High-Risk Youth Education and Public Safety Program... 11,373,000

Provisions:

1. The funds appropriated in this item are for transfer by the Controller to Section A of the State School Fund, for allocation by the State Department of Education to school districts and county offices of education for costs incurred for the High-Risk First-Time Offenders Program and the Transitioning High-Risk Youth Program pursuant to Article 1 (commencing with Section 47760) of Chapter 2 of Part 26.95 of Division 4 of Title 2 of the Education Code.
2. Of the funds appropriated in this item, $105,000 is for the purpose of providing an adjustment for increases in average daily attendance at a rate of 0.95 percent, and $268,000 is for the purpose of providing a cost-of-living adjustment at a rate of 2.41 percent.

6110-224-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, Year-Round School Grant Program established pursuant to Article 3 (commencing with Section 42260) of Chapter 7 of Part 24 of the Education Code 84,147,000

Schedule:

(1) 10.10.950.002-Operations grants.... 84,147,000

Provisions:

1. The following provisions govern funds appropriated for the Year-Round School Grant Program (Art. 3 (commencing with Sec. 42260), Ch. 7, Pt. 24, Ed. C.):
   (a) Applications for year-round school grants pursuant to Section 42263 of the Education Code shall be received annually by the Superintendent of Public Instruction no later than September 1 of the year for which payment is sought; applications received after that date may not be processed. If the funds available for a fiscal year are insufficient to fully fund all eligible grants pursuant to Section 42263 of the Education Code, the superintendent shall at that time provide all approved claims with a prorated share of the funds made available for those grants pursuant to this item.

Item		Amount
6110-228-0001—For local assistance, Department of Education, for transfer to Section A of the State School Fund for allocation by the Controller (Proposition 98), School Safety		17,788,000
Schedule:		
(1) 20.60.020.011-School Safety Block Grants	2,180,000	
(3) 20.60.020.018-Safety Plans for New Schools	1,000,000	
(4) 20.60.020.019-Gang Risk Intervention Program	3,000,000	
(5) 20.60.020.020-School Community Policing Partnership Competitive Grants	11,608,000	

Provisions:

1. Of the funds appropriated in Schedule (1), $2,180,000 is available to fund block grants for middle and junior high schools and high schools that serve grades 8 to 12, inclusive, pursuant to Chapter 51, Statutes of 1999. An additional $36.9 million in expenditures for this purpose has been deferred to 2005–06 and $47,880,000 is appropriated in Item 6110-485 for this purpose.
2. Of the $36.9 million deferred from this item, $1 million shall be made available for county offices of education pursuant to Chapter 645, Statutes of 1999.
3. The funds appropriated in Schedule (3) are available for developing School Safety Plans pursuant to Chapter 996 of the Statutes of 1999 and are to be allocated through an application process as determined by the Department of Education.
4. Of the funds appropriated in this item, $608,000 is for the purpose of providing an adjustment for increases in average daily attendance at a rate of 0.95 percent. Additionally, $1,485,000 is for the purpose of providing a cost-of-living adjustment at a rate of 2.41 percent.
5. The funds appropriated in Schedule (5) are available to local education agencies on a competitive basis to implement or expand a school community policing approach to school crime and safety issues including partnerships with local law enforcement agencies. In addition to the expressed purposes above, funds may also be used for implementation of conflict resolution programs and training.

Item	Amount
6110-232-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, Program 10.26, Program to Reduce Class Size in Two Courses in Grade 9 pursuant to Chapter 6.8 (commencing with Section 52080) of Part 28 of Division 4 of Title 2 of the Education Code	110,185,000
Provisions:	
1. Schools participating in this program shall receive a per-pupil rate of $184 pursuant to Section 52086 of the Education Code.	
6110-234-0001—For local assistance, Department of Education (Proposition 98), Program 10.25, for transfer by the Controller to Section A of the State School Fund, for allocation by the Superintendent of Public Instruction for the Class Size Reduction Program pursuant to Chapter 6.10 (commencing with Section 52120) of Part 28 of the Education Code	1,651,775,000
Provisions:	
1. Schools participating in Option One shall receive a per-pupil rate of $928. Schools participating in Option Two shall receive a per-pupil rate of $464.	
6110-235-0001—For local assistance, Department of Education (Proposition 98), Program 20.80 for transfer by the Controller to Section A of the State School Fund, for allocation by the Superintendent of Public Instruction for supplemental grants pursuant to Sections 54761.2 and 54761.3 of the Education Code	167,211,000
Provisions:	
1. Of the funds appropriated in this item, $1,537,000 is to provide an adjustment for increases in average daily attendance at a rate of 0.95 percent. If the amount required to fund growth is insufficient, the Department of Education may adjust the per-pupil growth rate to reflect the available funds. Additionally, $3,935,000 is to provide a cost-of-living adjustment at a rate of 2.41 percent.	
6110-240-0001—For local assistance, Department of Education (Proposition 98)	2,657,000
Schedule:	
(1) 10.80.030-Instruction: International Baccalaureate Diploma Program ... 1,107,000	
(2) 20.70-Instructional Support: Assessments ... 1,550,000	

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Provisions:

1. The funds appropriated in Schedule (1) of this item shall be for the International Baccalaureate Diploma Program authorized by Chapter 12.5 (commencing with Section 52920) of Part 28 of the Education Code.
2. The funds appropriated in Schedule (2) of this item shall be for grants for Advanced Placement examination fees as authorized by Chapter 8.3 (commencing with Section 52244) of Part 28 of the Education Code.
3. Of the funds appropriated in this item, $24,000 is for the purpose of providing an adjustment for increases in average daily attendance at a rate of 0.95 percent. Additionally, $62,000 is for the purpose of providing a cost-of-living adjustment at a rate of 2.41 percent.

6110-240-0890—For local assistance, Department of Education, Program 20.70.010-Instructional Support: Advanced Placement Fee Waiver, payable from the Federal Trust Fund..... 3,736,000

Provisions:

1. Funding shall be used to fully satisfy the demand for advanced placement examination fee reimbursements for low-income pupils. Any funding remaining after the demand for advanced placement exam fee reimbursements has been fully satisfied may be used on a one-time basis for pre-advanced placement activities as specified under the conditions of the federal grant application through which these funds were authorized. Use of funding for this alternative purpose shall not create nor imply any continuing obligation to fund the alternative activities beyond the 2004–05 fiscal year.

6110-242-0001—For local assistance, Department of Education (Proposition 98), Program 20.60.106..... 33,000

Provisions:

1. Funds appropriated in this item are for allocation to the California Association of Student Councils to expand student leadership activities.

6110-280-0001—For local assistance, Department of Education (Proposition 98), Program 20.40.100.004-At-Risk Youth 606,000

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Provisions:

1. The funds appropriated in this item are for allocation by the State Department of Education to the Los Angeles Unified School District for services to at-risk youth that participate in a program that meets the criteria specified in subdivision (a) of Section 41 of Chapter 299 of the Statutes of 1997.
2. Of the funds appropriated in this item, $6,000 is for the purpose of providing an adjustment for increases in average daily attendance at a rate of 0.95 percent.

6110-295-0001—For local assistance, Department of Education (Proposition 98), for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the cost of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller..... 39,000

Schedule:

(1) 98.01.003.677-Annual Parent Notification (Ch. 36, Stats. 1977, et al.)	1,000
(2) 98.01.009.894-Caregiver Affidavits (Ch. 98, Stats. 1994).....	1,000
(3) 98.01.016.193-Intradistrict Attendance (Ch. 161, Stats. 1993)	1,000
(4) 98.01.048.675-Mandate Reimbursement Process (Ch. 486, Stats. 1975).....	1,000
(5) 98.01.049.801-Graduation Requirements (Ch. 498, Stats. 1983).	1,000
(6) 98.01.049.802-Notification of Truancy (Ch. 498, Stats. 1983).....	1,000
(7) 98.01.049.803-Pupil Suspensions, Expulsions, Expulsion Appeals (Ch. 498, Stats. 1983 et al.).....	1,000
(8) 98.01.064.186-Open Meetings Act (Ch. 641, Stats. 1986)	1,000
(9) 98.01.066.878-Pupil Exclusions (Ch. 668, Stats. 1978)	1,000
(10) 98.01.078.192-Charter Schools (Ch. 781, Stats. 1992)	1,000
(11) 98.01.078.395-Investment Reports (Ch. 783, Stats. 1995)	0

Item	Amount
(12) 98.01.079.980-PERS Death Benefits (Ch. 799, Stats. 1980).....	1,000
(13) 98.01.081.891-AIDS Prevention Instruction (Ch. 818, Stats. 1991).	1,000
(14) 98.01.096.175-Collective Bargaining (Ch. 961, Stats. 1975)	1,000
(15) 98.01.096.501-Pupil Classroom Suspension: Counseling (Ch. 965, Stats. 1977)	1,000
(16) 98.01.096.577-Pupil Health Screenings (Ch. 1208, Stats. 1976)	1,000
(17) 98.01.097.595-Physical Performance Tests (Ch. 975, Stats. 1995)	1,000
(18) 98.01.101.184-Juvenile Court Notices II (Ch. 1011, Stats. 1984; Ch. 1423, Stats. 1984).....	1,000
(19) 98.01.110.784-Removal of Chemicals (Ch. 1107, Stats. 1984).....	1,000
(20) 98.01.111.789-Law Enforcement Agency Notifications (Ch. 1117, Stats. 1989)	1,000
(21) 98.01.117.677-Immunization Records (Ch. 1176, Stats. 1977) ...	1,000
(22) 98.01.118.475-Habitual Truants (Ch. 1184, Stats. 1975)	1,000
(23) 98.01.125.375-Expulsion Transcripts (Ch. 1253, Stats. 1975).....	1,000
(24) 98.01.128.488-Pupil Suspensions: Parents Classroom Visits (Ch. 1284, Stats. 1988)	1,000
(25) 98.01.130.689-Notification to Teachers of Public Expulsion (Ch. 1306, Stats. 1989)	1,000
(26) 98.01.134.780-Scoliosis Screening (Ch. 1347, Stats. 1980)	1,000
(27) 98.01.139.874-PERS Unused Sick Leave Credit (Ch. 1398, Stats. 1974).....	1,000
(28) 98.01.146.389-School Accountability Report Cards (Ch. 1463, Stats. 1989)	1,000
(29) 98.01.165.984-Emergency Procedures (Ch. 1659, Stats. 1984)	1,000
(30) 98.01.077.896-American Government Course Documents Requirements (Ch. 778, Stats. 1996)	1,000

Item	Amount
(31) 98.01.030.995-Pupil Residency Verification and Appeals (Ch. 309, Stats. 1995)	1,000
(32) 98.01.058.897-Criminal Background Checks (Ch. 588, Stats. 1997)	1,000
(33) 98.01.041.095-School Crimes Reporting II (Ch. 759, Stats. 1992 and Ch. 410, Stats. 1995)	0
(34) 98.01.083.194-School Bus Safety I and II (Ch. 624, Stats. 1992; Ch. 831, Stats. 1994; Ch. 739, Stats. 1997)	0
(35) 98.01.046.576-Peace Officers Procedural Bill of Rights (Ch. 465, Stats. 1976)	1,000
(36) 98.01.361.977-Financial and Compliance Audits (Ch. 36, Stats. 1977)	1,000
(37) 98.01.064.097-Physical Education Reports (Ch. 640, Stats. 1997)	1,000
(38) 98.01.112.096-Health Benefits for Survivors of Peace Officers and Firefighters (Ch. 1120, Stats. 1996)	1,000
(39) 98.01.091.787-County Office of Education Fiscal Accountability Reporting (Ch. 917, Stats. 1987)	1,000
(40) 98.01.065.094-Employee Benefits Disclosure (Ch. 650, Stats. 1994)	1,000
(41) 98.01.010.081-School District Fiscal Accountability Reporting (Ch. 100, Stats. 1981)	1,000
(42) 98.01.087.585-Photographic Record of Evidence (Ch. 875, Stats. 1985)	1,000
(43) 98.01.012.693-Law Enforcement Sexual Harassment Training (Ch. 126, Stats. 1993)	0
(44) 98.01.078.495-County Treasury Oversight Committee (Ch. 784, Stats. 1995)	0

Provisions:

1. Except as provided in Provisions 2 and 3 of this item, allocations of funds shall be made by the Controller in accordance with the provisions of each statute or executive order that mandates the

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reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated by this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.

2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the State Controller may, upon approval of the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house of the Legislature which considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.
3. Notwithstanding any other provision of law, the funds appropriated in Schedules (12) and (27) are for transfer to the Public Employees' Retirement System for reimbursement of costs incurred pursuant to Chapter 1398 of the Statutes of 1974 or Chapter 799 of the Statutes of 1980.
4. Pursuant to Section 17581.5 of the Government Code, mandates identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the 2004–05 fiscal year:
   (11) 98.01.078.395-Investment Reports (Ch. 783, Stats. 1995).
   (33) School Crimes Reporting II (Ch. 759, Stats. 1992; Ch. 410, Stats. 1995).
   (34) School Bus Safety I and II (Ch. 624, Stats. 1992; Ch. 831, Stats. 1994; Ch. 739, Stats. 1997).
   (43) 98.01.012.693-Law Enforcement Sexual Harassment Training (Ch. 126, Stats. 1993).
   (44) 98.01.078.495-County Treasury Oversight Committee (Ch. 784, Stats. 1995).

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5. The Controller shall not make any payment from this item to reimburse community college districts for claimed costs of state-mandated education programs. Reimbursements to community college districts for education mandates shall be paid from the appropriate item within the community colleges' budget.

6110-301-0660—For capital outlay, Department of Education, payable from the Public Buildings Construction Fund 73,260,000

Schedule:

California School for the Deaf, Riverside:

(1) 80.80.067-Dormitory Replacement and Chiller—Preliminary plans, working drawings, construction, and equipment 69,948,000

California School for the Deaf, Fremont

(2) 80.75.020-Pupil, Personnel Services Building—Construction 3,312,000

Provisions:

1. The State Public Works Board may issue lease-revenue bonds, notes, or bond anticipation notes pursuant to Chapter 5 (commencing with Section 15830) of Part 10b of Division 3 of Title 2 of the Government Code to finance the design and construction of the projects authorized by this item.
2. The State Public Works Board and the Department of Education may obtain interim financing for the project costs authorized in this item from any appropriate source including, but not limited to, Section 15849.1 of the Government Code and the Pooled Money Investment Account pursuant to Sections 16312 and 16313 of the Government Code.
3. The State Public Works Board may authorize the augmentation of the cost of construction of the projects scheduled in this item pursuant to the board's authority under Section 13332.11 of the Government Code. In addition, the State Public Works Board may authorize any additional amount necessary to establish a reasonable construction reserve and to pay the cost of financing, including the payment of interest during construction of the projects, the costs of financing a debt service fund, and the cost of issuance of perma-

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nent financing for the project. This additional amount may include interest payable on any interim financing obtained.

4. This department is authorized and directed to execute and deliver any and all leases, contracts, agreements or other documents necessary or advisable to consummate the sale of bonds or otherwise effectuate the financing of the scheduled projects.
5. The State Public Works Board shall not itself be deemed a lead or responsible agency for purposes of the California Environmental Quality Act (commencing with Section 21000 of the Public Resources Code) for any activities under the State Building Construction Act of 1955 (commencing with Section 15800 of the Government Code). This section does not exempt this department from the requirements of the California Environmental Quality Act. This section is declarative of existing law.
6. Notwithstanding Section 2.00 of this act or any other provision of law, the funds appropriated in this item shall be available for encumbrance until June 30, 2011.

6110-401—For maintenance of accounting records by the Controller's office and the Department of Education or any other agency maintaining such records, appropriations made in this act for agency 6110 (Department of Education) are to be recorded under agency 6100 (Department of Education).

6110-402—Notwithstanding any provision of law to the contrary, no funds appropriated in this act, or by any act enacted prior to the enactment of this act, shall be, in the absence of a court order, deemed appropriated or available for expenditure for purposes of claims for vocational education average daily attendance arising from Section 46140 of the Education Code as it read prior to the enactment of Chapter 1230 of the Statutes of 1977.

6110-485—Reappropriation (Proposition 98) Department of Education. The sum of $320,249,000 is reappropriated from the Proposition 98 Reversion Account, for the following purposes:

0001—General Fund

(1) $6,745,000 on a one-time basis to the State Department of Education for the purpose of funding

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a 2001–02 deficit in the K–3 Class Size Reduction Program.

(2) $652,000 to the State Department of Education to fund 2002–03 caseload in the child nutrition program.

(3) $47,880,000 to the State Department of Education to fund grants for school safety programs.

(4) $98,624,000 to the State Department of Education to fund Targeted Instructional Improvement Grants.

(7) $7,700,000 to the State Department of Education, on a one-time basis, for the Charter Schools Facilities Grant Program.

(8) $500,000, on a one-time basis, to the State Department of Education for the establishment of a web-based model that would differentiate and compare the capabilities of electronic assessment resources. These funds would be available contingent upon legislation for this purpose.

(9) $32,672,000 to the State Department of Education for the purpose of funding the 2000–01 Certificated Staff Incentive Awards.

(10) $2,000,000 to the State Department of Education for the purpose of funding grants under the Healthy Start Program.

(11) $17,700,000 on a one-time basis to the State Department of Education for the purposes of Program 30.10.020.001, Special Program, Child Development, General Child Development Programs, as also funded in Item 6110-196-0001 of this act, during the 2004–05 fiscal year.

(12) $6,800,000 on a one-time basis to the State Department of Education for the purposes of Program 30.10.020.007, Special Program, Child Development, Alternative Payment Program, as also funded in Item 6110-196-0001 of this act, during the 2004–05 fiscal year.

(13) $52,986,000 on a one-time basis to the State Department of Education for the purposes of Program 30.10.020.011, Special Program, Child Development, Alternative Payment Program-Stage 2, as also funded in Item 6110-196-0001 of this act, during the 2004–05 fiscal year.

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(14) $14,400,000 on a one-time basis to the State Department of Education for the purposes of Program 30.10.020.012, Special Program, Child Development, Alternative Payment Program-Stage 3 Setaside, as also funded in Item 6110-196-0001 of this act, during the 2004–05 fiscal year.

(15) $300,000 on a one-time basis to the State Department of Education for the purposes of Program 30.10.020.015, Special Program, Child Development, Extended Day Care, as also funded in Item 6110-196-0001 of this act, during the 2004–05 fiscal year.

(16) $27,300,000 on a one-time basis to the State Department of Education. These funds shall be available to the extent they are necessary to fund subsidized child care services for children who are 11 or 12 years of age, for the programs identified in paragraphs (11) to (15), inclusive, consistent with Section 8263.4 of the Education Code, during the 2004–05 fiscal year.

(17) $3,990,000 to the State Department of Education for the Principal Training Program.

Provisions:

1. The funds specified in Schedule (7) shall be used to provide grants to charter schools that operate in low-income attendance areas for facilities-related expenses pursuant to Section 47614.5 of the Education Code.
2. The amount appropriated in Schedule (10) is for the purposes of providing full funding of operational grants for any districts that previously had collaborative planning grants and providing full funding for collaborative planning and operational grants for schools never receiving a Healthy Start grant. First priority shall be given to providing operational grants for districts with previous collaborative planning grants. Collaborative planning grants may be expended over and up to a two-year period. Operational grants may be expended over and up to a five-year period.

6110-490—Reappropriation, Department of Education.

The balance of the appropriation provided in the following citation is reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in the appropriation:

0660—Public Buildings Construction Fund

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(1) Item 6110-301-0660, Budget Act of 2003 (Ch. 157, Stats. 2003)
California School for the Deaf, Riverside:
(1) 80.80.030-Multipurpose/Activity Center—Working drawings and construction

6110-494—Reappropriation, Department of Education. Notwithstanding any other provision of law, the following specified balances are reappropriated from the following citations, for the purposes specified, and shall be available for encumbrance and expenditure until June 30, 2005:

Provisions:

2. Notwithstanding Section 8278 of the Education Code, $15,000,000 of the remaining General Fund balance of the amount appropriated in Schedule (1.5) (e) for CalWORKs Stage 2 child care in Item 6110-196-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003), shall be available only for expenditure for CalWORKs Stage 2.
4. Notwithstanding Section 8278 of the Education Code, $18,600,000 of the remaining General Fund balance of the amount appropriated in Schedule (1.5)(f) for CalWORKs Stage 3 child care in Item 6110-196-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003), shall be available only for expenditure for CalWORKs Stage 3.

6110-495—Reversion, Department of Education, Proposition 98. The following amounts shall revert to the Proposition 98 Reversion Account:

(1) $909,000, or whatever greater or lesser amount reflects the unliquidated General Fund balance, appropriated in Item 6110-211-0001, Budget Act of 2001 (Ch. 106, Stats. 2001).
(2) $569,000, or whatever lesser or greater amount reflects unexpended funds, from Schedule (3) of Item 6110-104-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).
(3) $264,000, or whatever lesser or greater amount reflects unexpended funds, from Item 6110-122-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).
(4) $328,000, or whatever lesser or greater amount reflects unexpended funds, from Item 6110-127-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).
(5) $3,829,000, or whatever lesser or greater amount reflects unexpended funds, from Section 4(a) of Chapter 101, Statutes of 2002.

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(6) $6,000, or whatever lesser or greater amount reflects unexpended funds, from Item 6110-295-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).

(7) $10,000,000, or whatever lesser or greater amount reflects unexpended funds, from Item 6110-132-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).

(8) $4,000, or whatever lesser or greater amount reflects unexpended funds, from the 2002–03 fiscal year appropriation pursuant to Education Code Section 315, as enacted by Proposition 227 in 1998.

(9) $1,036,000, or whatever lesser or greater amount reflects unexpended funds, from Schedules (15) and (17) of Item 6110-485-0001, Budget Act of 2001 (Ch. 106, Stats. 2001).

(10) $4,031,000, or whatever lesser or greater amount reflects unexpended funds, from Item 6110-295-0001, Budget Act of 2001 (Ch. 106, Stats. 2001).

(11) $47,000, or whatever lesser or greater amount reflects unexpended funds, from Item 6110-122-0001, Budget Act of 2001 (Ch. 106, Stats. 2001).

(12) $14,000, or whatever lesser or greater amount reflects unexpended funds, from the 2001–02 fiscal year appropriation pursuant to Education Code Section 315, as enacted by Proposition 227 in 1998.

(13) $2,420,000, or whatever lesser or greater amount reflects unexpended funds, from the appropriation made by Section 37(a) of Chapter 71, Statutes of 2000.

(14) $236,000, or whatever lesser or greater amount reflects unexpended funds, from the appropriation made by Section 41(k)(1) of Chapter 299, Statutes of 1997.

(15) $260,000, or whatever lesser or greater amount reflects unexpended funds, from Item 6110-120-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).

(16) $423,000, or whatever lesser or greater amount reflects unexpended funds, from Item 6110-120-0001, Budget Act of 2001 (Ch. 106, Stats. 2001).

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(17) $45,000, or whatever lesser or greater amount reflects unexpended funds, from Item 6110-198-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).

(18) $59,000, or whatever lesser or greater amount reflects unexpended funds, from Item 6110-201-0001, Budget Act of 2001 (Ch. 106, Stats. 2001).

(19) $576,000, or whatever lesser or greater amount reflects unexpended funds, from Item 6110-226-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).

(20) $6,000, or whatever lesser or greater amount reflects unexpended funds, from Item 6110-226-0001, Budget Act of 2001 (Ch. 106, Stats. 2001).

(21) $24,000, or whatever lesser or greater amount reflects unexpended funds, from Item 6110-240-0001, Budget Act of 1998 (Ch. 324, Stats. 1998).

(22) $656,000, or whatever greater or lesser amount reflects the unliquidated General Fund balance, appropriated in Item 6110-111-0001, Budget Act of 2001 (Ch. 106, Stats. 2001).

(23) $1,795,000, or whatever greater or lesser amount reflects the unliquidated General Fund balance, appropriated in Item 6110-161-0001, Budget Act of 2001 (Ch. 106, Stats. 2001).

(24) $1,300,000, or whatever greater or lesser amount reflects the unliquidated General Fund balance, reappropriated in Item 6110-485, in subdivision (27), Budget Act of 2001 (Ch. 106, Stats. 2001).

(25) $2,678,000, or whatever lesser or greater amount reflects unexpended funds from Subparagraph (A) of Paragraph (2) of subdivision (a) of Ch. 101, Stats. 2002.

(26) $500,000, or whatever lesser or greater amount reflects unexpended funds from subdivision (36) of Item 6110-485, Budget Act of 2001 (Ch. 106, Stats. 2001).

(27) $60,000, or whatever lesser or greater amount reflects unexpended funds from subdivision (5) of Item 6110-485, Budget Act of 2003 (Ch. 157, Stats. 2003).

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(28) $176,000, or whatever lesser or greater amount reflects unexpended funds from Schedule (4) of Item 6110-123-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).

(29) $1,608,000, or whatever lesser or greater amount reflects unexpended funds from Schedule (3) of Item 6110-113-0001, Budget Act of 2001 (Ch. 106, Stats. 2001).

(30) $231,000, or whatever lesser or greater amount reflects unexpended funds from Schedule (3) of Item 6110-113-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).

(31) $3,000, or whatever lesser or greater amount reflects unexpended funds from Schedule (1) of Item 6110-113-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).

(32) $6,905,000, or whatever lesser or greater amount reflects unexpended funds, from Item 6110-134-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).

(34) $1,000,000, or whatever lesser or greater amount reflects unexpended funds from Item 6110-158-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).

(35) $8,288,000, or whatever lesser or greater amount reflects unexpended funds from Item 6110-191-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).

(36) $17,924,000, or whatever lesser or greater amount reflects unexpended funds from subdivision (4) of Item 6110-485, Budget Act of 2002 (Ch. 379, Stats. 2002).

(37) $9,008,000, or whatever lesser or greater amount reflects unexpended funds from subdivision (24) of Item 6110-485, Budget Act of 2001 (Ch. 106, Stats. 2001).

(38) $1,187,000, or whatever lesser or greater amount reflects unexpended funds from subparagraph (C) of paragraph (1) of subdivision (a) of Section 9 of Chapter 2 of the Statutes of 1999, First Extraordinary Session.

(39) $50,000,000, or whatever lesser or greater amount reflects unexpended funds from Item 6110-234-0001, Budget Act of 2003 (Ch. 157, Stats. 2003)

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(40) $150,000, or whatever lesser or greater amount reflects unexpended funds from Item 6110-120-0001, Budget Act of 2003 (Ch. 157, Stats. 2003)	
(41) $280,000, or whatever lesser or greater amount reflects unexpended funds from Schedule 2 of Item 6110-226-0001, Budget Act of 2003 (Ch. 157, Stats. 2003)	
(42) $500,000, or whatever lesser or greater amount reflects unexpended funds from Schedule 1 of Item 6110-226-0001, Budget Act of 2003 (Ch. 157, Stats. 2003)	
(43) $3,000,000, or whatever lesser or greater amount reflects unexpended funds from Schedule 5 of Item 6110-226-0001, Budget Act of 2003 (Ch. 157, Stats. 2003)	
(44) $107,000, or whatever lesser or greater amount reflects unexpended funds from Item 6110-243-0001, Budget Act of 2001 (Ch. 106, Stats. 2001)	
(45) $23,000, or whatever lesser or greater amount reflects unexpended funds from Item 6110-122-0001, Budget Act of 2001 (Ch. 106, Stats. 2001)	
(46) $36,000, or whatever lesser or greater amount reflects unexpended funds from Item 6110-128-0001, Budget Act of 2001 (Ch. 106, Stats. 2001)	
(47) $317,071, or whatever lesser or greater amount reflects the unexpended funds from the appropriation made by subparagraph (1) of subdivision (a) of Section 40 of Chapter 71 of the Statutes of 2000	
(48) $549,080, or whatever lesser or greater amount reflects the unexpended funds from Schedule (1) of Item 6110-113-0001, Budget Act of 2001 (Ch. 106, Stats. 2001)	
(49) $254,465, or whatever lesser or greater amount reflects the unexpended funds from Schedule (7) of Item 6110-113-0001, Budget Act of 2001 (Ch. 106, Stats. 2001)	
(50) $25,892, or whatever lesser or greater amount reflects the unexpended funds from Schedule (41) of Item 6110-485, Budget Act f 2001 (Ch. 106, Stats. 2001)	

Item	Amount
(51) $139,200, or whatever lesser or greater amount reflects the unexpended funds from Schedule (1) Item 6110-123-0001, Budget Act of 2002 (Ch. 379, Stats. 2002)	
(52) $880,000, or whatever lesser or greater amount reflects the unexpended funds from Schedule (3) of Item 6110-123-0001, Budget Act of 2002 (Ch. 379, Stats. 2002)	
(53) $36,500, or whatever lesser or greater amount reflects the unexpended funds from Schedule (5) of Item 6110-113-0001, Budget Act of 2001 (Ch. 106, Stats. 2001)	
(54) $27,782, or whatever lesser or greater amount reflects the unexpended funds from the appropriation made by subdivision (a) of Section 5 of Chapter 196 of the Statutes of 1996	
(55) $600,000, or whatever lesser or greater amount reflects the unexpended funds from Item 6110-166-0001, Budget Act of 2001 (Ch. 106, Stats. 2001)	
(56) $20,292, or whatever lesser or greater amount reflects the unexpended funds from Item 6110-167-0001, Budget Act of 2001 (Ch. 106, Stats. 2001)	
(57) $189,838, or whatever lesser or greater amount reflects the unexpended funds from Item 6110-191-0001, Budget Act of 2001 (Ch. 106, Stats. 2001)	
(58) $150,000, or whatever lesser or greater amount reflects the unexpended funds from Schedule (7) of Item 6110-193-0001, Budget Act of 2001 (Ch. 106, Stats. 2001)	
(59) $60,170, or whatever lesser or greater amount reflects the unexpended funds from Item 6110-195-0001, Budget Act of 2001 (Ch. 106, Stats. 2001)	
(60) $100,000, or whatever lesser or greater amount reflects the unexpended funds from Schedule (12) of Item 6110-485, Budget Act of 2001 (Ch. 106, Stats. 2001)	
(61) $35,766, or whatever lesser or greater amount reflects the unexpended funds from Item 6110-195-0001, Budget Act of 2002 (Ch. 379, Stats. 2002)	

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(62) $74,000, or whatever lesser or greater amount reflects the unexpended funds from Item 6110-197-0001, Budget Act of 2002 (Ch. 379, Stats. 2002)

(63) $10,000,000, or whatever lesser or greater amount reflects the unexpended funds from Item 6110-191-0001, Budget Act of 2003 (Ch. 157, Stats. 2003)

(64) $771,000, or whatever lesser or greater amount reflects the unexpended funds from Schedule (19) of Item 6110-295-0001, Budget Act of 2001 (Ch. 106, Stats. 2001)

(65) $20,313, or whatever lesser or greater amount reflects the unexpended funds from Schedule (30) of Item 6110-295-0001, Budget Act of 2001 (Ch. 106, Stats. 2001)

(66) $13,184,000, of the balance in the Child Care Facilities Revolving Fund established pursuant to Section 8278.3 of the Education Code.

(67) $12,902, or whatever lesser or greater amount reflects the unexpended balance from the funds appropriated in subdivision (a) of Section 36 of Chapter 82 of the Statutes of 1989.

(68) $6,073, or whatever lesser or greater amount reflects the unexpended balance from the funds appropriated in subdivision (a) of Section 4 of Chapter 196 of the Statutes of 1996.

(69) $6,901, or whatever lesser or greater amount reflects the unexpended balance from the funds appropriated in subdivision (b) of Section 9 of Chapter 734 of the Statutes of 1999.

(70) $29,846, or whatever lesser or greater amount reflects the unexpended balance from the funds appropriated in subdivision (c) of Section 9 of Chapter 734 of the Statutes of 1999.

(71) $20,833, or whatever lesser or greater amount reflects the unexpended balance from the funds appropriated in Section 1 of Chapter 962 of the Statutes of 1999.

(72) $486,125, or whatever lesser or greater amount reflects the unexpended funds from Item 6110-126-0001, Budget Act of 2001 (Ch. 106, Stats. 2001)

(73) $76,573, or whatever lesser or greater amount reflects the unexpended funds from Item 6110-163-0001, Budget Act of 2001 (Ch. 106, Stats. 2001)

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(74) $39,790, or whatever lesser or greater amount reflects the unexpended funds from Item 6110-181-0001, Budget Act of 2001 (Ch. 106, Stats. 2001)

(75) $187,740, or whatever lesser or greater amount reflects the unexpended funds from Item 6110-184-0001, Budget Act of 2001 (Ch. 106, Stats. 2001)

(76) $62,925, or whatever lesser or greater amount reflects the unexpended funds from Item 6110-224-0001, Budget Act of 2001 (Ch. 106, Stats. 2001)

(77) $110,000, or whatever lesser or greater amount reflects the unexpended funds from Schedule (32) of Item 6110-485, Budget Act of 2001 (Ch. 106, Stats. 2001)

(78) $1,350,400, or whatever lesser or greater amount reflects the unexpended funds from Item 6110-224-0001, Budget Act of 2002 (Ch. 379, Stats. 2002)

(79) $50,000, or whatever lesser or greater amount reflects unexpended funds in the 2002–03 fiscal year, from Schedule (2) of Item 6110-123-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).

(80) $4,740,000, or whatever lesser or greater amount reflects unexpended funds, from Item 6110-102-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).

(81) $365,000, or whatever lesser or greater amount reflects unexpended funds, from Item 6110-108-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).

(82) $198,000, or whatever lesser or greater amount reflects unexpended funds, from Item 6110-212-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).

(83) $129,000, or whatever lesser or greater amount reflects unexpended funds, from Item 6110-108-0001, Budget Act of 2003 (Ch. 157, Stats. 2003).

(84) $1,500,000, or whatever lesser or greater amount reflects unexpended funds, from Item 6110-212-0001, Budget Act of 2003 (Ch. 157, Stats. 2003).

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(85) $33,000, or whatever lesser or greater amount reflects unexpended funds, from Item 6110-006-0001, Budget Act of 2003 (Ch. 157, Stats. 2003).

(86) Notwithstanding Section 8278 of the Education Code, the sum of $5,142,000 or whatever is the greater or lesser amount that reflects the unliquidated General Fund balance of the amount appropriated in Item 6110-196-0001, Budget Act of 2000 (Ch. 52, Stats. 2000), with the exception of Schedules (5.1)(b) and (5.2)(b) of that item for CalWORKs child care programs.

(87) $5,000,000 or whatever is the greater or lesser amount that reflects the unliquidated General Fund balance of the amount appropriated for after school programs in Schedule (3) of Item 6110-196-0001, Budget Act of 2001 (Ch. 106, Stats. 2001).

(88) $2,500,000 or whatever is the greater or lesser amount that reflects the unliquidated General Fund balance of the amount appropriated for after school programs in Schedule (3) of Item 6110-196-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).

(89) $6,000,000 or whatever is the greater or lesser amount that reflects the unliquidated General Fund balance of the amount appropriated for after school programs in Schedule (2) of Item 6110-196-001, Budget Act of 2003 (Ch. 157, Stats. 2003).

(90) $1,323,000 or whatever is the greater or lesser amount that reflects the unliquidated General Fund balance of the amount appropriated in Chapter 704 of the Statutes of 2000.

6110-496—Reversion, Department of Education.

Provision:

1. The Superintendent for Public Instruction is hereby authorized to initiate the reversion of appropriations in cases where the balance available for reversion is less than $50,000, and either of the following applies:
   (a) The program in question has expired.
   (b) The Superintendent for Public Instruction certifies that the original purpose of the expenditure would not be accomplished by further expenditure.

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2. The Department of Education may periodically review its accounts at the State Controller's Office to identify appropriations that meet these criteria. Upon the request of the Department of Education, and if the Director of Finance approves the request, or portions thereof, the Director of Finance shall issue an executive order to revert identified appropriations. The State Controller shall timely revert appropriations identified in the executive order to the fund from which the appropriation was originally made (or a successor fund in the case of an expired fund), or to the Proposition 98 Reserve Account, whichever is appropriate.

6110-497—Reversion, Department of Education. As of June 30, 2004 the following amount shall revert to the fund balance of the fund from which the appropriation was made:

(1) $35,000,000 or whatever greater or lesser amount reflects the unexpended funds as of June 30, 2004 from the appropriation made by Item 6110-136-0001 of Section 2.00 of the Budget Act of 2001 (Ch. 106, Stats. 2001)

6120-011-0001—For support of California State Library, Division of Libraries, and California Library Services Board 9,824,000

Schedule:

(1) 10-State Library Services	12,723,000
(2) 20-Library Development Services..	3,959,000
(3) 30-Information Technology Services.....	894,000
(4) 40.01-Administration.....	1,642,000
(5) 40.02-Distributed Administration ...	−1,642,000
(6) Reimbursements.....	−1,599,000
(7) Amount payable from the Federal Trust Fund (Item 6120-011-0890).	−6,153,000

Provisions:

1. Of the amount appropriated in Schedule (1) of this item, $76,000 is for repair and maintenance costs of the Library and Courts II Building.

6120-011-0020—For support of the California State Library, Program 10-State Library Services, for support of the State Law Library, payable from the California State Law Library Special Account 589,000

Provisions:

1. The Director of Finance may authorize the augmentation of the total amount available for expen-

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diture under this item in the amount of revenue received by the State Law Library Special Account which is in addition to the revenue appropriated by this item or in the amount of funds unexpended from previous fiscal years, not sooner than 30 days after notification in writing to the chairpersons of the fiscal committees of each house and the Chairperson of the Joint Legislative Budget Committee.

6120-011-0890—For support of California State Library, for payment to Item 6120-011-0001, payable from the Federal Trust Fund..... 6,153,000

6120-011-6000—For support of California State Library, Program 20-Library Development Services-Office of Library Construction (Proposition 14), payable from the California Public Library Construction and Renovation Fund 2,589,000

6120-011-6029—For support of California State Library, Program 10-State Library Services-Administration of the California Cultural and Historical Endowment, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund 1,557,000

Provisions:

1. Funds in this item are available for the administration of the California Cultural and Historical Endowment authorized by Chapter 157, Statutes of 2003.

