Assembly Bill No. 1801

CHAPTER 47

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 June 30, 2006. Filed with Secretary of State June 30, 2006.]

I object to the following appropriations contained in Assembly Bill 1801.

Item 0530-001-9732—For support of Secretary of California Health and Human Services Agency. I reduce this item from $220,022,000 to $214,622,000 by reducing:

(1) 30-Office of Systems Integration from $220,022,000 to $214,622,000.

This reduction conforms to the action taken in Item 5180-151-0001.

Item 0540-001-0001—For support of Secretary for Resources. I reduce this item from $5,924,000 to $5,824,000.

I am deleting the $100,000 legislative augmentation for creation of a conservation easement registry at the Resources Agency. This information is already maintained and available at the county level.

Item 0540-001-0140—For support of Secretary for Resources. I revise this item by reducing:

(1) 10-Administration of Resources Agency from $8,318,000 to $8,218,000, and

(2.5) Amount payable from the General Fund (Item 0540-001-0001) from -$5,924,000 to -$5,824,000.

I am revising this item to conform to the action I have taken in Item 0540-001-0001.

Item 0860-001-0001—For support of the Board of Equalization. I reduce this item from $208,522,000 to $206,531,000 by reducing:

(1) 100000-Personal Services from $279,795,000 to $276,329,000;

(3) Reimbursements from -$111,169,000 to -$110,190,000;

(4) Amount payable from the Breast Cancer Fund (Item 0860-001-0004) from -$377,000 to -$374,000;

(5) Amount payable from the State Emergency Telephone Number Account (Item 0860-001-0022) from -$581,000 to -$575,000;

(6) Amount payable from the Motor Vehicle Fuel Account, Transportation Tax Fund (Item 0860-001-0061) from -$19,549,000 to -$19,366,000;

(7) Amount payable from the Occupational Lead Poisoning Prevention Account (Item 0860-001-0070) from -$644,000 to -$638,000;

(8) Amount payable from the Childhood Lead Poisoning Prevention Fund (Item 0860-001-0080) from -$469,000 to -$464,000;

(9) Amount payable from the Cigarette and Tobacco Products Surtax Fund (Item 0860-001-0230) from -$4,812,000 to -$4,767,000;

(10) Amount payable from the Oil Spill Prevention and Administration Fund (Item 0860-001-0320) from -$238,000 to -$236,000;

(11) Amount payable from the Integrated Waste Management Account, Integrated Waste Management Fund (Item 0860-001-0387) from -$413,000 to -$408,000;

(12) Amount payable from the Underground Storage Tank Cleanup Fund (Item 0860-001-0439) from -$2,112,000 to -$2,092,000;

(13) Amount payable from the Energy Resources Programs Account (Item 0860-001-0465) from -$234,000 to -$232,000;

(14) Amount payable from the California Children and Families First Trust Fund (Item 0860-001-0623) from -$7,457,000 to -$7,388,000;

(15) Amount payable from the Federal Trust Fund (Item 0860-001-0890) from -$1,167,000 to -$1,156,000;

(16) Amount payable from the Timber Tax Fund (Item 0860-001-0965) from -$2,168,000 to -$2,148,000;

(17) Amount payable from the Gas Consumption Surcharge Fund (Item 0860-001-3015) from -$406,000 to -$404,000;

(18) Amount payable from the Water Rights Fund (Item 0860-001-3058) from -$417,000 to -$412,000;

(19) Amount payable from the Electronic Waste Recovery and Recycling Account (Item 0860-001-3065) from -$4,950,000 to -$4,904,000; and

(20) Amount payable from the Cigarette and Tobacco Products Compliance Fund (Item 0860-001-0367) from -$7,043,000 to -$6,977,000.

With this reduction, the Board of Equalization's (BOE) estimated salary savings will conform to the standard 5 percent level generally required of all state agencies. I understand BOE proposed to use part of the additional funding for auditor recruitment and retention initiatives and to increase hiring. However, the collective bargaining agreement negotiated between the state and the respective exclusive representatives provides significant incentives to encourage auditor recruitment and retention for all state agencies. I believe this issue is best addressed on a statewide basis, instead of through the actions of individual departments.

Item 0860-001-0004—For support of State Board of Equalization. I reduce this item from $377,000 to $374,000.

I am reducing this item by $3,000 to conform with the action taken in Item 0860-001-0001.

Item 0860-001-0022—For support of State Board of Equalization. I reduce this item from $581,000 to $575,000.

I am reducing this item by $6,000 to conform with the action taken in Item 0860-001-0001.

Item 0860-001-0061—For support of State Board of Equalization. I reduce this item from $19,549,000 to $19,366,000.

I am reducing this item by $183,000 to conform with the action taken in Item 0860-001-0001.

Item 0860-001-0070—For support of State Board of Equalization. I reduce this item from $644,000 to $638,000.

I am reducing this item by $6,000 to conform with the action taken in Item 0860-001-0001.

Item 0860-001-0080—For support of State Board of Equalization. I reduce this item from $469,000 to $464,000.

I am reducing this item by $5,000 to conform with the action taken in Item 0860-001-0001.

Item 0860-001-0230—For support of State Board of Equalization. I reduce this item from $4,812,000 to $4,767,000.

I am reducing this item by $45,000 to conform with the action taken in Item 0860-001-0001.

Item 0860-001-0320—For support of State Board of Equalization. I reduce this item from $238,000 to $236,000.

I am reducing this item by $2,000 to conform with the action taken in Item 0860-001-0001.

Item 0860-001-0387—For support of State Board of Equalization. I reduce this item from $413,000 to $408,000.

I am reducing this item by $5,000 to conform with the action taken in Item 0860-001-0001.

Item 0860-001-0439—For support of State Board of Equalization. I reduce this item from $2,112,000 to $2,092,000.

I am reducing this item by $20,000 to conform with the action taken in Item 0860-001-0001.

Item 0860-001-0465—For support of State Board of Equalization. I reduce this item from $234,000 to $232,000.

I am reducing this item by $2,000 to conform with the action taken in Item 0860-001-0001.

Item 0860-001-0623—For support of State Board of Equalization. I reduce this item from $7,457,000 to $7,388,000.

I am reducing this item by $69,000 to conform with the action taken in Item 0860-001-0001.

Item 0860-001-0890—For support of State Board of Equalization. I reduce this item from $1,167,000 to $1,156,000.

I am reducing this item by $11,000 to conform with the action taken in Item 0860-001-0001.

Item 0860-001-0965—For support of State Board of Equalization. I reduce this item from $2,168,000 to $2,148,000.

I am reducing this item by $20,000 to conform with the action taken in Item 0860-001-0001.

Item 0860-001-3015—For support of State Board of Equalization. I reduce this item from $406,000 to $404,000.

I am reducing this item by $2,000 to conform with the action taken in Item 0860-001-0001.

Item 0860-001-3058—For support of State Board of Equalization. I reduce this item from $417,000 to $412,000.

I am reducing this item by $5,000 to conform with the action taken in Item 0860-001-0001.

Item 0860-001-3065—For support of State Board of Equalization. I reduce this item from $4,950,000 to $4,904,000.

I am reducing this item by $46,000 to conform with the action taken in

Item 0860-001-0001.

Item 0860-001-3067—For support of State Board of Equalization. I reduce this item from $7,043,000 to $6,977,000.

I am reducing this item by $66,000 to conform with the action taken in Item 0860-001-0001.

Item 1700-001-0001—For support of Department of Fair Employment and Housing. I reduce this item from $15,487,000 to $15,237,000 by reducing:

(1) 50-Administration of Civil Rights Law from $20,995,000 to $20,745,000,

and by deleting Provision 1.

I am deleting the legislative augmentation of $250,000 for a mediation program. The Department has indicated that this amount is insufficient to implement such a program. The Department implemented a mediation program several years ago at an approximate annual cost of $1,000,000. Though this program was discontinued due to budget cuts, it is unclear whether a program could be implemented at a lower cost with any likelihood of success.

I am also deleting Provision 1, which would require the department to redirect $250,000 from other program areas to help institute the mediation program. The Department cannot redirect this money without negatively impacting the mandated services it provides under the Fair Employment and Housing Act.

Item 2240-104-0001—For transfer, as an expenditure, by the Controller to the Self-Help Housing Fund. I delete this item.

I am deleting the $500,000 legislative augmentation to provide funding for construction management grants in the Self-Help Housing Program. Notwithstanding the merits of the program, this reduction is necessary to limit program expansions and provide for a prudent General Fund reserve. In addition, if approved by voters in November, the Strategic Growth Plan housing bond will provide $10,000,000 in new bond funding for this program.

I am deleting Provision 1 to conform to this action.

Item 2240-105-0001—For transfer, as an expenditure, upon order of the Director of Finance, to the Emergency Housing and Assistance Fund.

I am sustaining $864,000 General Fund for the Emergency Housing Assistance Program in this item to continue shelter beds during a transition period while new beds are developed under my Initiative to End Chronic Homelessness. Over the past two years, $110,000,000 has been made available to construct permanent housing with supportive services for individuals with mental illness who are chronically homeless, with $75,000,000 available ongoing.

Item 2660-001-0890—For support of Department of Transportation. I reduce this item from $547,224,000 to $539,054,000.

I am deleting the $8,170,000 legislative augmentation to increase funding in the Capital Outlay Support Program to conform to my action in Item 2660-001-0042.

Item 2660-002-3007—For support of Department of Transportation. I reduce this item from $29,001,000 to $28,929,000 by reducing:

(1) 20.10—Highway Transportation Capital Outlay Support from $28,275,000 to $28,203,000.

I am deleting the $72,000 legislative augmentation to increase funding in the Capital Outlay Support Program to conform to my action in Item 2660-001-0042.

Item 3110-101-0001—For support of Special Resources Program. I delete this item.

I am deleting the $148,000 legislative augmentation that would increase funding for employee compensation and price increases in the Tahoe Regional Planning Agency (TRPA). This funding is unnecessary because trailer bill language associated with this Budget Act provides authority to make baseline salary and price increase adjustments for TRPA in the same manner as for other state agencies. Any necessary funding will be provided through that mechanism once the appropriate amounts are known.

Item 3720-001-0001—For support of California Coastal Commission. I reduce this item from $11,145,000 to $10,795,000 by reducing:

(2) 20-Coastal Energy Program from $1,069,000 to $719,000.

I am deleting the $350,000 legislative augmentation for the review of Liquefied Natural Gas proposals and directing that any necessary reviews be accomplished within existing resources. With this reduction, $791,000 still remains in the Commission's coastal energy program for these activities.

Item 3760-001-0565—For support of State Coastal Conservancy. I revise this item by reducing:

(2) 25-Coastal Resource Enhancement from $5,114,000 to $4,614,000, and

(5) Reimbursements from -$621,000 to -$121,000.

I am revising this item to conform to the action I have taken in Item 3600-001-0001.

Item 3900-101-0044—For local assistance, State Air Resources Board. I reduce this item from $20,111,000 to $10,111,000 by reducing:

(1) 35-Subvention from $20,111,000 to $10,111,000.

I am deleting the $10,000,000 legislative augmentation for subventions to local air districts. This action is necessary because planned and anticipated expenditures limit the resources available in the Motor Vehicle Account to support new expenditures. With this action, $10,111,000 still remains for local air districts. Furthermore, local communities will benefit from numerous air quality augmentations, including $3,998,000 to enhance existing air pollution enforcement efforts, and $1,665,000 to reduce air pollution related to goods movement.

Item 4120-115-0001—For transfer, as an expenditure, by the State Controller to the Trauma Care Fund. I delete this item.

I am deleting the $10,000,000 legislative augmentation for trauma care services and provisional language within this item. I sustained a similar augmentation in the Budget Act of 2005 and noted the funding was available on a one-time basis in order to provide temporary financial relief. This Budget includes resources that will benefit the hospital system broadly, including an additional $154.7 million for surge capacity, approximately $671 million in additional funding for financially distressed hospitals for five years as part of the new Hospital Financing Waiver, and an additional $36.8 million in realignment funding for county public health services, including services for indigent patients. Finally, local governments will retain an additional $1.3 billion in property tax revenue in 2006-07 with the expiration of the Educational Revenue Augmentation Fund III shifts, and will receive $700 million more in property tax revenue due to the Vehicle License Fee swap than they otherwise would have. Cities and counties have the discretion to commit a portion of this funding to local trauma systems.

I am also deleting Provision 8 of Item 4260-001-0001 to conform to this action.

Item 4200-101-0001—For local assistance, Department of Alcohol and Drug Programs. I revise this item by reducing:

(1) 15-Alcohol and Other Drug Services Program from $439,936,000 to $439,336,000, and

(2) Reimbursements from -$18,995,000 to -$18,395,000.

I am revising this item to conform to the action I have taken in Item 5180-101-0890 relating to Indian Health Clinics.

Item 4200-102-0001—For local assistance, Department of Alcohol and Drug Programs. I reduce this item from $3,431,000 to $3,317,000 by reducing:

(1) 15-Alcohol and Other Drug Services Program from $6,863,000 to $6,634,000;

(2) Reimbursements from -$3,432,000 to -$3,317,000;

and by revising Provision 5.

I am reducing the legislative augmentation which would have provided funding to increase Drug Medi-Cal rates by a total of $2,299,000. Of this total amount, $114,000 is reduced from Item 4200-102-0001, and $2,185,000 is reduced from Item 4200-103-0001. This program received a rate increase in 2005-06. With the reduction to Item 4200-102-0001, $6,634,000 remains to support the Perinatal Drug Medi-Cal Program.

I am revising the dollar amount specified in Provision 5 to conform to the actions taken in this item and Item 4200-103-0001.

"5. Of the combined amounts appropriated in Items 4200-102-0001 and 4200-103-0001, ~~$2,300,000~~*$1,000* from the General Fund, and corresponding reimbursements, are for the purpose of augmenting Drug Medi-Cal rates above the rates that were authorized in regulation for the 2005–06 fiscal year. The department shall establish increases in maximum Drug Medi-Cal reimbursement rates during the 2006–07 fiscal year to reflect the General Fund moneys and reimbursements specifiedin this item."

Item 4200-103-0001—For local assistance, Department of Alcohol and Drug Programs. I reduce this item from $68,775,000 to $66,590,000 by reducing:

(1) 15-Alcohol and Other Drug Services Program from $131,431,000 to $127,062,000;

(2) Reimbursements from -$62,656,000 to -$60,472,000;

and by revising Provision 6.

I am reducing this legislative augmentation to conform with my actions in Item 4200-102-0001. These funds would have provided funding to increase the Drug Medi-Cal rates by $2,185,000. With this reduction, $127,062,000 remains to support the regular Drug Medi-Cal program.

I am revising the dollar amount specified in Provision 6 to conform to the actions taken in this item and Item 4200-102-0001.

"6. Of the combined amounts appropriated in Items 4200-102-0001 and 4200-103-0001, ~~$2,300,000~~ *$1,000*from the General Fund and corresponding reimbursements are for the purpose of augmenting Drug Medi-Cal rates above the rates that were authorized in regulation for the 2005–06 fiscal year. The department shall establish increases in maximum Drug Medi-Cal reimbursement rates during the 2006–07 fiscal year to reflect the General Fund and reimbursement moneys specifiedin this item."

Item 4260-101-0001—For local assistance, Department of Health Services. I reduce this item from $13,444,722,000 to $13,432,571,000 by reducing:

(1) 20.10.010-Eligibility (County Administration) from $2,330,731,000 to $2,326,927,000;

(3) 20.10.030-Benefits (Medical Care Services) from $30,140,437,000 to $30,116,882,000;

(8) Amount payable from the Federal Trust Fund (Item 4260-101-0890) from -$19,215,038,000 to -$19,199,830,000;

and by deleting Provisions 12, 13, and 15.

I am deleting the legislative augmentation of $9,349,000 to provide funding for Medi-Cal managed care plans in the event of financial distress. My May Revision proposal provides rate increases to six managed care plans at risk of falling beneath 200 percent of their tangible net equity. My proposal was based upon a comprehensive financial review of plans by the Department of Health Services.

I am deleting Provision 15 and the legislative augmentation of $9,351,000 in Item 4260-101-0890 to conform to this action.

I am deleting the legislative augmentation of $300,000 to fund a study of the impact that the Federal Deficit Reduction Act (DRA) may have on pharmacy reimbursement. A rate study is premature at this time since it is unknown when the DRA changes will be implemented. As part of next year's budget development process, the Department of Health Services will evaluate whether a pharmacy reimbursement rate study is necessary.

I am deleting Provision 13 and the legislative augmentation of $300,000 in Item 4260-101-0890 to conform to this action.

I am deleting the legislative augmentation of $2,502,000 that was provided to increase the rates paid to Medi-Cal non-emergency transport providers. With this reduction, approximately $82,900,000 still remains to compensate the providers of non-emergency transport services.

I am deleting the legislative augmentation of $2,353,000 in Item 4260-101-0890 to conform to this action.

I am deleting Provision 12 because counties are not anticipated to have increased costs related to the *Conlan v. Shewry*settlement agreement.

I am deleting the legislative augmentation of $3,204,000 in Item 4260-101-0890 to conform to the action taken in 5180-141-0001 regarding workstation replacement and help desk support of the Statewide Automated Welfare System.

I am sustaining the $100,000 legislative augmentation for podiatry services related to eliminating the Treatment Authorization Request (TAR) process. I am directing the Department of Health Services to monitor and audit these podiatry services so that there will not be an inappropriate utilization of Medi-Cal Services.

I am sustaining the $12,127,000 legislative augmentation for county administration reimbursement. However, I welcome the opportunity to work with the Legislature to develop a new county reimbursement methodology for programs funded through the Department of Health Services, Department of Alcohol and Drug Programs, Department of Child Support Services, and the Department of Social Services, that will provide the ability to contain county reimbursement to a reasonable level.

Item 4260-101-0890—For local assistance, Department of Health Services. I reduce this item from $19,215,038,000 to $19,199,830,000.

I am reducing this item by $15,208,000 to conform to my action in Item 4170-101-0001, Item 4260-101-0001, and Item 5180-141-0001.

Item 4440-011-0001—For support of the State Hospitals, Department of Mental Health. I delete Provision 8.

Provision 8 would require the department to provide an update by January 10, 2007 on the status of the operation of the adolescent unit at Metropolitan State Hospital (MSH),

including whether construction of the onsite school is warranted. On May 8, 2006, the Legislature was notified of the termination of the school building project because the number of youths in the MSH's Children's Program has declined significantly, making construction of the school unnecessary. The department will provide information regarding the operation of the adolescent unit at MSH with the release of the 2007-08 Governor's Budget.

Item 5175-101-0001—For local assistance, Department of Child Support Services.

I am sustaining on a one-time basis the $4,000,000 General Fund augmentation for local child support agency administration. The Department of Child Support Services, in consultation with local child support agencies, is in the process of developing a new funding allocation methodology intended to improve overall child support program performance. I am sustaining this funding to allow the department to evaluate the effectiveness of distributing funding according to this new allocation methodology in order to improve performance on state and federal child support program measures. If this augmentation and associated allocation methodology proves to directly improve performance, then I direct the department to consider options to utilize a performance-based methodology on a broader scale.

Item 5180-001-0001—For support of Department of Social Services. I reduce this item from $88,889,000 to $87,569,000 by reducing:

(1) 16-Welfare Programs from $64,579,000 to $63,579,000;

(2) 25-Social Services and Licensing from $146,826,000 to $146,470,000; and

(10) Amount payable from the Federal Trust Fund (Item 5180-001-0890) from -$345,298,000 to -$345,262,000.

I am deleting the $1,000,000 legislative augmentation for the Farm to Family and Donate/Don't Dump programs. Though I share the Legislature's desire to improve the statewide distribution of donated produce, these programs currently are operating without General Fund resources and should continue to pursue private investments.

I am also deleting the legislative augmentation of $356,000 ($320,000 General Fund and $36,000 Federal Trust Fund) which would provide funding to make Community Care Licensing facility and compliance data available to the public on the Internet. I am fully supportive of efforts in this area, but the department must complete the necessary information technology planning process and should evaluate the possibility of using existing resources for this purpose.