6120-012-0001—For support of the California State Library for rental payments on lease-revenue bonds... 2,457,000

Schedule:

(1) Base Rental and Fees 2,467,000
(2) Insurance 26,000
(3) Reimbursements ..... –36,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

6120-013-0001—For support of California State Library, Program 10-State Library Services—Sutro Library Special Repairs Project 267,000

Provisions:

1. Of the funds appropriated in this item, $250,000 is for repair of the roof.

Item	Amount
6120-150-0001—For local assistance, California State Library, for the California Civil Liberties Public Education Program	500,000
Provisions:	
1. The funds appropriated in this item shall be used to provide competitive grants pursuant to the provisions of Part 8.5 (commencing with Section 13000) of Division 1 of the Education Code.	
6120-151-0483—For support of the California State Library, Program 20-Library Development Services, for telephonic services authorized by Chapter 654 of the Statutes of 2001, payable from the California Deaf and Disabled Telecommunications Program Administrative Committee Fund	441,000
6120-160-0001—For local assistance, California State Library, Program 20-Library Development Services—California Newspaper Project	240,000
6120-211-0001—For local assistance, California State Library, Program 20-Library Development Services	15,170,000
Schedule:	
(1) 20.30-Direct Loan and Interlibrary Loan Programs 12,145,000	
(2) 20.40-Computerized database pursuant to Section 18767 of the Education Code 175,000	
(3) 20.50-California Library Services Act pursuant to Chapter 4 (commencing with Section 18700) of Part 11 of the Education Code..... 2,850,000	
6120-211-0890—For local assistance, California State Library, Program 20-Library Development Services, payable from the Federal Trust Fund	12,518,000
6120-213-0001—For local assistance, California State Library, Program 20-Library Development Services-California English Acquisition and Literacy Program	5,340,000
Provisions:	
1. Funds in this item are available for the California English Acquisition and Literacy Program pursuant to Section 18736 of the Education Code.	
6120-221-0001—For local assistance, California State Library, Program 20-Library Development Services-Public Library Foundation Program	14,360,000
Provisions:	
1. Notwithstanding any other provision of law, for the 2004–05 fiscal year, the date on or before	

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which the fiscal officer of each public library shall report to the State Librarian the information specified in Section 18023 of the Education Code shall be December 1, 2004.

2. Notwithstanding any other provision of law, for the 2004–05 fiscal year, the date on or before which the Controller shall distribute funds to the fiscal officer of each public library as specified in Section 18026 of the Education Code shall be February 15, 2005.

3. It is the intent of the Legislature that the funds appropriated in this item be allocated consistent with the provisions of Section 18025 of the Education Code.

6120-490—Reappropriation, California State Library. The balance of the appropriation provided in the following citation is reappropriated for the purpose provided in that appropriation and shall be available for encumbrance and expenditure until June 30, 2007:

6029—California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund

(1) Item 6120-101-6029 of the Budget Act of 2003 (Ch. 157, Stats. 2003)

6125-001-0001—For support of the Education Audit Appeals Panel..... 1,257,000

6125-495—Reversion, Education Audit Appeals Panel. The following amount shall revert to the General Fund:

(1) $609,000 from subdivision (c) of Section 15 of Chapter 1128, Statutes of 2002.

6130-001-0942—For support of the California Quality Education Commission, payable from the California Quality Education Special Deposit Fund 188,000

6255-001-0001—For support of California State Summer School for the Arts, Program 10..... 756,000

6330-001-0890—For support of the California Occupational Information Coordinating Committee, payable from the Federal Trust Fund 313,000

6360-001-0407—For support of the Commission on Teacher Credentialing, payable from the Teacher Credentials Fund 14,411,000

Schedule:

(1) 10-Standards for Preparation and Licensing of Teachers 14,650,000

(2) 10.40.010-Departmental Administration..... (4,523,000)

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(3) 10.40.020-Distributed Departmental Administration..... (–4,523,000)

(4) Reimbursements (Cultural Competency Study)..... –239,000

Provisions:

1. The amount appropriated in this item may be increased based on increases in credential applications, increases in first-time credential applications requiring fingerprint clearance, unanticipated costs associated with certificate discipline cases, or unanticipated costs of litigation, subject to approval of the Department of Finance, not sooner than 30 days after notification in writing to the chairpersons of the fiscal committees of each house and the Chairperson of the Joint Legislative Budget Committee.
3. To ensure the Teacher Credentials Fund reserve remains at a prudent level, the Commission on Teacher Credentialing shall charge no more than $55 for the issuance or renewal of a teaching credential.
4. Of the funds appropriated in Schedule (1) of this item, $366,000 is for maintenance costs of the Teacher Credentialing Service Improvement Project.
5. If the funds available in the Teacher Credentials Fund are insufficient to meet the operational needs of the Commission on Teacher Credentialing, the Department of Finance may authorize a loan to be provided from the Test Development and Administration Account to the Teacher Credentials Fund. The Department of Finance shall notify the Chairperson of the Joint Legislative Budget Committee, or his or her designee, of its intent to request that the Controller transfer the amount projected to be required from the Test Development and Administration Account to the Teacher Credentials Fund. The Controller shall transfer those funds not sooner than 30 days after this notification.
6. Of the funds provided in Schedule (1), $120,000 is carryover funding provided for staff training related to the Teacher Credentials Service Improvement Project. Expenditure of these funds is contingent upon approval of an expenditure plan by the Director of Finance.

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7. The Commission on Teacher Credentialing (CTC) shall submit quarterly reports to the Legislature, the Legislative Analyst's Office, and the Department of Finance on the minimum, maximum, and average number of days taken to process: (a) renewal and university-recommended credentials, (b) out-of-state and special education credentials, (c) service credentials and supplemental authorizations, (d) adult and vocational education certificates and child center permits, and (e) emergency permits. The quarterly reports shall commence on October 1, 2004, and provide monthly data for July, August, and September. Subsequent reports shall include historical data as well as data from the most recent quarter. The CTC shall work to reduce its processing time.
8. By January 1, 2005, the CTC shall submit a short report to the Legislature and the Department of Finance identifying at least three feasible options to further reduce processing time that could be implemented in 2005–06. These options may include procedural and statutory changes to CTC's application review process.

6360-001-0408—For support of the Commission on Teacher Credentialing, payable from the Test Development and Administration Account, Teacher Credentials Fund..... 9,678,000

Schedule:

(1) 10-Standards for Preparation and Licensing of Teachers 9,678,000

Provisions:

1. The amount appropriated in this item may be increased for unanticipated costs of litigation, or for costs from increases in the number of examinees, subject to approval of the Department of Finance, not sooner than 30 days after notification in writing to the chairpersons of the fiscal committees of each house and the Chairperson of the Joint Legislative Budget Committee.
2. Notwithstanding Section 44234 of the Education Code, funds that are set aside for pending litigation costs shall not be considered part of the reserve of the Teacher Credentials Fund for purposes of subdivision (b) of Section 44234 of the Education Code.

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3. If the funds available in the Teacher Credentials Fund are insufficient to meet the operational needs of the Commission on Teacher Credentialing, the Department of Finance may authorize a loan to be provided from the Test Development and Administration Account to the Teacher Credentials Fund. The Department of Finance shall notify the Chairperson of the Joint Legislative Budget Committee, or his or her designee, of its intent to request that the Controller transfer the amount projected to be required from the Test Development and Administration Account to the Teacher Credentials Fund. The Controller shall transfer those funds not sooner than 30 days after this notification.

6360-001-0890—For support of the Commission on Teacher Credentialing, payable from the Federal Trust Fund..... 147,000

Provisions:

1. The funds appropriated in this item are available as one-time carryover for the federal Troops to Teachers program.

6360-101-0001—For local assistance, Commission on Teacher Credentialing (Proposition 98), Program 10, Standards for Preparation and Licensing of Teachers..... 31,814,000

Schedule:

(1) 10.20.001-Alternative Certification Program..... 24,923,000

(2) 10.20.002-California School Paraprofessional Teacher Training Program..... 6,583,000

(3) 10.10.001-Teacher Misassignment Monitoring..... 308,000

Provisions:

1. The funds appropriated in Schedule (1) are for school districts and county offices of education participating in the alternative certification programs established pursuant to Article 11 (commencing with Section 44380) of Chapter 2 of Part 25 of the Education Code.
2. The funds appropriated in Schedule (2) are for school districts and county offices of education participating in the California School Paraprofessional Teacher Training Program established pur-

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suant to Article 12 (commencing with Section 44390) of Chapter 2 of Part 25 of the Education Code.

3. The funds appropriated in Schedule (3) shall be used to reimburse county offices of education for costs associated with monitoring public schools and school districts for teacher misassignments. Funds shall be allocated on a basis determined by the commission. Districts and county offices receiving funds for credential monitoring will provide reasonable and necessary information to the commission as a condition of receiving these funds.

6360-485—Reappropriation (Proposition 98), California Commission on Teacher Credentialing. The sum of $3,500,000 is reappropriated from the Proposition 98 Reversion Account for the following purpose:

0001—General Fund

(1) $3,500,000 to support the California Pre-Internship Teaching Program authorized pursuant to Article 5.6 (commencing with Section 44305) of Chapter 2 of Part 25 of the Education Code for one year.

6360-495—Reversion, California Commission on Teacher Credentialing. The following amounts shall revert to the Proposition 98 Reversion Account:

(1) $3,887,000 or whatever lesser or greater amount reflects unexpended funds from Schedule (1) of Item 6360-101-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).

(2) $528,000 or whatever lesser or greater amount reflects unexpended funds from Schedule (2) of Item 6360-101-0001, Budget Act of 2002 (Ch. 379, Stats. 2002).

(3) $1,191,000 or whatever lesser or greater amount reflects unexpended funds from Item 6360-485, Budget Act of 2002 (Ch. 379, Stats. 2002).

6420-001-0001—For support of California Postsecondary Education Commission 1,999,000

Schedule:

(1) 100000-Personal Services 1,846,000

(2) 300000-Operating Expenses and Equipment 567,000

(3) Reimbursements ..... –3,000

(4) Amount payable from the Federal Trust Fund (Item 6420-001-0890). –411,000

Item	Amount
6420-001-0890—For support of California Postsecondary Education Commission, for payment to Item 6420-001-0001, payable from the Federal Trust Fund	411,000
6420-101-0890—For local assistance, California Postsecondary Education Commission, payable from the Federal Trust Fund	8,579,000

Provisions:

1. The funds appropriated in this item are for local assistance activities funded through the No Child Left Behind Act (P.L. 107-110).

6440-001-0001—For support of University of California 2,503,042,000

Schedule:

(1) Support	2,419,663,000
(2) Charles R. Drew Medical Program.	8,136,000
(3) Acquired Immune Deficiency Syndrome (AIDS) Research	9,699,000
(4) Student Financial Aid	52,199,000
(5) Loan Repayments	5,105,000
(6) San Diego Supercomputer Center	3,240,000
(7) Subject Matter Projects	5,000,000

Provisions:

1. The appropriations made in this item are exempt from Section 31.00 of this act.
2. None of the funds appropriated in this item may be expended to initiate major capital outlay projects by contract without prior legislative approval, except for cogeneration and energy conservation projects. Exempted projects shall be reported in a manner consistent with the reporting procedures in subdivision (d) of Section 28.00 of this act.
3. The funds appropriated in Schedule (2) are for support of University of California program of clinical health sciences education, research, and public service, conducted in conjunction with the Charles R. Drew University of Medicine and Science, as provided for in Sections 1, 2, and 3 of Chapter 1140 of the Statutes of 1973. Of the amount appropriated, $500,000 is contingent upon the provision by the University of California of an equal amount of matching funds from its own resources. The University of California shall ensure by adequate controls that funds appropriated by Schedule (2) are expended solely for the support of the program identified in that schedule.

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4. Of the amount appropriated in Schedule (1), $2,629,957 shall be available for expenditure only for support of the Northern and Southern Occupational Health Centers as established by a contract entered into with the Department of Industrial Relations pursuant to Section 50.8 of the Labor Code.
5. The funds appropriated in Schedule (4) are for support of Program 45, Student Financial Aid, to provide financial aid to needy students attending the University of California, according to the nationally accepted needs analysis methodology.
6. Of the amount appropriated in Schedule (1), $7,462,800 is for payment of energy service contracts in connection with the issuance of Public Works Board Energy Efficiency Revenue Bonds.
7. Of the amount appropriated in Schedule (5), $2,700,000 is for repayment of $25,000,000 borrowed by the University of California for deferred maintenance in the 1994–95 fiscal year. It is the intent of the Legislature to annually provide funds for that repayment purpose through the 2009–10 fiscal year.
8. Of the amount appropriated in Schedule (5), $2,405,000 is for repayment of $25,000,000 borrowed by the University of California for deferred maintenance in the 1995–96 fiscal year. It is the intent of the Legislature to annually provide funds for that repayment purpose through the 2010–11 fiscal year.
9. Of the funds appropriated in Schedule (1), $475,000 shall be expended for the Center for Earthquake Engineering Research, contingent upon the center continuing to receive federal matching funds from the National Science Foundation.
10. Of the funds appropriated in Schedule (1), $385,000 shall be expended for viticulture and enology research contingent upon the receipt of an equal amount of private sector matching funds.
11. Of the funds appropriated in Schedule (1), $18,468,000 is for substance abuse research at the University of California, San Francisco campus in the Neurology Department.

Item	Amount
12. Of the amount appropriated in Schedule (1), $1,609,000 is for the California State Summer School for Math and Science.	
13. Of the amount appropriated in Schedule (1), $770,000 is for the Welfare Policy Research Project, per Article 9.7 (commencing with Section 11526) of Chapter 2 of Part 3 of the Welfare and Institutions Code.	
14. Of the amount appropriated in Schedule (1), $770,000 shall be used for lupus research at the University of California at San Francisco.	
15. Of the amount appropriated in Schedule (1), $1,539,000 shall be used to expand spinal cord injury research.	
16. Of the amount appropriated in Schedule (1), $3,848,000 is to fund the Medical Investigation of Neurodevelopmental Disorders (MIND) Institute, including $3,500,000 for research grants program.	
17. Notwithstanding Section 3.00, for the term of the financing, the University of California may use funds appropriated in Schedule (1) for debt services and costs associated with the purchase, renovation, and financing of a facility for the UC-Mexico research and academic programs in Mexico City. The amount to be financed shall not exceed $7,000,000.	
18. The funds appropriated in Schedule (7) are for support of the Science Subject Matter Projects.	
19. The University of California shall offer enrollment in 2004–05 to every eligible applicant who was offered participation in the Guaranteed Transfer Option Program. The amount appropriated in Schedule (1) includes funding for the University of California to enroll 200,976 full-time-equivalent students (FTES). The Legislature expects the university to enroll this number FTES during the 2004–05 academic year. The university shall report to the Legislature by March 15, 2005, on whether it has met the 2004–05 enrollment goal. If the university does not meet this goal, the Director of Finance shall revert to the General Fund the total amount of enrollment funding associated with the share of the enrollment goal that was not met.	

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20. Of the amount appropriated in Schedule (1), $29,300,000 is appropriated for academic preparation programs identified pursuant to Provision 10 of Item 6440-001-0001 of the Budget Act of 2003. It is the intent of the Legislature that the university report on the use of the funds provided in this item. This report should include detailed information on the outcomes and effectiveness of academic preparation programs. The report should be submitted to the fiscal committee of each house of the Legislature by no later than March 15, 2005.

6440-001-0007—For support of University of California, payable from the Breast Cancer Research Account 14,920,000

Provisions:

1. Notwithstanding subdivision (a) of Section 2.00 of this act, the funds appropriated in this item shall be available for expenditure until June 30, 2007.

6440-001-0046—For support of University of California, Institute of Transportation Studies, payable from the Public Transportation Account, State Transportation Fund 980,000

6440-001-0234—For support of the University of California, payable from the Research Account, Cigarette and Tobacco Products Surtax Fund..... 14,253,000

Provisions:

1. The funds appropriated in this item are to be allocated for research regarding tobacco use, with an emphasis on youth and young adults, including, but not limited to, the effects of active and passive smoking, the primary prevention of tobacco use, nicotine addiction and its treatment, the effects of secondhand smoke, and public health issues surrounding tobacco use.
2. Notwithstanding subdivision (a) of Section 2.00 of this act, the funds appropriated in this item are available for expenditure until June 30, 2007.

6440-001-0308—For support of the University of California, payable from the Earthquake Risk Reduction Fund of 1996..... 1,500,000

Provisions:

1. The funds appropriated in this item shall be expended for the Center for Earthquake Engineering

Item	Amount
Research, contingent upon the center continuing to receive federal matching funds from the National Science Foundation.	
6440-001-0321—For support of University of California, payable from the Oil Spill Response Trust Fund.....	1,300,000
Provisions:	
1. The funds appropriated in this item shall be available to support the Oiled Wildlife Care Network.	
6440-001-0814—For support of University of California, for allocation by the Controller in accordance with the provisions of Section 8880.5 of the Government Code, as approved by the voters in Proposition 37 at the November 6, 1984, statewide general election, payable from the California State Lottery Education Fund	24,011,000
Provisions:	
1. All funds received pursuant to Proposition 37 that are allocable to the University of California pursuant to Section 8880.5 of the Government Code, and that are in excess of the amount appropriated in this item are hereby appropriated in augmentation of this item.	
6440-001-0890—For support of University of California, payable from the Federal Trust Fund.....	5,000,000
Provisions:	
1. The funds appropriated in this item are for the federal Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) (20 U.S.C. 1070a-21 et seq.). These funds are provided to the University of California as the fiscal agent for this intersegmental program.	
6440-001-0945—For support of the University of California, payable from the California Breast Cancer Research Fund.....	927,000
Provisions:	
1. Notwithstanding subdivision (a) of Section 2.00 of this act, the funds appropriated in this item shall be available for expenditure until June 30, 2007.	
6440-001-3054—For support of University of California	3,237,000
Provisions:	
1. The funds appropriated in this item shall be used to support the analysis of health care-related legislation, in accordance with Chapter 795 of the Statutes of 2002.	

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6440-002-0001—For support of University of California ..... (55,000,000)

Provisions:

1. Notwithstanding Section 2.00 of this act, the funds appropriated in this item are not available for expenditure or encumbrance prior to July 1, 2005. Claims for these funds shall be submitted by the University of California on or after July 1, 2005, and before October 1, 2005.
2. No reserve may be established by the Controller for this appropriation before July 1, 2005.

6440-003-0001—For support of the University of California, for payments on lease-purchase bonds..... 138,183,000

Schedule:

(1) Rental, insurance and administrative payments 140,152,000

(2) Reimbursements..... −1,969,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

6440-004-0001—For support of University of California 20,000,000

Provisions:

1. Funds shall be available for planning and startup costs associated with academic programs to be offered in the San Joaquin Valley and planning, startup costs, and ongoing support for the Merced campus, including the following: (a) site studies, infrastructure planning, community planning and development, long-range development plans, environmental studies, and other physical planning activities; (b) academic planning activities, support of academic program offerings prior to the opening of the new campus, and faculty recruitment; (c) the acquisition of instructional materials and equipment; and (d) ongoing operating support for faculty, staff, and other annual operating expense for the new campus.
2. The University of California may enter into lease agreements with an option to purchase facilities in the Central Valley associated with the Merced campus. The lease agreement with an option to purchase shall be submitted to the Department of

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Finance for review and concurrence prior to execution of the lease to ensure that the proposed lease is consistent with legislative intent. The submission of the lease shall also include an economic analysis detailing the cost benefit of the project.

6440-005-0001—For support of University of California 4,750,000

Provisions:

1. Notwithstanding any other provision of law, the funds appropriated in this item are available for expenditure without regard to fiscal year. Funds in this item are provided on a one-time basis to support the California Institutes for Science and Innovations.

6440-011-0042—For transfer by the Controller from the State Highway Account, State Transportation Fund to the Earthquake Risk Reduction Fund of 1996..... (1,000,000)

6440-301-0660—For capital outlay, University of California, payable from the Public Buildings Construction Fund 55,000,000

Schedule:

Riverside Campus:

(1) 99.05.195-Genomics Building—Preliminary plans, working drawings, construction and equipment.. 55,000,000

Provisions:

1. The State Public Works Board may issue lease-revenue bonds, notes, or bond anticipation notes pursuant to Chapter 5 (commencing with Section 15830) of Part 10b of Division 3 of Title 2 of the Government Code to finance the acquisition, design, and construction of the projects authorized by this item.
2. The State Public Works Board and the University of California may obtain interim financing for the project costs authorized in this item from any appropriate source including, but not limited to, the Pooled Money Investment Account pursuant to Sections 16312 and 16313 of the Government Code.
3. The State Public Works Board may authorize any additional amount necessary to establish a reasonable construction reserve and to pay the cost of financing including the payment of interest during construction of the project, the costs of financing a debt service fund, and the cost of issuance of

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permanent financing for the project. This additional amount may include interest payable on any interim financing obtained.

4. Notwithstanding Section 2.00 of this act or any other provision of law, the appropriation made by this item is available for encumbrance until June 30, 2007.
5. The University of California is authorized and directed to execute and deliver any and all leases, contracts, agreements or other documents necessary or advisable to consummate the sale of bonds or otherwise effectuate the financing of the scheduled projects.
6. The State Public Works Board shall not be deemed a lead or responsible agency for purposes of the California Environmental Quality Act (commencing with Section 21000 of the Public Resources Code) for any activities under the State Building Construction Act of 1955 (commencing with Section 15800 of the Government Code). This section does not exempt the University of California from the requirements of the California Environmental Quality Act. This section is intended to be declarative of existing law.

6440-301-6041—For capital outlay, University of California, payable from the Higher Education Capital Outlay Bond of 2004 236,571,000

Schedule:

Universitywide:

(1) 99.00.050-Northern Regional Library Facility, Phase 3—Equipment 499,000

Davis Campus:

(2) 99.03.305-Robert Mondavi Institute for Wine and Food Science—Construction 32,135,000

(3) 99.03.310-Seismic Corrections, Phase 4—Construction 6,714,000

Los Angeles Campus:

(4) 99.04.245-Geology Seismic Correction—Construction 9,489,000

(5) 99.04.265-Life Sciences Replacement Building—Preliminary plans. 2,200,000

(6) 99.04.320-CHS South Tower Seismic Renovation, Phase A—Working drawings 2,500,000

Item	Amount
Riverside Campus:	
(7) 99.05.180-Psychology Building—Construction	30,192,000
San Diego Campus:	
(8) 99.06.325-Pharmaceutical Sciences Building—Equipment	2,049,000
(9) 99.06.340-Student Academic Services Facility—Construction	19,461,000
(10) 99.06.350-Satellite Utilities Plant, Phase 1—Construction	8,200,000
(11) 99.06.355-Mayer Hall Addition and Renovation—Construction	25,096,000
(12) 99.06.360-Applied Physics and Mathematics Renovation—Construction	8,809,000
(13) 99.06.370-Music Building—Preliminary plans and working drawings	3,802,000
San Francisco Campus:	
(14) 99.02.145-Medical Sciences Building Improvements, Phase 2—Working drawings	1,632,000
Santa Barbara Campus:	
(15) 99.08.115-Psychology Building Addition and Renovation—Equipment	410,000
(16) 99.08.125-Biological Sciences Buildings Renovation—Construction	9,691,000
(17) 99.08.130-Education and Social Sciences Building—Construction	49,706,000
Santa Cruz Campus:	
(18) 99.07.155-Seismic Corrections, Phase 3—Working drawings and construction	7,514,000
(19) 99.07.160-Alterations for Engineering, Phase 2—Construction	4,002,000
(20) 99.07.165-McHenry Project—Working drawings	1,461,000
(21) 99.07.170-Alterations for Engineering, Phase 3—Preliminary plans and working drawings	389,000
(22) 99.07.175-Digital Arts Facility—Preliminary plans	1,330,000

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Merced Campus:

(23) 99.11.035-Logistical Support/ Service Facilities—Construction and equipment 9,290,000

Provisions:

1. Identified savings in funds encumbered from this general obligation bond fund for construction contracts for capital outlay projects, remaining after completion of a capital outlay project and upon resolution of all change orders and claims, may be used: (a) to begin working drawings for a project for which preliminary plan funds have been appropriated and the plans have been approved by the State Public Works Board consistent with the scope and cost approved by the Legislature as adjusted for inflation only, (b) to proceed further with the underground tank corrections program, (c) to perform engineering evaluations on buildings that have been identified as potentially in need of seismic retrofitting, (d) to proceed with design and construction of projects to meet requirements under the federal Americans with Disabilities Act of 1990, or (e) to fund minor capital outlay projects.

   No later than March 1, 2005, the University of California shall provide the Legislative Analyst with a progress report showing the identified savings by project, and the purpose for which the identified savings were used.

   No later than November 1, 2005, the University of California shall prepare a report showing (a) the identified savings by project and (b) the purpose for which the identified savings were used. This report shall be submitted to the Chair of the Joint Legislative Budget Committee and to the chairs of the fiscal committees in each house.

2. The funds provided under this item shall be available for expenditure only if the University of California requires the payment of prevailing wage rates by the contractors and subcontractors on all projects in this item and on all other capital outlay projects undertaken by the University of California that are funded using nonstate funds or are otherwise not financed with the funds appropriated in this item. This requirement shall represent a moratorium on granting further exceptions to paying prevailing wage until June 30, 2005.

Item		Amount
6440-302-6041—For capital outlay, University of California, payable from the 2004 Higher Education Capital Outlay Bond Fund		102,865,000
Schedule:		
Davis Campus:		
(1) 99.03.320-Life Sciences Alterations, Phase 2—Preliminary plans, working drawings and construction	3,506,000	
(2) 99.03.325-Physical Sciences Expansion—Preliminary plans	2,235,000	
(3) 99.03.330-Campus Wastewater Treatment Plant Expansion, Phase 1—Preliminary plans, working drawings and construction	3,543,000	
Irvine Campus:		
(4) 99.09.345-Biological Sciences Unit 3—Construction	50,120,000	
(5) 99.09.350-Engineering Unit 3—Preliminary plans and working drawings	3,440,000	
Los Angeles Campus:		
(6) 99.04.230-Campbell Hall Seismic Correction—Construction	5,084,000	
(7) 99.04.260-GSEIS Seismic Correction—Preliminary plans, working drawings and construction	2,680,000	
Riverside Campus:		
(8) 99.05.185-Geology and Physics Building Renovation—Preliminary plans, working drawings and construction	17,777,000	
(9) 99.05.190-Materials Science and Engineering Building—Preliminary plans and working drawings	3,749,000	
San Diego Campus:		
(10) 99.06.365-SIO Research Support Facilities—Preliminary plans, working drawings and construction	3,426,000	
Santa Barbara Campus:		
(11) 99.08.140-Electrical Infrastructure Renewal Phase 2—Working drawings and construction	7,305,000	

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Provisions:

1. Notwithstanding Section 13332.11 of the Government Code or any other provision of law, the University of California may proceed with any phase of any project identified in the above schedule, including preparation of preliminary plans, working drawings, construction, or equipment purchase, without the need for any further approvals.
2. The University of California shall complete each project identified in the above schedule within the total funding amount specified in the schedule for that project. Notwithstanding Section 13332.11 of the Government Code or any other provision of law, the budget for any project to be funded from this item may be augmented by the University of California within the total appropriation made by this item, in an amount not to exceed 10 percent of the amount appropriated for that project. No funds appropriated by this item for equipment may be used for an augmentation under this provision, or be augmented from any other funds appropriated by this item. This condition does not limit the authority of the University of California to use nonstate funds.
3. The University of California shall complete each project identified in the above schedule without any change to its scope. The scope of a project means, in this respect, the intended purpose of the project as determined by reference to the following elements of the budget request for that project submitted by the University of California to the Department of Finance: (a) the program elements related to project type, and (b) the functional description of spaces required to deliver the academic and supporting programs as approved by the Legislature.
4. Notwithstanding Section 2.00 of this act or any other provision of law, the appropriation made by this item is available for encumbrance during the 2004–05 and 2005–06 fiscal years, except that the funds appropriated for construction only must be bid during the 2004–05 fiscal year, and are available for expenditure through 2005–06, and that the funds appropriated for equipment purposes

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are available for encumbrance until June 30, 2007. For the purposes of encumbrance, funds appropriated for construction management and project contingencies purposes, as well as any bid savings, shall be deemed to be encumbered at the time a contract for that purpose is awarded; these funds also may be used to initiate consulting contracts necessary for management of the project during the liquidation period. Any savings identified at the completion of the project also may be used during the liquidation period to fund the purposes described in Provision 5.

5. Identified savings in a budget for a capital outlay project, as appropriated by this item, remaining after completion of a capital outlay project and upon resolution of all change orders and claims, may be used without further approval: (a) to augment projects consistent with Provision 2, (b) to proceed further with the underground tank corrections program, (c) to perform engineering evaluations on buildings that have been identified as potentially in need of seismic retrofitting, (d) to proceed with the design and construction of projects to meet requirements under the federal Americans with Disabilities Act of 1990, or (e) to fund minor capital outlay projects.
6. No later than December 1 of each year, the University of California shall submit a report outlining the expenditure for each project of the funds appropriated by this item to the Chairperson of the Joint Legislative Budget Committee, the chairpersons of the fiscal committees of each house, the Legislative Analyst, and the Director of Finance. The report also shall include the following elements: (a) a statement of the identified savings by project, and the purpose for which the identified savings were used; (b) a certification that each project as proceeding or as completed, has remained within its scope and the amount funded for that project under this item; and (c) an evaluation of the outcome of the project measured against performance criteria.
7. The projects identified in Schedules (4) and (5) of this item may utilize design-build construction consistent with practices, policies, and procedures of the University of California.

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6440-401—Identified savings in funds encumbered from Higher Education Capital Outlay Bond Funds of 1986, 1988, 1990, 1992, 1996, 1998, and 2002 for capital outlay projects, remaining after completion of a capital outlay project and upon resolution of all change orders and claims, may be used: (a) to begin working drawings for a project for which preliminary plan funds have been appropriated and the plans have been approved by the State Public Works Board consistent with the scope and cost approved by the Legislature as adjusted for inflation only, (b) to proceed further with the underground tank corrections program, (c) to perform engineering evaluations on buildings that have been identified as potentially in need of seismic retrofitting, (d) to proceed with design and construction of projects to meet requirements under the federal Americans with Disabilities Act, and (e) for identified savings in funds encumbered from the Higher Education Capital Outlay Bond Funds of 1996, 1998, and 2002, to fund minor capital outlay projects.

No later than December 1 of each year, the University of California shall prepare a report showing (a) the identified savings by project and (b) the purpose for which the identified savings were used. This report shall be submitted to the Chairperson of the Joint Legislative Budget Committee and to the chairs of the fiscal committees in each house.

6440-490—Reappropriation, University of California. Notwithstanding any other provision of law, the balances as of June 30, 2004, of the appropriations provided in the following citations are reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in the appropriations and shall be available for encumbrance and expenditure until June 30, 2005:

0001—General Fund

(1) Item 6440-001-0001 of Section 2.00 of the Budget Act of 2003 (Ch. 157, Stats. 2003).

Provisions:

1. Of the funds reappropriated in this item from Item 6440-001-0001 of Section 2.00 of the Budget Act of 2003 (Ch. 157, Stats. 2003), $15,000,000 shall be available for deferred maintenance, special repair projects, and the replacement of instructional

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equipment. As of June 30, 2004, the balance of the funds from that item in excess of $15,000,000 shall revert to the General Fund.

2. The University of California shall report to the Department of Finance and the Joint Legislative Budget Committee the amount of the balance, on June 30, 2004, of Item 6440-001-0001 of Section 2.00 of the Budget Act of 2003 (Ch. 157, Stats. 2003), by September 30, 2004, and the expenditures made pursuant to this item by September 30, 2005.

6600-001-0001—For support of Hastings College of the Law 8,119,000

Provisions:

1. The appropriation made in this item is exempt from Section 31.00 of this act.
2. Of the funds appropriated in this item, $774,000 is for support of Program 40, Student Services, to provide financial aid to needy students attending the Hastings College of the Law, according to the nationally accepted needs analysis methodology.
3. Notwithstanding any other law, funds in this item shall not be expended at a rate in excess of one-twelfth of the total amount in any month of the 2004–05 fiscal year.

6600-001-0814—For support of Hastings College of the Law, for allocation by the Controller in accordance with the provisions of Section 8880.5 of the Government Code, as approved by the voters in Proposition 37 at the November 6, 1984, statewide general election, payable from the California State Lottery Education Fund 154,000

Provisions:

1. All funds received pursuant to Proposition 37 that are allocable to the Hastings College of the Law pursuant to Section 8880.5 of the Government Code, and that are in excess of the amount appropriated in this item are hereby appropriated in augmentation of this item.

6600-301-6028—For capital outlay, Hastings College of the Law..... 18,758,000

Schedule:

(1) 60.10.002-200 McAllister Street Facility: Code Compliance Update—Construction 18,758,000

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Provisions:

1. Identified savings in funds encumbered from this general obligation bond fund for construction contracts for capital outlay projects, remaining after completion of a capital outlay project and upon resolution of all change orders and claims, may be used: (a) to begin working drawings for a project for which preliminary plan funds have been appropriated and the plans have been approved by the State Public Works Board consistent with the scope and cost approved by the Legislature as adjusted for inflation only, (b) to proceed further with the underground tank corrections program, (c) to perform engineering evaluations on buildings that have been identified as potentially in need of seismic retrofitting, (d) to proceed with design and construction of projects to meet requirements under the federal Americans with Disabilities Act of 1990, or (e) to fund minor capital outlay projects.

6610-001-0001—For support of the California State University 2,383,638,000

Schedule:

(1) Support 3,736,029,000

(2) Reimbursements ..... −186,818,000

(3) Amount payable from the Higher Education Fees and Income, CSU Fund (Item 6610-001-0498) .... −1,165,573,000

Provisions:

1. The appropriations made in this item are exempt from Section 31.00 of this act, except as otherwise provided by the applicable sections of the Government Code referred to in Section 31.00.
2. Of the amount appropriated in this item, $350,000 is for transfer to the Affordable Student Housing Revolving Fund for the purpose of subsidizing interest costs in connection with bond financing for construction of affordable student housing at the Fullerton and Hayward campuses in accordance with Article 3 (commencing with Section 90085) of Chapter 8 of Part 55 of the Education Code.
3. Of the amount appropriated in this item, $1,878,000 is for repayment of the $17,000,000 financed for the California State University through a third party for deferred maintenance

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projects in the 1994–95 fiscal year. It is the intent of the Legislature to annually provide funds for that repayment purpose through the 2009–10 fiscal year.

4. Of the amount appropriated in this item, $2,309,000 is for repayment of the $24,000,000 financed for the California State University through a third party for deferred maintenance projects in the 1995–96 fiscal year. It is the intent of the Legislature to annually provide funds for that repayment purpose through the 2010–11 fiscal year.
5. Of the amount appropriated in this item, $1,700,000 is for support of the converted Stockton Developmental Center into the Regional and Continuing Education Center at CSU, Stanislaus.
6. Of the amount appropriated in this item, $33,785,000 is provided for student financial aid grants. These financial aid funds shall be provided to needy students according to the nationally accepted needs analysis methodology.
7. Notwithstanding Section 70000 of the Education Code, Governor's Teaching Fellowships may not be awarded in 2004–05 and no funding is provided for this purpose.
8. The amount appropriated in Schedule (1) includes funding for the California State University to enroll 324,120 full-time equivalent students (FTES). It is the intent of the Legislature that the university enrolls this number of FTES during the 2004–05 academic year. The university shall submit to the Legislature a preliminary report on March 15, 2005, and a final report on May 1, 2005, on whether it has met this enrollment goal. If the university does not meet this goal, the Director of Finance shall revert to the General Fund the total amount of enrollment funding associated with the share of the enrollment goal that was not met.
9. Of the amount appropriated in Schedule (1), $52,000,000 is appropriated for academic preparation and student support services programs. The university will redirect $45,000,000 and the state will provide $7,000,000 to support the Early Academic Assessment Program, Campus-Based Out-

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reach programs and the Educational Opportunity Program. It is the intent of the Legislature that the university report on the outcomes and effectiveness of the Early Academic Assessment Program. The report shall be submitted to the fiscal committee of each house no later than March 15, 2005.

6610-001-0498—For support of the California State University, for payment to Item 6610-001-0001, payable from the Higher Education Fees and Income, CSU Fund..... 1,165,573,000

Provisions:

1. All funds received in the Higher Education Fees and Income, CSU Fund, that are in excess of the amount appropriated in this item are hereby appropriated in augmentation of this item.

6610-001-0890—For support of the California State University, payable from the Federal Trust Fund..... 41,739,000

Provisions:

1. All funds deposited in the Federal Trust Fund for the California State University for the purposes of this item and that are in excess of the amount appropriated in this item are hereby appropriated in augmentation of this item and are exempt from Section 28.00 of this act, pursuant to subdivision (a) of Section 89753 of the Education Code.

6610-002-0001—For support of the California State University for transfer to and in augmentation of Item 6610-001-0001, for the purpose of providing direct costs and administrative overhead expenses for the Assembly, Senate, Executive and Judicial Fellows programs and the Center for California Studies 2,725,000

Schedule:

(1) Center for California Studies—Fellows Program.....	600,000
(2) Center for California Studies—Other.....	36,500
(3) Assembly Fellows.....	515,500
(4) Senate Fellows.....	515,500
(5) Executive Fellows.....	515,000
(6) Judicial Fellows	374,000
(7) LegiSchool Project.....	112,500
(8) Sacramento Semester Internship Program.....	56,000

6610-003-0001—For support of the California State University for payments on lease-purchase bonds..... 61,595,000

Item		Amount
Schedule:		
(1) Rental, insurance and administrative payments	62,037,000	
(2) Reimbursements	–442,000	
Provisions:		
1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.		
6610-301-0574—For capital outlay, California State University, payable from the 1998 Higher Education Capital Outlay Bond Fund		7,959,000
Schedule:		
(1) 06.52.105-Chico: Telecommunications Infrastructure—Construction.	7,959,000	
6610-301-6041—For capital outlay, California State University, payable from the 2004 Higher Education Capital Outlay Bond Fund		39,415,000
Schedule:		
(1) 06.48.315-Systemwide: Minor Capital Outlay—Preliminary plans, working drawings and construction	15,225,000	
(1.5) 06.51.008.000-California Maritime Academy—Acquisition	1,914,000	
(1.7) 06.54.081-Dominguez Hills: Educational Resource Center Addition—Preliminary plans and working drawings	1,725,000	
(2) 06.64.081-Hayward Seismic Upgrade, Warren Hall—Preliminary plans	675,000	
(2.5) 06.71.110-Long Beach: Peterson Hall 3 Replacement Building—Preliminary plans	1,361,000	
(3) 06.74.007-Monterey Bay: Infrastructure Improvements—Preliminary plans, working drawings and construction	18,515,000	
Provisions:		
1. Identified savings in funds encumbered from this general obligation bond fund for construction contracts for capital outlay projects, remaining after completion of a capital outlay project and upon resolution of all change orders and claims, may be		

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used prior to the appropriation reversion date: (a) to begin working drawings for a project for which preliminary plans funds have been appropriated and the plans have been approved by the State Public Works Board consistent with the scope and cost approved by the Legislature as adjusted for inflation only, (b) to proceed further with the underground tank corrections program, (c) to perform engineering evaluations on buildings that have been identified as potentially in need of seismic retrofitting, or (d) to proceed with design and construction of projects to meet requirements under the federal Americans with Disabilities Act.

No later than March 1, 2005, the California State University shall provide the Legislative Analyst with a progress report showing the identified savings, by project, and the purpose for which the identified savings were used.

No later than November 1, 2005, the California State University shall prepare a report showing the identified savings, by project, and the purpose for which the identified savings were used. This report shall be submitted to the Chairperson of the Joint Legislative Budget Committee and to the chairpersons of the fiscal committees in each house.

6610-302-6041—For capital outlay, California State University, payable from the 2004 Higher Education Capital Outlay Bond Fund 273,330,000

Schedule:

(1) 06.50.064-Bakersfield: Math and Computer Science Building—Preliminary plans, working drawings and construction 18,975,000

(3) 06.56.093-Fresno: Library Addition and Renovation—Preliminary plans..... 1,677,000

(4) 06.62.088-Fullerton: Auditorium/Fine Arts Instructional Facility—Equipment 3,625,000

(5) 06.62.095-Fullerton: College of Business and Economics Building—Preliminary plans, working drawings and construction..... 47,417,000

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(6) 06.67.098-Humboldt: Forbes PE Complex Renovation—Preliminary plans	1,313,000
(8) 06.73.097-Los Angeles: Science Replacement Building, Wing B—Preliminary plans, working drawings and construction	31,082,000
(9) 06.51.009-Maritime Academy: Simulation Center—Preliminary plans, working drawings and construction	8,306,000
(10) 06.82.083-Northridge: Engineering Renovation, Phase II—Equipment	3,429,000
(11) 06.82.085-Northridge: Science I Replacement—Preliminary plans, working drawings and construction	46,193,000
(12) 06.98.108-Pomona: Science Renovation, Seismic—Preliminary plans, working drawings and construction	20,298,000
(13) 06.78.089-San Bernardino: Science Building Renovation/Addition, Phase I Annex—Equipment	2,556,000
(14) 06.78.093-San Bernardino: College of Education Building—Preliminary plans, working drawings and construction	48,697,000
(15) 06.78.094-San Bernardino: Palm Desert Campus, Phase II—Equipment	1,382,000
(16) 06.96.115-San Luis Obispo: Engineering/Architecture Renovation and Replacement, Phase II—Working drawings and construction	28,589,000
(17) 06.68.120-San Marcos: Craven Hall Renovation—Preliminary plans, working drawings and construction	6,366,000
(18) 06.68.121-San Marcos: Academic Hall II, Building 13—Equipment	3,425,000

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Provisions:

1. Notwithstanding Section 13332.11 of the Government Code or any other provision of law, the California State University may proceed with any phase of any project identified in the above schedule, including preparation of preliminary plans, working drawings, construction, or equipment purchase, without the need for any further approvals.
2. The California State University shall complete each project identified in the above schedule within the total funding amount specified in the schedule for that project. Notwithstanding Section 13332.11 of the Government Code or any other provision of law, the budget for any project to be funded by this item may be augmented by the California State University within the total appropriation made by this item, in an amount not to exceed 10 percent of the amount appropriated for that project. No funds appropriated in this item for equipment may be used for an augmentation under this provision, or be augmented from any other funds appropriated by this item. This condition does not limit the authority of the California State University to use nonstate funds for these purposes.
3. The California State University shall complete each project identified in the above schedule without any change to its scope. The scope of a project means, in this respect, the intended purpose of the project as determined by reference to the following elements of the budget request for that project submitted by California State University to the Department of Finance: (a) the program elements related to project type, and (b) the functional description of spaces required to deliver the academic and supporting programs as approved by the Legislature.
4. Identified savings in a budget for a capital outlay project, as appropriated by this item, remaining after completion of a capital outlay project and upon resolution of all change orders and claims, may be used: (a) to begin working drawings for a project for which preliminary plans have been approved by the State Public Works Board consistent with the scope and cost approved by the Legislature as adjusted for inflation only, (b) to

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proceed further with the underground tank corrections program, (c) to perform engineering evaluations on buildings identified as potentially in need of seismic retrofitting, (d) to proceed with design and construction of projects to meet requirements under the federal Americans with Disabilities Act of 1990, (e) to fund minor capital outlay projects, or (f) to fund feasibility studies for capital outlay.

5. No later than March 1 of each year, the California State University shall submit a report detailing the expenditure for each project of the funds appropriated by this item to the Chairperson of the Joint Legislative Budget Committee, the chairperson of the fiscal committees of each house, the Legislative Analyst, and the Director of Finance. The report also shall include the following elements: (a) a statement of the identified savings by project, and the purpose for which the identified savings were used: (b) a certification that each project as proceeding or as completed, has remained within its scope and the amount funded for that project under this item; and (c) an evaluation of the outcome of the project measured against performance criteria.
6. Notwithstanding Section 2.00 of this act or any other provision of law, the appropriation made in this item is available for encumbrance during the 2004–05 and 2005–06 fiscal years, except that the funds appropriated for construction only must be bid by the 2004–05 fiscal year, and will be available for expenditure through the 2005–06 fiscal year, and funds appropriated for equipment purposes are available for encumbrance through 2006–07. For the purposes of encumbrance, funds appropriated for construction management and project contingencies purposes, as well as any bid savings, shall be deemed to be encumbered at the time a contract for that purpose is awarded; these funds also may be used to initiate consulting contracts necessary for management of the project during the liquidation period. Any savings identified at the completion of the projects also may be used during the liquidation period to fund the purposes described in subdivisions (a), (b), (c), (d), (e), and (f) of Provision 4.

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6610-401—Identified savings in funds encumbered from Higher Education Capital Outlay Bond Funds of 1986, 1988, 1990, 1992, 1996, 1998, and 2002 for capital outlay projects, remaining after completion of a capital outlay project and upon resolution of all change orders and claims, may be used: (a) to begin working drawings for a project for which preliminary plan funds have been appropriated and the plans have been approved by the State Public Works Board consistent with the scope and cost approved by the Legislature as adjusted for inflation only, (b) to proceed further with the underground tank corrections program, (c) to perform engineering evaluations on buildings that have been identified as potentially in need of seismic retrofitting, or (d) to proceed with design and construction of projects to meet requirements under the federal Americans with Disabilities Act.

No later than November 1, 2005, the California State University shall prepare a report showing (a) the identified savings by project and (b) the purpose for which the identified savings were used. This report shall be submitted to the Chairperson of the Joint Legislative Budget Committee and to the chairs of the fiscal committees in each house.

6610-490—Reappropriation, California State University. Notwithstanding any other provision of law, the balances of the appropriations provided in the following citations are reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in the appropriations and shall be available for encumbrance or expenditure until June 30, 2005:

0001—General Fund

(1) Item 6610-001-0001, Budget Act of 2003 (Ch. 157, Stats. 2003)

Provisions:

1. Of the funds reappropriated in this item from Item 6610-001-0001, Budget Act of 2003 (Ch. 157, Stats. 2003), up to $15,000,000 shall be available for the general support of the California State University. This $15,000,000 limitation applies only to reappropriations generated from systemwide allocations. As of June 30, 2004, the balance generated from systemwide allocations in excess of $15,000,000 shall revert to the General Fund.

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2. The California State University shall, by September 30, 2004, report to the Department of Finance and the Joint Legislative Budget Committee the amount of the balance as of June 30, 2004, of Item 6610-001-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003), and a proposed expenditure plan for that balance. The California State University shall report by September 30, 2005, on the expenditures made pursuant to this item.

0498—Higher Education Fees and Income, CSU Fund

(1) Item 6610-001-0498, Budget Act of 2003 (Ch. 157, Stats. 2003).

6610-493—Reappropriation, California State University. The balances of the appropriations provided in the following citations are reappropriated for the purposes and subject to the limitations, unless otherwise specified, in those appropriations:

6028—Higher Education Capital Outlay Bond of 2002

(1) Item 6610-302-6028, Budget Act of 2002 (Ch. 379, Stats. 2002)

Monterey Campus:

(8.5) 06.74.006-Monterey Bay: Library—Construction

Pomona Campus:

(20) 06.98.107-Pomona: Library Addition and Renovation—Construction

(2) Item 6610-301-6028, Budget Act of 2003 (Ch. 157, Stats. 2003)

California Maritime Academy:

(2) 06.51.008-California Maritime Academy—Acquisition

6610-494—Reappropriation, California State University. Notwithstanding any other provision of law, the period to liquidate encumbrances of the following citations shall be extended as stated:

0574—1998 Higher Education Capital Outlay Bond Fund—Available for liquidation of encumbrance until June 30, 2005.

(1) Item 6610-302-0574, Budget Act of 1999 (Ch. 50, Stats. 1999), as reappropriated by Item 6610-492, Budget Act of 2003 (Ch. 157, Stats. 2003), San Francisco State University

(8) 06.84.098-San Francisco State University: Renovate Hensill Hall (Seismic)—Construction

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(2) Item 6610-302-0574, Budget Act of 2000 (Ch. 52, Stats. 2000), California State University, Long Beach

(3) 06.71.105-Long Beach: Peterson Hall Addition—Construction

6028—2002 Higher Education Capital Outlay Bond Fund—Available for liquidation of encumbrance until December 31, 2007.

(1) Item 6610-302-6028, Budget Act of 2002 (Ch. 379, Stats. 2002), California State University, San Luis Obispo

(19) 06.96.108-San Luis Obispo: Engineering/Architecture Renovation and Replacement, Phase II—Preliminary plans, working drawings, and construction

6610-495—Reversion, California State University. As of June 30, 2004, the sum of $6,600,000 from the appropriation provided in the following citation shall revert to the balance of the fund from which the appropriation was made:

0001—General Fund

(1) Item 6610-301-0001, Budget Act of 2000 (Ch. 52, Stats. 2000), as reappropriated by Item 6610-491 (Ch. 157, Stats. 2003)

(2) 06.52.105-Chico: Telecommunications Infrastructure—Construction

6870-001-0001—For support of Board of Governors of the California Community Colleges..... 8,648,000

Schedule:

(1) 10-Apportionments..... 819,000

(2) 20-Special Services and Operations 14,715,000

(3) 30.01-Administration..... 3,921,000

(4) 30.02-Administration—Distributed ..... –3,921,000

(5) Reimbursements..... –6,886,000

Provisions:

1. Funds appropriated in this item may be expended or encumbered to make one or more payments under a personal services contract of a visiting educator pursuant to Section 19050.8 of the Government Code, a long-term special consultant services contract, or an employment contract between an entity that is not a state agency and a person who is under the direct or daily supervision of

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a state agency, only if all of the following conditions are met:

(a) The person providing service under the contract provides full financial disclosure to the Fair Political Practices Commission in accordance with the rules and regulations of the commission.

(b) The service provided under the contract does not result in the displacement of any represented civil service employee.

(c) The rate of compensation for salary and health benefits for the person providing service under the contract does not exceed by more than 10 percent the current rate of compensation for salary and health benefits determined by the Department of Personnel Administration for civil service personnel in a comparable position. The payment of any other compensation or any reimbursement for travel or per diem expenses shall be in accordance with the State Administrative Manual and the rules and regulations of the Department of Personnel Administration.

6870-001-0574—For support of Board of Governors of the California Community Colleges, Program 20.40.010-Facilities Planning, payable from the 1998 Higher Education Capital Outlay Bond Fund 1,340,000

6870-001-0909—For support for the Board of Governors of the California Community Colleges, Program 20.30.020-Instructional Improvement and Innovation, payable from the Special Grant Cash Account of the Fund for Instructional Improvement Program 11,000

6870-001-0925—For support of Board of Governors of the California Community Colleges, Program 20.30.050-Economic Development, payable from the California Business Resources and Assistance Innovation Network Fund 10,000

6870-101-0001—For local assistance, Board of Governors of the California Community Colleges (Proposition 98) 2,810,212,000

Schedule:

(1) 10.10.010-Apportionments 1,908,539,000

(2) 10.10.020-Basic Skills and Apprenticeship 41,696,000

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(3) 10.10.030-Growth for Apportionment	148,120,000
(4) 10.10.040-Partnership for Excellence	225,000,000
(5) 20.10.005-Student Financial Aid Administration	47,338,000
(7) 20.10.020-Disabled Students	85,977,000
(8) 20.10.045-Special Services for CalWORKs Recipients	34,580,000
(9) 20.10.060-Foster Care Education Program	1,754,000
(10) 20.10.070-Matriculation	62,539,000
(11) 20.20.020-Academic Senate for the Community Colleges	467,000
(12) 20.20.041-Equal Employment Opportunity pursuant to Ch. 1169, Statutes of 2002	1,747,000
(13) 20.20.050-Part-time Faculty Health Insurance	1,000,000
(14) 20.20.051-Part-time Faculty Compensation	50,828,000
(15) 20.20.055-Part-time Faculty Office Hours	7,172,000
(16) 20.30.011-Telecommunications and Technology Services	23,397,000
(17) 20.30.050-Economic Development	35,790,000
(18) 20.30.070-Transfer Education and Articulation	1,974,000
(19) 20.40.026-Physical Plant and Instructional Support	27,345,000
(20) 20.10.010-Extended Opportunity Programs and Services and Special Services	98,791,000
(21) 20.30.045-Fund for Student Success	6,158,000

Provisions:

1. The funds appropriated in Schedules (1), (2), (3), (4), (5), (7), (8), (9), (10), (12), (13), (14), (15), $22,050,000 in Schedule (16), (17), (19), and (20) are for transfer by the Controller during the 2004–05 fiscal year to Section B of the State School Fund.
2. The amount appropriated in Schedule (1) reflects the intent of the Legislature to defer $200,000,000 for apportionments to the 2005–06 fiscal year,

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pursuant to separate legislation enacted for the 2004–05 fiscal year.

3. Notwithstanding any other provision of law or regulation, apportionment funding for community college districts shall be based on the greater of the current year or prior year level of FTES, consistent with K–12 declining enrollment practices pursuant to Section 42238.5 of the Education Code. Decreases in FTES shall result in a revenue reduction at the district's average level of apportionment funding per FTES and shall be made in the year following the initial year of decrease in FTES.

4. (a) The amount appropriated in Schedule (4) shall be made available to districts in the same manner as the general apportionment funding in Schedule (1), and shall be made available in the same amount provided to each district for the Partnership for Excellence program in the 2003–04 fiscal year, including the funding deferred for this program pursuant to Section 84321 of the Education Code, and notwithstanding the basic aid status of any district. As a condition of receiving these funds, the districts shall first agree to assure that courses related to student needs for transfer, basic skills, and vocational and workforce training are accorded the highest priority and are provided to the maximum extent possible within budgeted funds.

(b) On or before January 10, 2005, the Board of Governors of the California Community Colleges shall develop and adopt a clear methodology for determining which courses are considered transfer, basic skills, or vocational and workforce training for the purposes of this provision.

(c) The Board of Governors of the California Community Colleges shall annually assess and report to the Legislature, on or before April 15, district and college data on the same educational outcome measures reported to the Legislature as part of the Partnership for Excellence program pursuant to Section 84754 of the Education Code. As part of the April 15, 2005, report, the Chancellor of the California Community Colleges shall include his

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or her findings and determinations regarding the definition of transfer, basic skill, vocational, and workforce training courses, as required by subdivision (b).

(d) Acceptance of funds appropriated in Schedule (4) shall constitute concurrence by the district or college to collect and provide to the Chancellor of the California Community Colleges all information necessary to quantify baseline performance and annually report changes in outcome measures to the chancellor if, in the judgment of the chancellor, current Management Information System (MIS) data are insufficient for the purpose of any of the approved measures.

5. Of the funds appropriated in Schedule (1), Apportionments:

(a) Up to $100,000 is for a maintenance allowance, pursuant to regulations adopted by the board of governors.

(b) Up to $500,000 is to reimburse colleges for the costs of federal aid repayments related to assessed fees for fee waiver recipients. This reimbursement only applies to students who completely withdraw from college before the census date.

(c) Notwithstanding any other provision of law or regulation, the chancellor shall not reduce district workload obligations for a lack of a funded cost-of-living adjustment.

6. Of the funds appropriated in Schedule (1), $80,000,000 is for equalization, to be allocated pursuant to legislation enacted during the 2003–04 Regular Session. These funds shall not be considered Program Improvement Funds pursuant to Title 5 of the California Code of Regulations.

7. Notwithstanding any other provision of law, $28,967,000 of the funds appropriated in Schedule (2) is for allocation to community college districts in the 2004–05 fiscal year for the purposes of funding FTES in courses in basic skills, including English-as-a-second-language courses and workforce preparation courses for newly legalized immigrants, to the extent the total FTES claimed by a district for the 2004–05 fiscal year exceeds the level of total FTES funded for that

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district in the 2004–05 fiscal year. The Chancellor of the California Community Colleges shall develop criteria for allocating these funds.

8. Of the funds appropriated in Schedule (2), the funds not required for the 2004–05 fiscal year to meet the demand for the program funded under that schedule shall be made available on a one-time basis for general apportionment under Schedule (1) of this item, provided that no transfer shall occur prior to May 15, 2005.

9. (a) Of the amount appropriated in Schedule (2), up to $12,729,000 shall be available as necessary upon certification by the Chancellor of the California Community Colleges for the purpose of funding community college-related and supplemental instruction pursuant to Section 3074 of the Labor Code as provided in Section 8152 of the Education Code. No community college district shall use funds available under this provision to offer any new apprenticeship training program or the expansion of any existing program unless the new program or expansion has been approved by the chancellor.

   (b) Notwithstanding Section 8152 of the Education Code, each 60-minute hour of teaching time devoted to each indentured apprentice enrolled in and attending classes of related and supplemental instruction as provided under Section 3074 of the Labor Code shall be reimbursed at the rate of four dollars and eighty-six cents ($4.86) per hour. For purposes of this provision, each hour of teaching time may include up to 10 minutes for passing time and breaks.

10. Notwithstanding any other provision of law, funds appropriated in Schedule (3) of this item shall only be allocated for growth in full-time-equivalent students (FTES), on a district-by-district basis, as determined by the Chancellor of the California Community Colleges. The chancellor shall not include any FTES from concurrent enrollment in physical education, dance, recreation, study skills, and personal development courses and other courses in conflict with existing law for the purpose of calculating a district's three-year overcap adjustment. The board

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of governors shall implement the criteria required by provision 5(a) of the Budget Act of 2003 for the allocation of funds appropriated in Schedules (1) and (3), so as to assure that courses related to student needs for transfer, basic skills and vocational/workforce training are accorded the highest priority and are provided to the maximum extent possible within budgeted funds.

(b) Of the amount appropriated in Schedule (3), a total of $27,000,000 shall be allocated to districts in proportion to their unfunded FTES as measured at the second principal apportionment for the 2003–04 fiscal year.

11. (a) Of the funds appropriated in Schedule (5), not less than $10,338,000 is available to reimburse community college districts for the provision of Board of Governors (BOG) of the California Community Colleges fee waiver awards.

(b) (1) Of the amount appropriated in Schedule (5), $2,800,000 shall be for a contract with a community college district to conduct a statewide media campaign to promote the general message to prospective students as follows: (1) the California Community Colleges remain affordable; (2) financial aid and tax credits are available to cover enrollment fees and help with books and other costs; and (3) the active encouragement of contact between pupils and local CCC financial aid offices. Any funds used from this source to produce radio, television, or mail campaigns must emphasize the availability of financial aid, the easiest and most reliable method of accessing the aid, a contact telephone number, an Internet address, where applicable, and the physical location of a financial aid office. Any mail campaign must give priority to existing pupils, recent high school graduates, and 12th graders. The outreach and information campaign should target its efforts in high schools, welfare offices, unemployment offices, churches, community

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centers, and any other location that will most effectively reach low-income and disadvantaged students who must overcome barriers in accessing postsecondary education. The community college district awarded the contract shall consult with the Chancellor of the California Community Colleges and the Student Aid Commission prior to performing any activities to ensure appropriate coordination with any other state efforts in this area and ensure compliance with this provision.	
(2) Of the amount appropriated in Schedule (5), not more than $34,200,000 shall be for direct contact with potential and current financial aid applicants. Each CCC campus shall receive a minimum allocation of $50,000. The remainder of the funding shall be allocated to campuses based upon a formula reflecting full-time-equivalent students (FTES) weighted by a measure of low-income populations as demonstrated by BOG fee waiver program participation within a district. It is the intent of the Legislature, to the extent that funds are provided in this section, that all campuses provide additional staff resources to increase both financial aid participation and student access to low-income and disadvantaged students who must overcome barriers in accessing postsecondary education. Funds may be used for screening current students for possible financial aid eligibility and offering these students personal assistance in accessing financial aid, providing individual help in multiple languages for families and students in filling out the necessary paperwork to apply for financial aid, and increasing financial aid staff to process additional financial aid forms.	
(3) Funds allocated to a community college district for financial aid personnel, outreach determination of financial need,	

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and delivery of student financial aid services shall supplement, and shall not supplant, the level of funds allocated for the administration of student financial aid programs during the 2001–02 fiscal year.	
(4) It is the intent of the Legislature that the Chancellor's Office of the California Community Colleges provide the Legislature with a report by no later than April 1, 2005, on the use of the funds allocated pursuant to Provision 11(b), including the distribution of the funds, specific uses of the funds, strategies employed to reach low-income and disadvantaged students potentially eligible for financial aid, and the extent to which districts were successful in increasing the number of students accessing financial aid, particularly the maximum Pell Grant award.	
(5) It is the intent of the Legislature to monitor the impact of the 2004–05 fiscal year fee increase on student enrollment and access to financial aid. To assist the Legislature in this effort, the Chancellor of the California Community Colleges shall provide two reports to the Legislature. The first, to be submitted by November 15, 2004, shall be a preliminary report comparing systemwide enrollment, and other external factors as determined by the chancellor, including, where applicable, the change in financial aid applications and BOG waivers processed, preliminary data on the types and frequency of contact and the overall costs of the outreach devoted to this, from fall 2004. The second, to be submitted by September 1, 2005, shall be a final report comparing enrollment in the 2003–04 academic year with enrollment in the 2004–05 academic year. Both reports shall include FTES and headcount data for total enrollment, as well as for student subgroups based on age, race,	

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ethnicity, gender, BOG waiver status, and other external factors.

12. Of the funds appropriated in Schedule (20), $86,069,000 is for Extended Opportunity Programs and Services (EOPS) in accordance with Article 8 (commencing with Section 69640) of Chapter 2 of Part 42 of the Education Code. Funds provided in this item for EOPS shall be available to students on all campuses within the California Community College system, including those students on new campuses or in new districts. $12,722,000 is for funding, at all colleges, the Cooperative Agencies Resources for Education (CARE) program in accordance with Article 4 (commencing with Section 79150) of Chapter 9 of Part 48 of the Education Code. The Board of Governors of the California Community Colleges shall allocate funds on a priority basis and to local programs on the basis of need for student services.

12.5. Of the funds appropriated in Schedule (21), $6,158,000 is for additional targeted student services, to be expended as follows:

(1) $1,921,000 is for the Puente Project to support up to 75 colleges. These funds are available if matched by $200,000 of private funds and the participating community colleges and University of California campuses maintain their 1995–96 support level for the Puente Project. All funding shall be allocated directly to participating districts in accordance with their participation agreement.

(2) Up to $2,459,000 is for the Mathematics, Engineering and Science Achievement (MESA) Program. For each dollar allocated, the recipient district shall provide one dollar in matching funds.

(3) No less than $1,778,000 is for the Middle College High School Program. With the exception of fully compliant special part-time students at the community colleges pursuant to Section 48802 and 76001 of the Education Code, student workload based on participation in the Middle College High School Program shall not be eligible for community college state appor-

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tionment. Further, no community college state apportionment shall be made available for physical education classes, noncredit classes, nor other courses specified in Provision 10.

13. (a) The funds appropriated in Schedule (7) are for assisting districts in funding the excess direct instructional cost of providing special support services or instruction, or both, to disabled students enrolled at community colleges, and for state hospital programs, as mandated by federal law.

(b) Of the amount appropriated in Schedule (7), $3,945,000 shall be used to address deficiencies identified by the federal Office of Civil Rights (OCR), as determined by the chancellor's office.

(c) Of the amount appropriated in Schedule (7) at least $943,000 shall be used for support of the High Tech Centers for activities including, but not limited to, training of district employees, staff and students in the use of specialized computer equipment for the disabled. All High Tech Centers shall meet standards developed by the chancellor's office. Colleges that receive these augmentations shall not supplant existing resources provided to the centers.

(d) Notwithstanding any other provision of law, of the funds appropriated in Schedule (7) of this item, $1,000,000 shall be for state hospital adult education programs at the hospitals served by the Coast, Kern, and West Valley Community College Districts since the 1986–87 fiscal year. If adult education services at any of the three hospitals are not supported by the community colleges in the 2004–05 fiscal year, the associated funds shall, upon order of the Department of Finance, after 30 days' notice to the Chairperson of the Joint Legislative Budget Committee, be transferred to the State Department of Developmental Services (DDS). For any transfer of funds to DDS during the 2004–05 fiscal year, the Proposition 98 base funding levels for community colleges and DDS shall be adjusted accordingly.

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14. The funds appropriated in Schedule (8), Special Services for CalWORKs recipients, are for the purpose of assisting welfare recipient students and those in transition off of welfare to achieve long-term self-sufficiency through coordinated student services offered at community colleges, including: workstudy, other educational related work experience, job placement services, child care services, and coordination with county welfare offices to determine eligibility and availability of services. All services funded in this schedule shall be for current CalWORKs recipients or prior CalWORKs recipients who are in transition off of cash assistance for no more than two years. Current cash assistance recipients may utilize these services until their initial educational objectives are met. Former recipients in transition off of cash assistance may utilize these services for a period of up to two years after leaving cash assistance subject to the conditions of this provision. These funds shall be used to supplement and not supplant existing funds and services provided for CalWORKs recipients attending community colleges. The chancellor shall develop an equitable method for allocating funds to all districts and colleges based on the relative numbers of CalWORKs recipients in attendance and shall allocate funds for the following purposes:
(a) Job placement.
(b) Coordination with county welfare offices and other local agencies, including local workforce investment boards.
(c) Curriculum development and redesign.
(d) Child care and workstudy.
(e) Instruction.
(f) Postemployment skills training and related skills.

Of the amount appropriated in Schedule (8) of this item, $15,000,000 shall be for child care and shall not require a district match. For the remaining funds, districts shall, as a condition of receipt of these funds, provide a $1 match for every $1 provided by the state.

Funds utilized for subsidized child care shall be for children of CalWORKs recipients through campus-based centers or parental choice vouch-

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ers at rates and with rules consistent with those applied to related programs operated by the State Department of Education in the 2004–05 fiscal year, including eligibility, reimbursement rates, and parental contribution schedules. Subsidized campus child care for CalWORKs recipients may be provided during the period they are engaged in qualifying state and federal work activities through attainment of their initial education and training plan and for up to three months thereafter or until the end of the academic year, whichever period of time is greater.

Funds utilized for workstudy shall be used solely for payments to employers that currently participate in campus-based workstudy programs or are providing work experiences that are directly related to and in furtherance of student educational programs, provided that those payments may not exceed 75 percent of the wage for the workstudy positions, and the employers shall pay at least 25 percent of the wage for the workstudy position. These funds may be expended only if the total hours of education, employment, and workstudy for the student are sufficient to meet both state and federal minimum requirements for qualifying work-related activities.

Funds may be used to provide credit or noncredit classes for CalWORKs students if a district has committed all of its funded FTES and is unable to offer the additional instructional services to meet the demand for CalWORKs students. This determination shall be based on fall enrollment information. Districts shall make application to the chancellor's office by October 15 of each year. If the chancellor approves the use of funds for direct instructional workload, the chancellor's office shall submit a report to the Joint Legislative Budget Committee by November 15, 2004, that (1) identifies the enrollment of new CalWORKs students, (2) states whether and why additional classes were needed to accommodate the needs of CalWORKs students, and (3) sets forth an expenditure plan for the balance of funds.

As a condition of receipt of the funds appropriated in Schedule (8), by the fourth week following the end of the semester or quarter term

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commencing in January 2005, each participating community college shall submit to the chancellor's office a report, in the format specified by the chancellor in consultation with the State Department of Social Services, that includes, but is not limited to, the funded components, the number of hours of child care provided, the average monthly enrollment of CalWORKs dependents served in child care, the number of workstudy hours provided, the hourly salaries and type of jobs, the number of students being case managed, the short-term programs available, the student participation rates, and other outcome data. It is intended that, to the extent practical, reporting from colleges utilize data gathered for federal reporting requirements at the state and local level. Further, it is intended that the chancellor's office compile the information for annual reports to the Legislature, the Governor, the Legislative Analyst, and the Departments of Finance and Social Services by November 15 of each year.

First priority for expenditures of any funds appropriated in Schedule (8) shall be in support of current CalWORKs recipients. However, if caseloads are insufficient to fully utilize all of the funding in this schedule in a cost beneficial way, it is intended that up to $5,000,000 of the funds subject to local matching requirements may be allocated for providing postemployment services to former CalWORKs recipients who have been off of cash assistance for no longer than two years to assist them in upgrading skills, job retention, and advancement. Allowable services include direct instruction that cannot be funded under available growth funding, child care to support attendance in these classes consistent with this provision, job development and placement services, and career counseling and assessment activities which cannot be funded through other programs. Child care services may only be provided for periods commensurate with a student's need for postemployment training within the two-year transitional period.

Prior to allocation of funds for postemployment services, the chancellor shall first secure the approval of the Department of Finance for

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the allocations, complete a cumulative report on the outcomes, activities, and cost-effectiveness of the program no later than November 15, 2003, in compliance with the Budget Acts of 1998 (Ch. 324, Stats. 1998) and 1999 (Ch. 50, Stats. 1999) and this act, and shall provide the rationale and justification for the proposed allocation of postemployment services to districts for transitional students.

If a district is unable to fully expend its share of child care funds, it may request that the chancellor's office approve a reallocation to other CalWORKs purposes authorized by this provision, subject to all pertinent limitations and district match required for these purposes under this provision.

15. Funds appropriated in Schedule (8) of this item have been budgeted to meet the state's Temporary Assistance for Needy Families maintenance-of-effort requirement pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193) and may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.

16. The funds in Schedule (9) of this item shall be allocated to provide foster parent training. Funds shall be allocated in such a manner as to ensure priority for training required by Section 1529.2 of the Health and Safety Code. Districts shall make services available to foster parents to satisfy the requirements of Section 1529.2 of the Health and Safety Code as a first priority. Remaining funds may be used for services to foster child relative caretakers and for additional parenting skills, thereafter.

16.5. (a) Funds appropriated in Schedule (10) are for the purpose of student matriculation pursuant to Article 1 (commencing with Section 78210) of Chapter 2 of Part 48 of the Education Code.

(b) Of the amount appropriated in Schedule (10), an amount equal to $14,842,670 shall be allocated to commuity college districts on a one-to-one matching funds basis to

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provide matriculation services, including, but not limited to, orientation, assessment, and counseling, for students enrolled in designated noncredit classes and programs who may benefit most, as determined by the Chancellor of the California Community Colleges pursuant to Sections 78216 to 78218, inclusive, of the Education Code.

17. (a) $9,550,000 of the funds provided in Schedule (16) of this item shall be for the purpose of supporting technical and application innovations and for coordination of activities that serve to maximize the utility of the technology investments of the community college system towards improving learning outcomes. Allocations shall be made by the chancellor, based on criteria and guidelines as developed by the chancellor, on a competitive basis through the RFA/RFP application process as follows:

(1) $2,000,000, or as much as necessary, shall be available for a statewide digital uplink for the purpose of delivering statewide satellite services to system colleges and districts related to instruction, student support, and administration.

(2) $2,300,000 is for the development and implementation of a systemwide audio bridging and telephony capability of the 4C Net backbone to facilitate collaboration of faculty, students, and staff in instruction, student services, and shared governance activities.

(3) Any remaining funds shall be available for centers to provide regional coordination for technical assistance and planning, cooperative purchase agreements, and faculty and staff development. All other provisions as specified in Provision 17(b)(3) of Item 6870-101-0001 of Section 2.00 of the Budget Act of 1996 (Ch. 162, Stats. 1996) shall apply.

(b) $12,500,000 of the funds provided in Schedule (16) shall be availabe for allocations to districts. It is the intent of the Legislature

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that these funds be used by colleges to maintain the technology capabilities specified in Provision 21(a) of Item 6870-101-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003). Thse funds shall not supplant existing funds used for those purposes, and colleges shall match maintenance and ongoing costs with other funds as provided by Provision 21(a) of Item 6870-101-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).

(c) Of the funds provided in Schedule (16), $1,347,000 shall be available for grants to districts to fund California Virtual University distance education centers, for instructing faculty in teaching courses online, and other expenses for conversion of courses for distance education. The funds appropriated in this item shall not supplant existing funds and shall be subject to established fiscal controls, annual reporting and accountability requirements specified by the chancellor. The chancellor shall develop criteria for the allocation of these funds. As a condition of receipt of the funds, colleges are required to submit to the chancellor's office reports in a format specified by the chancellor sufficient to document the value and productivity of this program, including, but not limited to, numbers and nature of courses converted, and the amount of distance education instructional workload services provided as a result of these courses. It is intended that the chancellor's office further develop the reporting criteria for participating colleges and submit that for review along with an annual progress report on program implementation to the Legislative Analyst, Office of the Secretary for Education, and the Department of Finance no later than November 1, 2004, for review and comment.

18. Of the funds provided in Schedule (17) for the Economic and Workforce Development Program:

(a) $18,984,027 is allocated for grants for regional business resources assistance and innovation network centers. Each grant awarded to a district for Centers for Interna-

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tional Development shall contain sufficient funds, as determined by the chancellor, for the continued operation of Mexican International Trade Centers.	
(b) $5,612,281 is allocated for Industry-Driven Regional Education and Training Collaboratives. These grants shall be made on a competitive basis and the award amounts shall not be restricted to any predetermined limit, but rather shall be funded on their individual merits.	
(c) $3,800,000 is allocated for statewide network leadership, organizational development, coordination, information and support services, or other program purposes.	
(d) $3,393,692 is available for Job Development Incentive Training programs focused on job creation for public assistance recipients. Any annual savings from this subdivision shall only be available for expenditure for one-time activities listed under subdivision (j) of Section 88531 of the Education Code.	
(e) The following provisions apply to the expenditure of funds within subdivisions (a) and (b) above: Funds allocated for centers and regional collaboratives shall seek to maximize the use of state funds for subdivisions (g) through (j) of Section 88531 of the Education Code. Funds allocated to districts for purposes of subdivisions (g) and (i) of Section 88531 of the Education Code for performance-based training and student internships shall be matched by a minimum of $1 of private business and industry funding for each $1 of state funds. Funds allocated for purposes of subdivision (h) of Section 88531 of the Education Code for credit and noncredit instruction may be transferred to Schedule (1) or (3) to facilitate distribution at the chancellor's discretion. Any funds that become available from network centers due to savings, discontinuance, or reduction of amounts shall first be made available for additional allocations in subdivision (b) above to increase the level of subsidized training otherwise available.	

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(f) $4,000,000 is allocated to continue enrollment growth provided for community college nursing programs pursuant to paragraph (2) of subdivision (a) of Section 2 of Chapter 514 of the Statutes of 2001.	
(g) Funds allocated by the board of governors under this provision may not be used by community college districts to supplant existing courses or contract education offerings. The chancellor shall ensure that funds are spent only for expanded services and shall implement accountability reporting for districts receiving these funds to ensure that training, credit, and noncredit programs remain relevant to business needs. Programs that do not demonstrate continued relevance and support by business shall not be eligible for continued funding. The board of governors shall consider the level of involvement and financial commitments of business and industry as primary factors in making awards. The chancellor shall incorporate grant requirements into its guidelines for audits of Economic Development grants.	
(h) A primary objective of the Economic Development program is to maximize instruction, to prepare students for entry-level jobs, to increase skills of the current workforce, and to stimulate the growth of businesses through training so that more jobs are created. The chancellor shall submit an annual report to the Legislative Analyst, the budget and fiscal committees of the Legislature, and the Department of Finance, commencing March 1, 2003, and each March 1 annually thereafter, that includes the amount provided to each economic development regional center and each industry-driven regional education and training collaborative, and to the extent practicable, the total number of hours of contract education services, performance-based training, credit and noncredit instruction, and job placements created as a result of this program by each center and collaborative.	

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19. Of the funds appropriated in Schedule (18), $589,000 is for Project Assist, $835,000 is for the California Articulation Number (CAN) system, $550,000 is for faculty articulation workshops through fiscal year 2004–05. The chancellor's office shall report to the Department of Finance and the Legislature by September 1, 2004, on the status of these projects and any additional resource needs to complete articulation for major coursework and common course numbering.

20. The funds appropriated in Schedule (19) are available for the following purposes:

(a) Scheduled maintenance and special repairs of facilities, replacement of instructional equipment, and replacement of library materials. The chancellor shall allocate funds to districts on the basis of actual reported FTES, and may establish a minimum allocation per district. As a condition of receiving and expending these funds for maintenance or special repairs, a district shall certify that it will increase its operations and maintenance spending from the 1995–96 fiscal year by the amount it allocates from this appropriation for maintenance and special repairs, plus an equal amount to be provided from district discretionary funds. The chancellor may waive all or a portion of the matching requirement based upon a review of a district's financial condition. The question of whether a district has complied with its resolution shall be reviewed under the annual audit of that district. For every $3 a district expends from this appropriation for replacement of instructional equipment or library materials, the recipient district shall provide $1 in matching funds. The funds provided for instructional equipment and library materials shall not be used for personal services costs or operating expenses.

(b) Hazard substances, abatement, cleanup and repairs.

(c) Architectural barrier removal projects that meet the requirements of the federal Americans with Disabilities Act of 1990 and seis-

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mic retrofit projects limited to $400,000. Districts that receive funds for architectural barrier removal projects shall provide a $1 match for every $1 provided by the state. The amounts in Schedule (19) of this item shall be available for expenditure until June 30, 2006.

21. Pursuant to Sections 69648.5, 78216, and 84850, and subdivision (b) of Section 87108, of the Education Code, the Board of Governors of the California Community Colleges may allocate funds appropriated in Schedules (7), (10), (12), and (20) by grant or contract, or through the apportionment process, to one or more districts for the purpose of providing program evaluation, accountability, monitoring, or program development services, as appropriate under the applicable statute.

6870-101-0814—For local assistance, Board of Governors of the California Community Colleges, for allocation by the Controller in accordance with the provisions of Section 8880.5 of the Government Code, as approved by the voters in Proposition 37 at the November 6, 1984, statewide general election, payable from the California State Lottery Education Fund 143,313,000

Provisions:

1. All funds received pursuant to Proposition 37 that are allocable to community college districts pursuant to Section 8880.5 of the Government Code, that are in excess of the amount appropriated in this item, are hereby appropriated in augmentation of this item.