Item 5180-001-0803—For support of Department of Social Services. I reduce this item from $218,000 to $208,000.

I am deleting the $10,000 legislative augmentation which would provide funding to make Community Care Licensing facility and compliance data available to the public on the Internet. I am fully supportive of efforts in this area. Consistent with my action in

Item 5180-001-0001, I am directing the Department of Social Services to complete the necessary information technology planning requirements and evaluate the possibility of using existing resources for this purpose.

Item 5180-001-0890—For support of Department of Social Services. I reduce this item from $345,298,000 to $345,262,000.

I am reducing this item to conform to the action I have taken in Item 5180-001-0001.

Item 5180-101-0001—For local assistance, Department of Social Services. I revise this item by reducing:

(1) 16.30-CalWORKs from $4,946,754,000 to $4,941,154,000, and

(6) Amount payable from the Federal Trust Fund (Item 5180-101-0890) from -$3,833,619,000 to -$3,828,019,000.

I am 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 $3,833,619,000 to $3,828,019,000 and delete Provision 5.

I am deleting the $5,000,000 legislative augmentation in federal Temporary Assistance for Needy Families (TANF) Block Grant funds for the CalWORKs program to reflect the level of savings in the May Revision for ongoing welfare reform efforts initiated in

2004-05. The Legislature increased funding for this program based on concerns that estimated savings in prior subventions have not materialized. However, the May Revision already adjusted the savings from my January Budget as the result of a revised welfare reform methodology and implementation schedule. As welfare reform efforts continue, additional adjustments, if necessary, will be appropriately reflected in my proposed January Budget for 2007-08.

I am deleting the $600,000 legislative augmentation in TANF Block Grant funds for CalWORKs Indian Health Clinics. The Legislature's augmentation did not reflect an analysis of data or outcome measures indicating that the current funding level is insufficient. This veto maintains funding for Indian Health Clinics at the level proposed in the May Revision.

I am deleting Provision 5, as this language is unnecessary. The Legislature included language with the same effect in the social services budget trailer bill. Having language in both the Budget Act and the trailer bill is duplicative and may cause confusion related to compliance.

Item 5180-141-0001—For local assistance, Department of Social Services. I reduce this item from $437,339,000 to $432,625,000 by reducing:

(1) 16.75-County Administration and Automation Projects from $1,055,060,000 to $1,043,686,000;

(2) Reimbursements from -$57,397,000 to -$54,203,000; and

(3) Amount payable from the Federal Trust Fund (Item 5180-141-0890) from -$560,324,000 to -$556,858,000.

I am deleting the legislative augmentation of $11,374,000 ($4,714,000 General Fund, $3,194,000 Reimbursements, and $3,466,000 Federal Trust Fund) for workstation replacement and help desk support of the Statewide Automated Welfare System, including the CalWORKS Information Network. Although I understand that workstations need to be replaced on a regular basis, workstation replacement costs should be paid from funds provided for general county administration. In addition, the Budget already provides increased funding for county help desk staff.

I am also reducing $3,204,000 in Item 4260-101-0890 to conform to this action.

Item 5180-141-0890—For local assistance, Department of Social Services. I reduce this item from $560,324,000 to $556,858,000.

I am reducing 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 $912,253,000 to $909,599,000 by reducing:

(1) 25.30-Children and Adult Services and Licensing from $2,392,442,000 to $2,387,042,000;

(3) Reimbursements from -$99,626,000 to -$99,173,000; and

(6) Amount payable from the Federal Trust Fund (Item 5180-151-0890) from -$1,399,979,000 to -$1,397,686,000.

I am deleting the legislative augmentation of $5,400,000 ($2,654,000 General Fund, $453,000 Reimbursements, and $2,293,000 Federal Trust Fund) for Child Welfare Services/Case Management System (CWS/CMS) county workstation replacement. Although I understand that workstations need to be replaced on a regular basis, workstation replacement costs should be paid from funds provided for general county administration. In addition, since many workstations include functionalities that are not related to the CWS/CMS program, this augmentation is unnecessary.

I am also deleting the legislative augmentation of $5,400,000 in Item 0530-001-9732 to conform to this action.

Item 5180-151-0890—For local assistance, Department of Social Services. I reduce this item from $1,399,979,000 to $1,397,686,000.

I am reducing this item to conform to the action I have taken in Item 5180-151-0001.

Item 5225-002-0001—For support of Department of Corrections and Rehabilitation. I delete Provision 6.

I am deleting Provision 6, which would limit the expenditure of funds appropriated for the Inmate Dental Plan required by the *Perez v. Tilton*lawsuit pending the submission of the court required staffing study to the Joint Legislative Budget Committee (JLBC). The Administration will provide this report to the JLBC when it is available; however, I am vetoing this language because it could limit the Department's ability to implement this plan and meet court requirements.

I am sustaining Provision 7, which will require the Department to establish guidelines for the use of telemedicine, establish performance targets, and provide the Legislature with a written report regarding meeting the performance targets. The Administration is supportive of establishing appropriate guidelines and performance measures. However, compliance will be at the discretion of the Receiver appointed by the federal court in *Plata v. Schwarzenegger* to oversee the provision of medical services to inmates.

Item 6110-001-0001—For support of Department of Education. I reduce this item from $48,902,000 to $47,816,000 by reducing:

(1) 10-Instruction from $58,451,000 to $57,831,000,

(2) 20-Instructional Support from $100,127,000 to $99,661,000;

and by deleting Provisions 27 and 30.

I am reducing this item by $320,000 for increased compensation for Administrative Law Judges concerning dispute resolution services for special education. This legislative augmentation is unnecessary, as funding is already included in a separate item for employee compensation adjustments.

I am deleting Provision 30 to conform to this action.

I am reducing this item by $300,000 for a study of the special education funding formula's Special Disabilities Adjustment. I note that a similar study funded in the 2002 Budget Act failed to update the adjustment factors in a satisfactory manner, and I see no compelling reason to believe that a second study will bring greater clarity to the issue.

I am deleting Provision 27 to conform to this action.

I am reducing a legislative augmentation by $466,000 and 5.0 positions to oversee management teams and trustees of state-sanctioned schools. Instead, I am sustaining $130,000 and 1.0 position for these purposes. I believe an increase in staff to the higher

level is unnecessary because there are very few schools that will be subject to oversight by a management team or a trustee. Further, these oversight responsibilities can be absorbed within existing resources because the department's staffing levels were never reduced to reflect the phase-out of the Immediate Intervention/Underperforming Schools Program.

Item 6110-126-0890—For local assistance, Department of Education. I reduce this item from $158,937,000 to $143,837,000 and delete Provisions 10, 11, 12, and 13.

I am reducing $15,100,000 in federal Reading First carryover expenditure authority from prior years and deleting the provisional language associated with it. I am concerned that this language both proposes to initiate a new cohort of grant recipients, and would require subsequent legislation to define the criteria by which currently participating districts are determined to be making progress in the program and thus, whether current grant recipients continue to receive funding. This language is an attempt to enact substantive law in the Budget Act rather than in a single subject bill as required by the Constitution.

Further, this proposal is inconsistent with the approved federal Reading First State Plan which appropriately gives the authority to define "significant progress" to the State Board of Education (SBE) as the State Educational Agency responsible for implementation of the federal No Child Left Behind Act. The SBE has been working with constituents to develop a fair and meaningful definition of "significant progress" and should be allowed to continue their work. Finally, the addition of a new cohort in the fifth year of a six-year program may serve to undermine the overall performance of the state's Reading First program and, therefore, jeopardize future funding for this program if it is reauthorized at the federal level. I am willing to support a substantive bill that maintains the authority of the SBE to define "significant progress", extends availability of funding for existing cohorts for the 5th and 6th years, and avoids creation of a new cohort of grant recipients.

Item 6110-203-0001—For local assistance, Department of Education (Proposition 98). I reduce this item from $130,892,000 to $93,092,000 by reducing:

(1) 30.20.010-Child Nutrition Programs from $131,234,000 to $93,434,000,

and by deleting Provision 6.

I am deleting $37,800,000 legislative augmentation because the Legislature did not link this funding to legislation that would require schools to improve the nutritional quality of meals served to California students. With the progress we have made thus far in limiting “junk food” on school campuses and placing greater emphasis on student consumption of fruits and vegetables, I believe that improved nutritional quality is a critical additional step to battling childhood obesity and improving our students’ health. I am therefore setting these funds aside for appropriation in subsequent legislation.

I am deleting Provision 6 to conform to this action.

Item 6360-001-0001—For support of the Commission on Teacher Credentialing. I delete this item.

I am deleting this item to eliminate the $227,000 legislative augmentation to support the rate increase for the Paraprofessional Teacher Training Program in Item 6360-101-0001 because a rate increase does not drive any substantive additional workload.

Item 6600-001-0001—For support of Hastings College of the Law. I reduce this item from $10,924,000 to $10,671,000.

I am reducing the one-time legislative augmentation for relocation costs related to a capital outlay project to correct code deficiencies in an academic facility from $776,000 to $523,000. Pursuant to the compact for Higher Education, the Budget includes $253,000 which may be spent for this purpose at the discretion of the College. This action is necessary to limit program expansions and provide for a prudent General Fund reserve.

Item 6610-002-0001—For support of California State University. I reduce this item from $3,121,000 to $2,991,000 by reducing:

(3) Assembly Fellows from $601,687 to $565,287;

(4) Senate Fellows from $601,687 to $565,287;

(5) Executive Fellows from $601,687 to $565,287; and

(6) Judicial Fellows from $422,939 to $402,139.

I am reducing the $230,000 legislative augmentation for the Capital Fellows Programs by $130,000. Given the 3 percent increase that was already included in the January Budget for this program, the remaining $100,000 augmentation would reflect a 6.6 percent increase for inflationary pressures. This should be sufficient to effectively maintain the program. Should the Chancellor of the California State University believe this amount to be insufficient, he may allocate funds for this purpose from Item 6610-001-0001.

Item 6610-004-0001—For support of California State University. I delete this item.

I am deleting this item which reflects a legislative augmentation of $112,000 to support California's membership in the Western Interstate Commission for Higher Education (WICHE). When acting on the 2004 Budget, the Legislature deleted funding for membership dues for WICHE, as well as other state membership dues because of the fiscal condition of the state. This reduction continues to be necessary to provide for a prudent General Fund reserve. Both the University of California and the California State University may elect to provide funding for this purpose to the extent the benefits of membership in this organization are worthwhile.

Item 6870-001-0001—For support of Board of Governors of the California Community Colleges. I reduce this item from $9,472,000 to $9,397,000 by reducing:

(2) 20-Special Services and Operations from $16,392,000 to $16,317,000.

I am reducing Schedule (2) to eliminate the $75,000 legislative augmentation for additional staffing at the Chancellor's Office. Three positions were added to the Chancellor's Office in the Budget Act of 2005 for the same purposes and remain available in the budget year for these purposes. These resources are sufficient for supporting local assistance programs in 2006-07.

Item 6870-101-0001—For local assistance, Board of Governors of the California Community Colleges (Proposition 98). I reduce this item from $3,772,712,000 to $3,763,712,000 by reducing:

(11) 20.20.050-Part-time Faculty Health Insurance from $6,000,000 to $1,000,000, and

(13) 20.20.055-Part-time Faculty Office Hours from $11,172,000 to $7,172,000.

I am reducing schedule (11) by $5,000,000 and schedule (13) by $4,000,000 to delete the legislative augmentations for both the respective Part-time Faculty Health Insurance and Part-time Faculty Office Hours Programs. However, I am setting these amounts

aside for legislation that restores these funds for the Career Technical Education Program.

The part-time faculty programs were established to provide incentive grants to districts to increase their investments in part-time faculty benefits and were not intended to require additional state contributions. Given the significant increases in general purpose funding in this budget, districts have more than adequate resources to support these programs at local discretion. Moreover, I am committed to increasing the $20,000,000 ongoing funding remaining in the budget for Career Technical Education, after the Legislature's $30,000,000 reduction to my proposed budget. Given the magnitude of work that remains to be done to reinvigorate and align career technical education programs in our high schools and community colleges, I am setting these funds aside for appropriation for that purpose in subsequent legislation.

Item 7980-001-0784—For support of California Student Aid Commission. I reduce this item from $15,379,000 to $15,279,000 by reducing:

(1) 15-Financial Aid Grants Program from $13,848,000 to $13,748,000,

and by deleting Provision 5.

I am deleting the $100,000 legislative augmentation for 1.0 position for purposes of administering the Public Interest Attorney Loan Repayment Program to conform to my action on item 7980-101-0001.

I am deleting Provision 5 to conform to this action.

Item 7980-101-0001—For local assistance, California Student Aid Commission. I am revising Provision 1(d) and deleting Provision 10.

I am reducing the number of loan assumption warrants authorized in Provision 1(d) for the Assumption Program of Loans for Education by 600 and setting aside this amount of new warrants for authorization in subsequent legislation that would specify their use exclusively for students participating in the Science and Math Teacher Initiative as proposed in my January Budget. Given the significant shortage of highly talented science and math teachers in our public school system, my January Budget contained a modest, but important component of the initiative that has been funded in the last two budgets for the University of California and the California State University systems. I continue to propose assumption of loans for these students in order to provide greater certainty of securing the most proficient science and math teachers possible which is critical to California's future economic well being.

I am revising Provision 1(d) to conform to this action as follows:

"1(d). The purchase of loan assumptions under Article 5 (commencing with Section 69612) of Chapter 2 of Part 42 of the Education Code. The Student Aid Commission shall issue ~~8,000~~*7,400* new warrants."

Additionally, I am deleting the legislative language augmentation included in Provision 10 that authorizes 100 new warrants for the Public Interest Attorney Loan Repayment Program. Because the education trailer bill would delete the provisions of current law that authorize donations for the purpose of funding this program, these warrants would require General Fund repayment in future years. Therefore, this action is necessary to limit program expansions.

I am deleting Provision 10 to conform to this action.

Item 7100-101-0869—For local assistance under Workforce Investment Act (WIA), Employment Development Department. I delete Provision 2 of this item.

This language would have the effect of unilaterally augmenting the formula allocations for some Local Workforce Investment Areas (LWIAs), while decreasing the total funding available for other LWIAs that may need additional assistance as a result of recent worker dislocations.

I agree that the concern addressed by this language has merit, but it would not solve the underlying issue of fairness with regard to the division of funds based on mass layoff data. The California Workforce Investment Board is currently working on a report that will address the distribution of the federal Workforce Investment Act funds. Additionally, until the report is finalized, the Employment Development Department already has a process for LWIAs to apply for and receive additional funding when the formula allocation does not adequately reflect the demand for services. This process has been successfully used by LWIAs in the past to quickly receive additional funding when necessary. Consequently, for these reasons I am vetoing this language.

Item 7350-001-0001—For support of Department of Industrial Relations. I reduce this item from $65,603,000 to $64,103,000 by reducing:

(5) 40-Division of Occupational Safety and Health from $88,966,000 to $87,466,000,

and by deleting Provisions 2 and 3.

I am deleting the legislative augmentation that provided $1,500,000 and 15.2 personnel years to improve the ratio of Cal/OSHA inspectors to the civilian workforce. The Legislative Analyst's Office provided a study on Cal/OSHA inspections which demonstrates that the levels of workplace injuries and fatalities in California are well below the national average. Furthermore, Cal/OSHA has a number of inspector positions that are vacant and have been historically difficult to fill. With this reduction, $87,466,000 still remains to support Cal/OSHA.

I am deleting Provision 2 which would require $1,500,000 of the amount scheduled in Program 50 to be expended solely to reduce wage claim hearing backlogs and to increase field enforcement in specified industries. This language is unduly restrictive and could undermine the Division's targeted enforcement efforts.

I am deleting Provision 3 that would redirect the revenues collected from Farm Labor Contractor license fees. This provision would increase the amount directed to the Farmworker Remedial Account from $50 to $150, and would decrease the amount of funds directed to the General Fund from $450 to $350 for the 2006-07 fiscal year. This language is unnecessary because proposed budget trailer bill language will redirect the funds in a similar manner on an ongoing basis.

Item 8570-001-0001—For support of Department of Food and Agriculture. I reduce this item from $76,457,000 to $75,457,000 by reducing:

(1) 11-Agricultural Plant and Animal, Pest and Disease Prevention from $107,877,000 to $106,877,000.

I am reducing the legislative augmentation for the Noxious Weed Management Program by $1,000,000. While I understand that this program is to protect and enhance the economy and natural environment of California and that current activities are not sufficient to adequately address the problems associated with noxious and invasive weeds, the remaining funds will provide a sufficient level of funding to leverage local and federal funds to continue efforts in this area.

Item 8570-101-0001—For local assistance, Department of Food and Agriculture.

I am sustaining the $3,000,000 legislative augmentation related to high-risk pest exclusion and the language requiring a specific allocation methodology for the distribution of these funds. Further, I am directing the Department to convene the High Risk Pest Exclusion Working Group and determine the distribution of these funds within 45 days of signature of this bill with contracts awarding these funds to immediately follow.

Item 8660-001-0461—For support of Public Utilities Commission. I reduce this item from $9,292,000 to $8,725,000.

I am reducing this item by $567,000 to conform to the action I have taken in Item 8660-001-0462.

Item 8660-001-0462—For support of Public Utilities Commission. I reduce this item from $74,778,000 to $73,198,000 by reducing:

(1) 10-Regulation of Utilities from $108,830,000 to $106,827,000;

(3) 20-Regulation of Transportation from $17,358,000 to $16,791,000;

(10) Amount payable from the Public Utilities Commission Transportation Reimbursement Account (Item 8660-001-0461) from -$9,292,000 to -$8,725,000; and

(18) Amount payable from the Public Utilities Commission Ratepayer Advocate Account (Item 8660-001-3089) from -$20,175,000 to -$19,752,000.

The Legislature augmented the Public Utilities Commission's budget by $5,607,000 and 58.5 positions to meet increased workload demands. I am sustaining $3,037,000 and 33.0 positions to perform critical climate change activities and to meet workload demands in the Energy Division, Water Division, Telecommunications Division, and the Division of Ratepayer Advocates. However, I am vetoing $2,570,000 and 25.5 positions of the augmentation because they are not justified on a workload basis.

Item 8660-001-3089—For support of Public Utilities Commission. I reduce this item from $20,175,000 to $19,752,000.

I am reducing this item by $423,000 to conform to the action I have taken in Item 8660-001-0462.

Item 8660-011-0462—For transfer by the Controller from the Public Utilities Commission Utilities Reimbursement Account to the Public Utilities Commission Ratepayer Advocate Account. I reduce this item from $(20,175,000) to $(19,752,000).

I am reducing this item by $423,000 to conform to the action I have taken in Items 8660-001-0462 and 8660-001-3089.

Item SEC. 24.55—California Research and Education Network. Specified Use of Funds and Reporting Requirements for the California Research and Education Network (CalREN). I revise this Control Section to eliminate requirements related to assets purchased primarily with state funds because they are overly restrictive and inequitable to other entities that have contributed funds for this equipment.

Participants in the Corporation for Education Network Initiatives in California (CENIC) and CalREN include private colleges and educational institutions from other states. Therefore, the language in this control section that requires that any assets purchased primarily with state moneys be transferred to the state if CENIC no longer manages the network is inappropriate Disposition of jointly purchased and shared assets should be determined by all affected parties, including California educational institutions, in the unlikely scenario that CENIC no longer manages the Network. Further, this section appears to violate the separation of powers provision of the California Constitution in that it impairs the ability of the University of California, the California State University, and the Executive Branch to administer the program and determine the appropri-

ate allocation of assets. Also, it appears to violate the prohibition against the impairment of the obligation of contracts in that it impairs the existing agreements among the members of CENIC.

I am revising Control Section 24.55 to conform as follows:

"SEC. 24.55. (a) For the purposes of this section, “educational institutions” means the University of California (UC), upon the approval of its Board of Regents, the California State University (CSU), the California Community Colleges (CCC), and the State Department of Education (SDE), or their designees, as part of their participation on the Board of the Corporation for Education Network Initiatives in California (CENIC).