6870-101-0909—For local assistance, Board of Governors of the California Community Colleges, payable from the Community College Fund for Instructional Improvement 302,000

Schedule:

(2) 20.30.022-Instructional Improvement Loans..... 302,000

6870-101-0925—For local assistance, Board of Governors of the California Community Colleges, Program 20.30.050-Economic Development, payable from California Business Resources and Assistance Innovation Network Fund 15,000

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6870-102-0959—For transfer by the Controller, upon order of the Director of Finance, from the Foster Parent Training Fund to the General Fund ..... (5,383,000)

6870-103-0001—For local assistance, Board of Governors of the California Community Colleges (Proposition 98), to allow selected community colleges to make required lease-purchase payments 57,381,000

Schedule:

(1) Rental and administration 57,777,000

(2) Reimbursements ..... –396,000

Provisions:

1. The funds appropriated in this item are for transfer by the Controller to Section B of the State School Fund.
2. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

6870-111-0001—For local assistance, Board of Governors of the California Community Colleges..... 0

Schedule:

(1) 10.20-CalWORKs Services..... 8,000,000

(2) 20.10.015-AmeriCorps Program..... 4,079,000

(3) 20.10.060-Foster Parent Training ... 6,112,000

(4) 20.30.030-Vocational Education..... 56,741,000

(6) Reimbursements.....–74,932,000

Provisions:

1. The amounts appropriated in Schedules (1) and (4) of this item are for transfer by the Controller to Section B of the State School Fund.
2. The funds appropriated in Schedule (1) of this item are to fund additional fixed, variable, and one-time costs for providing support services and instruction for CalWORKs students which include, but are not limited to: job placement and coordination; curriculum development and redesign; child care and workstudy; and instruction. As a condition of receiving funding, colleges are required to submit a plan to the chancellor's office on how the funds will be utilized, which shall be based on collaboration with county welfare offices regarding the services and instruction that are needed for CalWORKs recipients.

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6870-295-0001—For local assistance, Board of Governors of the California Community Colleges (Proposition 98), for reimbursement, in accordance with provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the Controller..... 2,000

Schedule:

(1) 98.01.000.184-Health Fees (Ch. 1, Stats. 1984, 2nd Ex. Sess.)..... 1,000

(2) 98.01.028.498-Law Enforcement Jurisdiction Agreements (Ch. 284, Stats. 1998) 1,000

Provisions:

1. Allocation of funds appropriated in this item to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute of executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated by this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.
2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the Controller may, upon notifying the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.

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6870-301-0574—For capital outlay, Board of Governors of the California Community Colleges, to be allocated by the board of governors to community college districts for expenditure as set forth in the schedule below, payable from the 1998 Higher Education Capital Outlay Bond Fund	2,978,000
Schedule:	
San Bernardino Community College District	
Valley College	
(1) 40.46.205-Child Development Center—Construction 2,978,000	
6870-301-0660—For capital outlay, Board of Governors of the California Community Colleges, to be allocated by the board of governors to community college districts for expenditure as set forth in the schedule below, payable from the Public Buildings Construction Fund	3,528,000
Schedule:	
San Luis Obispo County Community College District	
Cuesta College	
(1) 40.51.111-Library Addition and Reconstruction—Construction 3,528,000	
Provisions:	

1. The State Public Works Board may issue lease revenue bonds, notes, or bond anticipation notes pursuant to Chapter 5 (commencing with Section 15830) of Part 10b of Division 3 of Title 2 of the Government Code to finance the construction of the project authorized by this item.
2. The State Public Works Board and the Chancellor's Office of the California Community Colleges may obtain interim financing for the project costs authorized in this item from any appropriate source including, but not limited to, the Pooled Money Investment Account pursuant to Section 16312 and 16313 of the Government Code.
3. The State Public Works Board may authorize any additional amount necessary to establish a reasonable construction reserve and to pay the cost of financing including the payment of interest during the construction of the project, the costs of financing a debt service fund, and the cost of issuance of permanent financing for the project. This additional amount may include interest payable on any interim financing obtained.

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4. The State Public Works Board shall not be deemed a lead or responsible agency for purposes of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) for any activities under the State Building Construction Act of 1955 (Part 10b (commencing with Section 15800) of Division 3 of Title 2 of the Government Code). This section does not exempt the district from the requirements of the California Environmental Quality Act. This section is intended to be declarative of existing law.
5. Notwithstanding Section 2.00 of this act or any other provision of law, the appropriation made by this item is available for encumbrance until June 30, 2008.

6870-301-6028—For capital outlay, Board of Governors of the California Community Colleges to be allocated by the Board of Governors to community college districts for expenditure as set forth in the schedule below, payable from the 2002 Higher Education Capital Outlay Bond Fund 35,584,000

Schedule:

Allan Hancock Joint Community College District
Allan Hancock College
(1) 40.02.117-Skills Center Replacement—Construction and equipment 5,500,000

Cerritos Community College District
Cerritos College
(2) 40.07.116-Seismic Retrofit, Metal Trades—Construction 1,171,000
(3) 40.07.117-Seismic Retrofit, Electronics—Construction 1,276,000

Coast Community College District
Golden West College
(4) 40.11.206-Structural Repair Campuswide—Construction 2,497,000

Foothill-DeAnza Community College District
Foothill College
(5) 40.15.211-Seismic Replacement-Student Services—Equipment..... 658,000
(6) 40.15.212-Seismic Replacement-Field Locker Rooms—Construction..... 1,621,000

Item	Amount
(7) 40.15.213-Seismic Replacement-Maintenance Building—Construction	955,000
Grossmont-Cuyamaca Community College District	
Grossmont College	
(8) 40.19.209-Infrastructure Correction—Preliminary plans, working drawings and construction	1,569,000
Los Angeles Community College District	
Los Angeles Pierce College	
(9) 40.26.503-Infrastructure Correction—Construction	615,000
Mira Costa Community College District	
Mira Costa College	
(10) 40.31.110-Creative Arts Building Replacement—Construction	9,770,000
North Orange County Community College District	
Cypress College	
(11) 40.36.101-Piazza Infrastructure Repair—Construction	7,595,000
San Bernardino Community College District	
San Bernardino Valley College	
(12) 40.46.205-Child Development Center—Equipment	125,000
Santa Barbara Community College District	
Santa Barbara City College	
(14) 40.53.121-Physical Science Renovation—Construction	1,721,000
Ventura County Community College District	
Oxnard College	
(15) 40.65.206-Warehouse Replacement—Preliminary plans and working drawings	125,000
West Valley-Mission Community College District	
West Valley College	
(16) 40.69.106-Math and Science Replacement—Preliminary plans and working drawings	386,000

Provisions:

1. The project identified in Schedule (8) is subject to the following:
   (a) Notwithstanding Section 13332.11 of the Government Code, the community college districts shall complete each project identified within the total funding amount specified in the schedule for that project. This condition

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does not limit the authority of the districts to use nonstate funds to fund or augment these projects with State Public Works Board approval.

(b) The community college districts shall complete each project identified without any change to its scope. The scope of a project means, in this respect, the intended purpose of the project as determined by reference to the following elements of the budget request for that project submitted by the Board of Governors to the Department of Finance: (1) the program elements related to project type, and (2) the functional description of spaces required to deliver the academic and supporting programs as approved by the Legislature.

(c) Notwithstanding Section 2.00 of this act or any other provision of law, the appropriation made by this item is available for encumbrance during the 2004–05 and 2005–06 fiscal years, except that the funds appropriated for equipment purposes are available for encumbrance until June 30, 2007. For the purposes of encumbrance, funds appropriated for construction management and project contingencies purposes, as well as any bid savings, shall be deemed to be encumbered at the time a contract is awarded; these funds also may be used to initiate consulting contracts necessary for management of the project during the liquidation period.

6870-301-6041—For capital outlay, Board of Governors of the California Community Colleges, to be allocated by the board of governors to community college districts for expenditure as set forth in the schedule below, payable from the 2004 Higher Education Capital Outlay Bond Fund 584,777,000

Schedule:

Allan Hancock Joint Community College District

Allan Hancock College

(1) 40.02.114-Science Health Occupations Complex—Construction and equipment..... 15,541,000

Barstow Community College District

Barstow College

(2) 40.04.102-Remodel for Efficiency—Construction 2,927,000

Item	Amount
Cabrillo Community College District	
Cabrillo College	
(3) 40.06.111-Visual/Performing Arts Complex—Construction and equipment	21,493,000
Chaffey Community College District	
Chaffey College	
(4) 40.08.112-Health/Physical Science Building Renovation—Preliminary plans and working drawings	757,000
Coast Community College District	
Orange Coast College	
(5) 40.11.302-Learning Resource Center—Construction and equipment	21,192,000
Compton Community College District	
Compton College	
(6) 40.12.111-Performing Arts and Recreation Complex—Construction and equipment	12,362,000
Contra Costa Community College District	
Los Medanos College	
(7) 40.13.314-Math, Science, Technology Building—Construction and equipment	20,547,000
El Camino Community College District	
El Camino College	
(8) 40.14.110-Learning Resource Center—Preliminary plans and working drawings	464,000
Foothill-De Anza Community College District	
De Anza College	
(9) 40.15.109-Chemistry Building Conversion to Math Lab—Equipment	836,000
(10) 40.15.110-Student and Community Services—Equipment	531,000
(11) 40.15.111-Kirsch Center for Environmental Studies—Equipment	410,000
(12) 40.15.112-Bookstore Conversion to Art Building—Equipment	307,000
(13) 40.15.113-Science Center—Equipment	1,769,000
Foothill College	
(14) 40.15.207-Life Sciences—Construction and equipment	9,645,000

Item	Amount
Grossmont-Cuyamaca Community College District	
Cuyamaca College	
(15) 40.19.117-Communication Arts Building—Construction and equipment	14,719,000
Grossmont College	
(16) 40.19.208-New Digital Arts Labs—Construction and equipment	4,869,000
Hartnell Community College District	
Hartnell College	
(17) 40.20.102-Center for Assessment and Lifelong Learning—Preliminary plans and working drawings.	658,000
Kern Community College District	
Porterville College	
(18) 40.22.305-Library Expansion—Construction and equipment	7,960,000
Long Beach Community College District	
Long Beach City College PCC	
(19) 40.25.119-Library/Learning Resource Center—Preliminary plans and working drawings	331,000
(20) 40.25.120-Industrial Technology Center-Manufacturing—Construction and equipment	10,124,000
Long Beach City College LAC	
(21) 40.25.201-Library/LRC Renovation/Addition—Preliminary plans and working drawings	898,000
Los Angeles Community College District	
Los Angeles City College	
(22) 40.26.204-Child Development Center—Construction and equipment	4,855,000
(23) 40.26.207-Learning Resource Center—Construction	16,333,000
Los Angeles Harbor College	
(24) 40.26.302-Applied Technology Building—Construction and equipment	8,345,000
(25) 40.26.303-Adaptive PE and Physical Education Bldg. Renovation—Preliminary plans and working drawings	428,000

Item	Amount
Los Angeles Pierce College	
(26) 40.26.505-Child Development Center—Construction and equipment	2,451,000
West Los Angeles College	
(27) 40.26.907-Science Complex—Construction and equipment	8,307,000
Los Rios Community College District	
American River College	
(28) 40.27.104-Fine Arts Modernization—Construction	3,546,000
Cosumnes River College	
(29) 40.27.210-Science Building Modernization—Construction	2,516,000
Sacramento City College	
(30) 40.27.310-Cosmetology and Graphics Buildings Modernization—Construction	1,101,000
Merced Community College District	
Merced College	
(31) 40.30.116-Science Building Remodel—Construction and equipment	11,910,000
(32) 40.30.117-Learning Resource Center—Construction	9,542,000
Los Banos Center	
(33) 40.30.300-Site Development and Permanent Facilities—Construction and equipment	10,167,000
Monterey Peninsula Community College District	
Monterey Peninsula College	
(34) 40.32.103-Child Development Center—Preliminary plans and working drawings	267,000
Mt. San Antonio Community College District	
Mt. San Antonio College	
(35) 40.33.114-Agriculture Sciences Complex—Preliminary plans, working drawings, construction and equipment	9,284,000
Mt. San Jacinto Community College District	
Menifee Valley Center	
(36) 40.34.212-Technology Building—Preliminary plans and working drawings	669,000

Item	Amount
Palo Verde Community College District	
Palo Verde College	
(37) 40.37.103-Physical Education Complex—Construction and equipment	11,768,000
Rancho Santiago Community College District	
Santiago Canyon College	
(38) 40.41.201-Science Building—Construction	10,972,000
Rio Hondo Community College District	
Rio Hondo College	
(39) 40.43.108-Learning Resource/High Tech Center—Preliminary plans and working drawings	1,874,000
Riverside Community College District	
Riverside College	
(40) 40.44.103-Quadrangle Building Modernization—Construction and equipment	12,554,000
South Orange County Community College District	
Irvine Valley College	
(41) 40.45.103-Business Technology and Innovation Center—Preliminary plans, working drawings, construction and equipment	12,475,000
San Francisco Community College District	
City College of San Francisco	
(43) 40.48.107-Joint Use Instructional Facility—Preliminary plans	1,038,000
Chinatown Center	
(44) 40.48.108-Campus Building—Construction and equipment	33,785,000
John Adams Center	
(45) 40.48.201-John Adams Modernization—Preliminary plans and working drawings	1,932,000
San Jose-Evergreen Community College District	
Evergreen Valley College	
(46) 40.50.105-Arts Complex—Construction and equipment	9,624,000
San Jose City College	
(47) 40.50.204-Applied Sciences Center—Construction and equipment	4,166,000

Item	Amount
San Luis Obispo County Community College District	
Cuesta College	
(48) 40.51.113-Reconstruct and add Laboratories—Preliminary plans and working drawings	560,000
North County Center	
(49) 40.51.201-Learning Resource Center—Construction and equipment	10,981,000
(50) 40.51.202-Technology and Trades Complex—Preliminary plans and working drawings	520,000
San Mateo County Community College District	
Cañada College	
(51) 40.52.103-Library/Learning Resource/Student Services Center—Construction	18,920,000
College of San Mateo	
(52) 40.52.207-Student Services Consolidation—Construction	9,790,000
Santa Barbara Community College District	
Santa Barbara City College	
(53) 40.53.122-High Technology Center—Preliminary plans and working drawings	1,400,000
Santa Clarita Community College District	
College of the Canyons	
(54) 40.54.113-Laboratory Expansion—Construction and equipment	7,721,000
Sequoias Community College District	
College of the Sequoias	
(55) 40.56.111-Physical Education and Disabled Program Center—Construction and equipment	6,576,000
(56) 40.56.114-Old Library Reconstruction, Second Floor—Construction and equipment	2,534,000
Sierra Joint Community College District	
Sierra College	
(57) 40.58.107-New Classroom/Labs—Construction	14,933,000
Sonoma County Community College District	
Petaluma Center	
(58) 40.61.200-Petaluma Center Phase II—Construction and equipment	26,121,000

Item	Amount
Santa Rosa Jr. College	
(59) 40.61.403-Plover Library Conversion—Preliminary plans and working drawings	270,000
Chabot-Las Positas Community College District	
Las Positas College	
(60) 40.62.216-Multi-Disciplinary Education Building—Construction and equipment	11,163,000
Southwestern Community College District	
Southwestern College	
(61) 40.63.106-Student Services Center—Equipment	1,064,000
Otay Mesa Center	
(62) 40.63.200-Phase I Buildings—Equipment	3,033,000
State Center Community College District	
Fresno City College	
(63) 40.64.106-Applied Technology Modernization—Construction and equipment	11,617,000
(64) 40.64.108-Student Services Building Remodel—Preliminary plans and working drawings	321,000
Willow International Center	
(65) 40.64.500-Academic Facilities and Site Development Phase I—Construction	34,684,000
Ventura County Community College District	
Moorpark College	
(66) 40.65.111-Reconstruction of Library Building—Construction and equipment	2,956,000
Ventura College	
(67) 40.65.306-Communication Building Modernization (Bldg. F)—Preliminary plans and working drawings	117,000
Victor Valley Community College District	
Victor Valley College	
(68) 40.66.116-Seismic Replacement Auxiliary Gym—Preliminary plans and working drawings	244,000
(69) 40.66.117-Speech/Drama Studio Addition—Construction and equipment	8,884,000

Item	Amount
West Kern Community College District	
Taft College	
(70) 40.68.101-Child Development Center—Construction and equipment	2,501,000
(71) 40.68.102-Remodel for Efficiency—Construction and equipment	7,350,000
West Valley-Mission Community College District	
West Valley College	
(72) 40.69.105-Campus Technology Center—Construction	8,115,000
Yosemite Community College District	
Modesto Junior College	
(73) 40.70.211-Auditorium Renovation/Expansion—Construction and equipment	12,450,000
Yuba Community College District	
Yuba College	
(74) 40.71.107-Engineering, Math and Science Remodel—Construction and equipment	7,651,000
Woodland Center	
(75) 40.71.307-Learning Resource/Technology Center—Construction and equipment	21,057,000
Copper Mountain Community College District	
Copper Mountain College	
(76) 40.72.100-Multi-use Sports Complex—Construction and equipment	12,995,000

Provisions:

1. The projects identified in Schedules (35) and (41) are subject to the following:
   (a) Notwithstanding Section 13332.11 of the Government Code, the community college districts shall complete each project identified within the total funding amount specified in the schedule for that project. This condition does not limit the authority of the districts to use nonstate funds to fund or augment these projects with State Public Works Board approval.
   (b) The community college districts shall complete each project identified without any change to its scope. The scope of a project means, in this respect, the intended purpose of

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the project as determined by reference to the following elements of the budget request for that project submitted by the board of governors to the Department of Finance: (1) the program elements related to project type and (2) the functional description of spaces required to deliver the academic and supporting programs as approved by the Legislature.

(c) Notwithstanding Section 2.00 of this act or any other provision of law, the appropriation made by this item is available for encumbrance during the 2004–05 and 2005–06 fiscal years, except that the funds appropriated for equipment purposes are available for encumbrance until June 30, 2007. For the purposes of encumbrance, funds appropriated for construction management and project contingencies purposes, as well as any bid savings, shall be deemed to be encumbered at the time a contract is awarded; these funds also may be used to initiate consulting contracts necessary for management of the project during the liquidation period.

6870-486—Reappropriation (Proposition 98), Board of Governors of the California Community Colleges. The sum of $5,383,000 is hereby reappropriated on a one-time basis from the Proposition 98 Reversion Account, for support of the Foster Parent Training Program. Of this amount, $2,383,000 shall be for support of the program in the 2003–04 fiscal year, and $3,000,000 for support of the program in the 2004–05 fiscal year.

6870-490—Reappropriation, Board of Governors of the California Community Colleges. The balances of the appropriations provided in the following citations are reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided in those appropriations:

0574—Higher Education Capital Outlay Bond Fund of 1998

(1) Item 6870-301-0574, Budget Act of 2001 (Ch. 106, Stats. 2001), as amended by Chapter 891 of the Statutes of 2001, and as reappropriated by Item 6870-490, Budget Act of 2002 (Ch. 379, Stats. 2002) and Budget Act of 2003 (Ch. 157, Stats. 2003)

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Compton Community College District
Compton College
(15) 40.12.107-Seismic Replacement/Expansion LRC—Equipment
(16) 40.12.109-Child Development Center Equipment
Long Beach Community College District
Long Beach City College, PCC
(26) 40.25.116-Child Development Center—Construction
San Diego Community College District
District Office
(53) 40.47.001-Seismic Retrofit District Headquarters Building—Construction

6028—2002 Higher Education Capital Outlay Bond Fund

(1) Item 6870-301-6028, Budget Act of 2003 (Ch. 157, Stats. 2003)
Compton Community College District
Compton College
(10) 40.12.111-Performing Arts and Recreation Complex—Working drawings
Foothill-DeAnza Community College District
Foothill College
(17) 40.15.211-Seismic Replacement-Student Services—Construction
Glendale Community College District
Glendale College
(21) 40.18.122-Allied Health/Aviation Lab—Construction
Grossmont-Cuyamaca Community College District
Cuyamaca College
(23) 40.19.116-Science & Technology Mall—Construction
Long Beach Community College District
Long Beach City College
(31) 40.25.120-Industrial Technology Center-Manufacturing—Working drawings
Los Angeles Community College District
Los Angeles Southwest College
(35) 40.26.607-Child Development Center—Construction
Los Angeles Valley College
(37) 40.26.803-Health Science Building—Construction

Item	Amount
Mira Costa Community College District	
Mira Costa College	
(46) 40.31.109-Horticulture Project—Construction	
(46.5) 40.31.110-Creative Arts Building Replacement—Working drawings	
Rancho Santiago Community College District	
Santa Ana College	
(54) 40.41.124-Physical Education Seismic Replacement Expansion—Construction	
Santiago Canyon College	
(55) 40.41.201-Science Building—Working drawings	
San Francisco Community College District	
Mission Center	
(61) 40.48.106-Mission Center Building—Construction and equipment	
San Jose-Evergreen Community College District	
San Jose City College	
(63) 40.50.203-Science Building—Construction	
Santa Barbara Community College District	
Santa Barbara City College	
(68) 40.53.121-Physical Science Renovation—Working drawings	
Santa Clarita Community College District	
College of the Canyons	
(69) 40.54.112-Classroom/High Tech Center—Construction and equipment	
Shasta-Tehama-Trinity Joint Community College District	
Shasta College	
(73) 40.57.103-Library Addition—Construction	
Ventura County Community College District	
Moorpark College	
(84) 40.65.109-Child Development Center—Construction	
Victor Valley Community College District	
Victor Valley College	
(85) 40.66.117-Speech/Drama Studio Addition—Working drawings	
West Valley-Mission Community College District	
West Valley College	
(90) 40.69.105-Campus Technology Center—Working drawings	

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Mission College

(91) 40.69.208-Main Building Third Floor Reconstruction—Construction

Yosemite Community College District

Modesto Junior College

(92) 40.70.211-Auditorium Renovation/ Expansion—Working drawings

Copper Mountain Community College District

Copper Mountain College

(97) 40.72.100-Multiuse Sports Complex—Working drawings

6870-491—Reappropriation, Board of Governors of the California Community Colleges. Notwithstanding any other provision of law, the period to liquidate encumbrances of the following citations is extended to June 30, 2005:

0574—1998 Higher Education Capital Outlay Bond Fund

(1) Item 6870-301-0574, Budget Act of 2001 (Ch. 106, Stats. 2001), as reappropriated by Item 6870-490, Budget Act of 2002 (Ch. 379, Stats. 2002) and Budget Act of 2003 (Ch. 157, Stats. 2003)

Long Beach Community College District

Long Beach City College, PCC

(25) 40.25.115-Replacement of Technology Buildings—Working drawings

(26) 40.25.116-Child Development Center—Working drawings

Victor Valley Community College District

Victor Valley College

(72) 40.66.115-Advanced Technology Complex—Working drawings

6870-495—Reversion, California Community Colleges (Proposition 98). The following amounts shall revert to the Proposition 98 Reversion Account:

(1) $3,898,000, or whatever greater or lesser amount represents the balance available, from Schedule (10) of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2002 (Ch. 379, Stats. 2002)

(2) $186,000, or whatever greater or lesser amount represents the balance available, from Schedule (6) of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2002 (Ch. 379, Stats. 2002)

(3) $129,000, or whatever greater or lesser amount represents the balance available, from Schedule

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(21) of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2002 (Ch. 379, Stats. 2002)

(4) $37,000, or whatever or greater or lesser amount represents the balance available, from Schedule (11) of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2002 (Ch. 379, Stats. 2002)

(5) $1,023,000, or whatever greater or lesser amount represents the balance available, from Schedule (10) of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2001 (Ch. 106, Stats. 2001)

(6) $569,000, or whatever greater or lesser amount represents the balance available, from Schedule (5) of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2001 (Ch. 106, Stats. 2001)

(7) $121,000, or whatever greater or lesser amount represents the balance available, from Schedule (21.5) of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2001 (Ch. 106, Stats. 2001)

(8) $21,000, or whatever greater or lesser amount represents the balance available, from Schedule (11) of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2001 (Ch. 106, Stats. 2001)

(9) $3,000,000, or whatever greater or lesser amount represents the balance available, from Schedule (x) of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2000 (Ch. 52, Stats. 2000)

(10) $500,000, or whatever greater or lesser amount represents the balance available, from Schedule (z) of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2000 (Ch. 52, Stats. 2000)

6870-497—Reversion, Board of Governors of the California Community Colleges. As of June 30, 2004, the balance specified below of the appropriation provided in the following citation shall revert to the balance of the fund from which the appropriation was made:

6028—2002 Higher Education Capital Outlay Bond Fund

(1) Item 6870-301-6028, Budget Act of 2002 (Ch. 379, Stats. 2002)

San Mateo Community College District
College of San Mateo

(45) 40.52.206-Seismic Retrofit—Student Services Building #6—Construction 3,745,000

Item	Amount
7980-001-0784—For support of Student Aid Commission, payable from the Student Loan Operating Fund	12,640,000

Schedule:

(1) 15-Financial Aid Grants Program	10,963,000
(2) 50-California Loan Program	1,723,000
(3) 80.01-Administration and Support Services	3,302,000
(4) 80.02-Distributed Administration and Support Services	–3,302,000
(5) Reimbursements	–46,000

Provisions:

1. The funds appropriated in this item shall only be available for the California Student Aid Commission's state operations activities.
2. It is the intent of the Legislature that funding from the Student Loan Operating Fund be used in accordance with federal law.
3. It is the intent of the Legislature that the California Student Aid Commission use up to $30 million of the unencumbered balance of the Student Loan Operating Fund as a reserve to fulfill its obligations under the Federal Family Education Loan Program.
4. Pursuant to legislation enacted during the 2003–04 Regular Session of the Legislature, the California Student Aid Commission may develop a carefully crafted business diversification plan that would help it remain competitive. The Student Aid Commission shall be further authorized, pursuant to legislation enacted during the 2003–04 Regular Session, to transfer up to $70,000,000 of the unencumbered balance of the Student Loan Operating Fund for purposes of business diversification.
5. If the revenues derived from the federal Voluntary Flexible Agreement, which will be received in February 2005, are significantly lower than the $68,000,000 expected level, the Department of Finance shall notify the Joint Legislative Budget Committee and, if needed, recommend action to ensure the EdFUND's viability.

7980-101-0001—For local assistance, Student Aid Commission	636,829,000

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Schedule:

(1) 15-Financial Aid Grants Program...808,092,000

(2) Reimbursements ..... −161,042,000

(3) Amount payable from the Federal Trust Fund (Item 7980-101-0890).−10,221,000

Provisions:

1. Funds appropriated in Schedule (1) are for the purposes of all of the following:
   (a) Awards in the Cal Grant Program under Chapter 1.7 (commencing with Section 69430) and Article 3 (commencing with Section 69530) of Chapter 2 of Part 42 of the Education Code.
   (b) Graduate fellowship renewal awards under former Article 9 (commencing with Section 69670) of Chapter 2 of Part 42 of the Education Code.
   (c) Grants under Section 4709 of the Labor Code.
   (d) California Student Opportunity and Access Program contract agreements under Article 4 (commencing with Section 69560) of Chapter 2 of Part 42 of the Education Code.
   (e) The purchase of loan assumptions under Article 5 (commencing with Section 69612) of Chapter 2 of Part 42 of the Education Code. 7,700 warrants shall be issued to California students pursuant to the purchase of loan assumptions.
   (f) The purchase of loan assumptions under Article 5.5 (commencing with Section 69618) of Chapter 2 of Part 42 of the Education Code.
   (g) New and renewal Cal Grant awards.
2. If federal trust funds for the 2004–05 fiscal year exceed budgeted levels, the funds appropriated shall, to the extent allowable by federal law, be reduced on a dollar-for-dollar basis.
3. Eligibility for moneys appropriated by this item is limited to students who demonstrate financial need according to the nationally accepted needs analysis methodology, who meet other Student Aid Commission eligibility criteria, and whose income or family's gross income does not exceed $78,100 for the purposes of determining recipients for the 2004–05 award year.

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4. Notwithstanding any other provision of law, the maximum award for:
   (c) New recipients attending private and independent institutions shall be $8,322;
   (d) All recipients receiving Cal Grant B access awards shall be $1,551;
   (e) All recipients receiving Cal Grant C tuition and fee awards shall be $2,592; and
   (f) All recipients receiving Cal Grant C book and supply awards shall be $576.
5. Of the funds appropriated in Schedule (1), at least $8,567,000 in reimbursements from the federal Family Education Loan Program, administered by the Student Aid Commission as the State Student Loan Guarantee Agency, is for the purposes of the California Student Opportunity and Access Program to provide financial aid awareness and related outreach, consistent with Article 4 (commencing with Section 69560) of Chapter 2 of Part 42 of the Education Code and Section 1072b of Title 20 of the United States Code.
6. Notwithstanding any other provision of law, the commission may not issue new warrants for the assumption of loans for the Graduate Assumption Program of Loans for Education pursuant to Section 69618 et seq. of the Education Code.
7. The amount listed in Schedule (2) of this item includes $146,500,000 in one-time funds received from the Student Loan Operating Fund, for expenditure within the Cal Grant Program.

   No state General Fund moneys shall be used for the Cal Grant programs until such time as the $146,500,000 in reimbursements received from the Student Loan Operating Fund have been fully expended.

   It is the intent of the Legislature that funding provided by the Student Loan Operating Fund for the Cal Grant programs be short-term in nature until such time as the state's fiscal situation improves to allow these programs to be funded wholly or in part by the state General Fund.
8. It is the intent of the Legislature that funding from the Student Loan Operating Fund be used in accordance with federal law.

7980-101-0890—For local assistance, Student Aid Commission, for payment to Item 7980-101-0001, payable from the Federal Trust Fund 10,221,000

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7980-495—Reversion, Student Aid Commission. The unencumbered balance as of June 30, 2004, of the appropriation provided in the following citation shall revert to the fund balance of the fund from which the appropriation was made.

0001—General Fund

(1) Item 7980-101-0001, Budget Act of 2003 (Ch. 157, Stats. 2003)

LABOR AND WORKFORCE DEVELOPMENT AGENCY

7100-001-0001—For support of Employment Development Department, for payment to Item 7100-001-0870..... 18,786,000

7100-001-0184—For support of Employment Development Department, for payment to Item 7100-001-0870, payable from the Employment Development Department Benefit Audit Fund 12,642,000

Provisions:

1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

7100-001-0185—For support of Employment Development Department, for payment to Item 7100-001-0870, payable from the Employment Development Contingent Fund..... 54,514,000

Provisions:

1. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated for administration pursuant to Section 1586 of the Unemployment Insurance Code.
2. The Department of Finance is authorized to approve expenditures in any amount made necessary by changes in either workload or payments, or any rule or regulation adopted as a result of the enactment of a federal or state law, the adoption of a federal regulation, or following a court decision, during the 2004–05 fiscal year that are within or in excess of amounts appropriated in this act for that year.
3. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

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4. Notwithstanding any other provision of law and sections of this act, the Director of the Employment Development Department (EDD) may augment this item by up to $2,500,000 to make interest payments on an Unemployment Fund loan secured to pay Unemployment Insurance (UI) benefits. The EDD will notify the Department of Finance by August 1, 2004, of a planned augmentation by submitting an estimated interest calculation for review. The amount disbursed under this augmentation is limited to actual interest due on an Unemployment Fund loan secured to pay UI benefits. Pursuant to Provision 1 of Item 7100-011-0185, any amount not disbursed for the purpose specified above shall be transferred to the General Fund.

7100-001-0514—For support of Employment Development Department, for payment to Item 7100-001-0870, payable from the Employment Training Fund 18,353,000

Provisions:

1. Upon order of the Director of Finance, funds disencumbered from Employment Training Fund training contracts during 2004–05 that have not reverted as of July 1, 2004, may be appropriated in augmentation of this item.
3. Notwithstanding subparagraph (B) of paragraph (2) of subdivision (a) of Section 10206 of the Unemployment Insurance Code, the Employment Training Panel's administrative costs may exceed 15 percent of the amount appropriated in this item.
4. Provision 3 of Item 7100-001-0870 also applies to the amount appropriated in this item.

7100-001-0588—For support of Employment Development Department, for payment to Item 7100-001-0870, payable from the Unemployment Compensation Disability Fund..... 198,263,000

Provisions:

1. The Employment Development Department shall submit on October 1, 2004, and April 20, 2005, to the Department of Finance for its review and approval, an estimate of expenditures for both the current and budget years, including the assumptions and calculations underlying Employment Development Department projections for expenditures from this item. The Department of Finance

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shall approve, or modify, the assumptions underlying all estimates within 15 working days of the due date. If the Department of Finance does not approve or modify in writing, the assumptions underlying all estimates within 15 working days of the due date, the Employment Development Department shall consider the assumptions and calculations approved as submitted. If the Department of Finance determines that the estimate of expenditures differs from the amount appropriated by this item, the Director of Finance shall so report to the Legislature. At the time the report is made, the amount of this appropriation shall be adjusted by the difference between this Budget Act appropriation and the approved estimate of the Department of Finance. Revisions reported pursuant to this provision are not subject to Section 28.00 of this act.

2. The Department of Finance is authorized to approve expenditures in those amounts made necessary by changes in either workload or payments, or any rule or regulation adopted as a result of the enactment of a federal or state law, the adoption of a federal regulation, or the following of a court decision, during the 2004–05 fiscal year that are within or in excess of amounts appropriated in this act for that year.

7100-001-0869—For support of state programs under the Workforce Investment Act (WIA), Employment Development Department, payable from the Consolidated Work Program Fund 154,850,000

Schedule:

(3) 61.10-WIA Administration.....	1,400,000
(4) 61.20-WIA Program Support	15,400,000
(5) 61.30-WIA Local Program Services	8,900,000
(6) 61.40-WIA Growth Industries.....	1,200,000
(7) 61.50-WIA Industries with a Statewide Need	16,850,000
(8) 61.60-WIA Removing Barriers for Special Needs Populations.....	20,500,000
(9) 61.70-WIA Rapid Response Activities	45,600,000
(10) 62.10-National Emergency Grant Program.....	45,000,000

Provisions:

1. Provision 1 of Item 7100-001-0588 also applies to this item.

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3. The Secretary of Labor and Workforce Development is authorized to transfer up to $500,000 of the funds appropriated in this item to the California Workforce Investment Board, Federal Trust Fund, Item 7120-001-0890, to facilitate the implementation and operation of the WIA Program. Any transfer made pursuant to this provision shall be reported in writing to the Department of Finance, the chairpersons of the fiscal committees of each house of the Legislature, and the Chairperson of the Joint Legislative Budget Committee within 30 days of the date of the transfer.
4. Notwithstanding any other provision of law, the Secretary of Labor and Workforce Development is authorized to transfer funds between categories (Schedules (3) to (8), inclusive) as included in the schedule to be used for projects. Any transfer made pursuant to this provision shall be reported in writing to the Department of Finance, the chairpersons of the fiscal committees of each house, and the Chairperson of the Joint Legislative Budget Committee within 30 days of the date of the transfer.
5. Up to $310,000 of the funds appropriated in Schedule (8) shall be used to provide fire and fuel reduction training for California Conservation Corps members participating in the fuels management partnership.

7100-001-0870—For support of Employment Development Department, payable from the Unemployment Administration Fund-Federal 585,484,000

Schedule:

(1) 10-Employment and Employment Related Services 207,981,000
(2) 21-Tax Collections and Benefit Payments 623,905,000
(3) 22-California Unemployment Insurance Appeals Board 69,261,000
(4) 30.01-General Administration 46,767,000
(5) 30.02-Distributed General Administration.....–46,515,000
(6) 50-Employment Training Panel..... 13,602,000
(7) Reimbursements.....–26,045,000
(8) Reimbursements—Program 50, Employment Training Panel 0
(9) Amount payable from the General Fund (Item 7100-001-0001).....–18,786,000

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(10) Amount payable from the Employment Development Department Benefit Audit Fund (Item 7100-001-0184) ..... –12,642,000

(11) Amount payable from the Employment Development Contingent Fund (Item 7100-001-0185)..... –54,514,000

(12) Amount payable from the Employment Training Fund (Item 7100-001-0514) ..... –18,353,000

(13) Amount payable from the Unemployment Compensation Disability Fund (Item 7100-001-0588) .... –198,263,000

(14) Amount payable from the School Employees Fund (Item 7100-001-0908)..... –914,000

Provisions:

1. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated pursuant to Section 1555 of the Unemployment Insurance Code.
2. Provision 1 of Item 7100-001-0588 also applies to funds appropriated in this item for the Unemployment Insurance Program.

3.5 Upon certification that funds are available for allocation to this program, the Director of Finance shall increase the amount scheduled in this item for Program 50, Employment Training Panel, by an amount of up to $40,000,000.

7100-001-0908—For support of Employment Development Department, for payment to Item 7100-001-0870, payable from the School Employees Fund 914,000

Provisions:

1. The Department of Finance is authorized to approve expenditures in those amounts made necessary by changes in either workload or payments, or any rule or regulation adopted as a result of the enactment of a federal or state law, the adoption of a federal regulation, or the following of a court decision, during the 2004–05 fiscal year that are within or in excess of amounts appropriated in this act for that year.
2. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated for administration pursuant to Section 822 of the Unemployment Insurance Code.

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3. Provision 1 of Item 7100-001-0588 also applies to this item.

7100-011-0184—For transfer by the Controller, upon order of the Director of Finance, from the Employment Development Department Benefit Audit Fund, to the General Fund..... (55,000)

Provisions:

1. The unencumbered balance in the Employment Development Department Benefit Audit Fund as of June 30, 2005, shall be transferred to the General Fund.

7100-011-0185—For transfer by the Controller, upon order of the Director of Finance, from the Employment Development Contingent Fund, to the General Fund ..... (21,430,000)

Provisions:

1. Notwithstanding any other provision of law, the State Controller shall transfer to the General Fund the unencumbered balance, as determined by the Director of Finance, in the Employment Development Contingent Fund as of June 30, 2005.

7100-011-0890—For support of Employment Development Department, payable from the Federal Trust Fund, for transfer to the Unemployment Administration Fund—Federal ..... (585,484,000)

7100-021-0890—For support of Employment Development Department, payable from the Federal Trust Fund, for transfer to the Consolidated Work Program Fund..... (154,850,000)

7100-101-0588—For local assistance, Employment Development Department, for Program 21—Tax collections and benefit payments, payable from the Unemployment Compensation Disability Fund 4,045,433,000

Provisions:

1. The Department of Finance is authorized to approve expenditures in those amounts made necessary by changes in either workload or payments, or any rule or regulation adopted as a result of the enactment of a federal or state law, the adoption of a federal regulation, or the following of a court decision, during the 2004–05 fiscal year that are within or in excess of amounts appropriated in this act for that year.
2. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated pursuant to Section 3012 of the Unemployment Insurance Code.

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3. Provision 1 of Item 7100-001-0588 also applies to this item.

7100-101-0869—For local assistance under Workforce Investment Act (WIA), Employment Development Department, Program 61-WIA Program, payable from the Consolidated Work Program Fund..... 342,399,000

Provisions:

1. Provision 1 of Item 7100-001-0588 also applies to this item.

7100-101-0871—For local assistance, Employment Development Department, for Program 21—Tax collections and benefit payments, payable from the Unemployment Administration Fund—Federal 6,196,700,000

Provisions:

1. Funds appropriated in this item are in lieu of the amounts that would have otherwise been appropriated pursuant to Section 1521 of the Unemployment Insurance Code.
2. Provision 1 of Item 7100-001-0588 also applies to this item.

7100-101-0890—For local assistance, Employment Development Department, payable from the Federal Trust Fund, for transfer to the Consolidated Work Program Fund..... (342,399,000)

7100-101-0908—For local assistance, Employment Development Department, for Program 21—Tax collections and benefit payments, payable from the School Employees Fund 147,493,000

Provisions:

1. The Department of Finance is authorized to approve expenditures in those amounts made necessary by changes in either workload or payments, or any rule or regulation adopted as a result of the enactment of a federal or state law, the adoption of a federal regulation, or the following of a court decision, during the 2004–05 fiscal year that are within or in excess of amounts appropriated in this act for that year.
2. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated for benefits pursuant to Section 822 of the Unemployment Insurance Code.
3. Provision 1 of Item 7100-001-0588 also applies to this item.

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7100-111-0890—For local assistance, Employment Development Department, payable from the Federal Trust Fund, for transfer to the Unemployment Administration Fund—Federal .....(6,196,700,000)

7100-311-0690—For capital outlay, Employment Development Department. To prevent the loss of funds in the Employment Development Department Building Funds, the unencumbered balances of the funds deposited in the Employment Development Department Building Fund shall be transferred to the Federal Unemployment Administration Fund.

Provisions:

1. The Employment Development Department shall report to the Legislature by September 1, 2005, the amount of funds transferred pursuant to this item.

7120-001-0890—For support of the California Workforce Investment Board, payable from the Federal Trust Fund..... 4,564,000

Schedule:

(1) 10-California Workforce Investment Program 5,429,000

(2) Reimbursements ..... –865,000

Provisions:

1. The secretary of the agency that is responsible for oversight of the Employment Development Department, with the approvals of the California Workforce Investment Board and Department of Finance, and not sooner than 30 days after notification to the Joint Legislative Budget Committee, is authorized to transfer funds appropriated in this item to the Employment Development Department, Consolidated Work Program Fund, Item 7100-001-0869, to facilitate the implementation and operation of the Workforce Investment Act Program.

7300-001-0001—For support of Agricultural Labor Relations Board 4,841,000

Schedule:

(1) 10-Board Administration 2,105,000

(2) 20-General Counsel Administration..... 2,736,000

(3) 30.01-Administrative Services 239,000

(4) 30.02-Distributed Administrative Services..... –239,000

7350-001-0001—For support of Department of Industrial Relations 60,443,000

Item	Amount
Schedule:	
(1) 10-Regulation of Workers' Compensation Self-Insurance Plans	2,901,000
(2) 20-Conciliation of Employer-Employee Disputes	2,086,000
(3) 30-Workers' Compensation Administration	127,806,000
(4) 36-Commission on Health and Safety and Workers' Compensation.....	2,727,000
(5) 40-Prevention of Industrial Injuries and Deaths of California Workers.	79,216,000
(6) 50-Enforcement and Promulgation of Laws Relating to Wages, Hours, and Conditions of Employment, and Licensing and Adjudication....	41,523,000
(7) 60-Promotion, Development, and Administration of Apprenticeship and Other On-the-Job Training	8,149,000
(8) 70-Labor Force Research and Data Dissemination	3,766,000
(9) 80-Payment of Claims, Wages, and Contingencies	892,000
(10) 94.01-Administration	23,151,000
(11) 94.02-Distributed Administration..	–23,151,000
(12) Reimbursements	–3,632,000
(13) Amount payable from the Farmworkers Remedial Account (Item 7350-001-0023)	–102,000
(14) Amount payable from the Cal-OSHA Targeted Inspection and Consultation Fund (Item 7350-001-0096)	–13,081,000
(15) Amount payable from the Workers' Compensation Managed Care Fund (Item 7350-001-0132).....	–551,000
(16) Amount payable from the Industrial Relations Construction Industry Enforcement Fund (Item 7350-001-0216)	–55,000
(17) Amount payable from the Workers' Compensation Administration Revolving Fund (Item 7350-001-0223)	–127,345,000
(18) Amount payable from the Asbestos Consultant Certification Account (Item 7350-001-0368).....	–318,000

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(19) Amount payable from the Asbestos Training Approval Account (Item 7350-001-0369)	–231,000
(20) Amount payable from the Self-Insurance Plans Fund (Item 7350-001-0396)	–2,857,000
(21) Amount payable from the Elevator Safety Inspection Account (Item 7350-001-0452)	–12,116,000
(22) Amount payable from the Pressure Vessel Inspection Account (Item 7350-001-0453)	–3,739,000
(23) Amount payable from the Garment Manufacturers Special Account (Item 7350-001-0481)	–200,000
(24) Amount payable from the Employment Training Fund (Item 7350-001-0514)	–2,957,000
(25) Amount payable from the Federal Trust Fund (Item 7350-001-0890)	–29,465,000
(26) Amount payable from the Industrial Relations Unpaid Wage Fund (Item 7350-001-0913)	–1,050,000
(27) Amount payable from the Industrial Relations Unpaid Wage Fund (Sec. 96.6, Labor Code)	–500,000
(28) Amount payable from the Electrician Certification Fund (Item 7350-001-3002)	–1,913,000
(29) Amount payable from the Permanent Amusement Ride Safety Inspection Fund (Item 7350-001-3003)	–1,762,000
(30) Amount payable from the Garment Industry Regulations Fund (Item 7350-001-3004)	–2,251,000
(31) Amount payable from the Apprenticeship Training Contribution Fund (Item 7350-001-3022)	–3,179,000
(32) Amount payable from the Workers' Occupational Safety and Health Education Fund (Item 7350-001-3030)	–1,079,000
(33) Amount payable from the Car Wash Worker Restitution Fund (Item 7350-001-3071)	–80,000

Item	Amount
(34) Amount payable from the Car Wash Worker Fund (Item 7350-001-3072) ..... −160,000	
7350-001-0023—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Farmworkers Remedial Account	102,000
7350-001-0096—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Cal-OSHA Targeted Inspection and Consultation Fund	13,081,000
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.	
7350-001-0132—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Workers' Compensation Managed Care Fund	551,000
7350-001-0216—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Industrial Relations Construction Industry Enforcement Fund.....	55,000
7350-001-0223—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Workers' Compensation Administration Revolving Fund.....	127,345,000
Provisions:	
1. The Director of Finance may authorize a loan from the General Fund to the Workers' Compensation Administration Revolving Fund, in an amount not to exceed 60 percent of the amount appropriated in this item, provided that:	
(a) The loan is to meet cash needs resulting from the delay in receipt of employer assessments to support the Workers' Compensation Administration Revolving Fund, the Subsequent Injuries Benefits Trust Fund, and the Uninsured Employers Benefits Trust Fund.	
(b) The loan is short term and shall be repaid in two equal installments due on March 31 and June 30 of the fiscal year in which the loan is authorized.	
(c) Interest charges may be waived pursuant to subdivision (e) of Section 16314 of the Government Code.	

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(d) The Director of Finance may not approve the loan unless the approval is made in writing and filed with the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house that considers appropriations not later than 30 days prior to the effective date of the approval, or not sooner than whatever lesser time the chairperson of the joint committee or his or her designee may determine.

2. Notwithstanding any other provision of law, the funds appropriated in this item may be used to pay workers' compensation benefits for the Subsequent Injuries Program and the Uninsured Employers Program, if either or both of those funds' reserves are insufficient to make the payments. Any expenditures made pursuant to this provision shall be credited to the Workers' Compensation Administration Revolving Fund upon receipt of sufficient revenues.

3. The Director of Finance may augment this item by up to 10% of the amount appropriated in this item upon approval of an expenditure plan for the implementation of SB 899 (Ch. 34, Stats. 2004). The Department of Industrial Relations shall submit this plan to the Department of Finance no later than August 1, 2004. Any augmentation shall be authorized no sooner than 30 days after notification in writing to the chairpersons of the committees in each house of the Legislature that considers appropriations, the chairpersons of the committee and appropriate subcommittees that consider the State Budget, and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee or his or her designee may determine.

4. Funds appropriated in this item for the development of a workers' compensation case management system shall not be available for expenditure until a Feasibility Study Report is approved by the Department of Finance.

7350-001-0368—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Asbestos Consultant Certification Account 318,000

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7350-001-0369—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Asbestos Training Approval Account.	231,000
7350-001-0396—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Self-Insurance Plans Fund	2,857,000
7350-001-0452—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Elevator Inspection Account	12,116,000
7350-001-0453—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Pressure Vessel Account	3,739,000
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Government Code Section 13332.18.	
7350-001-0481—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Garment Manufacturers Special Account.....	200,000
7350-001-0514—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Employment Training Fund	2,957,000
Provisions:	
1. Notwithstanding Section 1611 of, and Chapter 3.5 (commencing with Section 10200) of Part 1 of Division 3 of, the Unemployment Insurance Code, $2,957,000 from the Employment Training Fund shall be transferred by the State Controller to the Department of Industrial Relations for the support of the Division of Apprenticeship Standards.	
7350-001-0890—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Federal Trust Fund	29,465,000
7350-001-0913—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Industrial Relations Unpaid Wage Fund	1,050,000
Provisions:	
1. Notwithstanding any other provision of law, funds appropriated by this item shall be expended by the Department of Industrial Relations Division of Labor Standards Enforcement to administer the Targeted Industries Partnership Program to increase enforcement and compliance in the agricultural, garment, and restaurant industries.	

Item	Amount
2. It is the intent of the Legislature that the Targeted Industries Partnership Program result in increased enforcement of, and compliance by, the agricultural, garment, and restaurant industries regarding wages, hours, conditions of employment, licensing, registration, child labor laws and regulations.	
7350-001-3002—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Electrician Certification Fund	1,913,000
7350-001-3003—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Permanent Amusement Ride Safety Inspection Fund	1,762,000
7350-001-3004—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Garment Industry Regulations Fund..	2,251,000
7350-001-3022—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Apprenticeship Training Contribution Fund	3,179,000
7350-001-3030—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Worker's Occupational Safety and Health Education Fund	1,079,000
7350-001-3071—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Car Wash Worker Restitution Fund...	80,000
7350-001-3072—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Car Wash Worker Fund	160,000
7350-295-0001—For local assistance, Department of Industrial Relations, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller	2,000
Schedule:	
(1) 98.01.117.189-Peace Officer's Cancer Presumption (Ch. 1171, Stats. 1989)..... 1,000	
(2) 98.01.156.882-Firefighter's Cancer Presumption (Ch. 1568, Stats. 1982)..... 1,000	

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(3) 98.01.999.001-Personal alarm devices (8 Cal. Code Regs. Sec. 3401(c))	0
(4) 98.01.999.002-Structural and wildland firefighter safety clothing and equipment (8 Cal. Code Regs. Secs. 3401 to 3410, incl.)	0

Provisions:

1. Except as provided in Provision 2 of this item, allocations of funds appropriated in this item to the appropriate local entities shall be made by the State Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated in this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.
2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the State Controller may, upon notification of the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.
3. Pursuant to Section 17581 of the Government Code, mandates identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the 2004–05 fiscal year:
   (3) Personal alarm devices (8 Cal. Code Regs. Sec. 3401(c)).
   (4) Structural and wildland firefighter safety clothing and equipment (8 Cal. Code Regs. Secs. 3401 to 3410, incl.).

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7350-490—Reappropriation, Department of Industrial Relations. Notwithstanding any other provision of law, the period to liquidate encumbrances of the following citations is extended to June 30, 2005:

0001—General Fund

(1) Item 7350-001-0001, Budget Act of 2003 (Ch. 157, Stats. 2003), $960,000 for the DLSE Case Management System.

0223—Workers' Compensation Administration Revolving Fund

(1) Item 7350-001-0223, Budget Act of 2003 (Ch. 157, Stats. 2003), $650,000 for implementation of workers' compensation reforms.

GENERAL GOVERNMENT

8120-001-0268—For support of Commission on Peace Officer Standards and Training, payable from the Peace Officers' Training Fund 12,430,000

Schedule:

(1) 10-Standards 6,663,000
(2) 20-Training 21,575,000
(2.5) 30-Peace officer training 118,000
(3) 40.01-Administration 5,021,000
(4) 40.02-Distributed Administration ... –5,021,000
(5) Reimbursements ..... –1,259,000
(6) Amount payable from the Peace Officers' Training Fund (Item 8120-011-0268) .....–13,111,000
(7) Amount payable from the Peace Officers' Training Fund (Item 8120-012-0268) ..... –1,556,000

8120-011-0268—For support of Commission on Peace Officer Standards and Training, for payment to Item 8120-001-0268, payable from the Peace Officers' Training Fund 13,111,000

Provisions:

1. Funds appropriated in this item are to be used for contractual services in support of local training programs, pursuant to Section 13503(c) of the Penal Code.
2. Funds may be transferred between this item and Item 8120-101-0268 to meet the needs of local training programs.

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8120-012-0268—For support of Commission on Peace Officer Standards and Training, for payment to Item 8120-001-0268, payable from the Peace Officers' Training Fund..... 1,556,000

Provisions:

1. The funds appropriated in this item are to be used for implementation of the ''Tools for Tolerance'' training program for law enforcement personnel operated by the Simon Wiesenthal Center-Museum of Tolerance. Eligibility to receive funds appropriated by this item as reimbursements is limited to law enforcement agencies authorized by law to receive training reimbursements from the Peace Officers' Training Fund. Both sworn officers and nonsworn personnel who have contact with the public shall, at the discretion of the head of the law enforcement agency seeking reimbursement under this provision, be eligible for reimbursement, provided that the Museum of Tolerance gives priority to training sworn officers.

8120-101-0268—For local assistance, Commission on Peace Officer Standards and Training, Program 30, for allocation to cities, counties, and cities and counties pursuant to Section 13523 of the Penal Code, payable from the Peace Officers' Training Fund 25,382,000

Provisions:

1. Funds may be transferred between this item and Item 8120-011-0268 to meet the needs of local training programs.
2. The Director of Finance may authorize the augmentation of the total amount available for expenditure under this item in the amount of revenue received by the Peace Officers' Training Fund that is in addition to the revenue appropriated by this item, not sooner than 30 days after written notification to the chairpersons of the respective fiscal committees and the Chairperson of the Joint Legislative Budget Committee or his or her designee.

8120-102-0268—For local assistance, Commission on Peace Officer Standards and Training, Program 30, payable from the Peace Officers' Training Fund 444,000

Provisions:

1. Funds appropriated in this item are to be used for implementation of the ''Tools for Tolerance'' training program for law enforcement personnel operated by the Simon Wiesenthal Center-Museum of Tolerance. Eligibility to receive funds

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appropriated by this item as reimbursements is limited to law enforcement agencies authorized by law to receive training reimbursements from the Peace Officers' Training Fund. Both sworn officers and nonsworn personnel who have contact with the public shall, at the discretion of the head of the law enforcement agency seeking reimbursement under this provision, be eligible for reimbursement, provided that the Museum of Tolerance gives priority to training sworn officers.

8120-295-0001—For local assistance, the Commission on Peace Officer Standards and Training, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller 1,000

Schedule:

(1) 98.01.024.695—Domestic Violence Arrest Policies and Standards (Ch. 246, Stats. 1995) 1,000

(2) 98.01.012.693—Law Enforcement Sexual Harassment Training (Ch. 126, Stats. 1993)..... 0

(3) 98.01.044.497—Elder Abuse Law Enforcement Training (Ch. 444, Stats. 1997) 0

Provisions:

1. Except as provided in Provision 2, allocations of funds provided in this item to the appropriate local entities shall be made by the State Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandate costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated in this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.
2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the Controller may, upon notifying the Director of Finance in

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writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.

3. Pursuant to Section 17581 of the Government Code, mandates identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the 2004–05 fiscal year:
   (2) Law Enforcement Sexual Harassment Training (Ch. 126, Stats. 1993)
   (3) Elder Abuse Law Enforcement Training (Ch. 444, Stats. 1997)

8140-001-0001—For support of State Public Defender.. 11,176,000

Schedule:

(1) 10-State Public Defender..... 11,176,000

Provisions:

1. Any federal funds received by the Office of the State Public Defender as reimbursements for legal services provided for capital cases shall revert to the unappropriated surplus of the General Fund.

8180-101-0001—For local assistance, payment to local government for costs of homicide trials, for payment by the State Controller..... 4,746,000

Provisions:

1. This item is for payment to counties for costs of homicide trials pursuant to Sections 15201 to 15203, inclusive, of the Government Code, provided that expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the Controller.
2. The Controller shall reimburse counties for reasonable and necessary expenses incurred pursuant to Section 15202 of the Government Code except that reimbursements to a county shall not exceed: (a) for attorney services, an hourly rate equal to that county's average hourly cost for public defenders, the hourly rate paid to appointed counsel, or the hourly rate charged state agencies by the Attorney General for attorney services, whichever rate is less; (b) for investigators, an hourly rate

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equal to that county's average hourly cost for county-employed investigators or the hourly rate charged state agencies by the Attorney General for investigators, whichever rate is less; and (c) for expert witnesses, the hourly rate that the county generally pays for these services.	
8260-001-0001—For support of California Arts Council	1,075,000
Schedule:	
(1) Arts Council 3,128,000	
(2) Reimbursements ..... −197,000	
(3) Amount payable from the Graphic Design License Plate Account (Item 8260-001-0078) ..... −893,000	
(4) Amount payable from the Federal Trust Fund (Item 8260-001-0890). −963,000	
8260-001-0078—For support of California Arts Council, for payment to Item 8260-001-0001, payable from the Graphic Design License Plate Account	893,000
8260-001-0890—For support of California Arts Council, for payment to Item 8260-001-0001, payable from the Federal Trust Fund	963,000
8260-101-0001—For local assistance, California Arts Council, for grants and subventions	1,000,000
8260-490—Reappropriation, California Arts Council. The balance of the appropriations provided in the following citations is reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2005:	
(1) Item 8260-103-0001, Budget Act of 2000 (Ch. 52, Stats. 2000). Notwithstanding Provision 8(b) of Item 8260-103-0001, Budget Act of 2000 (Ch. 52, Stats. 2000), funds appropriated to the City of San Diego: Sikes Adobe State Point of Historic Interest Restoration are hereby reappropriated for the purpose of allowing the San Dieguito River Park Joint Powers Authority to complete this restoration.	
(2) Item 8260-103-0001, Budget Act of 1999 (Ch. 50, Stats. 1999). Notwithstanding Provision 4(b) of Item 8260-103-0001, Budget Act of 1999 (Ch. 50, Stats. 1999), funds appropriated to the Italian Hall are hereby reappropriated for the purpose of allowing the Italian Hall to complete the capital outlay project.	

Item		Amount
8320-001-0001—For support of Public Employment Relations Board		4,893,000
Schedule:		
(1) 11-Public Employment Relations	4,905,000	
(2) Reimbursements	−12,000	
8380-001-0001—For support of Department of Personnel Administration		14,563,000
Schedule:		
(1) 10-Policy Operations	4,746,000	
(2) 20-Labor Relations	8,524,000	
(3) 25-Legal	5,023,000	
(4) 40.01-Administration	4,533,000	
(5) 40.02-Distributed Administration	−4,533,000	
(6) 54-Benefits Administration	18,933,000	
(7) 56-Training and Development	4,331,000	
(8) Reimbursements	−16,393,000	
(9) Amount payable from the Flexelect Benefit Fund (Item 8380-001-0821)	−1,120,000	
(10) Amount payable from the Deferred Compensation Plan Fund (Item 8380-001-0915)	−9,481,000	
8380-001-0821—For support of Department of Personnel Administration, for payment to Item 8380-001-0001, payable from the Flexelect Benefit Fund		1,120,000
8380-001-0915—For support of Department of Personnel Administration, for payment to Item 8380-001-0001, payable from the Deferred Compensation Plan Fund		9,481,000
8380-004-0001—For support of Department of Personnel Administration		22,582,000
Schedule:		
(1) 54-Benefits Administration	22,582,000	
8380-490—Reappropriation, Department of Personnel Administration. Notwithstanding any other provision of law, as of June 30, 2004, the balance of the appropriation provided in the following citation is reappropriated for purposes provided for in that appropriation and shall be available for encumbrance and expenditure until June 30, 2005:		
0367—Indian Gaming Special Distribution Fund		
(1) Item 8380-001-0367, Budget Act of 2000 (Ch. 52, Stats. 2000), as reappropriated by Item 8380-490, Budget Act of 2001 (Ch. 106, Stats. 2001), Item 8380-490, Budget Act of 2002 (Ch. 379, Stats. 2002) and Item 8380-490, Budget Act of 2003 (Ch. 157, Stats. 2003)		

Item		Amount
8380-495—Reversion, Department of Personnel Administration. The unencumbered balance as of January 1, 2005, of the appropriations provided in the following citations shall revert to the fund balance of the General Fund:		
(1) Item 8380-004-0001, Budget Act of 2002 (Ch. 379, Stats. 2002)		
(2) Item 8380-004-0001, Budget Act of 2000 (Ch. 52, Stats. 2000)		
8385-001-0001—For support of California Citizens' Compensation Commission, Program 10		14,000
8500-001-0152—For support of Board of Chiropractic Examiners, payable from the State Board of Chiropractic Examiners Fund		2,318,000
Schedule:		
(1) 10-Board of Chiropractic Examiners	2,359,000	
(2) Reimbursements	–41,000	
Provisions:		
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Government Code Section 13332.18.		
8530-001-0290—For support of Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun, payable from the Board of Pilot Commissioners' Special Fund		1,207,000
Schedule:		
(1) 10.01-Support	568,000	
(2) 10.02-Training.....	639,000	
Provisions:		
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Government Code Section 13332.18.		
8550-001-0191—For support of California Horse Racing Board, payable from the Fair and Exposition Fund		8,163,000
Schedule:		
(1) 10-California Horse Racing Board.	8,432,000	
(2) Amount payable from the Racetrack Security Account, Special Deposit Fund (Item 8550-001-0942).....	–269,000	
8550-001-0942—For support of California Horse Racing Board, for payment to Item 8550-001-0191, payable from the Racetrack Security Account, Special Deposit Fund		269,000

Item		Amount
8550-011-0942—Notwithstanding paragraph (1) of subdivision (b) of Section 19641 of the Business and Professions Code, there is hereby transferred to the General Fund the unencumbered balance of the Racetrack Security Account, Special Deposit Fund, as of June 30, 2005		(2,000,000)
8570-001-0001—For support of Department of Food and Agriculture		61,080,000
Schedule:		
(1) 11-Agricultural Plant and Animal, Pest and Disease Prevention	82,569,000	
(2) 21-Marketing, Commodities, and Agricultural Services	25,963,000	
(3) 31-Assistance to Fairs and County Agricultural Activities	3,310,000	
(4) 41.01-Executive, Management, and Administrative Services	12,579,000	
(5) 41.02-Distributed Executive, Management, and Administrative Services	–11,562,000	
(6) Reimbursements	–7,087,000	
(7) Amount payable from the Department of Agriculture Account, Department of Agriculture Fund (Item 8570-001-0111)	–13,948,000	
(8) Amount payable from the Fair and Exposition Fund (Item 8570-001-0191)	–3,488,000	
(9) Amount payable from the Harbors and Watercraft Revolving Fund (Item 8570-001-0516)	–1,175,000	
(10) Amount payable from the Agriculture Building Fund (Item 8570-001-0601)	–1,395,000	
(11) Amount payable from the Federal Trust Fund (Item 8570-001-0890)	–24,095,000	
(12) Amount payable from the Agricultural Pest Control Research Account (Item 8570-011-0112)	–5,000	
(13) Amount payable from the Satellite Wagering Account (Item 8570-012-0192)	–586,000	

Provisions:

1. Funds appropriated to Schedule (1) from Item 8570-001-0111 are in lieu of the appropriation provided by subdivision (b) of Section 224 of the

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Food and Agricultural Code for emergency detection, eradication, or research of agricultural plant or animal pests or diseases. Any unencumbered balance of these funds shall be available for transfer to local assistance for payment to counties during the 2004–05 fiscal year, as provided in subdivision (c) of Section 224 of the Food and Agricultural Code. In addition, notwithstanding any other provision of law, up to an additional $800,000 of the funds appropriated pursuant to subdivision (c) of Section 224 of the Food and Agricultural Code shall be available for use by the Department of Food and Agriculture for emergency projects to augment Schedule (1) of this item. The Secretary of Food and Agriculture may expend the funds identified in this provision with the approval of the Director of Finance. The funds that are so appropriated are not subject to Section 26.00, 28.00, or 28.50 of this act.

2. Funds appropriated from Item 8570-001-0111 are in lieu of the appropriation provided by subdivision (a) of Section 224 of the Food and Agricultural Code. In addition, notwithstanding any other provision of law, of the funds appropriated pursuant to subdivision (c) of Section 224 of the Food and Agricultural Code, $650,000 shall be available for use by the Department of Food and Agriculture for departmental overhead expenses.
3. Notwithstanding any other provision of law, of the funds appropriated pursuant to subdivision (c) of Section 224 of the Food and Agricultural Code, $179,000 shall be available for use by the Department of Food and Agriculture for the County/State Liaison Director. The Secretary of Food and Agriculture may augment Schedule (3) of this item with the approval of the Director of Finance. The funds that are so appropriated are not subject to Section 26.00, 28.00, or 28.50 of this act.
4. New and renewed county work plans for red imported fire ant eradication may include subcontracting relationships with private entities if the county board of supervisors determines by resolution that a subcontracting relationship is both effective and cost-efficient and the secretary finds that approval of the subcontracting relationship will not compromise program goals, such as con-

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sistency, authority, accountability, oversight, efficacy, safety, timeliness, and overall program costs.

8570-001-0111—For support of Department of Food and Agriculture, for payment to Item 8570-001-0001, payable from the Department of Agriculture Account, Department of Agriculture Fund 13,948,000

Provisions:

1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Government Code Section 13332.18.

8570-001-0191—For support of Department of Food and Agriculture, for payment to Item 8570-001-0001, payable from the Fair and Exposition Fund..... 3,488,000

8570-001-0516—For support of Department of Food and Agriculture, for payment to Item 8570-001-0001, payable from the Harbors and Watercraft Revolving Fund 1,175,000

8570-001-0601—For support of Department of Food and Agriculture, for payment to Item 8570-001-0001, payable from the Agriculture Building Fund..... 1,395,000

Provisions:

1. Funds appropriated in this item are in lieu of the appropriation made by Section 624 of the Food and Agricultural Code.

8570-001-0890—For support of Department of Food and Agriculture, for payment to Item 8570-001-0001, payable from the Federal Trust Fund..... 24,095,000

Provisions:

1. The Department of Finance may authorize the augmentation of this item in an amount not to exceed a cumulative total of $1,500,000. Any augmentation pursuant to this provision shall be made only if the Department of Food and Agriculture has a valid federal contract or grant. These funds shall not be used for state or federal cooperative fruit fly eradication projects. The augmentations pursuant to this authority are not subject to Section 26.00 or 28.00 of this act.

8570-002-0001—For support of Department of Food and Agriculture, Program 11, for sterile Medfly release program in the Los Angeles Basin 8,021,000

8570-003-0001—For support of Department of Food and Agriculture, for rental payments on lease-revenue bonds 1,606,000

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Schedule:

(1) Base Rental and Fees 1,622,000

(2) Insurance 12,000

(3) Reimbursements ..... –28,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

8570-003-0111—For support of Department of Food and Agriculture, for rental payments on lease-revenue bonds, payable from the Department of Agriculture Account, Department of Agriculture Fund 40,000

Schedule:

(1) Base Rental..... 40,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

8570-003-0601—For support of Department of Food and Agriculture, for rental payments on lease-revenue bonds, payable from the Agriculture Building Fund 223,000

Schedule:

(1) Base Rental..... 221,000

(2) Insurance 2,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

8570-004-0001—For transfer by the Controller to the Pierce's Disease Management Account..... 4,408,000

Provisions:

1. Of the funds appropriated in this item, $4,408,000 shall be deposited in the Pierce's Disease Management Account in the Food and Agricultural Fund and shall be available for expenditure without regard to fiscal year for the purpose of combating Pierce's disease and its vectors.

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8570-011-0112—For support of Department of Food and Agriculture, for payment to Item 8570-001-0001, payable from the Agricultural Pest Control Research Account	5,000
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Government Code Section 13332.18.	
8570-011-0191—For transfer by the State Controller from the Fair and Exposition Fund to the General Fund, for health benefits for retired employees of district agricultural associations	(246,000)
8570-011-0890—For transfer by the Controller from the Federal Trust Fund to the Pierce's Disease Management Account	10,995,000
Provisions:	
1. The funds appropriated in this item shall be deposited in the Pierce's Disease Management Account in the Food and Agricultural Fund and shall be available for expenditure for the purpose of combating Pierce's disease and its vectors.	
8570-012-0192—For support of Department of Food and Agriculture, for payment to Item 8570-001-0001, payable from the Satellite Wagering Account	586,000
8570-101-0001—For local assistance, Department of Food and Agriculture	6,078,000
Schedule:	
(1) 11-Agricultural Plant and Animal, Pest and Disease Prevention 6,078,000	
(2) 31-Assistance to Fairs and County Agricultural Activities 1,333,000	
(3) Amount payable from the Fair and Exposition Fund (Item 8570-101-0191) ..... –950,000	
(4) Amount payable from the General Fund (Item 8570-111-0001) ..... –383,000	
8570-101-0191—For local assistance, Department of Food and Agriculture, for payment to Item 8570-101-0001, payable from the Fair and Exposition Fund	950,000
Provisions:	
1. The funds appropriated in this item are for unemployment insurance at local fairs.	
2. The funds appropriated in this item are for the contributions, or the cost of benefits in lieu of contributions, payable from the Fair and Exposi-	

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tion Fund to the Unemployment Fund by all entities conducting fairs, including county, district, combined county and district, and citrus fruit fairs receiving funds pursuant to Chapter 4 (commencing with Section 19400) of Division 8 of the Business and Professions Code, as a result of unemployment insurance coverage pursuant to Section 605 of the Unemployment Insurance Code.

8570-111-0001—For local assistance, Department of Food and Agriculture, for payment to Item 8570-101-0001 383,000

Provisions:

1. The funds appropriated in this item are also available for compensation for services performed for agricultural departments and are to be expended in accordance with the provisions of Sections 2221 to 2224, inclusive, of the Food and Agricultural Code.

8570-295-0001—For local assistance, Department of Food and Agriculture, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of existing program mandated by statute or executive order, for disbursement by the State Controller 13,900,000

Schedule:

(1) 98.01.075.298-Animal Adoption (Ch. 752, Stats. 1998) 13,900,000

Provisions:

1. Except as provided in Provision 2, allocations of funds provided in this item to the appropriate local entities shall be made by the State Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior-year claims may be paid from this item. Funds appropriated in this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.
2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the State Controller may, upon notifying the Director of Fi-

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nance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.		
8570-301-0042—For capital outlay, Department of Food and Agriculture, payable from the State Highway Account, State Transportation Fund.....		6,412,000
Schedule:		
(1) 90.80.010-Relocation: Truckee Agriculture Inspection Station—Working drawings and construction.....	6,412,000	
8570-301-0111—For capital outlay, Department of Food and Agriculture, payable from the Agriculture Fund		416,000
Schedule:		
(1) 90.19.030-Hawaii Medfly Rearing Facility Repairs—Preliminary plans, working drawings, and construction	416,000	
8570-301-0660—For capital outlay, Department of Food and Agriculture, payable from the Public Buildings Construction Fund		12,824,000
Schedule:		
(1) 90.80.010-Relocation: Truckee Agriculture Inspection Station—Working drawings and construction.....	12,824,000	

Provisions:

1. The State Public Works Board may issue lease-revenue bonds, notes, or bond anticipation notes pursuant to Chapter 5 (commencing with Section 15830) of Part 10b of Division 3 of Title 2 of the Government Code to finance the design and construction of the project authorized by this item.
2. The State Public Works Board and the Department of Food and Agriculture may obtain interim financing for the project costs authorized in this item from any appropriate source, including, but not limited to, Section 15849.1 of the Government Code and the Pooled Money Investment Account

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pursuant to Sections 16312 and 16313 of the Government Code.

3. The State Public Works Board may authorize the augmentation of the cost of construction of the projects scheduled in this item pursuant to the board's authority under Section 13332.11 of the Government Code. In addition, the State Public Works Board may authorize any additional amount necessary to establish a reasonable construction reserve and to pay the costs of financing, including the payment of interest during construction of the project, the costs of financing a debt service fund, and the costs of issuance of permanent financing for the project. This additional amount may include interest payable on any interim financing obtained.
4. This department is authorized and directed to execute and deliver any and all leases, contracts, agreements or other documents necessary or advisable to consummate the sale of bonds or otherwise effectuate the financing of the scheduled projects.
5. The State Public Works Board shall not itself be deemed a lead or responsible agency for purposes of the California Environmental Quality Act (commencing with Section 21000 of the Public Resources Code) for any activities under the State Building Construction Act of 1955 (commencing with Section 15800 of the Government Code). This section does not exempt this department from the requirements of the California Environmental Quality Act. This section is declarative of existing law.

8570-401—For support of Department of Food and Agriculture: Notwithstanding any other provision of law, $2,900,000 of the funds appropriated pursuant to subdivision (c) of Section 224 of the Food and Agricultural Code shall be allocated to counties in a manner prescribed by the secretary for pest detection/trapping programs. These funds are intended to supplement funds available for pest detection/trapping in Item 8570-101-0001. As a condition of receiving these funds, counties shall not reduce their level of support from any other funds for pest detection/trapping programs. If a county declines to participate in a pest detection/trapping pro-

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gram, or fails to conduct the program to the state's satisfaction, the secretary shall reduce, by the amount that would otherwise be allocated to the county, funds available pursuant to subdivision (c) of Section 224 and other state allocations from Item 8570-101-0001. These funds are hereby appropriated to the Department of Food and Agriculture Item 8570-001-0001 and Item 8570-001-0111 for purposes of operating the pest detection/trapping programs in the counties.

8570-402—For local assistance, Department of Food and Agriculture: The remaining funds available pursuant to subdivision (c) of Section 224 of the Food and Agricultural Code, after allocation in accordance with Item 8570-401 and Provisions 1 and 2 of Item 8570-001-0001, shall be apportioned to the counties as follows: in relation to each county's expenditures to the total amount expended by all counties for the preceding fiscal year for agricultural programs that are supervised by the department and for pesticide use enforcement programs supervised by the Department of Pesticide Regulation. This item shall not be effective if a later enacted statute amends subdivision (c) of Section 224 of the Food and Agricultural Code.

8570-403—For Department of Food and Agriculture. Notwithstanding any other provision of law, 30 days prior to the Department of Food and Agriculture's entering into interim financing or long-term financing, including bond agreements, pursuant to Article 9 (commencing with Section 19590) of Chapter 4 of Division 8 of the Business and Professions Code, the department shall submit a report to the Chairperson of the Joint Legislative Budget Committee with copies to the Chairpersons of Senate Budget and Fiscal Review Subcommittee No. 2, Assembly Budget Subcommittee No. 3, the Senate Select Committee on Fairs and Rural Issues, the Subcommittee on Fairs and Expositions of the Assembly Committee on Agriculture, and the Department of Finance. The report shall list: (a) proposed individual satellite wagering expansion projects at fairs, (b) costs for constructing, operating, and maintaining individual satellite wagering projects, (c) net revenue projections for individual satellite wagering projects, and (d) projected effect on net Satellite Wagering Account revenue re-

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sulting from individual satellite wagering projects and satellite wagering-related projects. Additional notification is not required for financing proposals unless refinancing will result in the expenditure of additional funds, in which case the report shall include the above-requested information relating only to the new debt. Reporting shall be required only for satellite wagering projects that are funded by interim financing or long-term financing, including bond agreements.

8570-404—Notwithstanding Provision 1 of Item 8570-112-0111, Budget Act of 2002, the $15,000,000 loan authorized, shall be fully repaid to the Agriculture Fund by October 1, 2005. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account at the time of the transfer. The Controller shall, within 15 working days of receipt of written notification from the Department of Finance, transfer from the General Fund to the Agriculture Fund the full amount of the loan or increments thereof as requested by the Department of Finance. The Department of Finance shall, within 30 days of receipt of written notification documenting the need of the loan repayment from the Department of Food and Agriculture, provide written notification to the Controller notifying the State Controller of the amount to be transferred from the General Fund to the Agriculture Fund. The Department of Food and Agriculture may request through the Department of Finance an incremental repayment of the loan prior to October 1, 2005. A fee or assessment may not be increased by the Department of Food and Agriculture as a result of the loan.