(b) To expend General Fund, student fee revenue, or any other monies for the California Research and Education Network (CalREN) or the K–12 High Speed Network (HSN), state educational institutions shall do all of the following:

(1) Ensure that any interest earned on state monies is used for operating CalREN serving the UC, CSU, CCC, and K–12 segments. Any segment-specific cash reserves held by CENIC for an individual segment shall be held separately and accrue interest to that segment.

~~(2) Ensure that any assets purchased primarily with state monies are transferred to the state if CENIC no longer manages CalREN.~~

(3) Approve an agreement that designates specific levels of service to be provided by CalREN and HSN to all public education segments.

(4) Establish fee payment schedules that neither result in significant prepayments nor require additional administrative costs to implement. If the Board of CENIC determines that certain prepayments are necessary, individual segments may prepay to avoid additional costs to themselves.

(5) Ensure that CENIC reports to the Legislature and the Governor, not later than December 1, 2006, the following minimum information:

(A) For the 2005–06 fiscal year, revenues from each public education segment and from other sources whose annual revenues are $100,000 or more, and expenditures of $100,000 or more by major category.

(B) A financial accounting of all primarily state-funded assets associated with CalREN and HSN.

(C) A copy of the 2006–07 service level agreement approved by the Board of CENIC.

(D) A list of all prepayments made in the 2005–06 fiscal year and in the first quarter of the 2006–07 fiscal year, and a detailed explanation of the savings resulting from each prepayment.

(E) A list of all in-state private educational institutions and out-of-state educational institutions that have used CalREN and the fee amounts they have been charged.

(F) A detailed revised budget for CalREN and HSN for the 2006–07 fiscal year."

Item SEC. 33.50—Strategic Sourcing. I delete this Control Section.

I am deleting this Control Section, which authorizes the Department of Finance to reduce appropriations to capture savings resulting from the California Strategic Sourcing Initiative and requires the Director of Finance to provide quarterly reports to the Legislature on any payments made to a Strategic Sourcing contractor at least 30 days prior to reducing any item of appropriation.

To the extent departments experience savings due to Strategic Sourcing, these savings will either create flexibility within departments' budgets or be counted toward the $200,000,000 savings requirement in Control Section 4.05. However, consistent with

the intent of Control Section 33.50, I am directing the Department of General Services to continue to provide quarterly reports to the Legislature identifying the Strategic Sourcing savings by departments and amounts paid to contractors.

With the above deletions, revisions, and reductions, I hereby approve Assembly Bill 1801.

Schwarzenegger, Arnold

LEGISLATIVE COUNSEL'S DIGEST

AB 1801, Laird. Budget Act of 2006.

This bill would make appropriations for support of state government for the 2006–07 fiscal year.

This 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 2006."

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 Transportation Fund)

(2) Appropriation items are organized in organization code order.

(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. 1.80. (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 2006–07 fiscal year beginning July 1, 2006, and ending June 30, 2007. 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 2006–07, 2007–08, and 2008–09 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 2006–07 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, 2007, 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.

SEC. 2.00. Items of appropriation.

LEGISLATIVE/JUDICIAL/EXECUTIVE

Legislative

Item	Amount
0110-001-0001—For support of Senate.....	102,201,000

Schedule:

(1) 101001-Salaries of Senators..... 5,899,000
(2) 317295-Mileage..... 11,000
(3) 317292-Expenses..... 1,407,000
(4) 500004-Operating Expenses..... 94,054,000
(5) 317296-Automotive Expenses..... 830,000

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.....	138,685,000

Schedule:

(1) 101001-Salaries of Assembly Members..... 10,757,000
(2) 317295-Mileage..... 8,000
(3) 317292-Expenses..... 3,102,000
(4) 500004-Operating Expenses..... 124,121,000
(5) 317296-Automotive Expenses..... 697,000

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

Item Amount

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 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..... 6,840,000

(2) Transferred from Item 0110-001-0001..... −3,420,000

(3) Transferred from Item 0120-011-0001..... −3,420,000

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 or his or her designee.

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..... 82,590,000

Schedule:

(1) Support..... 82,721,000

(2) Reimbursements..... −131,000

Judicial

0250-001-0001—For support of Judicial Branch..... 316,287,000

Schedule:

(1) 10-Supreme Court..... 41,499,000

(2) 20-Courts of Appeal..... 181,042,000

Item Amount

(3) 30-Judicial Council..... 92,332,000
(4) 35-Judicial Branch Facility Program..... 2,094,000
(5) 50-Habeas Corpus Resource Center..... 12,842,000
(6) Reimbursements..... −4,311,000
(7) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 0250-001-0044).... −160,000
(8) Amount payable from the Court Interpreters' Fund (Item 0250-001-0327)..... −155,000
(9) Amount payable from the Federal Trust Fund (Item 0250-001-0890)..... −3,046,000
(10) Amount payable from the Appellate Court Trust Fund (Item 0250-001-3060)..... −5,850,000

Provisions:

1. Notwithstanding Section 26.00, 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.
4. The funds appropriated by Schedule (5) shall be available for costs associated directly or indirectly with the California Habeas Corpus Resource Center (CHCRC). The CHCRC shall re-

Item Amount

port to the Legislature and the Department of Finance on September 1, 2006, and April 1, 2007, 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 justices, and administrative costs pursuant to Section 68114.10 of the Government Code.
6. Of the amount appropriated in this item, $2,127,000 from the price increase for the court appointed counsel budget is to provide funding for up to a $10 per hour increase in compensation at all three levels of appointed counsel.
7. Of the amount appropriated in this item, $435,000 shall be used to increase judicial salaries by 4.25 percent effective January 1, 2007.

0250-001-0044—For support of Judicial Branch, for payment to Item 0250-001-0001, payable from the Motor Vehicle Account, State Transportation Fund..... 160,000

0250-001-0159—For support of Judicial Branch, payable from the Trial Court Improvement Fund.... 1,000

Provisions:

1. Upon approval by the Director of the Administrative Office of the Courts, the Controller shall increase this item up to $12,509,000 for recovery of costs for administrative services provided to the trial courts by the Administrative Office of the Courts.
2. Upon approval by the Director of Administrative Office of the Courts, and notification to the Department of Finance, the chairpersons of the committees in each house of the Legislature that consider appropriations and the State Budget, and the Chairperson of the Joint Legislative Budget Committee, the Controller shall additionally increase this item by an amount, or amounts totaling no more than $1,250,000.

Item Amount

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 consider 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.

0250-001-0327—For support of Judicial Branch, for payment to Item 0250-001-0001, payable from the Court Interpreters' Fund..... 155,000

0250-001-0890—For support of Judicial Branch, for payment to Item 0250-001-0001, payable from the Federal Trust Fund..... 3,046,000

0250-001-0932—For support of Judicial Branch, payable from the Trial Court Trust Fund..... 1,000

Schedule:

(.5) 30-Judicial Council..... 1,000

(1) 35-Judicial Branch Facility Program..... 0

Provisions:

1. Upon approval by the Director of the Administrative Office of the Courts, the Controller shall increase this item by an amount sufficient to allow for the expenditure of any transfer to this item made pursuant to Provisions 8 and 8.5 of Item 0250-101-0932.

0250-001-3037—For support of Judicial Branch, payable from the State Court Facilities Construction Fund..... 36,163,000

Schedule:

(1) 30-Judicial Council..... 6,449,000

(2) 35-Judicial Branch Facility Program..... 29,714,000

Provisions:

1. The Director of Finance may augment this item by an amount not to exceed available funding in the State Court Facilities Construction Fund, after review of a request submitted by the Administrative Office of the Courts that demonstrates a need for additional resources associated with and including, but not limited to, the transfer, acquisition, rehabilitation, construction, or financing of court facilities. This re-

Item Amount

quest shall be submitted no later than 60 days prior to the effective date of the augmentation. 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 consider appropriations, the chairperson 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.

0250-001-3060—For support of Judicial Branch, for payment to Item 0250-001-0001, payable from the Appellate Court Trust Fund..... 5,850,000

Provisions:

1. Upon approval 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 Appellate Court Trust Fund, which is in addition to the amount appropriated in this item. 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 consider appropriations, the chairpersons of the committees 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.

0250-001-3066—For support of Judicial Branch, payable from the Court Facilities Trust Fund..... 1,076,000

Schedule:

(1) 35-Judicial Branch Facility Program..... 1,150,000

(2) Reimbursements..... −74,000

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.

Item		Amount
0250-003-0001—For support of Judicial Branch for rental payments on lease-revenue bonds.....		983,000
Schedule:		
(1) Base Rental and Fees.....	984,000	
(2) Insurance.....	12,000	
(3) Reimbursements.....	−13,000	
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 Appellate District, Division 2, in Riverside, California.		
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.		
3. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.		
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 justices, and administrative costs pursuant to Section 68114.10 of the Government Code.		
0250-101-0001—For local assistance, Judicial Branch.....		17,575,000
Schedule:		
(1) 45.10-Support for Operation of Trial Courts.....	6,487,000	
(2) 45.55.010-Child Support Commissioners Program (Article 4 (commencing with Section 4250) of Chapter 2 of Part 2 of Division 9 of the Family Code).....	46,486,000	

Item	Amount
(3) 45.55.020-California Collaborative and Drug Court Projects	2,974,000
(4) 45.55.030-Federal Child Access and Visitation Grant Program	800,000
(5) 45.55.050-Federal Court Improvement Grant Program	700,000
(6) 45.55.070-Grants—Other	5,000
(7) 45.55.080-Federal Grants—Other	775,000
(8) 45.55.090-Equal Access Fund Program	9,972,000
(9) Reimbursements	−48,349,000
(10) Amount payable from Federal Trust Fund (Item 0250-101-0890)	−2,275,000

Provisions:

2. In order to improve equal access and the fair administration of justice, the funds appropriated in Schedule (8) 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 to 6215, inclusive, 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 (8) 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 (8) shall be distributed consistent with Sections 6216 to 6223, inclusive, of the Business and Professions Code. The Judicial Council may establish additional reporting or quality control requirements consistent with Sections 6213 to 6223, inclusive, of the Business and Professions Code.
3. The amount appropriated in Schedule (1) is available for reimbursement of court costs related to the following activities: (a) payment of service of process fees billed to the trial courts pursuant to the provisions of Chapter 1009 of the Statutes of 2002, (b) payment of the court costs payable under Sections 4750 to 4755, in-

Item Amount

clusive, and Section 6005 of the Penal Code, and (c) payment of court costs of extraordinary homicide trials.

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

0250-101-0932—For local assistance, Judicial Branch, payable from the Trial Court Trust Fund..... 2,793,277,000

Schedule:

(1) 45.10-Support for Operation of the Trial Courts..... 2,420,001,000
(2) 45.25-Compensation of Superior Court Judges..... 246,678,000
(3) 45.35-Assigned Judges..... 21,414,000
(4) 45.45-Court Interpreters..... 96,126,000
(5) 45.55.060-Court Appointed Special Advocate (CASA) Program.... 2,148,000
(6) 45.55.065-Model Self-Help Program..... 929,000
(7) 45.55.090-Equal Access Fund Program..... 5,199,000
(8) 45.55.095-Family Law Information Centers..... 336,000
(9) 45.55.100-Civil Case Coordination..... 446,000

Provisions:

1. Notwithstanding Section 26.00, the funds appropriated or scheduled in this item may be allocated or reallocated among categories by the Judicial Council.
2. The funds appropriated in Schedule (2) shall be made available for costs of the workers' compensation program for trial court judges.
3. The amount appropriated in Schedule (3) shall be made available for all judicial assignments. Schedule (3) expenditures for necessary support staff may not exceed the staffing level that is necessary to support the equivalent of three judicial officers sitting on assignments.
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: 1.0 each in counties of the 1st through the 15th classes, 0.5 each in counties of the 16th

Item Amount

through the 31st classes, and 0.25 each in counties of the 32nd through the 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 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. 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 consider appropriations, the chairperson 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.
6. 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 0250-115-0932 to provide adequate resources to the Judicial Branch Workers' Compensation Fund to pay workers' compensation claims for judicial branch employees and judges, and administrative costs pursuant to Section 68114.10 of the Government Code.
7. Of the funds appropriated in Schedule (1), which will be transferred to the Trial Court Improvement Fund in accordance with subdivision (b) of Section 77209 of the Government Code, up to $5,000,000 shall be available for

Item Amount

support of services for self-represented litigants.

8. Upon approval by the Director of the Administrative Office of the Courts, the Controller shall transfer up to $9,019,000 to Item 0250-001-0932 for recovery of costs for administrative services provided to the trial courts by the Administrative Office of the Courts.

8.5. Upon approval by the Director of the Administrative Office of the Courts, and notification to the Department of Finance, the chairpersons of the committees in each house of the Legislature that consider appropriations and the State Budget, and the Chairperson of the Joint Legislative Budget Committee, the Controller shall additionally increase the amount of the transfer by an amount or amounts no more than $901,000. Any augmentations 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 consider appropriations, the chairpersons of the committees 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.

9. In order to improve equal access and the fair administration of justice, the funds appropriated in Schedule (7) are available for distribution by the Judicial Council through the Legal Services Trust Fund Commission to qualified legal services projects and support centers as defined in Sections 6213 to 6215, inclusive, 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. Upon approval by the Director of the Administrative Office of the Courts, the Controller shall transfer up to 5 percent of the funding appropriated in Schedule (7) to Item 0250-001-0932 for administrative expenses. Ten percent of the funds

Item Amount

remaining after administrative costs shall be for joint projects of courts and legal services programs to make legal assistance available to pro per litigants and 90 percent of the funds remaining after administrative costs shall be distributed consistent with Sections 6216 to 6223, inclusive, of the Business and Professions Code. The Judicial Council may establish additional reporting or quality control requirements consistent with Sections 6213 to 6223, inclusive, of the Business and Professions Code.

10. Of the funds appropriated in this item, $2,725,000 is provided for the costs of new judgeships and accompanying staff. Any funds not used for this purpose shall revert to the General Fund. The Judicial Council shall report to the Legislature on January 1, 2008, and annually thereafter, until all judgeships are appointed and new staff hired, on the amount of funds allocated to each trial court to fund the new portions.

11. Of the funds appropriated in Schedule (4), $10,000,000 is provided for services of court interpreters in civil actions and proceedings. In the event that sufficient funds are not available for all cases, or if, after diligent search, a sufficient number of interpreters is not available for all civil actions and proceedings, priority shall be given as follows, provided, however, that this case priority shall not be construed to negate or limit any right to an interpreter in a civil action or proceeding otherwise provided by state or federal law: (a) Parties appearing in forma pauperis or whom the court otherwise determines are financially unable to pay the cost of an interpreter with priority given to actions and proceedings relating to domestic violence, child custody, protective orders, unlawful detainer, elder and dependent abuse, guardians and conservators, and family law; (b) Parties appearing in propria persona with priority given to actions and proceedings relating to domestic violence, child custody, protective orders, unlawful detainer, elder and dependent abuse, guardians and conservators, and family law; and (c) actions and proceedings in small claims court, notwithstanding Section 116.550

Item Amount

of the Code of Civil Procedure. Any unspent funds, shall revert to the General Fund.

12. Of the funds appropriated in this item, $6,898,000 shall be used to increase judicial salaries by 4.25 percent effective January 1, 2007.

0250-111-0001—For transfer by the Controller to the Trial Court Trust Fund..... 1,602,734,000

0250-112-0001—For transfer by the Controller to the Judicial Administration Efficiency and Modernization Fund..... 35,815,000

0250-112-0556—For local assistance, Judicial Branch, payable from the Judicial Administration Efficiency and Modernization Fund..... 35,815,000

Provisions:

1. Upon approval 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 Judicial Administration Efficiency and Modernization Fund, which is in addition to the amount appropriated in this item. 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 consider appropriations, the chairpersons of the committees 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.

0250-115-0932—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 judges, and administrative costs pursuant to Section 68114.10 of the Government Code.

Item Amount

0250-301-0660—For capital outlay, Judicial Branch, payable from the Public Buildings Construction Fund..... 6,828,000

Schedule:

(1) 90.20.401-Court of Appeal, Fourth Appellate District Santa Ana: New Courthouse—Working drawings and construction..... 6,828,000

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 Judicial Branch and State Public Works Board are 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 project.
3. 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 Judicial Branch from the requirements of the California Environmental Quality Act. This section is declaratory of existing law.

0250-301-3037—For capital outlay, Judicial Branch, payable from the State Court Facilities Construction Fund..... 66,320,000

Schedule:

(1) 91.07.001-Contra Costa County, New Antioch Area Courthouse—Acquisition and preliminary plans..... 2,232,000

(1.2) 91.10.001-Fresno County: Sisk Federal Courthouse Renovation—Preliminary plans, working drawings, and construction..... 61,327,000

Item Amount

(1.3) 91.26.001-Mono County: New Mammoth Lakes Courthouse—Acquisition and preliminary plans..... 2,055,000

(2) 91.32.001-Plumas and Sierra Counties, New Portola/Loyalton Courthouse: Acquisition and preliminary plans..... 706,000

Provisions:

1. Notwithstanding any other provision of law, the County of Plumas shall transfer responsibility, or responsibility and title, for the Portola Court facility to the state prior to the release of funds identified in Schedule (2).
2. Of the funds appropriated in Schedule (1.2), $61,327,000 is provided for the conversion of the Sisk Federal Courthouse in Fresno to a 16-courtroom facility.
3. The funds appropriated in this item include $437,000 for acquisition and $269,000 for preliminary plans. The funds appropriated for acquisition shall be spent on acquisition-related expenses and on June 30, 2007, any unspent portion of the acquisition funds shall revert to the State Court Facilities Construction Fund.

0250-401—The Director of Finance may authorize a loan from the General Fund to the Trial Court Improvement Fund for cashflow purposes in an amount not to exceed $70,000,000 subject to the following conditions:

(a) The loan is to meet cash needs resulting from a delay in receipt of revenues.

(b) The loan is short term, and shall be repaid by October 31 of the fiscal year following that in which the loan was authorized.

(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 chairpersons of the committees in each house of the Legislature that consider appropriations not later than 30 days prior to the effective date of the approval, or not sooner than whatever lesser time the

Item Amount

chairperson of the joint committee or his or her designee may determine.

0250-490—Reappropriation, Judicial Branch. The balance of the appropriation provided for 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

(1) Item 0250-301-0660, Budget Act of 2002 (Ch. 379, Stats. 2002), as reappropriated by Item 0250-490, Budget Acts of 2003 and 2004 (Ch. 157, Stats. 2003, and Ch. 208, Stats. 2004)

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

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 may authorize the augmentation of the cost of design and construction of the project scheduled in this item pursuant to the board's authority under Section 13332.11 of the Government Code.

0280-001-0001—For support of the Commission on Judicial Performance, Program 10..... 4,093,000

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 Section 68114.10 of the Government Code.

0280-011-0001—For transfer, upon order of the Director of Finance, to the Judicial Branch Workers' Compensation Fund..... 1,000

Item Amount

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 Section 68114.10 of the Government Code.

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..... 119,308,000

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.