8570-490—Reappropriation, Department of Food and Agriculture. The balance of the appropriations provided in the following citations is reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in the appropriations:

0042—State Highway Account

(1) Item 8570-301-0042, Budget Act of 2002 (Ch. 379, Stats. 2002), as reappropriated by Item 8570-490, Budget Act of 2003 (Ch. 157, Stats. 2003)

(2) 90.18.001-Relocation: Yermo Agriculture Inspection Station—Working drawings and construction

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0660—Public Buildings Construction Fund		
(1) Item 8570-301-0660, Budget Act of 2002 (Ch. 379, Stats. 2002), as reappropriated by Item 8570-490, Budget Act of 2003 (Ch. 157, Stats. 2003)		
(1) 90.18.001-Relocation: Yermo Agriculture Inspection Station—Working drawings and construction		
(2) Item 8570-301-0660, Budget Act of 2003 (Ch. 157, Stats. 2003)		
(1) 90.19.010-Hawaii Medfly Rearing Facility—Working drawings and construction		
8620-001-0001—For support of Fair Political Practices Commission		1,887,000
Schedule:		
(1) 10.10-Local enforcement	693,000	
(2) 10.20-Legal, technical assistance and state enforcement	1,194,000	
8640-001-0001—For support of Political Reform Act of 1974, the following sums are appropriated to, and in augmentation of, the following agencies and officers for the administration, investigation and regulation of political campaigns, officials, and lobbyists		2,420,000
Schedule:		
(1) 10-Secretary of State	790,000	
For transfer by the State Controller to Item 0890-001-0001 as follows:		
(1) Personal Services	(565,000)	
(2) Operating expenses and equipment	(225,000)	
(1.5) 20-Franchise Tax Board	1,422,000	
For transfer by the State Controller to Item 1730-001-0001 as follows:		
(3) 30-Political Reform Audit	(1,422,000)	
(2) 30-Department of Justice	216,000	
For transfer by the State Controller to Item 0820-001-0001 as follows:		
(7) 40-Criminal Law	(78,000)	
(9) 50-Law Enforcement	(138,000)	
(3) Reimbursements	–8,000	
For transfer by the State Controller to Item 0890-001-0001		

Item	Amount
Provisions:	
1. The Controller shall transfer funds as specified above, including any allocations made by the Department of Finance, on January 1, 2005.	
8660-001-0042—For support of Public Utilities Commission, for payment to Item 8660-001-0462, payable from the State Highway Account, State Transportation Fund	2,395,000
8660-001-0046—For support of Public Utilities Commission, for payment to Item 8660-001-0462, payable from the Public Transportation Account, State Transportation Fund	2,300,000
8660-001-0412—For support of Public Utilities Commission, for payment to Item 8660-001-0462, payable from the Transportation Rate Fund	1,662,000
8660-001-0461—For support of Public Utilities Commission, for payment to Item 8660-001-0462, payable from the Public Utilities Commission Transportation Reimbursement Account	7,139,000
8660-001-0462—For support of Public Utilities Commission, payable from the Public Utilities Commission Utilities Reimbursement Account	69,084,000
Schedule:	
(1) 10-Regulation of Utilities 82,570,000	
(2) 15-Universal Service Telephone Programs 863,373,000	
(3) 20-Regulation of Transportation..... 13,496,000	
(4) 30.01-Administration 17,207,000	
(5) 30.02-Distributed Administration ...–17,207,000	
(6) Reimbursements .....–12,493,000	
(7) Amount payable from the State Highway Account, State Transportation Fund (Item 8660-001-0042). –2,395,000	
(8) Amount payable from the Public Transportation Account, State Transportation Fund (Item 8660-001-0046) ..... –2,300,000	
(9) Amount payable from the Transportation Rate Fund (Item 8660-001-0412) ..... –1,662,000	
(10) Amount payable from the Public Utilities Commission Transportation Reimbursement Account (Item 8660-001-0461) ..... –7,139,000	

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(11) Amount payable from California High-Cost Fund-A Administrative Committee Fund (Item 8660-001-0464).....–59,269,000

(12) Amount payable from California High-Cost Fund-B Administrative Committee Fund (Item 8660-001-0470) ..... –482,384,000

(13) Amount payable from Universal Lifeline Telephone Service Trust Administrative Committee Fund (Item 8660-001-0471)..... –251,619,000

(14) Amount payable from Deaf and Disabled Telecommunications Program Administrative Committee Fund (Item 8660-001-0483).....–69,165,000

(15) Amount payable from Payphone Service Providers Committee Fund (Item 8660-001-0491) ..... –936,000

(17) Amount payable from the Federal Trust Fund (Item 8660-001-0890). –993,000

Provisions:

1. The Public Utilities Commission shall require any public utility requesting a merger to reimburse the commission for those necessary expenses that the commission incurs in its consideration of the proposed merger.

8660-001-0464—For support of Public Utilities Commission, for payment to Item 8660-001-0462, payable from the California High-Cost Fund-A Administrative Committee Fund..... 59,269,000

Provisions:

1. Of the amount appropriated in this item, up to $276,000 shall be used by the Public Utilities Commission to fund administrative and staffing costs for the California High-Cost Fund-A Administrative Committee Program.

8660-001-0470—For support of Public Utilities Commission, for payment to Item 8660-001-0462, payable from the California High-Cost Fund-B Administrative Committee Fund..... 482,384,000

Provisions:

1. Of the amount appropriated in this item, up to $2,656,000 shall be used by the Public Utilities Commission to fund administrative and staffing costs for the California High-Cost Fund-B Administrative Committee Program.

Item	Amount
8660-001-0471—For support of Public Utilities Commission, for payment to Item 8660-001-0462, payable from the Universal Lifeline Telephone Service Trust Administrative Committee Fund	251,619,000
Provisions:	
1. Of the amount appropriated in this item, up to $1,630,000 shall be used by the Public Utilities Commission to fund administrative and staffing costs for the Universal Lifeline Telephone Service Trust Administrative Committee Program.	
8660-001-0483—For support of Public Utilities Commission, for payment to Item 8660-001-0462, payable from the Deaf and Disabled Telecommunications Program Administrative Committee Fund	69,165,000
Provisions:	
1. Of the amount appropriated in this item, up to $68,000 shall be used by the Public Utilities Commission to fund administrative and staffing costs for the Deaf and Disabled Telecommunications Administrative Committee Program.	
8660-001-0491—For support of Public Utilities Commission, for payment to Item 8660-001-0462, payable from the Payphone Service Providers Committee Fund	936,000
Provisions:	
1. Of the amount appropriated in this item, up to $506,000 shall be used by the Public Utilities Commission to fund administrative and staffing costs for the Payphone Service Providers Committee Program.	
8660-001-0890—For support of Public Utilities Commission, for payment to Item 8660-001-0462, payable from the Federal Trust Fund	993,000
8660-003-0412—For support of Public Utilities Commission for rental payments on lease-revenue bonds, payable from the Transportation Rate Fund	146,000
Schedule:	
(1) Base Rental 150,000	
(2) Insurance 2,000	
(3) Reimbursements ..... –6,000	
Provisions:	
1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.	

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8660-003-0461—For support of Public Utilities Commission for rental payments on lease-revenue bonds, payable from the Public Utilities Commission Transportation Reimbursement Account 536,000

Schedule:

(1) Base Rental and Fees 552,000
(2) Insurance 7,000
(3) Reimbursements ..... –23,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

8660-003-0462—For support of Public Utilities Commission for rental payments on lease-revenue bonds, payable from the Public Utilities Commission Utilities Reimbursement Account 4,187,000

Schedule:

(1) Base Rental and Fees 4,313,000
(2) Insurance 58,000
(3) Reimbursements ..... –184,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

8660-495—Reversion-Public Utilities Commission. Notwithstanding any other provision of law, the sum of $2,500,000 from the appropriations provided in the following citations shall revert to the General Fund:

0001—General Fund

(1) $2,500,000 from Section 5 of Chapter 7 of the Statutes of 2001, First Extraordinary Session, as amended by Section 57 of Chapter 111 of the Statutes of 2001, consisting of unliquidated encumbered balances.

8665-001-9326—For support of California Consumer Power and Conservation Financing Authority, payable from the California Consumer Power and Conservation Financing Authority Fund..... 1,224,000

Schedule:

(1) 15-Energy Acquisition 738,000

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(2) 20-Planning and Policy Development	486,000	
(3) 30.01-Administration	343,000	
(4) 30.02-Distributed Administration	–343,000	
8690-001-0217—For support of Seismic Safety Commission, payable from the Insurance Fund		882,000
Schedule:		
(1) 10-Seismic Safety Commission	957,000	
(2) Reimbursements	–75,000	
8700-001-0001—For support of California Victim Compensation and Government Claims Board		0
Schedule:		
(1) 11-Citizens Indemnification	62,820,000	
(2) 12-Quality Assurance and Revenue Recovery Division	8,081,000	
(3) 21-Disaster Relief Claim Program	19,000	
(4) 31-Civil Claims Against the State	809,000	
(5) 41-Citizens Benefiting the Public	20,000	
(6) 51.01-Administration	7,482,000	
(7) 51.03-Executive Office	267,000	
(8) 51.02-Distributed Administration Executive Office	–7,749,000	
(9) Reimbursements	–828,000	
(10) Amount payable from the Restitution Fund (Item 8700-001-0214)	–42,792,000	
(11) Amount payable from the Federal Trust Fund (Item 8700-001-0890)	–28,109,000	
(12) Amount payable from the Restitution Fund (Item 8700-002-0214)	–20,000	
Provisions:		
1. The California Victim Compensation and Government Claims Board shall not routinely notify all local agencies and school districts regarding its proceedings. However, for each of its meetings, the board shall notify all parties whose claims or proposals are scheduled for consideration and any party requesting notice of the proceedings.		
8700-001-0214—For support of California Victim Compensation and Government Claims Board, for support services pursuant to Chapter 5 (commencing with Section 13959) of Part 4 of Division 3 of Title 2 of the Government Code, for payment to Item 8700-001-0001, payable from the Restitution Fund		42,792,000

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Provisions:

1. It is the intent of the Legislature that local agencies which contract with the California Victim Compensation and Government Claims Board as part of joint powers agreements or criminal restitution compacts are reimbursed for their costs. Notwithstanding any other provision of law, the Department of Finance may authorize expenditure from the Restitution Fund in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity is provided to the chairperson of the committee in each house of the Legislature that considers appropriations, the chairpersons of the committees and the appropriate subcommittees in each house of the Legislature that consider the State Budget, and the Chairperson of the Joint Legislative Budget Committee.

8700-001-0890—For support of California Victim Compensation and Government Claims Board, for payment to Item 8700-001-0001, payable from the Federal Trust Fund 28,109,000

8700-002-0214—For support of California Victim Compensation and Government Claims Board, for support services pursuant to subdivision (e) of Section 13973 of the Government Code, for payment to Item 8700-001-0001, payable from the Restitution Fund. 20,000

8700-295-0001—For local assistance, California Victim Compensation and Government Claims Board for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller 0

Schedule:

(1) 98.01.112.377-Adult Felony Restitution (Ch. 1123, Stats. 1977)..... 0

Provisions:

1. Pursuant to Section 17581 of the Government Code, mandates identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are

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specifically identified by the Legislature for suspension during the 2004–05 fiscal year:		
(1) Adult Felony Restitution (Ch. 1123, Stats. 1977).		
8770-001-0462—For support of Electricity Oversight Board, payable from the Public Utilities Commission Utilities Reimbursement Account		3,163,000
Schedule:		
(1) 30-Administration	3,637,000	
(2) Amount payable from the Energy Resources Programs Account (Item 8770-001-0465)	–474,000	
8770-001-0465—For support of Electricity Oversight Board, for payment to Item 8770-001-0462, payable from the Energy Resources Programs Account		474,000
8780-001-0001—For support of Milton Marks ''Little Hoover'' Commission on California State Government Organization and Economy		907,000
Schedule:		
(1) 10-Milton Marks Commission on California State Government Organization and Economy	909,000	
(2) Reimbursements	–2,000	
8820-001-0001—For support of Commission on the Status of Women		407,000
Schedule:		
(1) 10-Administration, Legislation, Research and Information	409,000	
(2) Reimbursements	–2,000	
8830-001-0001—For support of California Law Revision Commission		662,000
Schedule:		
(1) 10-Law Revision Commission	677,000	
(2) Reimbursements	–15,000	
8840-001-0001—For support of the California Commission on Uniform State Laws		98,000
8855-001-0001—For support of Bureau of State Audits, for transfer to the State Audit Fund		12,388,000
Schedule:		
(1) 10-State Auditor	12,388,000	
8860-001-0001—For support of Department of Finance		30,170,000
Schedule:		
(1) 10-Annual Financial Plan	18,003,000	
(2) 20-Program and Information System Assessments	12,999,000	

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(3) 30-Supportive Data 11,859,000
(4) 40.01-Administration..... 5,963,000
(5) 40.02-Distributed Administration ... –5,488,000
(6) Reimbursements.....–13,166,000

Provisions:

1. The funds appropriated in this item for CALSTARS shall be transferred by the Controller, upon order of the Department of Finance, or made available by the Department of Finance as a reimbursement, to other items and departments for CALSTARS-related activities by the Department of Finance.
2. The funds appropriated in this act for purposes of CALSTARS-related data-processing costs may be transferred between any items in this act by the Controller upon order of the Director of Finance. Any funds so transferred shall be used only for support of CALSTARS-related data-processing costs incurred.

8885-001-0001—For support of Commission on State Mandates, Program 10 1,189,000

Provisions:

1. The Commission on State Mandates shall provide, in applicable parameters and guidelines, as follows:
   (a) If a local agency or school district contracts with an independent contractor for the preparation and submission of reimbursement claims, the costs reimbursable by the state for that purpose shall not exceed the lesser of (1) 10 percent of the amount of the claims prepared and submitted by the independent contractor, or (2) the actual costs that necessarily would have been incurred for that purpose if performed by employees of the local agency or school district.
   (b) The maximum amount of reimbursement authorized by subdivision (a) may be exceeded only if the local agency or school district establishes, by appropriate documentation, that the preparation and submission of these claims could not have been accomplished without the incurring of the additional costs claimed by the local agency or school district.
2. In the case where the commission receives one or more county applications for a finding of significant financial distress pursuant to Section 17000.6

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of the Welfare and Institutions Code, notwithstanding the provisions of Section 17000.6 of the Welfare and Institutions Code, the time limit imposed on the commission to reach its preliminary and final decisions shall be tolled until such time as the commission has received an appropriation from the Legislature to carry out its duties as prescribed in Section 17000.6 of the Welfare and Institutions Code.		
8885-011-0360—For transfer by the Controller from the State Mandates Claims Fund to the General Fund ..		(461,000)
8910-001-0001—For support of Office of Administrative Law		1,786,000
Schedule:		
(1) 10-Regulatory Oversight.....	1,926,000	
(2) Reimbursements.....	−140,000	
8940-001-0001—For support of Military Department....		31,438,000
Schedule:		
(1) 10-Army National Guard.....	56,258,000	
(2) 20-Air National Guard	18,360,000	
(3) 30.01-Office of the Adjutant General.....	8,812,000	
(4) 30.02-Distributed Office of the Adjutant General	−8,812,000	
(5) 35-Military Support to Civil Authority	5,216,000	
(6) 40-Military Retirement	3,190,000	
(7) 50-California Cadet Corps	423,000	
(8) 55-California State Military Reserve.....	247,000	
(9) 65-California National Guard Youth Programs	11,506,000	
(10) Reimbursements	−6,246,000	
(11) Amount payable from the Armory Discretionary Improvement Account (Item 8940-001-0485).....	−150,000	
(12) Amount payable from the Federal Trust Fund (Item 8940-001-0890)	−57,366,000	
Provisions:		
1. No expenditures shall be made from the funds appropriated in this item as a substitution for personnel, equipment, facilities, or other assistance, or for any portion thereof, that, in the absence of the expenditure, or of this appropriation, would be available to the Adjutant General of the State		

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Military Forces, the California State Military, or the California State Military Reserve from the federal government.

2. The funds appropriated in Schedule (6) shall be for military retirements, in accordance with Sections 228 and 256 of the Military and Veterans Code.

8940-001-0485—For support of Military Department, for payment to Item 8940-001-0001, payable from the Armory Discretionary Improvement Account..... 150,000

Provisions:

1. No expenditures shall be made from this appropriation until sufficient revenues or income from armories have been deposited into the State Treasury to the credit of the General Fund pursuant to subdivision (c) of Section 431 of the Military and Veterans Code.

8940-001-0890—For support of Military Department, for payment to Item 8940-001-0001, payable from the Federal Trust Fund 57,366,000

8940-301-0001—For capital outlay, Military Department..... 5,415,000

Schedule:

(1) 70.80.010-Bakersfield: Union Armory—Construction and equipment..... 5,004,000

(2) 70.85.010-Roseville: Armory Additions and Renovations—Working drawings..... 411,000

8940-301-0890—For capital outlay, Military Department, payable from the Federal Trust Fund 7,449,000

Schedule:

(1) 70.80.010-Bakersfield: Union Armory—Preliminary plans, working drawings, construction, and equipment..... 6,411,000

(2) 70.10.100-Advance plans and studies—Studies and preliminary plans..... 836,000

(3) 70.85.010-Roseville: Armory Additions and Renovations—Preliminary plans..... 202,000

8940-490—Reappropriation, Military Department. The balance of the appropriations provided in the following citations is reappropriated for the purposes and

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subject to the limitations, unless otherwise specified, provided for in the appropriations:		
0001—General Fund		
(1) Item 8940-301-0001, Budget Act of 2003 (Ch. 157, Stats. 2003)		
(2) 70.83.010-Lancaster: Armory—Working drawings, construction, and equipment		
0890—Federal Trust Fund		
(1) Item 8940-301-0890, Budget Act of 2003 (Ch. 157, Stats. 2003)		
(2) 70.83.010-Lancaster: Armory—Working drawings, construction, and equipment		
8955-001-0001—For support of Department of Veterans Affairs		5,579,000
Schedule:		
(1) 10-Farm and Home Loans to Veterans	1,418,000	
(2) 20-Veterans Claims and Rights	1,748,000	
(3) 30-Care of Sick and Disabled Veterans	4,345,000	
(4) 50.01-General Administration	5,805,000	
(5) 50.02-Distributed General Administration	–5,805,000	
(6) Reimbursements	–470,000	
(7) Amount payable from the Veterans Service Office Fund (Item 8955-001-0083)	–44,000	
(8) Amount payable from the Veterans' Farm and Home Building Fund of 1943 (Item 8955-001-0592)	–1,418,000	
8955-001-0083—For support of Department of Veterans Affairs, for payment to Item 8955-001-0001, payable from the Veterans Service Office Fund		44,000
8955-001-0592—For support of Department of Veterans Affairs, for payment to Item 8955-001-0001, payable from the Veterans' Farm and Home Building Fund of 1943		1,418,000
8955-001-0701—For support of Department of Veterans Affairs, payable from the Veterans' Home Fund		173,000
8955-101-0001—For local assistance, Department of Veterans Affairs, for contribution to counties toward compensation and expenses of county veterans services offices, to be expended in accordance with Section 972 and following of the Military and Veterans Code		2,350,000

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Schedule:

(1) 20-Veterans Claims and Rights 3,188,000

(2) Reimbursements ..... –838,000

8955-101-0083—For local assistance, Department of Veterans Affairs, county veterans services offices, payable from the Veterans Service Office Fund 470,000

8960-011-0001—For support of Veterans' Home of California—Yountville 36,211,000

Schedule:

(1) 30-Care of Sick and Disabled Veterans..... 67,538,000

(2) Reimbursements .....–17,872,000

(3) Amount payable from the Federal Trust Fund (Item 8960-011-0890).....–13,455,000

Provisions:

1. The Director of Finance may authorize a loan from the General Fund, in an amount not to exceed the level of reimbursements appropriated in Schedule (2) of this item to the Veterans' Home of California, provided that:
   (a) The loan is to meet cash needs resulting from the delay in receipt of reimbursements for medical services provided.
   (b) The loan is short term, and shall be repaid within six months.
   (c) Interest charges may be waived pursuant to subdivision (e) of Section 16314 of the Government Code.
   (d) The Director of Finance may not approve the loan unless the approval is made in writing and filed with the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house that considers appropriations not later than 30 days prior to the effective date of the approval, or not sooner than whatever lesser time the chairperson of the joint committee or his or her designee may determine.
2. At the end of the six-month term of the loan, the department shall notify the Chairperson of the Joint Legislative Budget Committee whether the Veterans' Home of California has repaid the loan made pursuant to subdivision (d) of Provision 1. If the department notifies the Legislature that the

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Veterans' Home of California cannot repay the loan within the six-month loan period, it shall identify a payment schedule for full payment of the loan.

3. Of the funds appropriated in Schedule (1), the amount of $500,000 is available for special projects that provide a direct benefit to the members of the Veterans' Home of California at Yountville, including the maintenance of facilities used by members and the public. The Allied Council at the Veterans' Home of California may submit special project requests to the administrator for consideration. After consultation with the Allied Council, a budget for expenditure of these funds shall be approved by the administrator, and the Secretary of Veterans Affairs.

8960-011-0890—For support of Veterans' Home of California—Yountville, for payment to Item 8960-011-0001, payable from the Federal Trust Fund..... 13,455,000

8965-001-0001—For support of the Veterans' Home of California—Barstow 6,780,000

Schedule:

(1) 30-Care of Sick and Disabled Veterans..... 10,024,000

(2) Reimbursements..... −1,406,000

(3) Amount payable from the Federal Trust Fund (Item 8965-001-0890). −1,838,000

Provisions:

1. The Director of Finance may authorize a loan from the General Fund, in an amount not to exceed the level of reimbursements appropriated in Schedule (2) of this item to the Veterans' Home of California, provided that:

(a) The loan is to meet cash needs resulting from the delay in receipt of reimbursements for medical services provided.

(b) The loan is short term, and shall be repaid within six months.

(c) Interest charges may be waived pursuant to subdivision (e) of Section 16314 of the Government Code.

(d) The Director of Finance may not approve the loan unless the approval is made in writing and filed with the Chairperson of the Joint Legislative Budget Committee and the chair-

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person of the committee in each house that considers appropriations not later than 30 days prior to the effective date of the approval, or not sooner than whatever lesser time the chairperson of the joint committee or his or her designee may determine.

2. At the end of the six-month term of the loan, the department shall notify the Chairperson of the Joint Legislative Budget Committee whether the Veterans' Home of California has repaid the loan made pursuant to subdivision (d) of Provision 1. If the department notifies the Legislature that the Veterans' Home of California cannot repay the loan within the six-month loan period, it shall identify a payment schedule for full payment of the loan.

8965-001-0890—For support of the Veterans' Home of California—Barstow, for payment to Item 8965-001-0001, payable from the Federal Trust Fund 1,838,000

8965-003-0001—For support of the Veterans' Home of California—Barstow for rental payments on lease-revenue bonds 1,244,000

Schedule:

(1) Base Rental and Fees 1,111,000
(2) Insurance 191,000
(3) Reimbursements ..... –58,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

8966-001-0001—For support of the Veterans' Home of California—Chula Vista 11,112,000

Schedule:

(1) 30-Care of Sick and Disabled Veterans..... 21,042,000
(2) Reimbursements ..... –4,831,000
(3) Amount payable from the Federal Trust Fund (Item 8966-001-0890). –5,099,000

Provisions:

1. The Director of Finance may authorize a loan from the General Fund, in an amount not to exceed the level of reimbursements appropriated in

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Schedule (2) of this item to the Veterans' Home of California, provided that:

(a) The loan is to meet cash needs resulting from the delay in receipt of reimbursements for medical services provided.

(b) The loan is short term, and shall be repaid within six months.

(c) Interest charges may be waived pursuant to subdivision (e) of Section 16314 of the Government Code.

(d) The Director of Finance may not approve the loan unless the approval is made in writing and filed with the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house that considers appropriations not later than 30 days prior to the effective date of the approval, or not sooner than whatever lesser time the chairperson of the joint committee or his or her designee may determine.

2. At the end of the six-month term of the loan, the department shall notify the Chairperson of the Joint Legislative Budget Committee whether the Veterans' Home of California has repaid the loan made pursuant to subdivision (d) of Provision 1. If the department notifies the Legislature that the Veterans' Home of California cannot repay the loan within the six-month loan period, it shall identify a payment schedule for full payment of the loan.

8966-001-0890—For support of the Veterans' Home of California—Chula Vista, for payment to Item 8966-001-0001, payable from the Federal Trust Fund..... 5,099,000

8966-003-0001—For support of the Veterans' Home of California—Chula Vista for rental payments on lease-revenue bonds..... 1,440,000

Schedule:

(1) Base Rental and Fees 1,379,000

(2) Insurance 61,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board. The schedule shall be provided on a monthly basis or as otherwise might be needed to ensure debt requirements are met.

Item	Amount
9100-101-0001—For local assistance, Tax Relief.....	668,241,000

Schedule:

(1) 10-Senior Citizens' Property Tax Assistance..... 37,036,000

(2) 20-Senior Citizens' Property Tax Deferral Program 11,900,000

(3) 30-Senior Citizen Renters' Tax Assistance.....146,355,000

(4) 50-Homeowners' Property Tax Relief 433,200,000

(5) 60-Subventions for Open Space..... 39,750,000

Provisions:

1. Schedule (1) is for property tax assistance to homeowner claimants in accordance with the Senior Citizens Property Tax Assistance and Postponement Law, as set forth in Part 10.5 (commencing with Section 20501) of Division 2 of the Revenue and Taxation Code.

   Any unexpended balance in Schedule (1) may be used to make payments to senior citizen renter claimants under Schedule (3).

2. Schedule (2) is for property tax postponement and assistance to claimants in accordance with the Senior Citizens Property Tax Assistance and Postponement Law, as set forth in Part 10.5 (commencing with Section 20501) of Division 2 of the Revenue and Taxation Code. The appropriation made by this schedule shall be in lieu of the appropriation for the same purpose contained in Section 16100 of the Government Code.

3. Schedule (3) is for property tax assistance to renter claimants in accordance with the Senior Citizens Property Tax Assistance and Postponement Law, as set forth in Part 10.5 (commencing with Section 20501) of Division 2 of the Revenue and Taxation Code.

   Any unexpended balance in Schedule (3) may be used to make payments to senior citizen homeowner claimants under Schedule (1).

4. Schedule (4) is for reimbursement to local taxing authorities for revenue lost by reason of the homeowners' property tax exemption granted pursuant to subdivision (k) of Section 3 of Article XIII of the California Constitution. The appropriation made by this schedule shall be in lieu of the appropriation required pursuant to Section 25

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of Article XIII of the California Constitution and the appropriation for the same purposes contained in Section 16100 or 16120 of the Government Code.

5. Schedule (5) is for providing reimbursement to local taxing authorities for revenue lost by reason of the assessment of open-space lands under Sections 423, 423.3, 423.4, and 423.5 of the Revenue and Taxation Code, and in accordance with Chapter 3 (commencing with Section 16140) of Part 1 of Division 4 of Title 2 of the Government Code. The appropriation made by this schedule shall be in lieu of the appropriation for the same purpose contained in Section 16100 or 16140 of the Government Code.
6. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for Schedules (1), (2), (3), (4), and (5) in excess of or less than the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

9100-295-0001—For local assistance, Tax Relief, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller 3,000

Schedule:

(1) 98.01.124.277-Senior Citizens' Property Tax Deferral Program (Ch. 1242, Stats. 1977)	1,000
(2) 98.01.092.187-Countywide Tax Rates (Ch. 921, Stats. 1987).....	1,000
(3) 98.01.069.792-Allocation of Property Tax Revenue (Ch. 697, Stats. 1992).....	1,000
(4) 98.01.105.183-Senior Citizens' Mobilehome Property Tax Deferral (Ch. 1051, Stats. 1983)	0

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(5) 98.01.004.887-Property Tax-Family Transfers (Ch. 48, Stats. 1987)..... 0

Provisions:

1. Except as provided in Provision 2 of this item, allocations of funds provided in this item to the appropriate local entities shall be made by the State Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated in this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.
2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the State Controller may, upon notifying the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.
3. Pursuant to Section 17581 of the Government Code, the mandates identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the 2004–05 fiscal year:
   (4) 98.01.105.183-Senior Citizens' Mobilehome Property Tax Deferral (Ch. 1051, Stats. 1983)
   (5) 98.01.004.887-Property Tax-Family Transfers (Ch. 48, Stats. 1987)

9210-101-0001—For local assistance, Local Government Financing 200,000,000

Provisions:

1. For allocation by the Controller to local jurisdictions for public safety and juvenile justice purposes, as determined by the Director of Finance

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pursuant to Chapter 6.7 (commencing with Section 30061) of Division 3 of Title 3 of the Government Code.	
2. Notwithstanding any other provision of law, the funds appropriated in this item shall be available for expenditure until June 30, 2006. These funds shall be used to supplement and not supplant existing services.	
9210-102-0001—For local assistance, Local Government Financing	400,000
Provisions:	
1. The amount appropriated in this item is for allocation by the State Controller to the Santa Barbara County Formation Commission pursuant to Article 3 (commencing with Section 23331) of Chapter 3 of Division 1 of Title 3 of the Government Code.	
2. The amount appropriated in this item is a loan and shall be repaid with interest within one year from the date upon which the issue of county formation is voted on by the people.	
9210-105-0001—For local assistance, Local Government Financing, Property Tax Administration Grant Program	60,000,000
Provisions:	
1. For allocation by the Controller to counties, as determined by the Department of Finance, pursuant to Chapter 6 (commencing with Section 95.35) of Division 1 of the Revenue and Taxation Code.	
9210-295-0001—For local assistance, Local Government Financing, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller	5,000
Schedule:	
(1) 98.01.048.675-Mandate Reimbursement Process (Ch. 486, Stats. 1975)..... 1,000	
(2) 98.01.064.186-Open Meetings Act (Ch. 641, Stats. 1986) 1,000	
(3) 98.01.099.991-Rape Victim Counseling Ctr. Notices (Ch. 999, Stats. 1991)..... 1,000	

Item	Amount
(4) 98.01.087.585-Photographic Record Evidence (Ch. 875, Stats. 1985)	1,000
(5) 98.01.112.096-Health Benefits for Survivors/Peace Officers and Firefighters (Ch. 1120, Stats. 1996)	1,000
(6) 98.01.084.578-Filipino Employee Surveys (Ch. 845, Stats. 1978)	0
(7) 98.01.088.981-Lis Pendens (Ch. 889, Stats. 1981)	0
(9) 98.01.128.180-Involuntary Lien Notices (Ch. 1281, Stats. 1980)	0
(10) 98.01.160.984-Domestic Violence Information (Ch. 1609, Stats. 1984)	0
(11) 98.01.133.487-CPR Pocket Masks (Ch. 1334, Stats. 1987)	0

Provisions:

1. Except as provided in Provision 2 of this item, allocations of funds provided in this item to the appropriate local entities shall be made by the State Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated in this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.
2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the State Controller may, upon notifying the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.

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3. Pursuant to Section 17581 of the Government Code, mandates identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the 2004–05 fiscal year:
   (1) Filipino Employee Surveys (Ch. 845, Stats. 1978)
   (2) Lis Pendens (Ch. 889, Stats. 1981)
   (4) Involuntary Lien Notices (Ch. 1281, Stats. 1980)
   (5) Domestic Violence Information (Ch. 1609, Stats. 1984)
   (6) CPR Pocket Masks (Ch. 1334, Stats. 1987)

9612-001-0001—For allocation by the Department of Finance to the trustee of the Golden State Tobacco Securitization Corporation, for payment of debt service on the Enhanced Tobacco Settlement Asset-Backed Bonds and operating expenses of the Golden State Tobacco Securitization Corporation in accordance with Section 63049.1 of the Government Code..... 1,000

Provisions:

1. Notwithstanding any other provision of law, upon certification by the Golden State Tobacco Corporation, the Department of Finance may authorize expenditures of up to $200,000,000 in excess of the amount appropriated in this item for the payment of debt service on the Enhanced Tobacco Settlement Asset-Backed Bonds and the payment of operating expenses of the Golden State Tobacco Securitization Corporation in the event tobacco settlement revenues and certain other available amounts are insufficient to pay the costs of debt service and operating costs for the 12 months following such certification. The Department of Finance shall provide notification in writing to the chairperson of the fiscal committee of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee not more than 30 days after such authorization.

9620-001-0001—For payment of interest on General Fund loans, upon order of the Director of Finance, for any General Fund loan 30,000,000

Provisions:

1. The Director of Finance, the Controller, and the State Treasurer shall satisfy any need of the General Fund for borrowed funds in a manner consis-

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tent with the Legislature's objective of conducting General Fund borrowing in a manner that best meets the state's interest. The state fiscal officers may, among other factors, take into consideration the costs of external versus internal borrowings and potential impact on other borrowings of the state.

2. In the event that interest expenses related to internal borrowing exceed the amount appropriated by this item, there is hereby appropriated any amount necessary to pay the interest. Funds appropriated by this item shall not be expended prior to 30 days after the Department of Finance notifies the Joint Legislative Budget Committee of the amounts necessary or not sooner than such lesser time as the Chairperson of the Joint Legislative Budget Committee may determine.
3. In the event that Revenue Anticipation Warrants are issued, there is hereby appropriated any amount necessary, in excess of the amount appropriated by this item, to pay the expenses incurred by the Controller, Treasurer, Attorney General, and the Department of Finance in providing for the preparation, sale, issuance, advertising, legal services, credit enhancement, liquidity facility, or any other act which, as approved by the Department of Finance, is necessary for such issuance. Funds appropriated by this item shall not be expended prior to 30 days after the Department of Finance notifies the Joint Legislative Budget Committee of the amounts necessary or not sooner than such lesser time as the Chairperson of the Joint Legislative Budget Committee may determine.

9620-002-0001—For payment of interest on General Fund loans, upon order of the Director of Finance, for any General Fund loan repaid in the 2004–05 fiscal year from loans made previously 2,361,000

Provisions:

1. In the event that interest expenses related to internal borrowing exceed the amount appropriated by this item, there is hereby appropriated any amount necessary to pay the interest.
2. The Director of Finance shall notify, in writing, the Chairperson of the Joint Legislative Budget

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Committee within 30 days of ordering the repayment of any loan included within the provisions of this item.	
9625-001-0001—For interest payments to the federal government arising from the federal Cash Management Improvement Act of 1990	6,500,000
Provisions:	
1. Expenditures from the funds appropriated by this item shall be made by the Controller, subject to the approval of the Department of Finance, and shall be charged to the fiscal year in which the disbursement is issued.	
2. In the event that expenditures for interest payments to the federal government arising from the federal Cash Management Improvement Act of 1990 exceed the amount appropriated by this item, the Director of Finance may allocate an additional amount not to exceed $10,000,000 over the amount appropriated by this item. This allocation shall be made no sooner than 30 days after notification to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the fiscal committees in each house.	
9625-001-0042—For interest payments to the federal government arising from the federal Cash Management Improvement Act of 1990, payable from the State Highway Account, State Transportation Fund.	500,000
Provisions:	
1. Provision 1 of Item 9625-001-0001 also applies to this item.	
2. In the event that expenditures for interest payments to the federal government arising from the Cash Management Improvement Act of 1990 exceed the amount appropriated by this item, the Director of Finance may allocate an additional amount not to exceed $1,000,000 over the amount appropriated by this item. This allocation shall be made no sooner than 30 days after notification to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the fiscal committees in each house.	
9625-001-0494—For interest payments to the federal government arising from the federal Cash Management Improvement Act of 1990, payable from the appropriate special fund	1,000

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Provisions:

1. Provision 1 of Item 9625-001-0001 and Provision 2 of Item 9625-001-0042 also apply to this item.

9625-001-0988—For interest payments to the federal government arising from the federal Cash Management Improvement Act of 1990, payable from the appropriate nongovernmental cost fund 1,000

Provisions:

1. Provision 1 of Item 9625-001-0001 and Provision 2 of Item 9625-001-0042 also apply to this item.

9650-001-0001—For support of Health and Dental Benefits for Annuitants. For the state's contribution for the cost of a health benefits plan and dental care premiums, for annuitants and other employees, in accordance with Sections 22821.2, 22825.7, 22828, 22829, and 22952 of the Government Code, which cost is not chargeable to any other appropriation 795,554,000

Schedule:

(1) Health benefit premiums 737,763,000

(2) Dental care premiums 57,791,000

Provisions:

1. The maximum transfer amounts specified in subdivision (c) of Section 26.00 of this act do not apply to this item.
2. Notwithstanding Section 22819 of the Government Code or any other provision of law, annuitants and their family members who were employed by the California State University, and who become eligible for Part A and Part B of Medicare during the 2004–05 fiscal year, shall not be enrolled in a basic health benefits plan during the 2004–05 fiscal year. If the annuitant or family member is enrolled in Part A and Part B of Medicare, he or she may enroll in a supplement to the Medicare plan. This provision does not apply to employees and family members who are specifically excluded from enrollment in a supplement to the Medicare plan by federal law or regulation.
3. The maximum monthly contribution for an annuitant's health benefits plan shall be $331 for a single enrollee, $621 for an enrollee and one dependent, and $780 for an enrollee and two or more dependents.

9670-001-0001—For equity claims before the California Victim Compensation and Government Claims Board and for settlements and judgments in cases in

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which the state is represented by the Department of Justice for the administration and payment of tort liability claims, settlements, compromises and judgments against the state, its officers, servants and employees of state agencies, departments, boards, bureaus or commissions supported from the General Fund, for expenditure by the Department of Justice, subject to approval of the Department of Finance in its discretion..... 0

Provisions:

1. There is hereby appropriated from each fund, other than the General Fund, an amount sufficient for payment of tort liability claims, settlements, compromises, and judgments against the state, its officers, servants and employees of state agencies, departments, boards, bureaus, or commissions arising from activities supported from that fund. No expenditure from any appropriation from a fund other than the General Fund for payment of tort liability claims, settlements, compromises, and judgments shall be made unless approved by the Department of Finance in its discretion.
2. Expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller.
3. Payment under this item is limited in amount to claims, settlements, compromises, and judgments which do not exceed $70,000, exclusive of interest, and no payment from this item exceeding that amount shall be approved by the Department of Finance or made by the Department of Justice.
4. No payment shall be approved by the Department of Finance or made by the Department of Justice from this item except in full and final satisfaction of the claim, settlement, compromise, or judgment upon which the payment is based.
5. Funding for the payment of tort liability claims, settlements, compromises, and judgments which require the approval of the Director of Finance shall first be considered from within the affected agency, department, board, bureau, or commission's existing budgeted resources. Payment pursuant to this item (from funds other than the General Fund) shall be made only after the affected agency, department, board, bureau, or commis-

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sion has demonstrated to the Department of Finance that insufficient funds are available for payment of all or a portion of the claim.

9670-401—For maintenance of accounting records by the State Controller's office or any other agency maintaining these records, appropriations made in this act for Organization Code 9670 (Equity Claims of California Victim Compensation and Government Claims Board and Settlements and Judgments by Department of Justice) are to be recorded under Organization Code 9671 (Equity Claims of California Victim Compensation and Government Claims Board) and Organization Code 9672 (Settlements and Judgments by Department of Justice).

9800-001-0001—For Augmentation for Employee Compensation 404,509,000

Provisions:

1. The amount appropriated in this item shall not be construed to control or influence collective bargaining between the state employer and employee representatives.
2. The funds appropriated in this item are for employee compensation increases and increases in benefits related thereto, whose compensation or portion thereof, is chargeable to the General Fund, to be allocated by executive order by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations, in accordance with approved memoranda of understanding or, for employees excluded from collective bargaining in accordance with salary and benefit schedules established by the Department of Personnel Administration.

9800-001-0494—For Augmentation for Employee Compensation, payable from other unallocated special funds 280,747,000

Provisions:

1. The amount appropriated in this item shall not be construed to control or influence collective bargaining between the state employer and employee representatives.
2. The funds appropriated in this item are for employee compensation increases and increases in benefits related thereto, whose compensation or

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portion thereof, is chargeable to special funds, to be allocated by executive order by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations, in accordance with approved memoranda of understanding or, for employees excluded from collective bargaining in accordance with salary and benefit schedules established by the Department of Personnel Administration.

9800-001-0988—For Augmentation for Employee Compensation, payable from other unallocated nongovernmental cost funds 131,105,000

Provisions:

1. The amount appropriated in this item shall not be construed to control or influence collective bargaining between the state employer and employee representatives.
2. The funds appropriated in this item are for employee compensation increases and increases in benefits related thereto, whose compensation or portion thereof, is chargeable to nongovernmental cost funds, to be allocated by executive order by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations, in accordance with approved memoranda of understanding or, for employees excluded from collective bargaining in accordance with salary and benefit schedules established by the Department of Personnel Administration.