Executive

0500-001-0001—For support of Governor and of Governor's office..... 18,402,000

Schedule:

(1) Support..... 18,327,000
(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..... 769,000

Schedule:

(1) Support..... 1,369,000
(2) Reimbursements..... −600,000

Item		Amount
0520-001-0001—For support of Secretary of Business, Transportation and Housing, for payment to Item 0520-001-0044, payable from the General Fund.....		8,921,000
Provisions:		
1. Of the amount appropriated in this item, $7,300,000 shall be available for use by the California Travel and Tourism Commission for use in promoting California tourism to potential visitors.		
0520-001-0044—For support of Secretary for Business, Transportation and Housing, payable from the Motor Vehicle Account, State Transportation Fund.....		1,171,000
Schedule:		
(1) 10-Administration of Business, Transportation and Housing Agency.....	3,037,000	
(2) 25-Infrastructure Finance and Economic Development Program.....	13,859,000	
(3) Reimbursements.....	−2,973,000	
(4) Amount payable from the General Fund (Item 0520-001-0001).....	−8,921,000	
(5) Amount payable from the California Infrastructure and Economic Development Bank Fund (Item 0520-001-0649).....	−3,067,000	
(6) Amount payable from the Small Business Expansion Fund (Item 0520-001-0918).....	−420,000	
(7) Amount payable from the Welcome Center Fund (Item 0520-001-3083).....	−56,000	
(8) Amount payable from the Film Promotion and Marketing Fund (Item 0520-001-3095).....	−10,000	
(9) Amount payable from the Chrome Plating Pollution Prevention Fund (Item 0520-001-9329).....	−278,000	
Provisions:		
1. Of the amount appropriated in Schedule (2), $85,000 is for reimbursement of the Department of Toxic Substances Control for expansion of the Model Shop Program pursuant to Chapter 2 (commencing with Section 42100) of Part 3 of Division 30 of the Public Resources Code.		

Item	Amount
0520-001-0649—For support of Secretary of Business, Transportation and Housing, for payment to Item 0520-001-0044, payable from the California Infrastructure and Economic Development Bank Fund	3,067,000
0520-001-0918—For support of Secretary of Business, Transportation and Housing, for payment to Item 0520-001-0044, payable from the Small Business Expansion Fund	420,000
0520-001-3083—For support of Secretary of Business, Transportation and Housing, for payment to Item 0520-001-0044, payable from the Welcome Center Fund	56,000
0520-001-3095—For support of Secretary of Business, Transportation and Housing, for payment to Item 0520-001-0044, payable from the Film Promotion and Marketing Fund	10,000
0520-001-9329—For support of Secretary of Business, Transportation and Housing, for payment to Item 0520-001-0044, payable from the Chrome Plating Pollution Prevention Fund	278,000
0520-011-0001—For transfer, upon order of the Director of Finance, to the Small Business Expansion Fund	3,927,000
0520-101-0001—For local assistance, Secretary of Business, Transportation and Housing	0
Schedule:	
(1) 25-Infrastructure Finance and Economic Development Program 2,000,000	
(2) Reimbursements −2,000,000	
0520-101-9329—For local assistance, Secretary for Business, Transportation and Housing, payable from the Chrome Plating Pollution Prevention Fund	250,000
Provisions:	
1. Notwithstanding any other provision of law, the Director of Finance may adjust amounts in this appropriation item for payment of defaults and related costs on loan guarantees made pursuant to Chapter 2 (commencing with Section 42100) of Part 3 of Division 30 of the Public Resources Code. Within 30 days of making an adjustment, the Department of Finance shall report the adjustment in writing to the Joint Legislative Budget Committee.	
0520-401—The Department of Finance is hereby authorized to transfer any savings from the amount trans-	

Item Amount

ferred pursuant to Item 0520-011-0001 of this act to the General Fund at the end of the 2006–07 fiscal year.

0530-001-0001—For support of Secretary of California Health and Human Services..... 1,935,000

Schedule:

(1) 10-Secretary of California Health and Human Services..... 3,133,000

(2) Reimbursements..... −1,198,000

0530-001-9732—For support of Secretary of California Health and Human Services, payable from the Office of Systems Integration Fund..... 220,022,000

Schedule:

(1) 30-Office of Systems Integration..... 220,022,000

Provisions:

1. Notwithstanding any other provision of law, upon the request of the California Health and Human Services Agency, the Department of Finance may augment the amount available for expenditure in this item to pay for new contract costs for the In-Home Supportive Services/Case Management Payrolling System. The augmentation may be made not sooner than 30 days after notification in writing of the chairpersons of the committees in each house of the Legislature that consider appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the joint committee 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 new contract and Special Project Report, or equivalent document to be submitted at the conclusion of procurement activities.

2. Notwithstanding any other provision of law, upon the request of the California Health and Human Services Agency, the Department of Finance may augment the amount available for expenditure in this item and authorize the establishment of positions for additional activities provided within the Statewide Automated Welfare System or other necessary systems that will support efforts to increase the number of

Item Amount

CalWORKs participants that meet the federal work participation requirements, increase their hours of participation, or successfully transition them to self-sufficiency. In addition, expenditure authority may be augmented and positions may be established for efforts to comply with federal regulations regarding verification of work and work-eligible individuals, and to support improved data collection and analysis efforts for the CalWORKs program. Not more than 10 days after authorizing this transfer, the Department of Finance shall notify the chairpersons of the committees in each house of the Legislature that consider appropriations and the Chairperson of the Joint Legislative Budget Committee in writing of the amount and specific purpose of the transfer. It is the intent of the Legislature that every effort be made to expedite the request and authorization of these expenditure increases and position establishments that may be necessary to avoid penalties for noncompliance with federal work participation or verification requirements.

0530-017-0001—For support of Secretary of California Health and Human Services..... 3,051,000

Schedule:

(1) 21-Office of HIPAA Implementation..... 3,680,000

(2) Reimbursements..... −629,000

Provisions:

1. The funding appropriated in this item is limited to the amount specified in 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.

0540-001-0001—For support of Secretary for Resources, payable to Item 0540-001-0140..... 5,924,000

Provisions:

1. Notwithstanding any other provision of law, the Department of Finance may adjust this item of appropriation to correct any technical errors related to the California Bay-Delta Authority reorganization plan, enacted as part of this budget act, not sooner than 30 days after written notification of the necessity therefor to the chairpersons of the committees in each house

Item Amount

of the Legislature that consider 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.

2. Notwithstanding any other provision of law, the Department of Finance may augment this item to provide authority to spend funds encumbered prior to the 2006–07 fiscal year by the California Bay-Delta Authority for the ongoing support of the CALFED Bay-Delta Program not sooner than 30 days after written notification of the necessity therefor to the chairpersons of the committees in each house of the Legislature that consider 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.

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..... 214,000

0540-001-0140—For support of Secretary for Resources, payable from the Environmental License Plate Fund..... 3,072,000

Schedule:

(1)	10-Administration of Resources Agency.....	8,318,000
(1.5)	20-CALFED Bay-Delta Program.....	13,377,000
(2)	Reimbursements.....	−2,528,000
(2.5)	Amount payable from the General Fund (Item 0540-001-0001).....	−5,924,000
(3)	Amount payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund (Item 0540-001-0005).....	−214,000
(4)	Amount payable from the Federal Trust Fund (Item 0540-001-0890).....	−236,000

Item Amount

(5) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 0540-001-6029)..... −1,838,000

(6) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 0540-001-6031)..... −7,883,000

Provisions:

1. Notwithstanding any other provision of law, the Department of Finance may adjust this item of appropriation to correct any technical errors related to the California Bay-Delta Authority reorganization plan, enacted as part of this budget act, not sooner than 30 days after written notification of the necessity therefor to the chairpersons of the committees in each house of the Legislature that consider 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.
2. Notwithstanding any other provision of law, the Department of Finance may augment this item to provide authority to spend funds encumbered prior to the 2006–07 fiscal year by the California Bay-Delta Authority for the ongoing support of the CALFED Bay-Delta Program not sooner than 30 days after written notification of the necessity therefor to the chairpersons of the committees in each house of the Legislature that consider 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.

0540-001-0890—For support of Secretary for Resources, for payment to Item 0540-001-0140, payable from the Federal Trust Fund..... 236,000

Item Amount

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..... 1,838,000

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..... 7,883,000

Provisions:

1. Notwithstanding any other provision of law, the Department of Finance may adjust this item of appropriation to correct any technical errors related to the California Bay-Delta Authority reorganization plan, enacted as part of this budget act, not sooner than 30 days after written notification of the necessity therefor to the chairpersons of the committees in each house of the Legislature that consider 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.
2. Notwithstanding any other provision of law, the Department of Finance may augment this item to provide authority to spend funds encumbered prior to the 2006–07 fiscal year by the California Bay-Delta Authority for the ongoing support of the CALFED Bay-Delta Program not sooner than 30 days after written notification of the necessity therefor to the chairpersons of the committees in each house of the Legislature that consider 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.

0540-101-6029—For local assistance, Secretary for Resources, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund..... 440,000

Provisions:

1. The funds appropriated in this item shall be available for encumbrance until June 30, 2009,

Item Amount

for purposes of support, local assistance, or capital outlay.

2. The funds received by other state agencies from this item in accordance with paragraph (1) of subdivision (c) of Section 5096.650 of the Public Resources Code are exempt from the reporting requirements of Section 28.50.

0540-101-6031—For local assistance, Secretary for Resources, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002..... 42,150,000

Provisions:

1. The funds appropriated in this item for purposes of Section 79541 of the Water Code shall be available for encumbrance until June 30, 2009, for purposes of support, local assistance, or capital outlay.

2. The funds received by other state agencies from this item in accordance with Section 79541 of the Water Code are exempt from the reporting requirements of Section 28.50.

0540-490—Reappropriation, Secretary for Resources. Notwithstanding any other provision of law, the period to liquidate encumbrances of the following citations is extended to June 30, 2007:

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)

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

0540-491—Reappropriation, Secretary for Resources. The balance of the appropriations provided for in the following citations is reappropriated to the Secretary for Resources for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2008:

6031—Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002

(1) Item 3870-001-6031, Budget Act of 2004 (Ch. 208, Stats. 2004), for purposes of the CALFED Science Program

(2) Item 3870-001-6031, Budget Act of 2003 (Ch. 157, Stats. 2003), as reappropriated by Item 3870-490, Budget Acts of 2004 and 2005 (Ch. 208, Stats. 2004, and Chs. 38 and 39, Stats.

Item		Amount
2005), for purposes of the CALFED Science Program		
0890—Federal Trust Fund		
(1) Item 0540-001-0890, Budget Act of 2002 (Ch. 379, Stats. 2002)		
0540-495—Reversion, Secretary for Resources. As of June 30, 2006, the balance specified below, of the appropriation provided in the following citation shall revert to the balance in the fund from which the appropriation was made.		
6029—California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund		
(1) $440,000 from Item 0540-101-6029, Budget Act of 2002 (Ch. 379, Stats. 2002)		
0552-001-0001—For support of Office of the Inspector General		15,225,000
Schedule:		
(1) 10-Office of the Inspector General	15,225,000	
0555-001-0001—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044		1,040,000
0555-001-0014—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the Hazardous Waste Control Account		307,000
0555-001-0028—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the Unified Program Account		1,407,000
0555-001-0044—For support of Secretary for Environmental Protection, payable from the Motor Vehicle Account, State Transportation Fund		1,694,000
Schedule:		
(1) 30-Support	12,928,000	
(2) Reimbursements	−1,805,000	
(3) Amount payable from the General Fund (Item 0555-001-0001)	−1,040,000	
(4) Amount payable from the Hazardous Waste Control Account (Item 0555-001-0014)	−307,000	
(5) Amount payable from the Unified Program Account (Item 0555-001-0028)	−1,407,000	
(6) Amount payable from the California Used Oil Recycling Fund (Item 0555-001-0100)	−29,000	

Item	Amount
(7) Amount payable from the Department of Pesticide Regulation Fund (Item 0555-001-0106).....	−726,000
(8) Amount payable from the Air Pollution Control Fund (Item 0555-001-0115).....	−666,000
(9) Amount payable from the Waste Discharge Permit Fund (Item 0555-001-0193).....	−272,000
(10) Amount payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund (Item 0555-001-0235).....	−60,000
(11) Amount payable from the Recycling Market Development Revolving Loan Account, Integrated Waste Management Fund (Item 0555-001-0281).....	−140,000
(12) Amount payable from the Integrated Waste Management Account, Integrated Waste Management Fund (Item 0555-001-0387).....	−671,000
(13) Amount payable from the Underground Storage Tank Cleanup Fund (Item 0555-001-0439).....	−761,000
(14) Amount payable from the State Water Quality Control Fund (Item 0555-001-0679).....	−167,000
(15) Amount payable from the Rural CUPA Reimbursement Account (Item 0555-001-1006).....	−928,000
(16) Amount payable from the Water Rights Fund (Item 0555-001-3058).....	−34,000
(17) Amount payable from the Environmental Enforcement and Training Account (Item 0555-001-8013)....	−2,066,000
(18) Amount payable from the Environmental Education Account (Item 0555-001-8020).....	−155,000

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.

Item Amount

2. Funds appropriated in this item from the Environmental Education Account are available for appropriation only to the extent that funding is received in the Environmental Education Account established by Section 71305 of the Public Resources Code.

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..... 29,000

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..... 726,000

0555-001-0115—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the Air Pollution Control Fund..... 666,000

Provisions:

1. Of the funds provided in this item, $150,000 is for the Office of the Secretary for Environmental Protection to contract for the exclusive purpose of performing analyses of the economic impacts of emissions reductions required by law or regulation.

0555-001-0193—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the Waste Discharge Permit Fund..... 272,000

0555-001-0235—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund..... 60,000

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..... 140,000

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..... 671,000

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..... 761,000

Item	Amount
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	167,000
0555-001-1006—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the Rural CUPA Reimbursement Account	928,000
0555-001-3058—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the Water Rights Fund	34,000
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	2,066,000
0555-001-8020—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the Environmental Education Account	155,000
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	928,000
0558-001-0001—For support of the Office of the Secretary for Education	906,000
Schedule:	
(1) Secretary for Education 1,222,000	
(2) Reimbursements −316,000	
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, 2007, to June 30, 2007, inclusive. Legislation establishing the agency will be introduced and, if enacted, would be effective on or before January 1, 2007. In the event that legislation creating the agency is not effective on or before January 1, 2007, or the funds are needed prior to January 1, 2007, 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
2. Of the reimbursements appropriated in this item, $48,000 in support of Proposition 49 activities is available only until June 30, 2010.		
0559-001-0001—For support of the California Labor and Workforce Development Agency.....		0
Schedule:		
(1) 10-Office of the Secretary of Labor and Workforce Development.....	2,271,000	
(2) Reimbursements.....	−2,171,000	
(3) Amount payable from the Labor and Workforce Development Fund (Item 0559-001-3078).....	−100,000	
0559-001-3078—For support of the California Labor and Workforce Development Agency, for payment to Item 0559-001-0001, payable from the Labor and Workforce Development Fund.....		100,000
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.		
0650-001-0001—For support of Office of Planning and Research.....		5,027,000
Schedule:		
(1) 11-State Planning and Policy Development.....	3,909,000	
(2) 21-California Service Corps.....	4,323,000	
(3) Reimbursements.....	−403,000	
(4) Amount payable from the Federal Trust Fund (Item 0650-001-0890).....	−2,802,000	
Provisions:		
1. No later than April 1, 2007, the Office of Planning and Research shall report to the committees in each house of the Legislature that consider the budget on performance indicators for the Online Volunteer Matching Program. This report shall provide a status of the program using information available to identify the number and name of volunteer programs that received volunteers referred by this system, Internet Web site hit count by month, posted volunteer activities by month, number of first-time volunteers, number of volunteer hours directly attributable to the statewide system, and other		

Item Amount

measures to fully disclose the impact of the Online Volunteer Matching Program.

0650-001-0890—For support of Office of Planning and Research, for payment to Item 0650-001-0001, payable from the Federal Trust Fund..... 2,802,000

0650-011-0001—For support of Office of Planning and Research..... 907,000

Schedule:

(1) Office of the Secretary for Education..... 1,231,000

(2) Reimbursements..... −324,000

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, 2006, to December 31, 2006, inclusive. Legislation establishing the agency will be introduced and, if enacted, would be effective on or before January 1, 2007. 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 item shall be available for expenditure pursuant to Item 0558-001-0001, as authorized by the Director of Finance.

2. Of the reimbursements appropriated in this item, $47,000 in support of Proposition 49 activities is available only until June 30, 2010.

0650-101-0890—For local assistance, Office of Planning and Research, Program 21-California Service Corps, payable from the Federal Trust Fund..... 35,000,000

Provisions:

1. The funds appropriated in this item are for local assistance allocations approved by the California Service Corps.

0690-001-0001—For support of Office of Emergency Services..... 33,692,000

Schedule:

(1) 15-Mutual Aid Response..... 16,298,000

(2) 35-Plans and Preparedness..... 18,013,000

(3) 45-Disaster Assistance..... 25,526,000

(4) 55.01-Administration and Executive..... 7,475,000

(5) 55.02-Distributed Administration and Executive..... −6,404,000

Item Amount

(8) Reimbursements..... −2,651,000
(9) Amount payable from the Unified Program Account (Item 0690-001-0028)..... −708,000
(10) Amount payable from the Nuclear Planning Assessment Special Account (Item 0690-001-0029)..... −974,000
(11) Amount payable from the Federal Trust Fund (Item 0690-001-0890)..... −22,783,000
(12) Amount payable from the Antiterrorism Fund (Item 0690-015-3034)..... −100,000

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.
3. Upon 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..... 708,000

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..... 974,000

Provisions:

1. Pursuant to subdivision (f) of Section 8610.5 of the Government Code, 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..... 22,783,000

Item	Amount
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	9,790,000
Schedule:	
(1) 50-Criminal Justice Projects	13,057,000
(2) 51-California Anti-Terrorism Information Center	6,811,000
(3) Reimbursements	−20,000
(4) Amount payable from the Local Public Prosecutors and Public Defenders Training Fund (Item 0690-002-0241)	−78,000
(5) Amount payable from the Victim-Witness Assistance Fund (Item 0690-002-0425)	−1,376,000
(6) Amount payable from the High Technology Theft Apprehension and Prosecution Program Trust Fund (Item 0690-002-0597)	−712,000
(7) Amount payable from the Federal Trust Fund (Item 0690-002-0890)	−7,892,000
Provisions:	
1. The funds appropriated in Schedule (2) shall be used to continue and expand funding for the California Anti-Terrorism Information Center, 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 Office of Emergency Services shall allocate funds	

Item Amount

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.
3. Of the funds appropriated in this item, up to five percent ($5,000) of the augmentation for the California Multijurisdictional Methamphetamine Enforcement Teams Program may be used to conduct an independent evaluation of the program.
4. Of the funds appropriated in this item, $100,000 is provided on a two-year, limited-term basis for state operations to support the California Multijurisdictional Methamphetamine Enforcement Teams Program.

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..... 78,000

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..... 1,376,000

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..... 712,000

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.

Item		Amount
0690-002-0890—For support of Office of Emergency Services, for payment to Item 0690-002-0001, payable from the Federal Trust Fund.....		7,892,000
0690-003-0001—For support of Office of Emergency Services, for rental payments on lease-revenue bonds.....		30,000
Schedule:		
(1) Base Rental and Fees.....	0	
(2) Insurance.....	30,000	
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.		
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.		
0690-010-3034—For support of Office of Emergency Services for the Office of Homeland Security, for payment to Item 0690-011-0890, payable from the Antiterrorism Fund.....		102,000
0690-011-0890—For support of Office of Emergency Services for the Office of Homeland Security, payable from the Federal Trust Fund		33,571,000
Schedule:		
(1) 10-Support of Office of Homeland Security	11,673,000	
(2) 60-Support to Other State Agencies	22,000,000	
(3) Amount payable from the Antiterrorism Fund (Item 0690-010-3034)	−102,000	
Provisions:		
1. Of the funds appropriated in this item, funding shall be made available for an independent gap analysis of the state's preparedness for a catastrophic disaster, subject to any restrictions on eligible activities for federal grant funds. The study is to be conducted by a nongovernmental research entity. The Office of Emergency Services shall be the contracting entity, with input and oversight by the Joint Committee on Emergency Services and Homeland Security.		

Item Amount

0690-013-0001—For transfer by the Controller to the High Technology Theft Apprehension and Prosecution Program Trust Fund..... 679,000

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.

0690-013-0890—For transfer by the Controller from the Federal Trust Fund to the High Technology Theft Apprehension and Prosecution Program Trust Fund..... 33,000

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.

0690-015-3034—For support of the Office of Emergency Services, for payment to Item 0690–001–0001, payable from the Antiterrorism Fund..... 100,000

0690-101-0029—For local assistance, Office of Emergency Services, Program 35—Plans and Preparedness, payable from the Nuclear Planning Assessment Special Account..... 2,376,000

Provisions:

1. Pursuant to subdivision (f) of Section 8610.5 of the Government Code, 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..... 573,150,000

Schedule:

(1) 35-Plans and Preparedness..... 15,424,000

Item Amount

(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..... 48,199,000

Schedule:

(1.5) 50.20-Victim Services..... 9,317,000

(2.5) 50.30-Public Safety..... 44,453,000

(18) Reimbursements..... −5,571,000

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 program objectives, the Office of Emergency Services shall require all grantees of 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.
3. Of the amount appropriated in Schedule (2.5), $300,000 shall be provided to Monterey County for a planning grant consistent with the Central Coast Rural Crime Prevention Program as established in Chapter 18 of the Statutes of 2003.
4. The Department of Finance shall include a special display table in the Governor's Budget under the Office of Emergency Services that displays, by fund source, component level detail for Program 50, Criminal Justice Projects. In addition, the Office of Emergency Services, in

Item Amount

consultation with the Department of Finance, shall provide a report to the Joint Legislative Budget Committee by January 10 of each year that provides a list of grantees, total funds awarded to each grantee, and performance statistics to document program outputs and outcomes in order to assess the state's return on investment for each component of Program 50 for each of the three years displayed in the Governor's Budget.

6. Of the amount appropriated in this item, the Department of Finance may authorize the transfer of up to 5 percent (up to $995,000) of the augmentation for the California Multijurisdictional Methamphetamine Enforcement Teams Program to Item 0690-001-0001 for the purpose of conducting an independent evaluation of the program.
7. Of the funding appropriated in this item, $29,400,000 is for local assistance to support the California Multijurisdictional Methamphetamine Enforcement Teams Program. $19,900,000 of this funding is provided on a two-year, limited-term basis. No later than January 10, 2008, the Office of Emergency Services, in consultation with the Department of Finance, shall submit to the Joint Legislative Budget Committee a report that proposes a funding allocation plan that links grant funding to the size of the problem in each of the five state-designated regions. The report shall also include a summary of spending by region, program activities, and demonstrated outcomes such as lab seizures and arrests.
8. Of the amount appropriated in this item, $400,000 shall be available for grants to any private nonprofit organizations that have previously received funding from the California Innocence Protection Program. Any entity receiving funding under this program shall provide detailed expenditure reports semiannually and annually on the use of funds provided under this program. The Office of Emergency Services shall prepare and submit a report to the Joint Legislative Budget Committee on or before June 30, 2007, on the foregoing informa-

Item Amount

tion for each entity receiving funding under this program.

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

Schedule:

(1.5) 50.30-Public Safety..... 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..... 16,519,000

Schedule:

(1.5) 50.20-Victim Services..... 16,519,000

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

Schedule:

(1.5) 50.30-Public Safety..... 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,

Item Amount

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..... 103,458,000

Schedule:

(1.5) 50.20 Victim Services..... 63,270,000

(2.5) 50.30 Public Safety..... 40,188,000

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. 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.

0690-111-0890—For local assistance, Office of Emergency Services, for the Office of Homeland Security, payable from the Federal Trust Fund..... 328,000,000

0690-112-0001—For local assistance, Office of Emergency Services, for disaster recovery costs..... 55,793,000

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

Item Amount

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 workers' compensation..... 1,125,000

Provisions:

1. The funds appropriated in this item shall be used to pay approved volunteer disaster service workers' compensation claims and administrative expenditures related to the payment of those claims by the State Compensation Insurance Fund.
2. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures in this item in excess of the amount appropriated in this item for the purposes of paying unanticipated volunteer disaster service workers' compensation claims and administrative expenditures related to the payment of those claims. 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 chairpersons of the committees in each house of the Legislature that consider 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.

Item Amount

0690-490—Reappropriation, Office of Emergency Services. The amounts specified in the following citation are reappropriated for the purposes provided for in that appropriation and shall be available for encumbrance or expenditure until June 30, 2007:

0890—Federal Trust Fund

(1) Item 8100-101-0890, Budget Act of 2003 (Ch. 157, Stats. 2003), pursuant to Section 25.00 of the Budget Act of 2003 (Ch. 157, Stats. 2003)

(1) 50.20.161-Violence Against Women Act..... 1,250,000

(7) 50.30.550-Byrne State/Local Law Enforcement Assistance..... 3,505,000

(8) 50.30.555-Residential Substance Abuse Treatment..... 5,635,000

Provisions:

1. The Office of Emergency Services (OES) shall provide a final report to the Legislature by March 30, 2007, on the reconstruction and finalization of records for the programs that were transferred to the OES from the Office of Criminal Justice Planning. The report shall include a summary of the findings of the reconstruction effort and steps that have been taken by the OES to ensure that appropriate fiscal controls and processes are in place for the effective administration of those programs.

0750-001-0001—For support of Office of the Lieutenant Governor..... 2,784,000

0820-001-0001—For support of Department of Justice..... 379,639,000

Schedule:

(1) 11.01-Directorate-Administration..... 27,540,000

(2) 11.02-Distributed Directorate-Administration..... −27,540,000

(3) 12.01-Legal Support and Technology Administration..... 48,442,000

(4) 12.02-Distributed Legal Support and Technology Administration..... −48,442,000

(5) 25-Executive Programs..... 15,505,000

(6) 30-Civil Law..... 125,441,000

(7) 40-Criminal Law..... 100,808,000

(8) 45-Public Rights..... 83,965,000

(9) 50-Law Enforcement..... 208,977,000

Item	Amount
(10) 60-California Justice Information Services	174,297,000
(11) 65-Gambling Control	18,217,000
(12) 70-Firearms	17,207,000
(14) Reimbursements	−42,491,000
(15) Amount payable from the Attorney General Antitrust Account (Item 0820-001-0012)	−1,239,000
(16) Amount payable from Hazardous Waste Control Account (Item 0820-001-0014)	−1,846,000
(17) Amount payable from the Fingerprint Fees Account (Item 0820-001-0017)	−72,036,000
(18) Amount payable from Firearms Safety Account (Item 0820-001-0032)	−326,000
(19) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 0820-001-0044)	−23,160,000
(20) Amount payable from the Department of Justice Sexual Habitual Offender Fund (Item 0820-001-0142)	−2,715,000
(21) Amount payable from the Travel Seller Fund (Item 0820-001-0158)	−1,249,000
(22) Amount payable from Conservatorship Registry Fund (Item 0820-001-0195)	−368,000
(23) Amount payable from the Restitution Fund (Item 0820-001-0214)	−63,000
(24) Amount payable from the Sexual Predator Public Information Account (Item 0820-001-0256)	−567,000
(25) Amount payable from the Indian Gaming Special Distribution Fund (Item 0820-001-0367)	−12,276,000
(26) Amount payable from the False Claims Act Fund (Item 0820-001-0378)	−12,618,000
(27) Amount payable from the Dealers' Record of Sale Special Account (Item 0820-001-0460)	−8,658,000

Item	Amount
(28) Amount payable from the Toxic Substances Control Account (Item 0820-001-0557).....	−2,210,000
(29) Amount payable from the Department of Justice Child Abuse Fund (Item 0820-001-0566).....	−336,000
(30) Amount payable from the Gambling Control Fund (Item 0820-001-0567).....	−6,736,000
(31) Amount payable from the Gambling Control Fines and Penalties Account (Item 0820-001-0569)....	−26,000
(32) Amount payable from the Federal Trust Fund (Item 0820-001-0890).....	−39,444,000
(33) Amount payable from the Federal Asset Forfeiture Account, Special Deposit Fund (Item 0820-001-0942).....	−1,415,000
(34) Amount payable from the State Asset Forfeiture Account, Special Deposit Fund (Item 0820-011-0942).....	−556,000
(35) Amount payable from the Firearms Safety and Enforcement Special Fund (Item 0820-001-1008).....	−2,931,000
(36) Amount payable from the Missing Persons DNA Database Fund (Item 0820-001-3016).....	−4,354,000
(37) Amount payable from the Public Rights Law Enforcement Special Fund (Item 0820-001-3053).....	−5,410,000
(38) Amount payable from the Rate Payer Relief Fund (Item 0820-001-3061).....	−11,996,000
(39) Amount payable from the DNA Identification Fund (Item 0820-001-3086).....	−17,315,000
(40) Amount payable from the Unfair Competition Law Fund (Item 0820-001-3087).....	−3,101,000
(40.5) Amount payable from the Registry of Charitable Trusts Fund (Item 0820-001-3088).....	−2,501,000

Item Amount

(41) Amount payable from the Legal Services Revolving Fund (Item 0820-001-9731)..... −86,835,000

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 Department of Justice, from the funds appropriated for that purpose in this item.
3. Of the amount included in Schedule (6) of this item, $4,224,000 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, 2007, shall revert immediately to the General Fund.
5. Of the funds appropriated in this item, $20,528,000 is available solely for the Correctional Law Section that handles only workload related to California Department of Corrections and Rehabilitation cases, and of that amount $3,794,000 is restricted to class action workload.
6. Of the amount appropriated in Schedule (9), $6,000,000 is available for costs related to the California Methamphetamine Strategy program. Any of these funds not expended for this specific purpose shall revert to the General Fund.
7. Of the amount appropriated in Schedule (9), $6,524,000 is available for costs related to the Gang Suppression Enforcement Teams program. Any of these funds not expended for this specific purpose shall revert to the General Fund.
8. Of the amount appropriated in this item, up to 5 percent (up to $300,000) of the augmentation for the California Methamphetamine Strategy

Item Amount

Program may be used to conduct an independent evaluation of the program.

9. On or before January 10, 2008, the Department of Justice shall submit a report to the chairpersons of the Senate and Assembly committees that consider public safety, the chairpersons of the Senate and Assembly committees that consider the state budget, and the Legislative Analyst's Office, detailing the activities and outcomes of the Gang Suppression Enforcement Teams, as well as the community, regional, and statewide impact.

10. Notwithstanding any other provision of law, the Director of Finance may augment the amount appropriated in this item, should revenue to the DNA Identification Fund be insufficient to meet the level of funding approved by the Legislature to support the program established pursuant to the DNA Fingerprint, Unsolved Crime and Innocence Protection Act (Proposition 69). In the event that revenue to the DNA Identification Fund exceeds the anticipated level, the Director of Finance may reduce the amount appropriated in this item. The Director of Finance may not approve an augmentation or reduction unless the approval is made in writing and filed with the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the committees in each house of the Legislature that consider appropriations not later than 30 days prior to the effective date of the approval.

11. Of the amount appropriated in Schedule (8), $1,000,000 is available for litigation and expert witness costs associated with state actions to reduce greenhouse gas emissions, including the defense of actions taken by state energy agencies to reduce those emissions and the defense of Chapter 200 of the Statutes of 2002.

0820-001-0012—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Attorney General Antitrust Account..... 1,239,000

0820-001-0014—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Hazardous Waste Control Account..... 1,846,000

Item	Amount
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.....	72,036,000
0820-001-0032—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Firearms Safety Account.....	326,000
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.....	23,160,000
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.....	2,715,000
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.....	1,249,000
0820-001-0195—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Conservatorship Registry Fund.....	368,000
0820-001-0214—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Restitution Fund.....	63,000
0820-001-0256—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Sexual Predator Public Information Account....	567,000
Provisions:	
1. Notwithstanding subparagraph (D) of paragraph (5) of subdivision (a) of Section 290.4 of the Penal Code, the Department of Justice may expend the amount appropriated in this item.	
0820-001-0367—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Indian Gaming Special Distribution Fund.....	12,276,000
0820-001-0378—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the False Claims Act Fund.....	12,618,000
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.....	8,658,000

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 Toxic Substances Control Account.....	2,210,000
0820-001-0566—For support of Department of Justice, for payment to Item 0820-001-0001, payable from Department of Justice Child Abuse Fund.....	336,000
0820-001-0567—For support of Department of Justice, for payment to Item 0820-001-0001, payable from Gambling Control Fund.....	6,736,000
0820-001-0569—For support of Department of Justice, for payment to Item 0820-001-0001, payable from Gambling Control Fines and Penalties Account.....	26,000
0820-001-0890—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Federal Trust Fund.....	39,444,000
Provisions:	
1. Of the funds appropriated in this item, $487,000 is for the Information-Led Policing Research, Technology Development, Testing, and Evaluation grant. These funds may not be encumbered or expended until a Feasibility Study Report has been approved by the Department of Finance. The Department of Finance's approval shall be effective not sooner than 30 days after notification in writing to the Chairperson of the Joint Legislative Budget Committee of the approval.	
0820-001-0942—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Federal Asset Forfeiture Account, Special Deposit Fund.....	1,415,000
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.....	2,931,000
0820-001-3016—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Missing Persons DNA Data Base Fund.....	4,354,000
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.....	5,410,000

Item Amount

Provisions:

1. Of the funds appropriated in this item, $4,762,000 is for the Corporate Responsibility Unit. These funds may not be encumbered or expended until the Corporate Responsibility Unit has recovered sufficient funds to cover its costs.

0820-001-3061—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Rate Payer Relief Fund..... 11,996,000

Provisions:

1. All funds appropriated in this item are for energy investigations and litigation. These funds may not be encumbered or expended until the Energy and Corporate Responsibility Section has recovered sufficient funds to cover its costs.

0820-001-3086—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the DNA Identification Fund..... 17,315,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may augment the amount appropriated in this item if revenue to the DNA Identification Fund exceeds the anticipated level. The augmentation may not exceed the level of funding appropriated in this Budget Act to support the program established pursuant to the DNA Fingerprint, Unsolved Crime and Innocence Protection Act (Proposition 69), and must include a corresponding reduction in Item 0820-001-0001. The Director of Finance may not approve an augmentation or reduction unless the approval is made in writing and filed with the Joint Legislative Budget Committee and chairpersons of the committee in each house of the Legislature that consider appropriations not later than 30 days prior to the effective date of approval.

0820-001-3087—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Unfair Competition Law Fund..... 3,101,000

0820-001-3088—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Registry of Charitable Trusts Fund..... 2,501,000

Item Amount

0820-001-9731—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Legal Services Revolving Fund..... 86,835,000

Provisions:

1. Notwithstanding Section 28.00, the Attorney General may augment the amount appropriated in the Legal Services Revolving Fund 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.

0820-003-0001—For support of Department of Justice, for rental payments on lease-revenue bonds..... 3,795,000

Schedule:

(1) Base Rental and Fees..... 3,800,000
(2) Insurance..... 7,000
(3) Reimbursements..... −12,000

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.
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

0820-011-0378—For transfer by the Controller to the General Fund from the False Claims Act Fund..... (33,000,000)

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..... 556,000

0820-101-0001—For local assistance, Department of Justice..... 3,045,000

Item Amount

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..... 2,937,000

Schedule:

(1) 50-Law Enforcement..... 2,937,000

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 Restitution Fund.
2. The Department of Finance may authorize the transfer of up to $150,000 from this item to Item 0820-001-0214 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..... 28,000

Schedule:

(1) 70-Firearms..... 28,000

0820-101-0641—For local assistance, Department of Justice, payable from the Domestic Violence Restraining Order Reimbursement Fund..... 1,918,000

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.

0820-401—Of the amount loaned pursuant to Provision 1 of Item 0820-002-0001, Budget Act of 2004 (Ch. 208, Stats. of 2004), as added by Section 2.00 of Ch. 3, Stats. of 2005, $7,000,000 and interest, will not be required to be repaid.

Item	Amount
0820-490—Reappropriation, Department of Justice. The amounts specified 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, 2007:	
0890—Federal Trust Fund	
(1) Item 0820-001-0890, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005), $1,000,000 for Single-Point Information, Collection, and Evaluation System and $2,590,000 for Threat, Analysis, Reporting, and Geographic Evaluation Tool	
0840-001-0001—For support of State Controller.....	97,952,000
Schedule:	
(1) 100000-Personal Services.....	86,872,000
(2) 300000-Operating Expenses and Equipment.....	70,544,000
(3) Amount payable from various special and nongovernmental cost funds (Section 25.25).....	−13,543,000
(4) Reimbursements.....	−35,762,000
(5) Amount payable from the Motor Vehicle Fuel Account, Transportation Tax Fund (Item 0840-001-0061).....	−3,650,000
(6) Amount payable from the Highway Users Tax Account, Transportation Tax Fund (Item 0840-001-0062).....	−1,068,000
(7) Amount payable from the Local Revenue Fund (Item 0840-001-0330).....	−511,000
(8) Amount payable from the Federal Trust Fund (Item 0840-001-0890).....	−1,281,000
(9) Amount payable from the State Penalty Fund (Item 0840-001-0903).....	−1,183,000
(10) Amount payable from various other unallocated nongovernmental cost funds (Retail Sales Tax Fund) (Item 0840-001-0988).....	−219,000
(11) Amount payable from School Facilities Fund (Item 0840-001-6044).....	−856,000
(12) Amount payable from other unallocated special funds (Item 0840-011-0494).....	−106,000

Item	Amount
(13) Amount payable from unallocated bond funds (Item 0840-011-0797).....	−411,000
(14) Amount payable from various other unallocated nongovernmental cost funds (Item 0840-011-0988).....	−98,000
(15) Amount payable from the Public Transportation Account, State Transportation Fund (Section 25.50).....	−10,000
(16) Amount payable from the Highway Users Tax Account, Transportation Tax Fund (Section 25.50).....	−275,000
(17) Amount payable from the Motor Vehicle License Fee Account, Transportation Tax Fund (Section 25.50).....	−21,000
(18) Amount payable from the DMV Local Agency Collection Fund (Section 25.50).....	−2,000
(19) Amount payable from the Trial Court Trust Fund (Section 25.50).....	−152,000
(20) Amount payable from the Timber Tax Fund (Section 25.50).....	−1,000
(21) Amount payable from the Public Safety Account, Local Public Safety Fund (Section 25.50).....	−221,000
(22) Amount payable from the Local Revenue Fund (Section 25.50).....	−94,000

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,

Item Amount

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-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

Item Amount

on electronic bulletin boards, or no more than $50,000 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).

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

Item Amount

the Controller for the 2006–07 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, the fiscal committees of the Legislature, the Department of Finance, the Treasurer's office, and the Legislative Analyst's Office.
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.
12. The Controller shall provide to the Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the chairpersons of the fiscal committees of each house of the Legislature a report that provides the following details by mandate: the level of claims requested; the amount reduced by the initial desk audit; the amount paid; the amount recouped; and the results of a final audit and subsequent funding adjustments. The report is due on April 15, 2007, and will cover the fourth quarter of the 2005–06 fiscal year and the first three quarters of the 2006–07 fiscal year.
13. To the extent authorized by existing law, the Controller shall recoup the amount of any unallowable mandate claim costs resulting from desk and/or field audits of such claims.
14. The Controller's estimate of the state's liability for postemployment benefits prepared to com-

Item	Amount
ply with Governmental Accounting Standards Board (GASB) Statement 45 shall include, in addition to all other items required under the accounting statement: (a) an identification and explanation of any significant differences in actuarial assumptions or methodology from any relevant similar types of assumptions or methodology used by the California Public Employees' Retirement System to estimate state pension obligations; and (b) alternative calculations of the state's liability for postemployment benefits using different long-term rates of investment return consistent with a hypothetical assumption that the state will begin to deposit 100 percent or a lesser percent, respectively, of its annual required contribution under GASB Statement 45 to a retiree health and dental benefits trust fund beginning in the 2007–08 fiscal year. This provision shall not obligate the state to change the practice of funding health and dental benefits for annuitants currently required under state law.	
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.....	3,650,000
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.....	1,068,000
0840-001-0330—For support of State Controller, for payment to Item 0840-001-0001, payable from the Local Revenue Fund.....	511,000
0840-001-0890—For support of State Controller, for payment to Item 0840-001-0001, payable from the Federal Trust Fund.....	1,281,000
0840-001-0903—For support of State Controller, for payment to Item 0840-001-0001, payable from the State Penalty Fund.....	1,183,000
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).....	219,000
0840-001-6044—For support of State Controller, for payment to Item 0840-001-0001, payable from School Facilities Fund.....	856,000

Item	Amount
0840-011-0494—For support of State Controller, for payment to Item 0840-001-0001, payable from other unallocated special funds.....	106,000
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 of 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 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.....	411,000
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 of 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 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.....	98,000
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 of 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 committee, or	

Item Amount

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 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..... 156,779,000

Schedule:

(1) 10-Regulation of Insurance Companies and Insurance Producers..... 65,331,000
(2) 12-Consumer Protection..... 49,232,000
(3) 20-Fraud Control..... 40,436,000
(4) 30-Tax Collection and Audit..... 2,030,000
(5) 50.01-Administration..... 27,150,000
(6) 50.02-Distributed Administration..... −27,150,000
(7) Reimbursements..... −250,000

Provisions:

1. Of the funds appropriated in this item, the Controller shall transfer one-half of $4,898,000 upon passage of the Budget Act and the remaining half on January 1, 2007, 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 $586,000 upon passage of the Budget Act and the remaining half on January 1, 2007, 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 2006–07 fiscal year, shall revert to the Insurance Fund.