9840-001-0001—For Augmentation for Contingencies or Emergencies 50,000,000

Provisions:

1. Subject to the conditions set forth in this item, amounts appropriated by this item shall be transferred, upon approval by the Director of Finance, to augment any other General Fund item of appropriation that is made under this act to an agency, department, board, commission, or other state entity. Such a transfer may be made to fund unanticipated expenses to be incurred for the 2004–05 fiscal year under an existing program that is funded by that item of appropriation, but

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only in a case of actual necessity as determined by the Director of Finance. For purposes of this item, an ''existing program'' is one that is authorized by law.

2. The Director of Finance may not approve a transfer under this item to fund any of the following: (a) capital outlay, (b) any expense attributable to a prior fiscal year, (c) any expense related to legislation enacted without an appropriation, (d) startup costs of programs not yet authorized by the Legislature, (e) costs that the administration had knowledge of in time to include in the May Revision, or (f) costs that the administration has the discretion to incur or not incur.
3. A transfer of funds approved by the Director of Finance under this item shall become effective no sooner than 30 days after the director files written notification thereof with the Chairperson of the Joint Legislative Budget Committee, and the chairpersons of the Senate and Assembly fiscal committees, or no sooner than any lesser time the chairperson of the joint committee or his or her designee may in each instance determine, except for an approval for an emergency expense as defined in Provision 5.
4. Each notification shall include all of the following: (a) the date the recipient state entity reported to the Department of Finance the need to increase its appropriation, (b) the reason for the expense, (c) the transfer amount approved by the Director of Finance, and (d) the basis of the director's determination that the expense is actually needed. Each notification shall also include a determination by the director as to whether the expense was considered in a legislative budget committee and formal action was taken not to approve the expense for the 2004–05 fiscal year. Any increase in a department's appropriation to fund unanticipated expenses shall be approved by the Director of Finance.
5. The Director of Finance may approve a transfer under this item for an emergency expense only if the approval is set forth in a written notification that is filed with the Chairperson of the Joint Legislative Budget Committee, and the chairpersons of the Senate and Assembly fiscal committees, no later than 10 days after the effective date of the

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approval. Each notification for an emergency expense shall state the reason for the expense, the transfer amount approved by the director, and the basis of the director's determination that the expense is an emergency expense. For the purposes of this item, ''emergency expense'' means an expense incurred in response to conditions of disaster or extreme peril that threaten the immediate health or safety of persons or property in this state.

6. Within 15 days of receipt, the Department of Finance shall provide, to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the Senate and Assembly fiscal committees, copies of all requests, including any supporting documentation, from any agency, department, board, commission, or other state entity for a transfer under this item. The submission to the Legislature of a copy of such a request does not constitute approval of the request by the Director of Finance. Within 15 days of receipt, the director shall also provide copies to these chairpersons of all other requests received by the Department of Finance from any state agency, department, board, commission, or other state entity for any increase in appropriations that are sought to fund unanticipated expenses to be incurred for the 2004–05 fiscal year.
7. For any transfer of funds pursuant to this item, the augmentation of a General Fund item of appropriation shall not exceed the following during any fiscal year:
   (a) 20 percent of the amount scheduled on that line for those appropriations made by this act that are $2,000,000 or less.
   (b) $400,000 of the amount scheduled on that line for those appropriations made by this act that are more than $2,000,000 but equal to or less than $4,000,000.
   (c) 10 percent of the amount scheduled on that line for those appropriations made by this act that are more than $4,000,000.
8. The Director of Finance may withhold authorization for the expenditure of funds transferred pursuant to this item until such time as, and to the extent that, preliminary estimates of potential unanticipated expenses are verified.

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9840-001-0494—For Augmentation for Contingencies or Emergencies, payable from unallocated special funds 15,000,000

Provisions:

1. Provisions 1, 2, 3, 4, 5, 6, 7, and 8 of Item 9840-001-0001 also apply to this item, except references to General Fund appropriations shall instead refer to special fund appropriations.
2. For the Augmentation for Contingencies or Emergencies, payable from special funds, there are appropriated from each special fund sums necessary to meet contingencies or emergencies, to be expended only on written authorization of the Director of Finance.

9840-001-0988—For Augmentation for Contingencies or Emergencies, payable from unallocated nongovernmental cost funds 15,000,000

Provisions:

1. Provisions 1, 2, 3, 4, 5, 6, 7, and 8 of Item 9840-001-0001 also apply to this item, except references to General Fund appropriations shall instead refer to nongovernmental cost fund appropriations.
2. For Augmentation for Contingencies or Emergencies, payable from nongovernmental cost funds, there is appropriated from each nongovernmental cost fund that is subject to control or limited by this act, sums necessary to meet contingencies or emergencies, to be expended only on written authorization of the Director of Finance.

9850-011-0001—For Augmentation for Contingencies or Emergencies (Loans) ..... (2,500,000)

Provisions:

1. This appropriation is for loans that may be made to state agencies which derive their support from the General Fund or from sources other than the General Fund, upon terms and conditions for repayment as may be prescribed by the Department of Finance. Any sum so loaned shall, if ordered by the Department of Finance, be transferred by the State Controller to the fund from which the support of the agency is derived.
2. No loan shall be made which requires repayment from a future legislative appropriation.
3. Authorizations for loans shall become effective no sooner than 30 days after notification in writing to the Joint Legislative Budget Committee, or

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no sooner than a lesser time which the committee, or its designee, may in each instance determine, except that this limit shall not apply if the Director of Finance states in writing to the Chairperson of the Joint Legislative Budget Committee the necessity and urgency for the loan which, in the judgment of the director, makes prior approval impractical.

4. Within 10 days after approval, the Director of Finance shall file with the Joint Legislative Budget Committee copies of all executive orders for loans stating the reasons for, and the amount of, all of these authorizations.

9860-301-0001—For capital outlay planning and studies funding (10.10.010) 1,000,000

Provisions:

1. The funds appropriated in this item are to be allocated by the Department of Finance to state agencies to develop design and cost information for new projects for which funds have not been appropriated previously, but which are anticipated to be included in the 2005–06 or 2006–07 Governor's Budget or 2006–07 five-year capital outlay plans. The amount appropriated in this item shall not be construed as a commitment by the Legislature as to the amount of capital outlay funds it will appropriate in any future fiscal year.

GENERAL SECTIONS
STATEWIDE

SEC. 3.00. Whenever herein an appropriation is made for support, it shall include salaries and all other proper expenses, including repairs and equipment, incurred in connection with the institution, department, board, bureau, commission, officer, employee, or other agency for which the appropriation is made.

Each item appropriating funds for salaries and wages includes the additional funds necessary to continue the payment of the amount of salaries in effect on June 30, 2004, for the state officers whose salaries are specified by statute.

Whenever herein an appropriation is made for capital outlay, it shall include acquisition of land or other real property, major construction, improvements, equipment, designs, working plans, specifications, repairs, and equipment necessary in connection with a construction or improvement project.

Whenever herein any item of appropriation contains provisions for acquisition of land or other real property, it shall include all necessary expenses in connection with the acquisition of the property.

Whenever herein an appropriation is made in accordance with a schedule set forth after the appropriation, the expenditures from that item for each category, program, or project included in the schedule shall be limited to the amount specified for that category, program, or project, except as otherwise provided in this act. Each schedule is a restriction or limitation upon the expenditure of the respective appropriation made by this act, does not itself appropriate any money, and is not itself an item of appropriation.

As used in this act in reference to the schedules ''category,'' ''program,'' or ''project'' means a class of expenditure such as, but not limited to:

(a) ''Personal services,'' which shall include all expenditures for payment of officers and employees of the state, including: salaries and wages, workers' compensation, compensation paid to employees on approved leave of absence on account of sickness, unemployment compensation benefits, insurance premiums for workers' compensation coverage, industrial disability leave and payments, nonindustrial disability benefits and payments, the state's contributions to the Public Employees' Retirement Fund, the Teachers' Retirement Fund, the University of California Retirement Fund to provide for that portion of retirement costs to be provided for Hastings College of the Law in Item 6600-001-0001 of this Budget Act, the Old Age and Survivors' Insurance Revolving Fund, the Public Employees' Contingency Reserve Fund, and the state's cost of health benefits plans; but shall not include compensation of independent contractors rendering personal services to the state under contract.

(b) ''Operating expenses and equipment,'' which shall include all expenditures for purchase of materials, supplies, equipment, services (other than services of state officers and employees), departmental services (services provided by other organizational units within a department, including indirect distributed costs), and all other proper expenses.

(c) ''Preliminary plans'' are defined as a site plan, architectural floor plans, elevations, outline specifications, and a cost estimate. For each utility, site development, conversion and remodeling project, the drawings shall be sufficiently descriptive to accurately convey the location, scope, cost, and the nature of the improvement being proposed.

(d) ''Working drawings'' are defined as a complete set of plans and specifications showing and describing all phases of a project, architectural, structural, mechanical, electrical, civil engineering, and landscaping systems to the degree necessary for the purposes of accurate bidding by contractors and for the use of artisans in constructing the project. All necessary professional fees and administrative service costs are included in the preparation of these drawings.

(e) ''Construction,'' when used in connection with a capital outlay project, shall include all such related things as fixtures, installed equipment, auxiliary facilities, contingencies, project construction, management, administration and associated costs.

(f) ''Minor projects'' include planning, working drawings, construction, improvements, and equipment projects not specifically set forth in the schedule.

(g) ''Programs'' include all expenditures, regardless of category, required to carry out the objectives of the named activity.

For the purpose of further interpreting the meaning of the words, terms and phrases, and uniform codes used in the schedules, reference is hereby made to those documents entitled, ''State of California Governor's Budget for 2004–05,'' submitted by the Governor to the Legislature at the 2004 portion of the 2003–04 Regular Session, the uniform accounting system prescribed by the Department of Finance under the provisions of Section 13300 of the Government Code and following, the Uniform Codes Manual, and the appropriate portions thereof. The Department of Finance shall establish interpretations necessary to carry out the provisions of this section and shall furnish the same to the Controller and to every state agency to which appropriations are made under this act.

SEC. 3.50. Whenever an appropriation is made in this act for support or other expenses for an institution, department, board, bureau, commission, officer, employee, or other agency, the following shall be charged to the appropriation from which salaries and wages are paid: workers' compensation, compensation paid to employees on approved leave of absence on account of sickness, unemployment compensation benefits, industrial disability leave and payments, nonindustrial disability benefits and payments, the administrative costs of the Merit Award Program provided by Section 19823 of the Government Code, the state's contribution to the Public Employees' Retirement Fund as provided by Sections 20822 and 20824 of the Government Code, the state's contribution to the Teachers' Retirement Fund as provided by Sections 22950, 22951, and 23000 of the Education Code, the state's contribution to the Old Age and Survivors' Insurance Revolving Fund as provided by Sections 20862 and 20863 of the Government Code, the state's contribution to the Old Age and Survivors' Insurance Revolving Fund for payment of hospital insurance taxes imposed by the Internal Revenue Code, the state's contribution to the Public Employees' Contingency Reserve Fund, the state's contribution for the cost of health benefits plans as provided by Sections 22825.1, 22828 and 22829 of the Government Code, and the state's contribution for costs of other employee benefits and the administrative costs associated with the provision of benefits established by any state agency legally authorized to negotiate and set salary and benefit levels.

As of the effective date of this act, the state's contributions as provided by Sections 22825.1, 22828 and 22829 of the Government Code

and for costs of any other employee benefits and the administrative costs associated with the provisions of these benefits established by any state agency legally authorized to negotiate and set salary and benefit levels for any month shall be charged to the same appropriations used for payment of salaries and wages from which the employee premium contributions for such month are deducted.

The appropriations made by Sections 20822, 20824, 22825.1, 22828, and 22829 of the Government Code and by Sections 22950, 22951, and 23000 of the Education Code, shall continue to be available for expenditure, and shall be charged for any expenditure that is not chargeable to an appropriation for support or other expenses as provided in this section. This transfer may be chargeable to such appropriation for a previous fiscal year if there are no funds available from that fiscal year.

The Controller may transfer to the State Payroll Revolving Fund the contributions required by Sections 20822, 20824, 22825.1, 22828, and 22829 of the Government Code, contributions required for payment of the hospital insurance tax, and upon certification by the Board of Administration of the Public Employees' Retirement System as required by Section 20826 of the Government Code, may transfer from the State Payroll Revolving Fund to the Public Employees' Retirement Fund and the Old Age and Survivors' Insurance Revolving Fund the amounts of contributions.

SEC. 3.60. (a) Notwithstanding any other provision of law, the employers' retirement contributions for the 2004–05 fiscal year that are chargeable to an appropriation made in this act, with respect to each state officer and employee who is a member of the California Public Employees' Retirement System (CalPERS) and who is in that employment or office, including university members as provided by Section 20751 of the Government Code, shall be the percentage of salaries and wages by state member category as follows:

Miscellaneous, First Tier	17.022%
Miscellaneous, Second Tier	13.216%
State Industrial	16.386%
State Safety	20.773%
Highway Patrol	34.434%
Peace Officer/Firefighter	23.841%

The Director of Finance may adjust amounts in any appropriation item, or in any category thereof, in this act as a result of changes from amounts budgeted for employer contribution for 2004–05 fiscal year retirement benefits to achieve the percentages specified in this subdivision.

(b) Notwithstanding any other provision of law, the Director of Finance shall require retirement contributions computed pursuant to subdivision (a) to be offset by the Controller with surplus funds in the Public Employees' Retirement Fund, employer surplus asset accounts.

(c) Notwithstanding any other provision of law, for purposes of calculating the ''appropriations subject to limitation'' as defined in Section 8 of Article XIII B of the California Constitution, the appropriations in

this act shall be deemed to be the amounts remaining after the adjustments required by subdivisions (a) and (b) are made.

SEC. 4.10. (a) The Director of Finance, in consultation with agency secretaries and other cabinet members, shall reduce General Fund items of appropriations in this act by a total of $150,000,000. Each agency secretary shall recommend to the Director of Finance amounts to be reduced from the appropriations to departments within the agency. The Director of Finance may provide the agency secretaries with target reduction amounts, in which case the agency secretaries shall provide the Director of Finance with a list of recommended reductions that is no less than the target amount for that agency. For departments not reporting to an agency secretary, the Director of Finance shall determine the amount of the reductions.

(b) The Director of Finance shall not reduce, pursuant to subdivision (a), the amounts appropriated for the following: higher education; the judicial branch; the Legislature; Constitutional Officers; debt service, including, but not limited to, tobacco settlement revenue shortfall, payment of interest on General Fund loans, and interest payments to the federal government; health and dental benefits for annuitants; equity claims before the California Victim Compensation and Government Claims Board; or augmentations for contingencies or emergencies.

(c) A state operations appropriation, and a program, project, or function designated in any line of any schedule set forth by that appropriation, may not be reduced pursuant to subdivision (a) by more than 20 percent. A local assistance appropriation, and a program, project, or function designated in any line of any schedule set forth by that appropriation, may not be reduced pursuant to subdivision (a) by more than 5 percent.

(d) In determining the reductions pursuant to this section, the Director of Finance and agency secretaries may consider savings attributable to any general reorganization plan presented to the Milton Marks ''Little Hoover'' Commission on State Government Organization and Economy and the Legislature during the 2004–05 fiscal year. Nothing within this section, however, shall be construed as the concurrence of the Legislature on any such reorganization.

(e) After the General Fund appropriations are reduced by $150,000,000 pursuant to subdivision (a), the Director of Finance may reduce General Fund appropriations by an additional $150,000,000 from identified reversions or identified savings attributable to any general reorganization plan presented to the Milton Marks ''Little Hoover'' Commission on State Government Organization and Economy and the Legislature during the 2004–05 fiscal year. Nothing within this subdivision shall be construed as the concurrence of the Legislature on any such reorganization.

(f) Nothing within this section shall be construed to confer any authority upon the Director of Finance to modify or eliminate any other provision of existing law.

(g) The Director of Finance shall report to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committees of each house of the Legislature that consider appropriations not more than 30 days after the reductions are made pursuant to this section. The report shall list the specific reductions, by department, agency, and program, and state the programmatic effects and impacts of each reduction.

SEC. 4.11. All new positions approved in this act shall be established effective July 1, 2004, unless otherwise approved by the Department of Finance. Before the end of each month, the State Controller's office shall provide to the Department of Finance a listing of each new position approved by this act that will be abolished pursuant to Government Code Section 12439 as a result of the position being vacant for six consecutive pay periods at the end of the immediately preceding month. The report provided by the State Controller's office shall include the department, division, position classification, position number and the date the position was established.

SEC. 4.20. (a) Notwithstanding any other provision of law, the employer's contributions to the Public Employees' Contingency Reserve Fund, as required by Section 22826 of the Government Code, shall be 0.425 percent of the gross health insurance premiums paid by the employer and employee for administrative expenses. The Director of Finance may, not sooner than 30 days after notification to the Joint Legislative Budget Committee, adjust the rate to ensure a three-month reserve in the Public Employees' Contingency Reserve Fund.

SEC. 4.30. (a) Notwithstanding any other provision of law, the Director of Finance may adjust amounts in appropriation items for rental payments on lease-purchase and lease-revenue bonds, or in any category thereof including fees, insurance, and reimbursements in this act as a result of changes from amounts budgeted for the costs for the 2004–05 fiscal year.

(b) Notwithstanding any other provision of law, the allocation may be made from funds appropriated for this purpose or from any other funds legally available for this purpose.

(c) Within 30 days of making any adjustment pursuant to this section, the Department of Finance shall report the adjustment in writing to the Joint Legislative Budget Committee.

SEC. 4.35. (a) The Department of Finance shall identify all positions loaned to the office of the Governor from other departments and agencies and shall transfer those positions and associated General Fund funding authority from the appropriate department or agency to the office of the Governor.

(b) For loaned positions not funded by the General Fund, the Director of Finance shall reduce the funding authority associated with those positions in the appropriate departments, and transfer the position authority to the office of the Governor.

(c) Notwithstanding any other provision of law, the director may augment the amount available for expenditure by the office of the Governor to pay the costs associated with the transfer of loaned positions that were not funded by the General Fund.

(d) Upon conclusion of the 2004–05 fiscal year, the director shall furnish the chairpersons of the committees in each house of the Legislature that consider appropriations and the budget, and the Chairperson of the Joint Legislative Budget Committee, with a report on all transfers and augmentations for that fiscal year.

SEC. 4.45. Notwithstanding Section 11.00 or any other provision of law, upon order of the Director of Finance, the Controller shall transfer up to seven hundred fifty thousand dollars ($750,000) from Item 1760-001-0666 of Section 2.00 to the Department of Finance. The amount transferred is hereby appropriated to pay costs associated with producing the Governor's Budget through electronic or other media and printed hard copies as necessary. Printed hard copies of the Governor's Budget documents will be provided to the Legislative Analyst Office, the Office of the Legislative Counsel, offices of the members of the Legislature, and the fiscal committees of the Legislature. Additional copies will be available through the Office of State Publishing based on the cost of producing the documents requested. Any transfer of appropriation authority exceeding seven hundred fifty thousand dollars ($750,000) shall not be effective sooner than 30 days following notification by the Director of Finance to the Chairperson of the Joint Legislative Budget Committee and the Chairpersons of the fiscal committees of the Legislature. Any funds appropriated for the purpose of this section, up to seven hundred fifty thousand dollars ($750,000), may be used to contract with an experienced web development firm selected from the Department of General Services Master Services Agreement list for a period of up to 20 months.

SEC. 4.60. (a) The Legislature finds and declares that it is in the best interest of the state, in managing state office buildings and in leasing private space, to use procedures that recognize the value of these assets to the state and the people served by the state's programs. Additionally, costs incurred by the state entities for rent, operations and maintenance, debt service, and overhead charges should be assessed to state entities equitably.

(b) On or before August 1, 2004, the Director of Finance shall report to the fiscal committees of both houses of the Legislature the feasibility of assessing a surcharge on state departments that allocates overhead costs currently incurred by the Department of General Services, some of which are recovered through building rental rates, to all state entities receiving a benefit from these costs. This report shall also include recommendations regarding the feasibility of using a portfolio methodology to establish state office building rental rates, including the reallocation of lease revenue debt service payments and operations and maintenance costs associated with state office buildings.

(c) Not sooner than 30 days after the transmittal of this report, the director is authorized to adjust any item of appropriation in this act to effectuate the recommendations or findings included in the report. In addition, the director is authorized to transfer between items of appropriation in order to reallocate debt service consistent with the state's legal obligation to bond holders.

SEC. 4.80. (a) In the event bonds authorized for issuance by the State Public Works Board are not sold and interim financing costs have been incurred, departments that have incurred those costs shall commit a sufficient portion of their support appropriations to repay the interim financing costs.

(b) In the event Energy Efficiency Bonds authorized pursuant to Chapter 2.7 (commencing with Section 15814.10) of Part 10b of Division 3 of Title 2 of the Government Code are not sold and interim financing costs have been incurred by participating community college districts and kindergarten through grade 12 districts, the Controller shall withhold from the annual apportionment of the State School Fund a sufficient portion of the participating district's apportionment to repay the interim financing costs. It is the intent of the Legislature that this commitment shall be included in future Budget Acts until outstanding loans are repaid either through the sale of bonds or from an appropriation.

SEC. 4.90. Notwithstanding any other provision of law, the Department of Finance may transfer any funds previously transferred from the General Fund to the Architectural Revolving Fund back to the General Fund.

SEC. 4.95. Notwithstanding any other provision of law, the Department of Finance may transfer any funds previously transferred from the General Fund to the Inmate Construction Revolving Account back to the General Fund.

SEC. 5.25. (a) Payment of the attorney's fees specified in paragraphs (1) and (2) arising from actions in state courts against the state, its officers, and officers and employees of state agencies, departments, boards, bureaus, or commissions, shall be paid from items of appropriation in this act that support the state operations of the affected agency, department, board, bureau, or commission:

(1) State court actions filed pursuant to Section 1021.5 of the Code of Civil Procedure, the ''private attorney general'' doctrine, or the ''substantial benefit'' doctrine.

(2) Writ of mandate actions filed pursuant to Section 10962 of the Welfare and Institutions Code.

(b) Expenditures pursuant to subdivision (a) shall be made by the Controller, subject to the approval of the Director of Finance, and shall be charged to the fiscal year in which the disbursement is issued.

(c) A payment shall not be made by the Controller for expenditures pursuant to subdivision (a) except in full and final satisfaction of the claim, settlement, compromise, or judgment for attorney's fees incurred in connection with a single action.

(d) The Director of Finance shall notify the Chairperson of the Joint Legislative Budget Committee, the Chairperson of the Senate Committee on Budget and Fiscal Review, and the Chairperson of the Assembly Budget Committee pursuant to Items 9840-001-0001, 9840-001-0494, and 9840-001-0988 of Section 2.00 when there are insufficient funds appropriated in this act in support of the state operations of the affected agency, department, board, bureau, or commission to satisfy the claim completely.

SEC. 5.30. The amount of any special fund or nongovernmental cost fund appropriation made under this act to any state agency, board, commission, or other entity of state government is hereby augmented in the amount approved by the Director of Finance as necessary to fund any increase imposed during the 2004–05 fiscal year by the Department of Justice in the rates for attorney services provided to that entity. An augmentation approved by the Director of Finance shall be made not sooner than 30 days after notification in writing to the Chairperson of the Joint Legislative Budget Committee, or not sooner than a lesser time that the chairperson or his or her designee may in each instance determine. An appropriation from a fund may be augmented pursuant to this section only if the fund has a sufficient reserve balance to cover the amount of the augmentation. No fee increase may be imposed to fund an augmentation approved pursuant to this section.

SEC. 5.40. (a) It is the intent of the Legislature that all amounts appropriated by this act to the following departments to implement the CALFED Bay-Delta Program shall be available for expenditure in accordance with the schedule of expenditures for the CALFED Bay-Delta Program, broken down by program element, as set forth in Item 3870 of the Supplemental Report to this act:

(1) Item 0540—Secretary for Resources

(2) Item 3480—Department of Conservation

(3) Item 3540—Department of Forestry and Fire Protection

(4) Item 3560—State Lands Commission

(5) Item 3600—Department of Fish and Game

(6) Item 3640—Wildlife Conservation Board

(7) Item 3760—State Coastal Conservancy

(8) Item 3820—San Francisco Bay Conservation and Development Commission

(9) Item 3860—Department of Water Resources

(10) Item 3870—California Bay-Delta Authority

(11) Item 3940—State Water Resources Control Board

(12) Item 8570—Department of Food and Agriculture

(b) The amounts appropriated by this act to implement the CALFED Bay-Delta Program shall be available only for projects, activities, and purposes that are consistent with the CALFED Record of Decision, including the accompanying environmental impact statement/environmental impact report previously certified by the state lead agency pursuant to Division 13 (commencing with Section 21000) of the Public Resources Code.

(c) The amounts appropriated from accounts established under Division 24 (commencing with Section 78500) and Division 26 (commencing with Section 79000) of the Water Code shall be limited to the purposes provided for by those provisions.

(d) Notwithstanding Sections 26.00 and 28.50 of this act, the Director of Finance may, pursuant to a request by an affected agency specified in subdivision (a) of this section seeking the transfer and the California Bay-Delta Authority, or pursuant to a joint request of these agencies where more than one agency is affected, authorize a transfer of an amount that exceeds $200,000 from an amount available for expenditure in one scheduled program element to one or more of the other scheduled elements. Any transfer may be authorized pursuant to this provision not sooner than 30 days after notification in writing of the transfer is provided to the chairpersons of the fiscal committees in each house of the Legislature and the Chairpersons of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the Chairpersons of the Joint Legislative Budget Committee, or his or her designee, may in each instance determine. The notification to the Legislature shall specify the justification for the transfer.

SEC. 6.00. No more than $100,000 of the funds appropriated for support purposes under Section 2.00 or any other sections of this act may be encumbered for preliminary plans, working drawings, or construction of any project for the alteration of a state facility unless the Director of Finance determines that the proposed alteration is critical and that it is necessary to proceed using funds appropriated for support purposes. Any approved critical project costing more than $100,000 shall be reported to the Chairperson of the Joint Legislative Budget Committee or his or her designee, not less than 30 days prior to requesting bids for the project. The report shall detail those factors that make the project so critical that it must proceed using support funds. No project described by this section may cost more than $400,000.

SEC. 6.60. The Director of Finance shall complete a survey of each state agency, department, board, and commission to determine if, between the 2003–04 and 2004–05 fiscal years, there are any savings related to workers' compensation costs. To the extent that savings are available, those funds shall be transferred to the General Fund. Up to $40,000,000 of these savings shall be appropriated to Schedule (5) of Item 5180-101-0001 in lieu of up to $40,000,000 of the amount appropriated in Item 5180-101-0514.

SEC. 8.00. (a) Notwithstanding Section 28.00 of this act, any amounts received from the federal government for the purposes of funding antiterrorism costs in the state that exceed the current appropriation of federal funds for that purpose, are hereby appropriated. These federal funds shall be allocated upon order of the Director of Finance to state departments for state or local assistance purposes or directly to local governments to address high-priority needs for costs of funding antiterrorism incurred in the 2003–04 fiscal year and ongoing or new costs for the 2004–05 fiscal year.

(b) Allocations made to state departments may be used to offset expenditures paid or to be paid from other funding sources. Allocations made for the purpose of an offset shall be applied as a negative expenditure to the appropriation where the expenditure has, or will be charged.

(c) Allocations pursuant to this section may be authorized not sooner than 30 days after notification, to the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may in each instance determine.

SEC. 8.50. (a) In making appropriations to state agencies that are eligible for federal programs, it is the intent and understanding of the Legislature that applications made by the agencies for federal funds under federal programs shall be for the maximum amount allowable under federal law. Therefore, any amounts received from the federal government are hereby appropriated from federal funds for expenditure or for transfer to, and disbursement from, the State Treasury fund established for the purpose of receiving the federal assistance subject to any provisions of this act that apply to the expenditure of these funds, including Section 28.00 of this act.

(b) However, if federal funds for block grant programs assumed by the state or for any item receiving federal funds are reduced by more than 5 percent of the amount appropriated in this act, the Director of Finance shall notify the chairperson of the committee in each house which considers appropriations, and the Chairperson of the Joint Legislative Budget Committee, in writing within 30 days after notification by the federal government that federal funds have been reduced, and shall include an estimate of the amount of the available or anticipated federal funds, the 2004–05 fiscal year expenditures of each program affected by the reduction, the effect of reduced funding on service levels authorized by this act, and a plan of reduced expenditures for each program affected by the reduction. The plan shall be operational on an interim basis for up to 45 days pending legislative review, after which time the plan shall become permanent.

SEC. 8.51. Each state agency shall, by certification to the Controller, identify the account within the Federal Trust Fund when charges are made against any appropriation made herein from the Federal Trust Fund.

SEC. 8.52. (a) The Director of Finance may reduce items of appropriation upon receipt or expenditure of federal trust funds in lieu of the amount appropriated for the same purpose and may make allocations for the purpose of offsetting expenditures. Allocations made for the purpose of offsetting existing expenditures shall be applied as a negative expenditure to the appropriation where the expenditure was charged.

(b) The director shall notify in writing the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the fiscal committees in each house of the Legislature not less than 30 days prior to

the effective date of any adjustments to items of appropriations made pursuant to this section or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may in each instance determine. The notification shall include, but not be limited to, the basis for the proposed appropriations adjustments, a description of the fiscal assumptions used in making the appropriation adjustments, and any necessary background information regarding the programs to be adjusted. Any expenditure of federal funds for purposes other than offsetting other fund appropriations shall continue to be subject to the provisions of Section 28.00.

SEC. 9.20. Notwithstanding Section 15860 of the Government Code, the amount of funds expended for administrative costs associated with any appropriation contained in this act for acquisition of property pursuant to the Property Acquisition Law (Part 11 (commencing with Section 15850) of Division 3 of Title 2 of the Government Code) shall be limited to the amount specified for those costs in the Supplemental Report of the Budget Act of 2004. Amounts for administrative costs may be augmented by no more than 5 percent by the State Public Works Board. Notwithstanding the foregoing, any amounts needed for administrative costs associated with acquisition through the condemnation authority of the State Public Works Board shall be provided through augmentation of the affected appropriations as authorized by existing law.

SEC. 9.30. In the event that federal courts issue writs of execution for the levy of state funds and such writs are executed, the State Controller shall so notify the Department of Finance. The Department of Finance shall then notify the State Controller of the specific appropriation or fund to be charged. Federal writs of execution for the levy of state funds may only be charged against appropriations or funds having a direct programmatic link to the circumstances under which the federal writ was issued. If the appropriate department or agency no longer exists, or no linkage can be identified, the federal writ shall be charged to the unappropriated surplus of the General Fund. In the event that an appropriation in the act would have insufficient funding by such a charge, funding augmentations must follow the regular budget processes.

SEC. 9.45. (a) Any state agency, department, board, or commission shall provide notification to the Department of Finance and the Joint Legislative Budget Committee not less than 30 days prior to committing funding from Proposition 40 or Proposition 50, if all of the following criteria apply:

(1) The funds will be used, either directly or through a grant, for the purchase of interests in, or the restoration or rehabilitation of property.

(2) The funds will be used for a grant or project that is not appropriated in statute by name or description.

(3) The total expenditure for the project, including, but not limited to, Proposition 40 or Proposition 50 funds, is in excess of $25 million.

(b) The notification shall include a detailed description of the portion of the project being funded and a detailed description of the whole project. For the purposes of this section, the criteria set forth in subdivision (a) shall apply to both single transactions and cumulative transactions that involve the purchase of properties near or adjacent to each other.

(c) For purchases and grants meeting the criteria set forth in subdivision (a), the state agency, department, board, or commission may take public actions and hold public meetings prior to 30 days following notification only if such actions are expressly approved pending the completion of the 30-day review by the Department of Finance and the Joint Legislative Budget Committee, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may in each instance determine. The seller or grantee must be explicitly notified in writing of this condition 10 days prior to any action taken.

SEC. 9.50. For minor capital outlay projects for which, pursuant to Sections 10108 and 10108.5 of the Public Contract Code, the services of the Department of General Services are not required and a state agency or department is authorized to carry out its own project, the amount of the unencumbered balance of the project shall be determined in accordance with Section 14959 of the Government Code. Upon receipt of bids for the project, an estimate of any amount necessary for the completion of the project, including supervision, engineering, and other items, if any, shall be deemed a valid encumbrance and shall be included with any other valid encumbrance in determining the amount of an unencumbered balance.

SEC. 11.00. (a) A state agency to which state funds are appropriated by one or more statutes, including this act, for an information technology project may not enter into, or agree to any contract or any contract amendment, in the 2004–05 fiscal year that results, in the aggregate, in an increase in the budgeted cost of the project exceeding five hundred thousand dollars ($500,000), or 10 percent of the budgeted cost of the project, whichever is less, unless the approval of the Director of Finance is first obtained and written notification of that approval is provided by the department to the Chairperson of the Joint Legislative Budget Committee, and the chairperson of the budget committee of each house of the Legislature, not less than 30 days prior to the effective date of the approval, or not sooner than whatever lesser time the chairperson of the joint committee, or his or her designee, may in each instance determine. Each notification required by this section shall (1) explain the necessity and rationale for the proposed contract or amendment, (2) identify the cost savings, revenue increase, or other fiscal benefit of the proposed contract or amendment, and (3) identify the funding source for the proposed contract or amendment.

(b) Subdivision (a) does not apply to a resulting increase in the budgeted cost of a project that is less than one hundred thousand dollars

($100,000), or that is funded by an augmentation authorized pursuant to Section 26.00 of this act.

(c) The following definitions apply for the purposes of this section:

(1) ''Budgeted cost of a project'' means the total cost of the project as identified in the most recent feasibility study report, special project report, or equivalent document submitted to the Legislature in connection with its consideration of a bill that appropriated any state funding for that project.

(2) ''State agency'' means each agency of the state that is subject to Article 2 (commencing with Section 13320) of Chapter 3 of Part 3 of, Division 3 of Title 2 of the Government Code except that this control section shall not apply to the University of California, the California State University, the State Compensation Insurance Fund, the community college districts, agencies provided for by Article VI of the California Constitution, or the Legislature.

SEC. 11.10. (a) Before a department may enter into or amend a statewide software license agreement not previously approved by the Legislature that obligates state funds in the current year or future years, the Director of Finance shall notify the Legislature whether or not the obligation will result in a net expenditure or savings. A department shall prepare and submit to the Department of Finance a business proposal containing the following elements: installed base analysis, future use (including assumptions for future use), the reason for choosing a statewide license agreement rather than any other procurement method such as a volume purchase agreement, a cost/benefit analysis, a cost allocation methodology, and funding plan. A statewide software license agreement may not be entered into or amended unless the approval of the Director of Finance is first obtained and written notification of that approval is provided by the department to the Chairperson of the Joint Legislative Budget Committee, and the chairperson of the budget committee of each house of the Legislature, not less than 30 days prior to the effective date of the approval, or not sooner than whatever lesser time the chairperson of the joint committee, or his or her designee, may in each instance determine. Each notification required by this section shall:

(1) Explain the necessity and rationale for the proposed agreement.

(2) Identify the cost savings, revenue increase, or other fiscal benefit of the proposed agreement.

(3) Identify the funding source for the proposed agreement.

(b) For purposes of this section, ''statewide software license agreement'' means a software license contract that can be used by multiple state agencies subject to Article 2 (commencing with Section 13320) of Chapter 3 of Part 3 of, Division 3 of Title 2 of the Government Code except that this Control Section shall not apply to the University of California, the California State University, the State Compensation Insurance Fund, the community college districts, agencies provided for by Article VI of the California Constitution, or the Legislature.

(c) Subdivision (a) does not apply if the amount of the proposed contract or amendment is less than $1,000,000 in the aggregate.

SEC. 11.11. In order to protect the privacy of state employees and ensure the security of the payment of public funds, all departments, boards, offices, and other agencies and entities of the state shall distribute pay warrants and direct deposit advices to employees in a manner that ensures that personal and confidential information contained on the warrants and direct deposit advices is protected from unauthorized access. The Department of Personnel Administration shall advise all departments, boards, offices, and other agencies and entities of state government of the requirements contained in this section.

SEC. 11.52. Notwithstanding any other provision of law, the State Controller shall transfer to the General Fund the unencumbered balance, as of June 30, 2004, from the Energy and Resources Fund.

SEC. 12.00. For the purposes of Article XIII B of the California Constitution, there is hereby established a state ''appropriations limit'' of sixty-four billion five hundred eighty-eight million dollars ($64,588,000,000) for the 2004–05 fiscal year.

Any judicial action or proceeding to attack, review, set aside, void, or annul the ''appropriations limit'' for the 2004–05 fiscal year shall be commenced within 45 days of the effective date of this act.

SEC. 12.10. There is hereby appropriated from the General Fund the sum of forty-eight million dollars ($48,000,000) to satisfy the state's 2004–05 obligation pursuant to the Settlement Agreement in the case of Craig Brown v. U.S. Department of Health and Human Services, et al. (Ninth Circuit Court of Appeals, Case No. 99-16992).

SEC. 12.30. There is hereby appropriated from the General Fund for transfer to the Special Fund for Economic Uncertainties by the Controller, upon order of the Director of Finance, an amount necessary to bring the balance of this special fund up to the amount stated in the 2004–05 Final Change Book for the 2004–05 fiscal year ending balance in the Special Fund for Economic Uncertainties. The amount so transferred shall be reduced by the amount of excess revenues subject to Section 2 of Article XIII B of the California Constitution, as determined by the Director of Finance.

SEC. 12.32. (a) It is the intent of the Legislature that appropriations that are subject to Section 8 of Article XVI of the California Constitution be designated with the wording ''Proposition 98.'' In the event these appropriations are not so designated, they may be designated as such by the Department of Finance, where that designation is consistent with legislative intent, within 30 days after notification in writing of the proposed designation to the chairperson of the committee in each house of the Legislature that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or within a lesser time that the chairperson of the joint committee, or his or her designee, determines.

(b) Pursuant to the Proposition 98 funding requirements established in Chapter 2 (commencing with Section 41200) of Part 24 of the Education Code, the total appropriations for Proposition 98 for the 2004–05 fiscal year are $34,036,404,000 or 43.1 percent of total General Fund revenues and transfers subject to the state appropriations limit. General Fund revenues appropriated for school districts are $30,875,301,000 or 39 percent of total General Fund revenues and transfers subject to the state appropriations limit. General Fund revenues appropriated for community college districts are $3,066,558,000 or 3.9 percent of total General Fund revenues and transfers subject to the state appropriations limit. General Fund revenues appropriated for other state agencies that provide direct elementary and secondary level education, as defined in Section 41302.5 of the Education Code, are $94,545,000 or 0.1 percent of total General Fund revenues and transfers subject to the state appropriations limit.