Item Amount

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.

0845-101-0217—For local assistance, Department of Insurance, payable from the Insurance Fund 40,603,000

Schedule:

(1) 12-Consumer Protection 750,000

(2) 20-Fraud Control 39,853,000

0845-490—Reappropriation, Department of Insurance. The balance of the appropriation provided in the following citation is reappropriated for the purposes specified and shall be available for encumbrance or expenditure until June 30, 2007.

0217—Insurance Fund

(1) $1,063,000 in Item 0845-101-0217, Budget Act of 2004 (Ch. 208, Stats. 2004) Program 20-Fraud Control

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..... (429,800,000)

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 2007–08 fiscal year. The reports 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, 2007, a copy of the proposed administrative budget for the

Item Amount

California State Lottery Commission for the 2007–08 fiscal year that is included in the Governor's Budget.

(c) No later than June 1, 2007, a copy of the proposed administrative budget and expected sales revenue for the California State Lottery Commission for the 2007–08 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.

(d) No later than June 30, 2007, the final 2007–08 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, 2007, 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..... 7,279,000

Schedule:

(1) 10-California Gambling Control Commission..... 7,279,000

0855-001-0567—For support of California Gambling Control Commission, payable from the Gambling Control Fund..... 2,854,000

Schedule:

(1) 10-California Gambling Control Commission..... 2,854,000

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

Item Amount

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 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.

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..... 208,522,000

Schedule:

(1) 100000-Personal Services..... 279,795,000
(2) 300000-Operating Expenses and Equipment..... 92,933,000
(3) Reimbursements..... −111,169,000

Item	Amount
(4) Amount payable from the Breast Cancer Fund (Item 0860-001-0004).....	−377,000
(5) Amount payable from the State Emergency Telephone Number Account (Item 0860-001-0022).....	−581,000
(6) Amount payable from the Motor Vehicle Fuel Account, Transportation Tax Fund (Item 0860-001-0061).....	−19,549,000
(7) Amount payable from the Occupational Lead Poisoning Prevention Account (Item 0860-001-0070).....	−644,000
(8) Amount payable from the Childhood Lead Poisoning Prevention Fund (Item 0860-001-0080).....	−469,000
(9) Amount payable from the Cigarette and Tobacco Products Surtax Fund (Item 0860-001-0230).....	−4,812,000
(10) Amount payable from the Oil Spill Prevention and Administration Fund (Item 0860-001-0320).....	−238,000
(11) Amount payable from the Integrated Waste Management Account, Integrated Waste Management Fund (Item 0860-001-0387).....	−413,000
(12) Amount payable from the Underground Storage Tank Cleanup Fund (Item 0860-001-0439).....	−2,112,000
(13) Amount payable from the Energy Resources Programs Account (Item 0860-001-0465).....	−234,000
(14) Amount payable from the California Children and Families First Trust Fund (Item 0860-001-0623).....	−7,457,000
(15) Amount payable from the Federal Trust Fund (Item 0860-001-0890).....	−1,167,000
(16) Amount payable from the Timber Tax Fund (Item 0860-001-0965).....	−2,168,000
(17) Amount payable from the Gas Consumption Surcharge Fund (Item 0860-001-3015).....	−406,000

Item Amount

(18) Amount payable from the Water Rights Fund (Item 0860-001-3058)..... −417,000

(19) Amount payable from the Electronic Waste Recovery and Recycling Account (Item 0860-001-3065)..... −4,950,000

(20) Amount payable from the Cigarette and Tobacco Products Compliance Fund (Item 0860-001-3067)..... −7,043,000

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 both its authorized budget and with the documents that were presented to the Legislature for its review in support of that budget. The Board of Equalization 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 2006–07 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. The Director of Finance shall reduce the appropriation in this item for lease payment savings realized through the purchase of the Board of Equalization headquarters building in Sacramento.

0860-001-0004—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Breast Cancer Fund..... 377,000

Provisions:

1. Notwithstanding Section 30461.6 of the Revenue and Taxation Code, or any other provision of law, sufficient funds to cover the costs

Item	Amount
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	581,000
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	19,549,000
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	644,000
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.	
0860-001-0080—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Childhood Lead Poisoning Prevention Fund	469,000
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	4,812,000
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	238,000
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	413,000
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines	

Item	Amount
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.....	2,112,000
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.....	234,000
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.....	7,457,000
0860-001-0890—For support of the State Board of Equalization, for payment to Item 0860-001-0001, payable from the Federal Trust Fund.....	1,167,000
0860-001-0965—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Timber Tax Fund.....	2,168,000
0860-001-3015—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Gas Consumption Surcharge Fund.....	406,000
0860-001-3058—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Water Rights Fund.....	417,000
0860-001-3065—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Electronic Waste Recovery and Recycling Account.....	4,950,000
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.....	7,043,000
0890-001-0001—For support of Secretary of State.....	22,603,000
Schedule:	
(1) 100000-Personal Services..... 31,054,000	
(2) 300000-Operating Expenses and Equipment..... 27,317,000	
(3) Special Item of Expense-Election Related Costs..... 11,809,000	

Item Amount

(4) Reimbursements..... −7,339,000

(5) Amount payable from the Secretary of State's Business Fees Fund (Item 0890-001-0228)..... −32,317,000

(6) Amount payable from the Federal Trust Fund (Item 0890-001-0890)..... −6,297,000

(7) Amount payable from the Victims of Corporate Fraud Compensation Fund (Item 0890-001-3042)..... −1,624,000

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, $6,297,000 shall be used for operational costs associated with implementation of the Help America Vote Act.

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..... 32,317,000

0890-001-0890—For support of Secretary of State, for payment to Item 0890-001-0001, payable from the Federal Trust Fund..... 6,297,000

Provisions:

1. Funds shall be expended for the purposes approved in the April 11, 2006, Help America Vote Act spending plan. The amounts spent on each activity shall not exceed the maximum specified in the spending plan. In addition, that spending plan is amended to include $760,000 for source code review in 2006–07, as described in the March 11, 2005, expenditure plan and consistent with Chapter 813 of the Statutes of 2004.
2. Notwithstanding any other provision of law, any funds not needed for an activity authorized in the spending plan shall not be redirected to other activities and are not authorized for expenditure.
3. The Secretary of State shall forward to the Chairperson of the Joint Legislative Budget Committee copies of quarterly reports sent to the Department of Finance. The quarterly re-

Item Amount

ports shall provide, at a minimum, the level of expenditures by scheduled activity.

4. The Secretary of State shall forward to the appropriate legislative committees, each year prior to January 15, until the Statewide Voter Database is fully implemented, a report on the status of all of the following:
   (a) Election system security measures, including all of the following:
      (1) Source Code Review.
      (2) Parallel Monitoring.
      (3) Poll Monitoring, including a review of who conducted the monitoring and where they were located.
   (b) Expected General Fund exposure for completion of HAVA compliance, including expected costs of administration.
   (c) Completion of the CalVoter database, including information on the costs associated with the use of contractors and consultants, the names of the contractors and consultants used, and the purposes for which contractors and consultants were used.
5. The Department of Finance may authorize an increase in the appropriation of this item, up to the total amount of the program reserve. Any such approval shall be accompanied by the approval of an amended spending plan submitted by the Secretary of State providing detailed justification for the increased expenses. An approval of an augmentation or of spending plan amendments shall not be effective sooner than 30 days following the transmittal of the approval to 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 determine.
6. Notwithstanding any other provision of law, any primary vendor contract for the development of a new statewide voter registration database shall be subject to the notification and other requirements under Section 11.00. The validity of any such contract shall be contingent upon the appropriation of funds in future budget acts.

Item Amount

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.... 1,624,000

0890-003-0001—For support of Secretary of State, for rental payments on lease-revenue bonds..... 9,432,000

Schedule:

(1) Base Rental and Fees..... 9,392,000

(2) Structural Insurance..... 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.
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

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 2,978,000

Schedule:

(1) Base Rental and Fees 2,966,000

(2) Structural Insurance 12,000

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.
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

0890-495—Reversion, Secretary of State. As of July 1, 2006, the unencumbered balances of the appropriations provided in the following citations shall revert to the fund balance of the fund from which the appropriations were made for future use to implement the Help America Vote Act:

0890—Federal Trust Fund

Item Amount

(1) Item 0890-001-0890, Budget Act of 2004 (Ch. 208, Stats. 2004)
(2) Item 0890-101-0890, Budget Act of 2004 (Ch. 208, Stats. 2004)
(3) Item 0890-490, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

0950-001-0001—For support of State Treasurer..... 6,132,000

Schedule:
(1) 100000-Personal Services..... 17,183,000
(2) 300000-Operating Expenses and Equipment..... 5,586,000
(3) Reimbursements..... −16,637,000

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 (3) of this item to the State Treasurer's office, provided that:
   (a) The loan is to meet cash needs resulting from a delay in receipt of reimbursements.
   (b) The loan is short term, and shall be repaid within two 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 committees 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.
   (e) At the end of the two-month term of the loan, the State Treasurer's office shall notify the Chairperson of the Joint Legislative Budget Committee whether the State Treasurer's office has repaid the loan pursuant to subdivision (b).

0954-001-0001—For support of the Scholarshare Investment Board..... 1,124,000

Schedule:
(1) 20-Governor's Scholarship Programs..... 1,124,000

Item Amount

Provisions:

1. Funds appropriated in this item are for the purpose of administering, in accordance with Article 20.5 (commencing with Section 69999.6), the Governor's Scholars Program and the Governor's Math and Science Scholars Program, established pursuant to former 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..... 1,079,000

Schedule:

(1) 10-Golden State Scholarshare Trust Program..... 1,079,000

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 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..... 2,088,000

Schedule:

(1) 10-California Debt and Investment Advisory Commission..... 2,188,000
(2) Reimbursements..... −100,000

Item Amount

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 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..... 1,147,000

Schedule:

(1) 10-Debt Limit Allocation Committee..... 1,147,000

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.

0965-001-0215—For support of California Industrial Development Financing Advisory Commission, payable from the Industrial Development Fund..... 482,000

Schedule:

(1) 10-Industrial Development Financing Advisory Commission..... 557,000

(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

Item Amount

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..... 1,356,000

Schedule:

(1) 10-California Tax Credit Allocation Committee..... 1,386,000

(2) Reimbursements..... −30,000

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.

0968-001-0457—For support of California Tax Credit Allocation Committee, payable from the Tax Credit Allocation Fee Account..... 1,685,000

Schedule:

(1) 10-California Tax Credit Allocation Committee..... 1,715,000

(2) Reimbursements..... −30,000

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..... 89,000

Item Amount

Schedule:

(1) 20-Community Revitalization Program..... 89,000

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.

0971-001-0528—For support of California Alternative Energy and Advanced Transportation Financing Authority, payable from the California Alternative Energy Authority Fund..... 194,000

Schedule:

(1) 10-California Alternative Energy and Advanced Transportation Financing Authority..... 194,000

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.

0977-001-6046—For the support of California Health Facilities Financing Authority, payable from the Children's Hospital Fund..... 365,000

Schedule:

(1) 30-Children's Hospital Program.... 365,000

0985-001-0890—For support of California School Finance Authority, payable from the Federal Trust Fund..... 125,000

Schedule:

(1) 20-Charter School Facilities Program..... 125,000

Item		Amount
0985-001-6040—For support of California School Finance Authority, payable from the Charter School Facilities Account, 2002 State School Facilities Fund		547,000
Schedule:		
(1) 20-Charter School Facilities Program	547,000	
0985-101-0890—For local assistance, California School Finance Authority, State Charter School Facilities Incentive Grant Program, payable from the Federal Trust Fund		9,725,000
Provisions:		
1. No charter school receiving funds under the program authorized under this provision shall receive funding in excess of 75 percent of annual lease costs through this program or in combination with any other source of funding provided in this or any other act.		

STATE AND CONSUMER SERVICES

1100-001-0001—For support of California Science Center		11,945,000
Schedule:		
(1) 10-Education	11,133,000	
(2) 20-Exposition Park Management	4,346,000	
(3) 30-California African-American Museum	2,100,000	
(4) 40.01-Administration	1,176,000	
(5) 40.02-Distributed Administration	−1,176,000	
(6) Reimbursements-Education	−1,213,000	
(7) Reimbursements-Exposition Park Management	−350,000	
(8) Reimbursements-California African-American Museum	−75,000	
(9) Amount payable from the Exposition Park Improvement Fund (Item 1100-001-0267)	−3,996,000	
1100-001-0267—For support of California Science Center, for payment to Item 1100-001-0001, payable from the Exposition Park Improvement Fund		3,996,000
Provisions:		
1. The amount appropriated in this item may include revenues derived from the assessment of		

Item Amount

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..... 2,727,000

Schedule:

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

(2) Insurance..... 27,000

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.
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

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..... 154,000

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 Contingent Fund 15,712,000

Schedule:

(1) 22-Board of Barbering and Cosmetology 15,769,000

(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

Item Amount

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..... 2,438,000

Schedule:

(1) 56-Acupuncture Board..... 2,461,000

(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..... 275,000

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.

1110-001-0205—For support of Board for Geologists and Geophysicists, Program 51, payable from the Geology and Geophysics Fund..... 1,189,000

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..... 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.

1110-001-0264—For support of Osteopathic Medical Board of California, payable from the Osteopathic Medical Board of California Contingent Fund..... 1,143,000

Schedule:

(1) 70-Osteopathic Medical Board of California..... 1,193,000

(2) Reimbursements..... −50,000

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 Government Code Section 13332.18.

1110-001-0280—For support of Physician Assistant Committee, payable from the Physician Assistant Fund..... 1,069,000

Schedule:

(1) 59-Physician Assistant Committee..... 1,094,000

(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..... 1,221,000

Schedule:

(1) 61-California Board of Podiatric Medicine..... 1,225,000

(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..... 3,196,000

Schedule:

(1) 62-Board of Psychology..... 3,247,000

(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..... 2,645,000

Schedule:

(1) 64-Respiratory Care Board of California..... 2,711,000

(2) Reimbursements..... −66,000

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.

1110-001-0376—For support of the Speech-Language Pathology and Audiology Board, payable from the Speech-Language Pathology and Audiology Fund..... 722,000

Schedule:

(1) 65-Speech-Language Pathology and Audiology Board..... 746,000

(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..... 1,773,000

Schedule:

(1) 36.20-Committee on Dental Auxiliaries..... 1,795,000

(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.

1110-001-0399—For support of Structural Pest Control Board, for payment to Item 1110-001-0775, payable from the Structural Pest Control Education and Enforcement Fund..... 353,000

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.

1110-001-0704—For support of California Board of Accountancy, payable from the Accountancy Fund, Professions and Vocations Fund..... 9,916,000

Schedule:

(1) 3-California Board of Accountancy..... 10,120,000

(2) Reimbursements..... −204,000

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.

1110-001-0706—For support of California Architects Board, payable from the California Architects Board Fund..... 2,893,000

Schedule:

(1) 06.02.020-Distributed Cost-Architects/Landscape Architects..... −26,000

(2) 06.10.010-California Architects Board..... 2,924,000

(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..... 51,617,000

Schedule:

(1) 30-Contractors' State License Board..... 51,985,000

(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.

2. The Secretary for State and Consumer Services shall report to the Director of Finance, and the Joint Legislative Budget Committee on the progress of the Underground Economy Enforcement and shall provide justification for its continuance by September 13, 2007.

1110-001-0741—For support of Dental Board of California, Board of Dentistry, payable from the State Dentistry Fund..... 8,417,000

Schedule:

(1) 36.10-Dental Board of California..... 8,587,000

(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..... 1,153,000

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..... 48,894,000

Schedule:

(1)	55.10.010-Medical Board of California.....	49,991,000
(2)	55.15-Registered Dispensing Opticians.....	275,000
(3)	55.17-Outpatient Setting.....	24,000
(4)	55.02.020-Distributed Medical Board of California.....	−713,000
(5)	Reimbursements.....	−384,000
(6)	Amount payable from the Dispensing Opticians Fund (Item 1110-001-0175).....	−275,000
(7)	Amount payable from the Outpatient Setting Fund of the Medical Board of California (Item 1110-001-0210).....	−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.
2. Of the amount appropriated in Schedule (1), $375,000 shall be available for expenditure as follows:
   (a) Upon acceptance of a request by the Joint Legislative Audit Committee, $300,000 may be expended to reimburse the Bureau of State Audits for a performance audit pursuant to Section 1 of Chapter 674 of the Statutes of 2005.

Item Amount

(b) Upon acceptance of a request by the Joint Legislative Audit Committee, or upon adoption of legislation during the second year of the 2005–06 Regular Session that removes the Joint Legislative Audit Committee from the selection process, $75,000 may be expended to reimburse the Bureau of State Audits or another entity for a financial review pursuant to subdivision (i) of Section 2435 of the Business and Professions Code.

1110-001-0759—For support of Physical Therapy Board of California, payable from the Physical Therapy Fund..... 2,355,000

Schedule:

(1) 58-Physical Therapy Board of California..... 2,454,000

(2) Reimbursements..... −99,000

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.

1110-001-0761—For support of Board of Registered Nursing, payable from the Board of Registered Nursing Fund, Professions and Vocations Fund..... 20,556,000

Schedule:

(1) 78-Board of Registered Nursing.... 21,570,000

(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..... 1,179,000

Schedule:

(1) 69-State Board of Optometry..... 1,185,000

(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.

Item Amount

1110-001-0767—For support of California State Board of Pharmacy, payable from the Pharmacy Board Contingent Fund, Professions and Vocations Fund..... 8,245,000

Schedule:

(1) 72-California State Board of Pharmacy..... 8,496,000

(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..... 8,085,000

Schedule:

(1) 75-Board for Professional Engineers and Land Surveyors..... 8,101,000

(2) Reimbursements..... −16,000

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.

1110-001-0771—For support of Court Reporters Board of California, payable from the Court Reporters Fund..... 787,000

Schedule:

(1) 81-Court Reporters Board of California..... 805,000

(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..... 4,903,000

Schedule:

(1) 18-Board of Behavioral Science.... 4,953,000

(2) Reimbursements..... −50,000

Provisions:

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

Item Amount

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..... 3,840,000

Schedule:

(1) 84-Structural Pest Control Board..... 4,195,000

(2) Reimbursements..... −2,000

(3) Amount payable from the Structural Pest Control Education and Enforcement Fund (Item 1110-001-0399)..... −353,000

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..... 2,310,000

Schedule:

(1) 90-Veterinary Medical Board..... 2,336,000

(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 Nursing and Psychiatric Technicians Fund..... 5,241,000

Schedule:

(1) 91.02.020-Distributed Vocational Nurses..... −37,000

(2) 91.10.010-Vocational Nurses Program..... 5,630,000

(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.

Item Amount

1110-001-0780—For support of Board of Vocational Nurse and Psychiatric Technician Examiners, payable from the Psychiatric Technicians Account, Vocational Nursing and Psychiatric Technicians Fund..... 1,294,000

Schedule:

(1) 91.20-Psychiatric Technician Program..... 1,316,000

(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..... 825,000

Schedule:

(1) 67-California Board of Occupational Therapy..... 847,000

(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.

1111-002-0166—For support of the Arbitration Certification Program, Department of Consumer Affairs, payable from the Consumer Affairs-Certification Account..... 911,000

Schedule:

(1) 23-Arbitration Certification Program..... 911,000

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..... 716,000

Schedule:

(1) 24-Hearing Aid Dispensers Bureau..... 725,000

(2) Reimbursements..... −9,000

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.

1111-002-0239—For support of the Bureau of Security and Investigative Services, Department of Consumer Affairs, payable from the Private Security Services Fund..... 9,443,000

Schedule:

(1) 25.10.010-Bureau of Security and Investigative Services, Private Security Services Program..... 11,897,000

(2) 25.02.020-Distributed Private Security Services..... −104,000

(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..... 4,832,000

Schedule:

(1) 27.10.010-Bureau for Private Postsecondary and Vocational Education..... 5,022,000

(2) 27.02.020-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..... 2,009,000

Schedule:

(1) 28-Bureau of Electronic and Appliance Repair..... 2,022,000

(2) Reimbursements..... −13,000

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.

1111-002-0326—For support of State Athletic Bureau, payable from the State Athletic Commission Fund..... 1,245,000

Schedule:

(1) 9-State Athletic Bureau..... 1,448,000

(2) Amount payable from the Boxer's Pension Fund (Item 1111-002-9250)..... −94,000

(3) Amount payable from the Boxer's Neurological Examination Account (Item 1111-002-0492)..... −109,000

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. It is the intent of the Legislature to enact legislation in the second year of the 2005−06 Regular Session to reestablish the State Athletic Commission effective January 1, 2007. Upon the effective date of legislation to reestablish the State Athletic Commission, the Director of Finance may adjust budget appropriations, as necessary, to shift expenditure authority from the State Athletic Bureau to the State Athletic Commission.

1111-002-0421—For support of the Bureau of Automotive Repair, Department of Consumer Affairs, payable from the Vehicle Inspection and Repair Fund..... 100,648,000

Schedule:

(1) 31.10.016-Automotive Repair and Smog Check Programs..... 100,837,000

(2) 31.02.090-Distributed Automotive Repair and Smog Check Programs..... −71,000

(3) 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.

Item Amount

1111-002-0459—For support of the Telephone Medical Advice Services Program, Department of Consumer Affairs, payable from the Telephone Medical Advice Services Fund..... 136,000

Schedule:

(1) 37-Telephone Medical Advice Services Program..... 136,000

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.

1111-002-0492—For support of State Athletic Bureau, for payment to Item 1111-002-0326, payable from the Boxer's Neurological Examination Account..... 109,000

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..... 47,264,000

Schedule:

(1) 31.20.016-Vehicle Repair Assistance..... 17,034,000
(2) 31.20.030-Vehicle Retirement..... 19,975,000
(3) 31.20.040-Program Administration..... 10,255,000

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, the Department of Finance may authorize transfers among and between Schedules (1) and (2). Any transfer made pursuant to this provision shall be reported in writing to 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.

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

Item Amount

Schedule:

(1) 35.10.010-Administrative and Information Services Division..... 39,036,000
(2) 35.10.015-Public Affairs..... 1,009,000
(3) 35.10.020-Consumer and Community Relations Division..... 10,649,000
(4) 35.10.025-Division of Investigation..... 7,108,000
(4.5) 35.10.030-DCA Workers' Compensation..... 3,350,000
(5) 35.02.010-DistributedAdministrative and Information Services Division..... −38,461,000
(6) 35.02.015-Distributed Public Affairs..... −953,000
(7) 35.02.020-Distributed Consumer and Community Relations Division..... −10,649,000
(8) 35.02.025-Distributed Division of Investigation..... −7,108,000
(8.5) 35.02.030-Distributed DCA Workers' Compensation..... −3,350,000
(9) Reimbursements..... −631,000

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 Consumer Affairs shall report to the Department of Finance and the Joint Legislative Budget Committee at the conclusion of the project, but no later than September 1, 2009, on the status of the iLicensing project, including implementation by boards and bureaus, funding allocations, preliminary usage information among new and existing licensees, and a workload analysis for the positions established to support this project. The Department of Finance may eliminate any position established in the 2006–07 State Budget that supports the iLicensing project, if the workload cannot be justified by this report. In addition, in no case may a fee increase be imposed to support this project.
3. In recognition of operational efficiencies resulting from the implementation of the iLicensing information technology project by participating

Item Amount

boards, bureaus, and divisions of the Department of Consumer Affairs, a department-wide budget reduction of $500,000 (special funds) will be effectuated in the 2009–10 fiscal year and ongoing fiscal years. However, to the extent that additional resources are needed to protect California consumers, boards, bureaus, and divisions of the department may pursue budget augmentations through the annual budget process.

1111-002-0717—For support of the Cemetery and Funeral Bureau, Department of Consumer Affairs, payable from the Cemetery Fund, Professions and Vocations Fund..... 2,123,000

Schedule:

(1) 38.10.005-Cemetery Program..... 2,357,000

(2) 38.02.010-Distributed Cemetery Program..... −115,000

(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..... 1,560,000

Schedule:

(1) 38.20-Funeral Directors and Embalmers Program..... 1,572,000

(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.... 3,959,000

Schedule:

(1) 34-Bureau of Home Furnishings and Thermal Insulation..... 3,964,000

(2) Reimbursements..... −5,000

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.

1111-002-0769—For support of the Bureau of Security and Investigative Services, Department of Consumer Affairs, payable from the Private Investigator Fund..... 639,000

Schedule:

(1) 25.20-Private Investigators Program..... 749,000

(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.

1111-002-0890—For support of the Bureau for Private Postsecondary and Vocational Education, Department of Consumer Affairs, payable from the Federal Trust Fund..... 1,400,000

Schedule:

(1) 27.20-Federal Trust Program..... 1,400,000

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.

Item		Amount
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.....		400,000
Schedule:		
(1) 27.30-Student Tuition Recovery Program.....	400,000	
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.....		113,000
Schedule:		
(1) 39-Bureau of Naturopathic Medicine.....	116,000	
(2) Reimbursements.....	−3,000	
1111-002-9250—For support of State Athletic Bureau, for payment to Item 1111-002-0326, payable from the Boxer's Pension Fund.....		94,000
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.		
1111-003-0001—For support of the Office of Privacy Protection, Department of Consumer Affairs.....		785,000
Schedule:		
(1) 40-Office of Privacy Protection.....	820,000	
(2) Reimbursements.....	−35,000	
1700-001-0001—For support of Department of Fair Employment and Housing.....		15,487,000
Schedule:		
(1) 50-Administration of Civil Rights Law.....	20,995,000	
(2) Amount payable from the Federal Trust Fund (Item 1700-001-0890).....	−5,508,000	
Provisions:		
1. Of the funds appropriated in this item, $500,000 shall be directed toward reestablishing a mediation program for employment-related complaints. The Department of Fair Employment and Housing shall track all mediated cases, including those that are not successfully re-		

Item		Amount
solved and require subsequent investigation, so as to provide the necessary data to evaluate the efficiencies gained by mediation. The department shall report to the Director of Finance and the Joint Legislative Budget Committee by March 30, 2007, on the status of the program, the number of cases mediated, mediation outcomes, including the cases resolved and the length of time to resolve, and the costs, of successful and unsuccessful mediations.		
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		5,508,000
1705-001-0001—For support of the Fair Employment and Housing Commission		1,091,000
Schedule:		
(1) 10-Fair Employment and Housing Commission	1,251,000	
(2) Reimbursements	−160,000	
1730-001-0001—For support of Franchise Tax Board		514,618,000
Schedule:		
(1) 10-Tax Programs	439,936,000	
(2) 20-Homeowners and Renters Assistance	6,172,000	
(3) 30-Political Reform Audit (1,604,000)	0	
(4) 45-Child Support Automation	206,391,000	
(5) 50-DMV Collections	6,092,000	
(6) 60-Court Collections	10,215,000	
(7) 70-Contract Work	13,569,000	
(8) 80.01-Administration	23,051,000	
(9) 80.02-Distributed Administration	−23,051,000	
(10) Reimbursements	−15,050,000	
(11) Reimbursements-Child Support Automation	−135,895,000	
(12) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 1730-001-0044)	−2,113,000	
(13) Amount payable from the Motor Vehicle License Fee Account, Transportation Tax Fund (Item 1730-001-0064)	−3,979,000	

Item	Amount
(14) Amount payable from the Emergency Food Assistance Program Fund (Item 1730-001-0122).....	−6,000
(15) Amount payable from the Delinquent Tax Collection Fund (Section 19378 of the Revenue and Taxation Code).....	−404,000
(16) 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
(17) Amount payable from the Court Collection Account (Item 1730-001-0242).....	−10,215,000
(18) Amount payable from the State Children's Trust Fund (Item 1730-001-0803).....	−11,000
(19) Amount payable from the California Alzheimer's Disease and Related Disorders Research Fund (Item 1730-001-0823).....	−11,000
(20) Amount payable from the California Seniors Special Fund (Item 1730-001-0886).....	−4,000
(21) Amount payable from the California Breast Cancer Research Fund (Item 1730-001-0945).....	−7,000
(22) Amount payable from the California Peace Officer Memorial Foundation Fund (Item 1730-001-0974).....	−5,000
(23) Amount payable from the California Firefighters' Memorial Fund (Item 1730-001-0979).....	−7,000
(24) Amount payable from the California Fund for Senior Citizens (Item 1730-001-0983).....	−7,000
(25) Amount payable from the California Military Family Relief Fund (Item 1730-001-8022).....	−6,000
(26) Amount payable from the California Prostate Cancer Research Fund (Item 1730-001-8025).....	−6,000

Item	Amount
(27) Amount payable from the California Sexual Violence Victim Services Fund (Item 1730-001-8035).....	−6,000
(28) Amount payable from the California Colorectal Cancer Prevention Fund (Item 1730-001-8036).....	−6,000
(29) Amount payable from the Veterans' Quality of Life Fund (Item 1730-001-8037).....	−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 both its authorized budget and with 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 2006–07 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 2006–07 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 $126, and the filing enforcement cost recovery fee for purposes of subparagraph (A)

Item Amount

of paragraph (2) of that subdivision shall be $125.

4. During the 2006–07 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 $168, and the filing enforcement cost recovery fee for purposes of subparagraph (B) of paragraph (2) of that subdivision shall be $202.
5. Of the amounts appropriated in this item, the amounts provided in Schedule (4) and Schedule (11), Reimbursements—Child Support Automation, are, pursuant to Section 5 of Chapter 479 of the Statutes of 1999, available for the 2006–07 and 2007–08 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 transfer any amounts not fully expended in Schedule (4)—Child Support Automation, to the Department of Child Support Services to provide for unanticipated costs associated with the California Child Support Automation System project. This provision may become effective no sooner than 30 days after providing notification in writing to the chairpersons of the fiscal committees of 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 committee, or his or her designee, may in each instance determine.
9. 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 Schedules

Item Amount

(4)—Child Support Automation, and (11)—Reimbursements-Child Support Automation, for expenditures associated with the implementation of the California Child Support Automation System project not to exceed $15,000,000 from Item 5175-399-0001. Project augmentations may be approved by the Director of Finance not sooner than 30 days after written notification of the necessity thereof to the chairpersons of the committees in each house of the Legislature that consider 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. 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 or Reports or equivalent document or documents.

10. Of the amount appropriated in this item, $3,000,000 shall be available for enhancements to the California Child Support Automation System project to enable the receipt and recording of child support transitional arrears payments. This funding shall not be expended until the Department of Finance approves the Advance Planning Document or Special Project Report and 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 chairpersons of the committees in each house of the Legislature that consider appropriations, or no sooner than such lesser time as the chairperson of the joint committee, or his or her designee, may in each instance determine.

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..... 2,113,000

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..... 3,979,000

Item	Amount
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.....	10,215,000
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 California 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
1730-001-8022—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the California Military Family Relief Fund.....	6,000
1730-001-8025—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the California Prostate Cancer Research Fund.....	6,000
1730-001-8035—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the California Sexual Violence Victim Services Fund.....	6,000

Item	Amount
1730-001-8036—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the California Colorectal Cancer Prevention Fund	6,000
1730-001-8037—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the Veterans' Quality of Life Fund	6,000
1730-002-0001—For support of Franchise Tax Board, for rental payments on lease-revenue bonds	7,201,000
Schedule:	
(1) Central Office—Buildings 1 and 2 7,167,000	
(2) Insurance 75,000	
(3) Reimbursements ..... −41,000	
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.	
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.	
1760-001-0001—For support of Department of General Services, for payment to Item 1760-001-0666	7,673,000
Provisions:	
1. Of the amount appropriated in this item, $7,200,000 is for State Capitol repairs and shall be available for expenditure until June 30, 2008.	
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	3,657,000
Provisions:	
1. Of the amount appropriated in this item, $1,707,000 is a loan from the General Fund, provided for the purposes of supporting the management of the state's real property assets.	
2. Repayment of loans provided for the purposes of supporting the management of the state's real property assets shall be repaid within 60 days of the close of escrow from the sale of	

Item	Amount
surplus property, pursuant to Section 11011 of the Government Code.	
3. To the extent that the annual surplus property listing enacted in separate legislation changes the workload related to the management of the state's real property assets, the Director of Finance may adjust the amount of the General Fund loan and the total amount appropriated in this item not sooner than 30 days after notifying the Joint Legislative Budget Committee.	
4. Notwithstanding any other provision of law, 2006–07 revenues from Third Party Cogeneration Projects previously shared between state agencies and the Energy Resources Fund shall be deposited in the state General Fund.	
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.....	2,896,000
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.....	5,572,000
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.....	5,392,000
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.	
1760-001-0367—For support of Department of General Services, for payment to Item 1760-002-0666, payable from the Indian Gaming Special Distribution Fund.....	50,000
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.....	1,472,000
1760-001-0602—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the Architecture Revolving Fund.....	37,477,000

Item	Amount
1760-001-0666—For support of Department of General Services, payable from the Service Revolving Fund	607,332,000
Schedule:	
(1) Program support	844,890,000
(2) Distributed services	−11,045,000
(3) Reimbursements—Lease revenue	−18,000
(3.5) Amount payable from the General Fund (Item 1760-001-0001)	−7,673,000
(4) Amount payable from the General Fund (Item 1760-002-0001)	−331,000
(5) Amount payable from the Property Acquisition Law Money Account (Item 1760-001-0002)	−3,657,000
(6) Amount payable from the Motor Vehicle Parking Facilities Moneys Account (Item 1760-001-0003)	−2,896,000
(7) Amount payable from the State Emergency Telephone Number Account (Item 1760-001-0022)	−5,572,000
(8) Amount payable from the State Motor Vehicle Insurance Account (Item 1760-001-0026)	−5,392,000
(8.5) Amount payable from the Indian Gaming Special Distribution Fund (Item 1760-001-0367)	−50,000
(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)	−1,472,000
(11) Amount payable from the Architecture Revolving Fund (Item 1760-001-0602)	−37,477,000
(12) Amount payable from the Earthquake Safety and Public Buildings Rehabilitation Fund of 1990 (Item 1760-001-0768)	−651,000
(13) Amount payable from the State School Building Aid Fund (Item 1760-001-0739)	−234,000
(14) Amount payable from the State School Deferred Maintenance Fund (Item 1760-001-0961)	−150,000

Item Amount

(15) Amount payable from the 2004 State School Facilities Fund (Item 1760-001-6044)..... −12,016,000

(16) Amount payable from the Motor Vehicle Parking Facilities Money Account (Item 1760-002-0003).... −1,093,000

(17) Amount payable from the Service Revolving Fund (Item 1760-002-0666)..... −133,352,000

(18) Amount payable from the Service Revolving Fund (Item 1760-003-0666)..... −14,404,000

Provisions:

1. Notwithstanding any other provision of law, revenues from the sale of legislative bills and publications received by the Legislative Bill Room shall be deposited in the Service Revolving Fund.
2. Notwithstanding any other provision of law, if the Director 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 are 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 the loan to expend during the 2006–07 fiscal year from the recipient fund except as otherwise provided in Provisions 4, 5, and 6.
   (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.

Item Amount

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 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. The Director of General Services shall not use this provision to augment this item or Item 1760-001-0002, 1760-001-0003, 1760-001-0026, or 1760-001-0602 for costs that the Department of General Services had knowledge of in time to include in the May Revision.
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 Department of General Services (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 deemed to be necessary on a permanent basis shall be submitted for review as part of the nor-

Item Amount

mal budget development process. The Director of Finance shall not use this provision to augment this item or Item 1760-001-0002, 1760-001-0003, 1760-001-0026, or 1760-001-0602 for costs that the Departments of Finance or General Services had knowledge of in time to include in the May Revision.

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 Energy Services Program, 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 of the Legislature, 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 shall be reported in writing to 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 the augmentation is approved. This notification shall be provided in a format consistent with normal budget change requests, including identification of the amount of, and justification for, the augmentation, and the pro-

Item Amount

gram 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 approve Budget Revision, Standard Form 26, subject to a copy being provided to the Department of Finance.
8. Notwithstanding any other provision of law, due to the inability to issue energy efficiency revenue bonds pursuant to Chapter 2.7 (commencing with Section 15814.10) of Part 10b of Division 3 of Title 2 of the Government Code, in order to repay the General Fund for the cost of completing energy efficiency projects on specified buildings, the Department of General Services shall, within 10 fiscal years, recover an amount sufficient to repay the costs associated with completed energy efficiency projects plus 5 percent interest, through utility rates charged to tenants. On August 1 of each fiscal year beginning with the 2005–06 fiscal year, the Department of General Services shall transfer that amount to the General Fund. Once the General Fund has been fully repaid, the Department of General Services shall adjust utility rates for all tenants to accurately reflect the current rates.
9. The Department of General Services shall collect information from all state departments in the executive branch on all state-owned buildings (office space) with a minimum of 50,000 square feet to determine the nature and level of security expenditures for fiscal years 2000–01 to 2005–06, inclusive. Information collected shall include the following, for each building meeting the above criteria: (a) annual expenditures on facility security, (b) annual expenditures on nonstate security personnel, (c) identification of any security-related budget augmentation requested during that period, (d) indication of whether a California Highway Patrol security assessment was performed on the facility, (e) identification and cost of any building security-related equipment purchased costing more than $5,000 during this period, (f) facility loca-

Item Amount

tion, (g) description of programmatic activities performed at the facility, and (h) a narrative explanation for increased costs during that period. The department shall provide this information to the Department of Finance, the Legislative Analyst's Office, and the budget committees of each house of the Legislature no later than March 15, 2007.

1760-001-0739—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the State School Building Aid Fund..... 234,000

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..... 651,000

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..... 150,000

1760-001-6044—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the 2004 State School Facilities Fund..... 12,016,000

1760-002-0001—For support of Department of General Services, for payment to Item 1760-001-0666..... 331,000

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..... 1,093,000

Provisions:

1. The funds appropriated in this item are for the following:
   (a) Base Rental and Fees..... 1,087,000
   (b) Insurance..... 6,000
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.
3. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

Item Amount

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..... 133,352,000

Provisions:

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

(a) Base rental and fees..... 132,608,000

(1) Capitol Area Development Authority, Sacramento..... 692,000

(2) State Office Building, Riverside..... 2,100,000

(3) Department of Justice Building, Sacramento..... 4,935,000

(4) San Francisco Civic Center Building..... 25,629,000

(5) Ronald Reagan Building, Los Angeles..... 18,036,000

(6) Elihu M. Harris Building, Oakland..... 10,730,000

(7) LA Junipero Serra II..... 4,772,000

(8) State Office Building, San Diego (Suburban)..... 2,885,000

(9) Capitol East End Garage..... 978,000

(10) Stephen P. Teale Data Center..... 3,497,000

(11) Capitol Area East End Complex..... 32,616,000

(12) Butterfield Warehouse Plant..... 2,496,000

Item Amount

(13) Food and Agriculture..... 1,340,000
(14) ButterfieldOffice Building..... 16,141,000
(15) Caltrans San Diego Office Building..... 5,761,000
(b) Insurance..... 762,000
(c) Reimbursements..... −18,000

2. The Controller shall transfer funds appropriated in this item according to a schedule to be provided by the State Public Works Board monthly or as otherwise needed to ensure debt requirements are met.
3. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

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..... 14,404,000

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.
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

1760-011-0666—For transfer by the Controller, upon order of the Director of Finance, to the Motor Vehicle Parking Facilities Moneys Account..... (1,772,000)

Provisions:

1. The transfer made by this item is a loan to the Motor Vehicle Parking Facilities Moneys Account and shall be repaid as soon as there are sufficient moneys in the recipient fund, but no later than 2011–2012.