SEC. 12.40. (a) Notwithstanding any other provision of law, not more than 10 percent of the amount apportioned to any school district, county office of education, or other educational agency under the programs funded in this act that were funded in Item 6110-230-0001 of Section 2.00 of SB 160 of the 1999–2000 Regular Session, as introduced on January 8, 1999, may be expended by that recipient for the purposes of any other program for which the recipient is eligible for funding under those items, except that the total amount of funding allocated to the recipient under this item that is expended by the recipient for the purposes of any of those programs shall not exceed 115 percent of the amount of state funding allocated pursuant to the appropriations to that recipient for those programs in this act for the 2004–05 fiscal year. Notwithstanding any other provision of law, for the 2004–05 fiscal year, local education agencies may also use this authority to provide the funds necessary to initiate a conflict resolution program pursuant to Chapter 2.5 (commencing with Section 32260) of Part 19 of the Education Code, and to continue to support following the three-to-five year state grant period, or to expand, a Healthy Start program pursuant to Chapter 5 (commencing with Section 8800) of Part 6 of the Education Code.

(b) The education programs that are eligible for the flexibility provided in subdivision (a) included the following items: Items 6110-108-0001, 6110-111-0001, 6110-116-0001, 6110-119-0001, 6110-120-0001, 6110-122-0001, 6110-124-0001, 6110-127-0001, 6110-128-0001, 6110-131-0001, 6110-132-0001, 6110-151-0001, 6110-163-0001, 6110-167-0001, 6110-181-0001, 6110-193-0001, 6110-197-0001, 6110-203-0001, 6110-209-0001, and 6110-224-0001 of this act.

(c) As a condition of receiving the funds provided for the programs identified in subdivision (b), local education agencies shall report to the State Department of Education by October 15, 2005, on any amounts shifted between these programs pursuant to the flexibility provided in subdivision (a). The Department of Education shall collect and provide

this information to the Joint Legislative Budget Committee, chairs and vice chairs of the fiscal committees for education of the Legislature and the Department of Finance, by February 1, 2006.

SEC. 12.60. It is the intent of the Legislature that education programs with voluntary participation be funded at statutorily authorized levels. Notwithstanding any other provision of law, the Controller, upon approval of the Director of Finance, shall transfer unobligated funds between any of the following voluntary participation programs to the extent needed to fully fund eligible participation. First priority for allocation of savings shall be given to the CalSAFE program, Item 6110-198-0001. The Department of Finance shall notify the Joint Legislative Budget Committee of any transfers made under this Control Section. The items between which the Controller may transfer funds pursuant to this section are the following: Items 6110-104-0001, 6110-158-0001, 6110-190-0001, 6110-195-0001, 6110-198-0001, 6110-211-0001, 6110-232-0001, and 6110-234-0001.

SEC. 12.75. The Superintendent of Public Instruction shall reduce by $2,666,000 funding for basic aid school districts from the Proposition 98 categorical funds appropriated in this act that would otherwise be allocated to basic aid school districts, in accordance with legislation that goes into effect on or before January 1, 2005.

SEC. 13.00. (a) Notwithstanding any other provision of law, expenditures under Item 0160-001-0001 of Section 2.00 of this act or any appropriation in augmentation of that item shall be exempt from Chapter 7 (commencing with Section 11700) of Part 1 of, and Article 2 (commencing with Section 13320) of Chapter 3 of Part 3 of, Division 3 of Title 2 of the Government Code, Division 2 (commencing with Section 1100) of the Public Contract Code, and subdivision (a) of Section 713 of Title 2 of the California Code of Regulations, and may be expended as set forth in the Governor's Budget, or for other purposes, including expenditures for the number of positions in various classifications authorized by the Joint Rules Committee.

(b) Notwithstanding any other provision of law, the unencumbered balances as of June 30, 2005, of the appropriations made by Items 0160-001-0001 and 8840-001-0001 of the Budget Act of 2004 are reappropriated and shall be available for encumbrance until June 30, 2006, for the same programs and purposes for which appropriations for these items have been made by this act.

(c) Notwithstanding any other provision of law, all money that is received as payment for the sale of services or personal property by the agency that has not been taken into consideration in the schedule of Item 0160-001-0001 or is in excess of the amount so taken into consideration is to be credited to that item and is hereby appropriated in augmentation of that item for the same programs and purposes for which appropriations for that item have been made by this act.

(d) Notwithstanding any other provision of law, the Legislative Counsel Bureau may convert or reclassify positions in the bureau, as deemed appropriate by the Legislative Counsel, for inclusion, or redes-

ignation, in the career executive assignment band, to the extent that the total number of positions in the career executive band in the bureau does not exceed 3 percent of the positions in the bureau. Any position that is converted or reclassified shall not be subject to review or approval by the Department of Personnel Administration or State Personnel Board.

SEC. 14.00. (a) Notwithstanding any other provision of law, if the Director of the Department of Consumer Affairs determines in writing that there is insufficient cash in a special fund under the authority of a board, commission, or bureau of the department to make one or more payments currently due and payable, the director may order the transfer of moneys to that special fund, in the amount necessary to make the payment or payments, as a loan from a special fund under the authority of another board, commission, or bureau of the department. That loan shall be subject to all of the following conditions:

(1) No loan from a special fund shall be made that would interfere with the carrying out of the object for which the special fund was created.

(2) The loan shall be repaid as soon as there is sufficient money in the recipient fund to repay the amount loaned, but no later than a date 18 months after the date of the loan. Interest on the loan shall be paid from the recipient fund at the rate accruing during the loan period to moneys in the Pooled Money Investment Account.

(3) The amount loaned shall not exceed the amount that the appropriate board, commission, or bureau is statutorily authorized at the time of the loan to expend during the 2004–05 fiscal year from the recipient fund.

(4) The terms and conditions of the loan are approved, prior to the transfer of funds, by the Department of Finance pursuant to appropriate fiscal standards.

(b) (1) Notwithstanding any other provision of law, the Department of Consumer Affairs, during the 2004–05 fiscal year, may order the release of moneys from the clearing account in the Consumer Affairs Fund in an amount exceeding the amount advanced to the clearing account from a special fund within the department, as a loan to make one or more payments on behalf of that special fund that are currently due and payable. To the extent that the amount of moneys currently in the clearing account is insufficient to make the payment or payments on behalf of that special fund, the department may transfer additional moneys to the clearing account from any other special fund under the authority of a board, commission, or bureau of the department to include in the loan. A loan made to a special fund under this subdivision shall be subject to all of the following conditions:

(A) The loan shall not be made if it would reduce the amount advanced to the clearing account from another special fund, or the amount contained in that special fund, as applicable, to an extent that would interfere with the carrying out of the object for which that special fund was created.

(B) The loan shall be repaid as soon as there is sufficient money in the recipient fund to repay the amount loaned, but no later than a date 60 days after the date of the loan.

(C) The amount loaned shall not exceed the amount that the appropriate board, commission, or bureau is statutorily authorized at the time of the loan to expend during the 2004–05 fiscal year from the recipient fund.

(2) For purposes of this subdivision, the ''clearing account'' in the Consumer Affairs Fund is the account established in that fund, consisting of moneys advanced from the various special funds within the department, from which the Department of Consumer Affairs pays operating and other expenses of each special fund in an amount ordinarily not exceeding the amount advanced from that special fund.

(c) The Director of the Department of Consumer Affairs shall provide a report by March 1, 2005, on all loans initiated or repayments made pursuant to subdivision (a) or (b) within the preceding 12-month period to the chairperson of the budget committee, and the chairperson of the appropriate legislative oversight committee, of each house of the Legislature.

(d) At least 10 days prior to initiating a loan to be made pursuant to subdivision (a) or (b), the Director of the Department of Consumer Affairs shall provide written notification to the Joint Legislative Budget Committee if either (1) any loan from any one fund exceeds $200,000 or (2) the aggregate amount of loans from any one fund exceeds $200,000.

SEC. 15.00. (a) Notwithstanding any other provision of law, the Director of Finance may reallocate amounts appropriated in this act, as necessary, for the purpose of implementing a plan to consolidate the state's data centers and information technology functions and activities not sooner than 30 days after notification in writing of the necessity thereof is provided to the chairperson of the committee in each house of the Legislature that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may in each instance determine. This section shall also be enacted consistent with the provisions of Article 7.5 (commencing with Section 12080) of Chapter 1 of Part 2 of Division 3 of Title 2 of, and Section 19050.9 of, the Government Code.

(b) The Controller, upon order of the Director of Finance, shall transfer $3,500,000 from the Stephen P. Teale Data Center Revolving Fund to the General Fund. The $3,500,000 transfer to the General Fund is deemed to meet the requirements of Section 41.5(a) of Chapter 225 of the Statutes of 2003 to achieve a $3,500,000 General Fund savings as a result of consolidation of the state's data centers. In addition, the Director of Finance shall identify all other funds that would be due a transfer proportional to the General Fund transfer. The Controller shall, upon

order of and as specified by the Director of Finance, transfer those moneys from the Stephen P. Teale Data Center Revolving Fund to those specified funds.

SEC. 17.00. The Budget Act of 2004 includes $63,712,000 ($17,844,000 from the General Fund, $44,840,000 from federal funds, and $1,028,000 from special funds) for applicant state agencies, departments, boards, commissions, or other entities of state government in support of federal Health Insurance Portability and Accountability Act (HIPAA) of 1990 activities. These funds are allocated to the following entities:

California Health and Human Services Agency
General Fund.....2,914,000
Federal Funds.....595,000
Public Employees' Retirement System
Special Funds.....223,000
Office of Statewide Health Planning and Development
Special Funds.....99,000
Department of Aging
General Fund.....12,000
Federal Funds.....12,000
Department of Alcohol and Drug Programs
General Fund.....817,000
Federal Funds.....947,000
Department of Health Services
General Fund.....11,318,000
Special Funds.....451,000
Federal Funds.....41,323,000
Managed Risk Medical Insurance Board
General Fund.....25,000
Special Funds.....30,000
Federal Funds.....46,000
Department of Developmental Services
General Fund.....958,000
Federal Funds.....874,000
Department of Mental Health
General Fund.....1,042,000
Federal Funds.....1,043,000
Department of Corrections
General Fund.....633,000
Department of Personnel Administration
Special Funds.....225,000
Department of Veterans Affairs
General Fund.....125,000

SEC. 24.00. For the 2004–05 fiscal year, the donations and oil and mineral revenues from federal lands that are deposited in the State School Fund shall be divided between Section A and Section B of the State School Fund, with 85 percent of these revenues to be credited to Section A of the fund exclusively for regular apportionments for school

districts serving pupils in kindergarten or any of grades 1 to 12, inclusive, and 15 percent to Section B of the fund exclusively for community college district regular apportionments. The amounts accruing to the State School Fund under this section shall be disbursed fully before any General Fund transfers to Section A or Section B of the State School Fund are disbursed for regular apportionments.

SEC. 24.03. Notwithstanding any other provision of law, funds appropriated by Section 2.00, Section 8.50, Section 28.00, Section 28.50, or any other provision of this act may not be expended for the support of any program, network, or material, with the exception of instruction to pupils who are identified as deaf or hearing impaired pursuant to 34 C.F.R. 300.7(b) paragraphs (3) and (4), that promotes or uses reading instruction methodologies that emphasize contextual clues in lieu of fluent decoding.

SEC. 24.10. (a) Notwithstanding Section 1464 of the Penal Code or Section 41304 of the Education Code, the first one million one hundred six thousand dollars ($1,106,000) received by the Driver Training Penalty Assessment Fund for the 2004–05 fiscal year shall be available for the purposes of Item 6110-001-0178 of Section 2.00 of this act. The amount retained by the Driver Training Penalty Assessment Fund for the purposes of Item 6110-001-0178 may be adjusted by the Department of Finance for actions pursuant to any Control Section of this act.

(b) After moneys are retained by the Driver Training Penalty Assessment Fund pursuant to subdivision (a), the Controller shall transfer any remaining balances as follows: $4,121,000 to the Victim Witness Assistance Fund; and $14,000,000 to the Peace Officers' Training Fund. Any remaining unallocated moneys in the Driver Training Penalty Assessment Fund shall be transferred to the General Fund.

SEC. 24.30. Notwithstanding any other provision of law, the Controller, upon order of the Director of Finance, shall transfer rental income received in the 2004–05 fiscal year pursuant to Section 17089 of the Education Code from the State School Building Aid Fund to the General Fund.

SEC. 24.60. Each state entity receiving lottery funds shall annually report to the Governor and the Legislature on or before May 15 the amount of lottery funds that the entity received and the purposes for which those funds were expended in the prior fiscal year, including administrative costs. The State Department of Education shall report on behalf of K–12 entities. If applicable, the entity shall also report the amount of lottery funds received on the basis of adult education average daily attendance (ADA) and the amount of lottery funds expended for adult education.

SEC. 24.70. From the funds appropriated to the State Department of Education for local assistance, the department shall ensure that the expenditure of funds allocated to a local educational agency (LEA), through a contract between the department and the LEA or through a grant from the department to the LEA, shall be subject to the LEA's fiscal accountability policies and procedures. If it is necessary for the

LEA to establish a separate entity to complete the work scope of the contract or grant, the fiscal accountability policies and procedures for that entity shall be the same as those of the LEA, or amended only with the approval of both the superintendent of schools of the LEA and a fiscal representative of the department designated by the Superintendent of Public Instruction. Further, the department shall have the authority to provide for an audit of the expenditures under the contract or grant between the department and the LEA to verify conformance with appropriate fiscal accountability policies and procedures. The cost of the audit, if required, shall be charged to the audited contract or grant.

SEC. 25.25. Notwithstanding any other provision of law, a sum not to exceed $2,520,000 is appropriated from various special and nongovernmental cost funds to the State Controller for payment of costs to support the replacement of the existing automated human resource/payroll systems known as the 21st Century Project. The Controller shall assess these funds in sufficient amounts to pay for the authorized 21st Century Project costs that are attributable to such funds pursuant to legislation enacted during the 2003–04 Regular Session of the Legislature. Assessments in support of the expenditures for the 21st Century Project shall be made quarterly and the total amount assessed from these funds in the 2004–05 fiscal year shall not exceed the total expenditures incurred by the State Controller for the 21st Century Project that are attributable to those funds in the 2004–05 fiscal year.

SEC. 25.50. Notwithstanding any other provision of law, an amount not to exceed five hundred seventy-nine thousand dollars ($579,000) is hereby appropriated from various funds to the State Controller as specified below for reimbursement of costs for the procurement, development, and implementation of a new Apportionment Payment System:

0046	Public Transportation Account	$ 9,000
0062	Highway Users Tax Account	166,000
0064	Motor Vehicle License Fee Account	204,000
0877	DMV Local Agency Collection Fund	1,000
0932	Trial Court Trust Fund	79,000
0965	Timber Tax Fund	2,000
0969	Public Safety Account	118,000
	Total, All Funds	$579,000

The Controller shall assess these funds for the costs of the new Apportionment Payment System because apportionment payments in excess of ten million dollars ($10,000,000) are made annually from these funds. Assessments in support of the expenditures for the Apportionment Payment System shall be made monthly, and the total amount assessed from these funds may not exceed the total expenditures incurred by the State Controller for the Apportionment Payment System for the 2004–05 fiscal year.

SEC. 26.00. (a) It is the intent of the Legislature, in enacting this section, to provide flexibility for the administrative approval of intraschedule transfers within individual items of appropriation in those in-

stances where the transfers are necessary for the efficient and cost effective implementation of the programs, projects, and functions funded by this act. No transfer shall be authorized under this section to either eliminate any program, project, or function, except when implementation is found to be no longer feasible in light of changing circumstances or new information, or establish any new program, project, or function.

(b) The Director of Finance may, pursuant to a request by the officer, department, division, bureau, board, commission, or other agency to which an appropriation is made by this act, authorize the augmentation of the amount available for expenditure in any schedule set forth for that appropriation, by making a transfer from any of the other designated programs, projects, or functions within the same schedule. No intraschedule transfer may be made under this section to fund any capital outlay purpose, regardless of whether budgeted in a capital outlay or a local assistance appropriation. Upon the conclusion of the 2004–05 fiscal year, the Director of Finance shall furnish the chairpersons of the committees in each house of the Legislature that consider appropriations and the Budget, and the Chairperson of the Joint Legislative Budget Committee, with a report on all authorizations given pursuant to this section during that fiscal year.

(c) Intraschedule transfers of the amounts available for expenditure for a program, project, or function designated in any line of any schedule set forth for that appropriation by transfer from any of the other designated programs, projects, or functions within the same schedule shall not exceed, during any fiscal year:

(1) 20 percent of the amount so scheduled on that line for those appropriations made by this act that are $2,000,000 or less.

(2) $400,000 of the amount so scheduled on that line for those appropriations made by this act that are more than $2,000,000 but equal to or less than $4,000,000.

(3) 10 percent of the amount so scheduled on that line for those appropriations made by this act that are more than $4,000,000.

(4) The Department of Transportation Highway Program shall be limited to a schedule change of 10 percent.

(d) Any transfer in excess of $200,000 may be authorized pursuant to this section not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairperson of the committee in each house of the Legislature that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may in each instance determine.

(e) Any transfer in excess of the limitations provided in subdivision (c) may be authorized not sooner than 30 days after notification in writing of the necessity to exceed the limitations is provided to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee, may in each instance determine.

SEC. 28.00. (a) It is the intent of the Legislature in enacting this section to provide flexibility for administrative approval of augmentations for the expenditure of unanticipated federal funds or other nonstate funds in cases that meet the criteria set forth in this section. However, this section does not provide an alternative budget process, and proposals for additional spending ordinarily should be considered in the annual State Budget or other state legislation.

(b) The Director of Finance may authorize the augmentation of the amount available for expenditure for any program, project, or function in the schedule of any appropriation in this act or any additional program, project, or function equal to the amount of any additional, unanticipated funds that he or she estimates will be received by the state during the 2004–05 fiscal year from any agency of local government or the federal government, or from any other nonstate source, provided that the additional funding meets all of the following requirements:

(1) The funds will be expended for a purpose that is consistent with state law.

(2) The funds are made available to the state under conditions permitting their use only for a specified purpose, and the additional expenditure proposed under this section would apply to that specified funding purpose.

(3) Acceptance of the additional funding does not impose on the state any requirement to commit or expend new state funds for any program or purpose.

(4) The need exists to expend the additional funding during the 2004–05 fiscal year.

(c) The Director of Finance also may reduce any program, project, or function whenever he or she determines that funds to be received will be less than the amount taken into consideration in the schedule.

(d) Any augmentation or reduction that exceeds either (1) two hundred thousand dollars ($200,000) or (2) 10 percent of the amount available for expenditure in the affected program, project, or function may be authorized not sooner than 30 days after notification in writing of the necessity is provided to the chairperson of the committee in each house of the Legislature that considers appropriations, the chairpersons of the committees, and the appropriate subcommittees, in each house that considers the State Budget, and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may in each instance determine. With regard to any proposed augmentation, the notification shall state the basis for the determination by the Director of Finance that the augmentation meets each of the requirements set forth in subdivision (b). This notification requirement does not apply to federal funds related to caseload increases in Medi-Cal, California Work Opportunity and Responsibility to Kids (CalWORKs), and Supplemental Security Income/State Supplementary Program (SSI/SSP).

(e) Any personnel action that is dependent on funds subject to this section shall not be effective until after the provisions of this section have been complied with. Any authorization made pursuant to this section shall remain in effect for the period the director may determine in each instance, but in no event after June 30, 2005.

SEC. 28.50. (a) Except as otherwise provided by law, an officer, department, division, bureau, or other agency of the state may expend for the 2004–05 fiscal year all moneys received as reimbursement from another officer, department, division, bureau, or other agency of the state that has not been taken into consideration by this act or any other statute, upon the prior written approval of the Director of Finance. The Department of Finance may also reduce any reimbursement amount and related program, project, or function amount if funds received from another officer, department, division, bureau, or other agency of the state will be less than the amount taken into consideration in the schedule.

(b) For any expenditure of reimbursements or any transfer for the 2004–05 fiscal year that exceeds two hundred thousand dollars ($200,000), the Director of Finance shall provide notification in writing of any approval granted under this section, not less than 30 days prior to the effective date of that approval, to the chairperson of the committee in each house of the Legislature that considers appropriations, the chairpersons of the committees and the appropriate subcommittees in each house of the Legislature that consider the State Budget, and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may in each instance determine. Increases to reimbursements are not reportable under this section if the funding for the other officer, department, division, bureau, or other agency of the state providing the reimbursement has already been approved by the Legislature. These adjustments are considered technical in nature and are authorized in Section 1.50 of this act.

SEC. 29.00. The Department of Finance shall calculate and publish a listing of total personnel-years and estimated salary savings for each department and agency. These listings shall be published by the Department of Finance at the same time as the publication of (a) the Governor's Budget, (b) the May Revision and (c) the Final Change Book.

(a) The listing provided at the time of the publication of the Governor's Budget shall contain estimates of personnel-years for the prior year, current year, and budget year.

(b) The listing provided at the time of publication of the May Revision shall contain estimates of personnel-years proposed for the budget year.

(c) The listing provided at the time of the publication of the Final Change Book shall contain estimates of personnel-years for the budget year just enacted.

SEC. 30.00. Section 13340 of the Government Code is amended to read:

13340. (a) Except as provided in subdivision (b), on and after July 1, 2005, no moneys in any fund that, by any statute other than a Budget Act, are continuously appropriated without regard to fiscal years, may be encumbered unless the Legislature, by statute, specifies that the moneys in the fund are appropriated for encumbrance.

(b) Subdivision (a) does not apply to any of the following:

(1) The scheduled disbursement of any local sales and use tax proceeds to an entity of local government pursuant to Part 1.5 (commencing with Section 7200) of Division 2 of the Revenue and Taxation Code.

(2) The scheduled disbursement of any transactions and use tax proceeds to an entity of local government pursuant to Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code.

(3) The scheduled disbursement of any funds by a state or local agency or department that issues bonds and administers related programs for which funds are continuously appropriated as of June 30, 2005.

(4) Moneys that are deposited in proprietary or fiduciary funds of the California State University and that are continuously appropriated without regard to fiscal years.

(5) The scheduled disbursement of any motor vehicle license fee revenues, including the General Fund appropriations made pursuant to Sections 11000 and 11000.1 of the Revenue and Taxation Code, to an entity of local government pursuant to the Vehicle License Fee Law (Part 5 (commencing with Section 10701) of Division 2 of the Revenue and Taxation Code).

SEC. 31.00. (a) The appropriations made by this act shall be subject, unless otherwise provided by law, to Section 13320 of, and Article 2.5 (commencing with Section 13332) of Chapter 3 of Part 3 of Division 3 of Title 2 of, the Government Code, requiring expenditures to be made in accordance with the allotments and other provisions of fiscal year budgets approved by the Department of Finance.

(b) The fiscal year budgets shall authorize, in the manner that the Department of Finance shall prescribe, all established positions whose continuance for the year is approved and all new positions. No new position shall be established unless authorized by the Department of Finance on the basis of work program and organization.

(c) The Director of Finance, or his or her authorized designee, shall notify the Chairperson of the Joint Legislative Budget Committee within 30 days of authorizing any position not authorized for that fiscal year by the Legislature or any reclassification to a position with a minimum step per month of six thousand three hundred thirty-four dollars ($6,334) as of July 1, 2004. He or she also shall report all transfers to blanket authorizations and the establishment of any permanent positions out of a blanket authorization.

(d) All positions administratively established pursuant to this section during the 2004–05 fiscal year shall terminate on June 30, 2005, except for those positions that have been (a) included in the Governor's Budget for the 2005–06 fiscal year as proposed new positions, or (b) approved by the Department of Finance and reported to the Legislature after the 2005–06 Governor's Budget submission to the Legislature. The positions identified in (a) and (b) above may be reestablished by the Department of Finance during the 2005–06 fiscal year, provided these positions are shown in the Governor's Budget for the 2006–07 fiscal year as submitted to the Legislature, or in subsequent Department of Finance letters to the Legislature, and provided that these positions do not result in the establishment of positions deleted by the Legislature through the budget process for the 2005–06 fiscal year.

(e) No money in any 2004–05 fiscal year appropriation not appropriated for that purpose may be expended for increases in salary ranges or any other employee compensation action unless the Department of Finance certifies to the salary and other compensation-setting authority, prior to the adoption of the action, that funds are available to pay the increased salary or employee compensation resulting from the action. Prior to certification, the Department of Finance shall determine whether the increase in salary range or employee compensation action will require supplemental funding in the 2005–06 fiscal year. If the Department of Finance determines that supplemental funding will be required, no certification shall be issued unless notification in writing is given by the Department of Finance, at least 30 days before certification is made, to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or a lesser time which the chairperson of the joint committee, or his or her designee, determines.

(f) A certification on a payroll claim that expenditures therein are in accordance with current budgetary provisions as approved by the Department of Finance shall be sufficient evidence to the Controller that these expenditures comply with the provisions of this section.

SEC. 32.00. (a) The officers of the various departments, boards, commissions, and institutions, for whose benefit and support appropriations are made in this act, are expressly forbidden to make any expenditures in excess of these appropriations. Any indebtedness attempted to be created against the state in violation of this section shall be null and void, and shall not be allowed by the Controller nor paid out of any state appropriation. Any member of a department, board, commission, or institution who shall vote for any expenditure, or create any indebtedness against the state in excess of the respective appropriations made by this act shall be liable both personally and on his or her official bond for the amount of the indebtedness, to be recovered in any court of competent jurisdiction by the person or persons, firm, or corporation to which the indebtedness is owing.

(b) Subdivision (a) does not apply to the expenditure of moneys to fund continuous appropriations, including appropriations made in the California Constitution, and federal laws mandating the expenditure of funds.

SEC. 33.00. If any item of appropriation in this act is vetoed, eliminated, or reduced by the Governor under Section 10 of Article IV of the California Constitution, while approving portions of this act, such veto, elimination, or reduction shall not affect the other portions of this act, and these other portions of this act, so approved, shall have the same effect in law as if any vetoed or eliminated items of appropriation had not been present in this act, and as if any reduced item of appropriation had not been reduced.

SEC. 33.50. Notwithstanding any other provision of law, the Director of Finance is authorized to reduce amounts in items of appropriation in this act for the 2004–05 fiscal year to the extent that savings are achieved through strategic sourcing procurement reform. The director shall provide to the Chairperson of the Joint Legislative Budget Committee an implementation timeline for this section which shall include, but is not limited to, a description of strategic sourcing and a report of proposed savings resulting from strategic sourcing. This report is due at least 30 days prior to any reduction of an item of appropriation pursuant to this section.

SEC. 34.00. If any portion of this act is held unconstitutional, that decision shall not affect the validity of any other portion of this act. The Legislature hereby declares that it would have passed this act, and each portion thereof, irrespective of the fact that any other portion be declared unconstitutional.

SEC. 34.50. (a) Notwithstanding any other provision of law, the Director of Finance is authorized to reimburse General Fund expenditures for the 2004–05 fiscal year from the balance in the Public Benefit Trust Fund. The total reimbursement shall not exceed the amount available in the Public Benefit Trust Fund.

(b) This reimbursement will result in overall General Fund savings. It is not the intent of the Legislature in enacting this section to provide additional expenditure authority to state programs.

(c) It is the intent of the Legislature to review proposals and consider whether to apportion some portion of punitive damage awards to the state and whether the payment of those awards should be deductible as a business expense for income tax purposes.

SEC. 35.00. (a) Notwithstanding any other provision of law, the Director of Finance is authorized to reimburse General Fund expenditures for the 2003–04 and 2004–05 fiscal years from the balance in the Deficit Recovery Fund. The total reimbursement shall not exceed the amount available in the Deficit Recovery Fund.

(b) This reimbursement will result in overall General Fund savings. It is not the intent of the Legislature in enacting this section to provide additional expenditure authority to state programs.

SEC. 35.50. (a) For purposes of paragraph (1) of subdivision (f) of Section 10, and subdivision (f) of Section 12, of Article IV of the California Constitution, ''General Fund revenues'' means the total resources available to the General Fund for a fiscal year.

(b) For purposes of subdivision (f) of Section 12 of Article IV of the California Constitution, the estimate of General Fund revenues for the 2004–05 fiscal year pursuant to this act, as passed by the Legislature, is $80,390,500,000.

SEC. 36.00. This act, inasmuch as it provides for appropriations for the usual and current expenses of the state, shall, under the provisions of Section 8 of Article IV of the California Constitution, take effect immediately.

SEC. 37.00. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

This act makes appropriations and contains related provisions for support of state and local government for the 2004–05 fiscal year and provides for capital outlay appropriations in continuance of existing programs and to promote and sustain the economy of the state. It is imperative that these appropriations be made available for expenditure not later than July 1, 2004. It is therefore necessary that this act go into immediate effect.

INDEX BY BUDGET TITLE

SEC. 99.00. The following provides an index to the appropriations and related provisions of this act, by organization in alphabetical order, with the code number of the affected organization. The organization code is the first four numbers of any item number in this act. For ease of reference, the appropriation items in this act are organized in numerical order, and all of the appropriation items for any one organization are adjacent to one another.

Department	Organization Code
"A"	
Administrative Law, Office of	8910
Aging, Commission on	4180
Aging, Department of	4170
Agricultural Labor Relations Board	7300
Air Resources Board, State	3900
Alcohol and Drug Programs, Department of	4200
Alcoholic Beverage Control, Department of	2100
Alcoholic Beverage Control Appeals Board	2120
Alternative Energy and Advanced Transportation Financing Authority, California	0971
Arts Council, California	8260
Assembly	0120
Audits, Bureau of State	8855
"B"	
Baldwin Hills Conservancy	3835
Bay-Delta Authority, California	3870
Boards. See subject (e.g., Air Resources, Control, etc.)	
Boating and Waterways, Department of	3680
Business, Transportation and Housing, Secretary for	0520
"C"	
Capital Outlay Planning and Studies Funding	9860
Child Support Services, Department of	5175
Chiropractic Examiners, Board of	8500
Citizens' Compensation Commission, California	8385
Coachella Valley Mountains Conservancy	3850
Coastal Commission, California	3720
Coastal Conservancy, State	3760
Colorado River Board of California	3460

Department	Organization Code
Community Colleges, Board of Governors of the California	6870
Community Services and Development	4700
Conservation, Department of	3480
Conservation Corps, California	3340
Consumer Affairs-Bureaus, Programs and Divisions, Department of	1111
Consumer Affairs-Regulatory Boards, Department of.	1110
Consumer Power and Conservation Financing Authority, California	8665
Contingencies or Emergencies, Augmentation for	9840
Contingencies or Emergencies, Loans for	9850
Contributions to. See subject (e.g., Judges' Retirement, Teachers' Retirement, etc.)	
Controller, State	0840
Corporations, Department of	2180
Correctional Peace Officers' Standards and Training, Commission on	5480
Corrections, Board of	5430
Corrections, Department of	5240
Councils. See subject (e.g., Arts, etc.)	

"D"

Debt and Investment Advisory Commission, California	0956
Debt Limit Allocation Committee, California	0959
Delta Protection Commission	3840
Department of. See subject (e.g., Corrections, Food and Agriculture, etc.)	
Developmental Disabilities, State Council on	4100
Developmental Services, Department of	4300

"E"

Education Audit Appeals Panel	6125
Education, Department of	6110
Education, Office of the Secretary for	0558
Electricity Oversight Board	8770
Emergency Medical Services Authority	4120
Emergency Services, Office of	0690
Employee Compensation, Augmentation for	9800
Employment Development Department	7100
Energy Resources Conservation and Development Commission	3360
Environmental Health Hazard Assessment, Office of	3980

Department	Organization Code
Environmental Protection, Secretary for	0555
Equalization, State Board of	0860
Equity Claims of California Victim Compensation and Government Claims Board and Settlements and Judgments by Department of Justice	9670

"F"

Fair Employment and Housing Commission	1705
Fair Employment and Housing, Department of	1700
Fair Political Practices Commission	8620
Finance, Department of	8860
Financial Institutions, Department of	2150
Fish and Game, Department of	3600
Food and Agriculture, Department of	8570
Forestry and Fire Protection, Department of	3540
Franchise Tax Board	1730

"G"

Gambling Control Commission, California	0855
General Services, Department of	1760
Golden State Tobacco Securitization Corporation	9612
Governor's Office	0500

"H"

Hastings College of the Law	6600
Health and Human Services, Secretary for California.	0530
Health and Human Services Agency Data Center	4130
Health and Dental Benefits for Annuitants	9650
Health Services, Department of	4260
High-Speed Rail Authority	2665
Highway Patrol, Department of the California	2720
Horse Racing Board, California	8550
Housing and Community Development, Department of	2240

"I"

Independent Living Council, State	5170
Industrial Development Financing Advisory Commission, California	0965
Industrial Relations, Department of	7350
Institutions (See Department of Corrections, State Department of Health, etc.)	
Inspector General, Office of	0552

Department	Organization Code
Insurance, Department of	0845
Integrated Waste Management Board, California	3910
Interest Payments to the Federal Government	9625

"J"

Joint Expenses (Legislature)	0130
Judges' Retirement Fund, Contributions to	0390
Judicial Performance, Commission on	0280
Judiciary	0250
Justice, Department of	0820

"L"

Lands Commission, State	3560
Labor and Workforce Development Agency	0559
Law Revision Commission, California	8830
Legislative Analyst, Office of the	0130
Legislative Counsel Bureau	0160
Legislature (See Assembly, Senate, or Joint Expenses)	
Library, California State	6120
Lieutenant Governor, Office of the	0750
Local Government Financing	9210
Lottery Commission, California State	0850

"M"

Managed Health Care, Department of	2400
Managed Risk Medical Insurance Board	4280
Mandates, Commission on State	8885
Medical Assistance Commission, California	4270
Mental Health, Department of	4440
Military Department	8940
Milton Marks "Little Hoover" Commission on California State Government Organization and Economy	8780
Motor Vehicles, Department of	2740

"N"

Native American Heritage Commission	3780

"O"

Occupational Information Coordinating Committee, California	6330

Department	Organization Code
Office of. See subject (e.g., Emergency Services, Planning and Research, etc.)	

"P"

Parks and Recreation, Department of	3790
Payment of Interest on General Fund Loans	9620
Payment to Counties for Costs of Homicide Trials	8180
Peace Officer Standards and Training, Commission on	8120
Personnel Administration, Department of	8380
Personnel Board, State	1880
Pesticide Regulation, Department of	3930
Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun, Board of	8530
Planning and Research, Office of	0650
Political Reform Act of 1974	8640
Postsecondary Education Commission, California	6420
Prison Terms, Board of	5440
Public Defender, State	8140
Public Employees' Retirement System	1900
Public Employment Relations Board	8320
Public Utilities Commission	8660

"Q"

Quality Education Commission, California	6130

"R"

Real Estate, Department of	2320
Real Estate Appraisers, Office of	2310
Rehabilitation, Department of	5160
Resources, Secretary for	0540

"S"

San Diego River Conservancy	3845
San Francisco Bay Conservation and Development Commission	3820
San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy	3825
San Joaquin River Conservancy	3830
Santa Monica Mountains Conservancy	3810
Scholarshare Investment Board	0954
School Finance Authority, California	0985
Science Center, California	1100

Department	Organization Code
Secretary of State	0890
Seismic Safety Commission	8690
Senate	0110
Social Services, Department of	5180
Special Resources Program	3110
Special Transportation Programs	2640
State. See subject (e.g., Controller, Treasurer, etc.)	
State and Consumer Services, Secretary for	0510
State Mandates, Commission on	8885
Statewide Health Planning and Development, Office of	4140
Status of Women, Commission on the	8820
Stephen P. Teale Data Center	2780
Student Aid Commission	7980
Summer School for the Arts, California State	6255

"T"

Tahoe Conservancy, California	3125
Tax Credit Allocation Committee, California	0968
Tax Relief	9100
Teacher Credentialing, Commission on	6360
Teachers' Retirement System, State	1920
Toxic Substances Control, Department of	3960
Traffic Safety, Office of	2700
Transportation, Department of	2660
Transportation Commission, California	2600
Transportation Programs, Special	2640
Treasurer, State	0950
Trial Court Funding, State	0450

"U"

Uniform State Laws, Commission on	8840
University, California State	6610
University of California	6440

"V"

Veterans Affairs, Department of	8955
Veterans' Home of California—Barstow	8965
Veterans' Home of California—Chula Vista	8966
Veterans' Home of California—Yountville	8960
Victim Compensation and Government Claims Board, California	8700

Department	Organization Code
"W"	
Water Resources, Department of	3860
Water Resources Control Board, State	3940
Wildlife Conservation Board	3640
Workforce Investment Board, California	7120
"Y"	
Youth and Adult Correctional Agency, Secretary for	0550
Youth Authority, Department of the	5460

INDEX FOR CONTROL SECTIONS

SEC. 99.50. The following is an index to the general sections of this act. These sections serve to define terms and identify restrictions concerning the appropriations contained in this act.

1.00 Budget Act Citation
1.50 Intent and Format
2.00 Availability of Appropriations
3.00 Defines Purposes of Appropriations
3.50 Benefit Charges Against Salaries and Wages
3.60 Contribution to Public Employees' Retirement Benefits
4.10 Employee Compensation Savings
4.11 Establishing New Positions
4.20 Contribution to Public Employees' Contingency Reserve Fund
4.30 Lease Revenue Payment Adjustments
4.35 Loaned Positions
4.45 e-Budget
4.60 Rent Increase
4.80 State Public Works Board Interim Financing
4.90 Architectural Revolving Fund Transfer
4.95 Inmate Construction Revolving Account Transfer
5.25 Attorney's Fees
5.30 Department of Justice Attorney's Fees
5.40 CALFED Bay-Delta Program
6.00 Project Alterations Limits
6.60 Workers' Compensation Survey
8.00 Anti-Terrorism Federal Reimbursements
8.50 Federal Funds Receipts
8.51 Federal Funds Accounts
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9.20 Administrative Costs Associated With the Acquisition of Property
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11.52 Transfer of Unencumbered Balance of Various Funds to the General Fund
12.00 State Appropriations Limit (SAL)
12.10 Brown vs. U.S. Health and Human Services Settlement Payments
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12.32 Proposition 98 Funding Guarantee
12.40 Mega-Item Flexibility
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12.75 Basic Aid Categorical Reduction K–12
13.00 Legislative Counsel Bureau
14.00 Special Fund Loans Between Boards of the Department of Consumer Affairs
15.00 Data Center Consolidation
16.00 Traffic Congestion Relief Fund Loan Repayment
17.00 Federal Health Insurance Portability and Accountability Act (HIPAA)
24.00 State School Fund Allocations
24.03 Reading Control
24.10 Transfer Surplus of Driver Training Penalty Assessment Fund to the General Fund
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