Item		Amount
1760-011-0739—For transfer by the Controller, upon order of the Director of Finance, to the 2002 State School Facilities Fund.....		1,510,000
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.....		152,270,000
Schedule:		
(1) 911 Emergency Telephone Number System.....	104,523,000	
(2) Enhanced Wireless Services.....	47,747,000	
1760-301-0001—For capital outlay, Department of General Services.....		1,742,000
Schedule:		
(1) 50.99.040-CDCR, Sierra Conservation Center, Jamestown: Buildings E & F, Structural Retrofit—Preliminary plans.....	102,000	
(2) 50.99.409-CDCR, California Medical Facility, Vacaville: Inmate Housing Wings U, V & T, Structural Retrofit—Preliminary plans.....	403,000	
(3) 50.99.417-Military Department Stockton Armory: Structural Retrofit—Preliminary plans.....	185,000	
(4) 50.99.418-CDCR, California Correctional Center, Susanville: Vocational Building F, Structural Retrofit—Preliminary plans.....	143,000	
(5) 50.99.421-CDCR, California Institution for Women at Frontera, Corona: Walker Clinic, Structural Retrofit—Preliminary plans.....	203,000	
(6) 50.99.422-DMH, Metro State Hospital, Norwalk: Wards 206 and 208, Structural Retrofit—Preliminary plans.....	215,000	
(7) 50.99.423-CDCR, California Correctional Institution, Tehachapi: Building H, Chapels Facility, Structural Retrofit—Preliminary plans.....	160,000	

Item Amount

(8) 50.99.424-DVA, Yountville: East Ward, Wing A, Structural Retrofit—Preliminary plans..... 141,000

(9) 50.99.427-CDCR, California Institution for Women at Frontera, Corona: Infirmary, Structural Retrofit—Preliminary plans..... 190,000

1760-301-0768—For capital outlay, Department of General Services, payable from the Earthquake Safety and Public Buildings Rehabilitation Fund of 1990..... 3,080,000

Schedule:

(1) 50.99.029-Program Management..... 500,000

(2) 50.99.091-Department of Corrections and Rehabilitation, DVI, Tracy, Hospital Building: Structural Retrofit—Working drawings and construction..... 2,580,000

Provisions:

1. Pursuant to funds appropriated in Schedule (1) and notwithstanding any other provision of law, the Director of General Services or his or her designee may contract for program management services provided by a licensed architect, registered engineer, or licensed general contractor where a firm is selected to assist the Department of General Services in project management activities, planning, designing, estimating, reviewing, and completing a multiproject construction program.

1760-491—Reappropriation, Department of General Services. Notwithstanding any other provision of law, the period to liquidate encumbrances of the following citations is extended to June 30, 2007:

0768—Earthquake Safety and Public Buildings Rehabilitation Fund of 1990

(1) Item 1760-301-0768, Budget Act of 2002 (Ch. 379, Stats. 2002), as reappropriated by Item 1760-491, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(10) 50.99.079-Department of Corrections and Rehabilitation, San Quentin, Building 22: Structural Retrofit—Working drawings

Item Amount

1760-495—Reversion, Department of General Services. As of June 30, 2006, the unencumbered balance of the appropriation provided for in the following citation shall revert to the balance of the fund from which it was made:

0768—Earthquake Safety and Public Buildings Rehabilitation Fund of 1990

(1) Item 1760-301-0768, Budget Act of 2002 (Ch. 379, Stats. 2002), as reappropriated by Item 1760-490, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(3) 50.99.091-California Department of Corrections and Rehabilitation, DVI, Tracy, Hospital Building: Structural Retrofit—Construction

1870-001-0001—For support of California Victim Compensation and Government Claims Board..... 0

Schedule:

(1) 11-Citizens Indemnification..... 69,196,000
(2) 12-Quality Assurance and Revenue Recovery Division..... 8,614,000
(3) 21-Disaster Relief Claim Program..... 19,000
(4) 31-Civil Claims Against the State..... 1,314,000
(5) 41-Citizens Benefiting the Public..... 20,000
(6) 51.01-Administration..... 8,709,000
(7) 51.02-Distributed Administration Executive Office..... −9,071,000
(8) 51.03-Executive Office Administration..... 362,000
(9) Reimbursements..... −1,333,000
(10) Amount payable from the Restitution Fund (Item 1870-001-0214)..... −45,586,000
(11) Amount payable from the Federal Trust Fund (Item 1870-001-0890)..... −32,224,000
(12) Amount payable from the Restitution Fund (Item 1870-002-0214)..... −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

Item Amount

meetings, the board shall notify all parties whose claims or proposals are scheduled for consideration and any party requesting notice of the proceedings.

1870-001-0214—For support of California Victim Compensation and Government Claims Board, for support services pursuant to Chapter 5 (commencing with Section 13950) of Part 4 of Division 3 of Title 2 of the Government Code, for payment to Item 1870-001-0001, payable from the Restitution Fund..... 45,586,000

1870-001-0890—For support of California Victim Compensation and Government Claims Board, for payment to Item 1870-001-0001, payable from the Federal Trust Fund..... 32,224,000

1870-002-0214—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 1870-001-0001, payable from the Restitution Fund..... 20,000

1880-001-0001—For support of State Personnel Board..... 6,380,000

Schedule:

(1) 10-Merit System Administration.... 15,335,000
(2) 40-Local Government Services..... 2,826,000
(3) 50.01-Administration Services..... 5,327,000
(4) 50.02-Distributed Administration Services..... −1,929,000
(5) Reimbursements..... −15,179,000

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, 2007.
   (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

Item Amount

writing and filed with the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the committees in each house of the Legislature that consider 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.

1900-001-0942—For support of Public Employees' Retirement System, payable from the federal Medicare Part D Retiree Drug Subsidy Account, Special Deposit Fund..... 489,000

Provisions:

1. Funds appropriated in this item shall be used by the Public Employees' Retirement System to implement the processing of Medicare Part D eligibility files, reconciliation files, and subsidy requests. The Public Employees' Retirement System shall continue to apply directly for the maximum possible amount of Medicare Part D drug subsidies in 2006 and 2007.
2. Notwithstanding the requirements of Provision 1, the Public Employees' Retirement System may choose not to apply for subsidies related to plans that are eligible to act as sponsors and receive Part D subsidies related to their enrollees or with respect to persons enrolled in a board-approved Medicare Advantage prescription drug health benefit plan, consistent with actions of the Public Employees' Retirement System for the calendar year 2006. If the Public Employees' Retirement System chooses not to apply for subsidies pursuant to this provision, the Public Employees' Retirement System shall so notify the Department of Finance, the chairpersons of the committees and the appropriate subcommittees in each house of the Legislature that consider the budget, the Chairperson of the Joint Legislative Budget Committee, and the Legislative Analyst's Office, and shall include in that notification an explanation of the facts and circumstances underlying that choice.
3. All Medicare Part D drug subsidies received as a result of the applications made pursuant to Provision 1 shall be deposited into the Special

Item Amount

Deposit Fund and identified as Medicare Part D drug subsidy funds. The Medicare Part D drug subsidy funds shall be expended only for the purposes described in Provision 1. No Medicare Part D drug subsidy funds remaining in the Special Deposit Fund after payment of the uses listed in Provision 1 may be spent or transferred to other funds except upon appropriation by the Legislature. Notwithstanding this prohibition on spending or transferring funds, the portion of any Medicare Part D drug subsidy funds that (a) are attributable to public employers other than the state that participate in the Public Employees' Retirement System's health programs and (b) remain in the Special Deposit Fund after paying for the activities described in Provision 1 shall be distributed to these other public employers pursuant to a distribution schedule proposed by the Public Employees' Retirement System and approved by the Director of Finance.

4. If the Board of Administration of the Public Employees' Retirement System wishes to propose an amended approach concerning applications for Medicare Part D drug subsidy funds in 2008 or a use for Medicare Part D drug subsidy funds expected to be accumulated in the Special Deposit Fund, the Board of Administration shall submit a proposal for these purposes to the Chairperson of the Joint Legislative Budget Committee, the chairpersons of the appropriate fiscal and policy committees of the Legislature, and the Director of Finance on or before December 1, 2006.

1900-001-0950—For support of Board of Administration of the Public Employees' Retirement System, payable from the Public Employees' Contingency Reserve Fund..... 20,655,000

Provisions:

1. The appropriation made in this item is for support of the board of administration pursuant to Section 22910 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..... (458,419,000)

Item Amount

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 2006–07 fiscal year pursuant to Sections 20172, 20208, and 20210 of the Government Code. The Board of Administration of 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, 2007, 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 2007–08 fiscal year. The Board of Administration of the Public Employees' Retirement System shall report on or before January 10, 2008, 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 2005–06 and 2006–07 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.

Item Amount

1900-015-0815—For support of Board of Administration of the Public Employees' Retirement System, payable from the Judges' Retirement Fund..... (705,000)

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 May 15, 2007, a copy of the proposed budget for PERS for the 2007–08 fiscal year as approved by the board of administration.
   (b) The revisions to the proposed budget for PERS for the 2006–07 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.
   (c) Commencing October 1, 2006, 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..... (326,000)

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:

Item Amount

(a) No later than May 15, 2007, a copy of the proposed budget for the Public Employees' Retirement System for the 2007–08 fiscal year as approved by the board of administration.

(b) The revisions to the proposed budget for the Public Employees' Retirement System for the 2006–07 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.

(c) Commencing October 1, 2006, all expenditure and performance workload data provided to the board of administration, as updated on a quarterly basis. This quarterly update information shall be submitted to the Joint Legislative Budget Committee and the fiscal committees of the Legislature 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..... (230,127,000)

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) No later than May 15, 2007, a copy of the proposed budget for the Public Employees' Retirement System for the 2007–08 fiscal year as approved by the board of administration.

(b) The revisions to the proposed budget for the Public Employees' Retirement System for the 2006–07 fiscal year, as recommended by the Public Employees' Retirement System Finance Committee, at least 30

Item Amount

days prior to consideration of those revisions by the board of administration.

(c) Commencing October 1, 2006, all expenditure and performance workload data provided to the board of administration, as updated on a quarterly basis. This quarterly update information shall be submitted to the Joint Legislative Budget Committee and the fiscal committees of the Legislature 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.

2. Commencing July 1, 2006, 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..... (457,000)

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 May 15, 2007, a copy of the proposed budget for PERS for the 2007–08 fiscal year as approved by the board of administration.

(b) The revisions to the proposed budget for PERS for the 2006–07 fiscal year, as recommended by the PERS Finance Committee, at least 30 days prior to the considera-

Item Amount

tion of those revisions by the board of administration.

(c) Commencing October 1, 2006, 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..... (125,000)

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 2007–08 fiscal year as approved by the board of administration by May 15, 2007.

(b) The revisions to the proposed budget for the Public Employees' Retirement System for the 2006–07 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.

(c) Commencing October 1, 2006, 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 over-

Item Amount

sight 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 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..... 115,873,000

Schedule:

(1) 10-Services to Members and Employers..... 116,275,000
(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, 2006, 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.

Item Amount

1920-002-0835—For support of State Teachers' Retirement System (external investment advisers), payable from the State Teachers' Retirement Fund..... (106,000,000)

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 2006–07 fiscal year pursuant to Section 22353 of the Education Code. STRS shall report to the fiscal committees of each house of the Legislature and the Joint Legislative Budget Committee no later than January 10, 2007, 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 2007–08 fiscal year. STRS shall report on or before January 10, 2008, 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 2005–06 and 2006–07 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.

Item Amount

1920-011-0001—For transfer by the Controller to the State Teachers' Retirement Fund..... (958,573,000)

Schedule:

(1) Supplemental Benefit Maintenance Account (SBMA)..... (598,391,000)

(2) Benefits Funding..... (360,182,000)

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 subdivisions (a) and (b) of Section 22955 of the Education Code.

1920-490—Reappropriation, State Teachers' Retirement System (STRS). Notwithstanding any other provision of law, up to $3,546,000 of the balance as of June 30, 2006, 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 or expenditure until June 30, 2007. Any amount of this reappropriation that is not expended in 2006–07 shall be carried over to 2007–08 and is hereby reappropriated. In no event shall the total amounts reappropriated for the 2007–08 Budget exceed 3 percent of STRS' 2006–07 appropriation for Item 1920-001-0835.

0835—State Teachers' Retirement Fund

(1) Item 1920-001-0835, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

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 2006–07 fiscal year on expenditures made pursuant to this item.

1955-001-9730—For support of Department of Technology Services, payable from the Department of Technology Services Revolving Fund..... 237,070,000

Item Amount

Schedule:

(1) 10-Administration of Technology Services..... 237,070,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the Department of Technology 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 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 Department of Technology Services shall report to the Department of Finance actual expenditures associated with the projects when purchase agreements have been executed. Changes in project scope must receive approval using the established administrative and legislative reporting requirements.

BUSINESS, TRANSPORTATION AND HOUSING

2100-001-3036—For support of Department of Alcoholic Beverage Control, payable from the Alcohol Beverage Control Fund..... 45,845,000

Schedule:

(1) 10.10-Licensing..... 25,500,000
(2) 10.20-Compliance..... 21,392,000
(3) 10.30.010-Administration..... 3,888,000
(4) 10.30.020-Distributed Administration..... −3,888,000
(5) Reimbursements..... −1,047,000

2100-011-0081—For transfer by the Controller, from the Alcohol Beverage Control Fund to the Alcohol Beverage Control Fund..... (27,000)

Item Amount

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..... 3,000,000

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.

2100-495—Reversion, Department of Alcoholic Beverage Control. As of June 30, 2006, the amounts specified below of the appropriation provided for in the following citation shall revert to the balance of the fund from which the appropriation was made:

3036—Alcohol Beverage Control Fund

(1) Item 2100-001-3036, Budget Act of 2005 (Ch. 38, Stats. 2005)
   (1) 10.10-Licensing..... 665,000
   (2) 10.20-Compliance..... 614,000

2120-001-0117—For support of Alcoholic Beverage Control Appeals Board, Program 10, payable from the Alcoholic Beverage Control Appeals Fund..... 1,021,000

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..... 372,000

2150-001-0298—For support of Department of Financial Institutions, payable from the Financial Institutions Fund..... 19,473,000

Schedule:

(1) 10-Licensing and Supervision of Banks and Trust Companies..... 17,291,000

Item		Amount
(2) 20-Special Licensees	1,634,000	
(3) 40-Administration of Local Agency Security	372,000	
(4) 50-Supervision of California Business and Industrial Development Corporations	31,000	
(5) 60-Credit Unions	4,086,000	
(6) 70-Savings and Loan	96,000	
(7) 80-Industrial Banks	1,021,000	
(8) 90.01-Administration	4,903,000	
(9) 90.02-Distributed Administration	−4,903,000	
(10) Reimbursements	−600,000	
(11) Amount payable from the Local Agency Deposit Security Fund (Item 2150-001-0240)	−372,000	
(12) Amount payable from the Credit Union Fund (Item 2150-001-0299)	−4,086,000	
2150-001-0299—For support of Department of Financial Institutions, for payment to Item 2150-001-0298, payable from the Credit Union Fund		4,086,000
2180-001-0067—For support of Department of Corporations, payable from the State Corporations Fund		31,548,000
Schedule:		
(1) 10-Investment Program	18,066,000	
(2) 20-Lender-Fiduciary Program	13,632,000	
(3) 50.01-Administration	5,784,000	
(4) 50.02-Distributed Administration	−5,784,000	
(5) Reimbursements	−150,000	
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, 2007, on the level of noncompliance with Chapter 940 of the Statutes of 2004, and any staffing changes requested based on the level of noncompliance.		
2240-001-0001—For support of Department of Housing and Community Development		5,517,000

Item	Amount
Schedule:	
(1) 10-Codes and Standards Program	26,450,000
(2) 20-Financial Assistance Program	14,854,000
(3) 30-Housing Policy Development Program	3,111,000
(4) 50.01-Administration	10,319,000
(5) 50.02-Distributed Administration	−10,314,000
(6) 50.03-Distributed Administration of the Housing Policy Development Program	−122,000
(7) Reimbursements	−1,037,000
(8) Amount payable from the Mobilehome Park Revolving Fund (Item 2240-001-0245)	−5,429,000
(9) Amount payable from the Mobilehome Park Purchase Fund (Item 2240-001-0530)	−514,000
(10) Amount payable from the Mobilehome-Manufactured Home Revolving Fund (Item 2240-001-0648)	−19,012,000
(11) Amount payable from the Self-Help Housing Fund (Item 2240-001-0813)	−110,000
(12) Amount payable from the Federal Trust Fund (Item 2240-001-0890)	−7,925,000
(13) Amount payable from the Housing Rehabilitation Loan Fund (Item 2240-001-0929)	−2,132,000
(14) Amount payable from the Rental Housing Construction Fund (Item 2240-001-0938)	−697,000
(15) Amount payable from the Predevelopment Loan Fund (Item 2240-001-0980)	−277,000
(16) Amount payable from the Emergency Housing and Assistance Fund (Item 2240-001-0985)	−426,000
(17) Amount payable from the Jobs-Housing Balance Improvement Account (Item 2240-001-3006)	−908,000

Item	Amount
(18) Amount payable from the Building Equity and Growth in Neighborhoods Fund (Item 2240-001-6038).....	−314,000
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.....	5,429,000
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.....	514,000
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.....	19,012,000
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.	
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.....	110,000

Item	Amount
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	7,925,000
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	2,132,000
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	697,000
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	277,000
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	426,000
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	908,000
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	314,000
2240-101-0001—For local assistance, Department of Housing and Community Development	6,316,000
Schedule:	
(1) 20-Financial Assistance Program 171,316,000	
(2) Amount payable from the Federal Trust Fund (Item 2240-101-0890) ..... −165,000,000	
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	165,000,000
Provisions:	
1. Notwithstanding any other provision of law, federal funds appropriated by this item but not encumbered or expended by June 30, 2007, may be expended in the subsequent fiscal year.	

Item	Amount
2240-101-3006—For local assistance, Department of Housing and Community Development, payable from the Jobs-Housing Balance Improvement Account	23,000,000
2240-101-6038—For local assistance, Department of Housing and Community Development, Program 20-Financial Assistance Program, payable from the Building Equity and Growth in Neighborhoods Fund	24,000,000
2240-102-0001—For transfer upon order of the Director of Finance to the Joe Serna, Jr. Farmworker Housing Grant Fund	2,350,000
Provisions:	
1. This amount shall be used by the Department of Housing and Community Development for repair, rehabilitation, and reconstruction of Office of Migrant Services (OMS) facilities.	
2240-104-0001—For transfer, as an expenditure, by the Controller to the Self-Help Housing Fund	500,000
Provisions:	
1. Funds transferred in this item to the Self-Help Housing Fund shall be expended for construction management grants pursuant to subdivision (b) of Section 50696 of the Health and Safety Code.	
2240-105-0001—For transfer, as an expenditure, upon order of the Director of Finance, to the Emergency Housing and Assistance Fund	4,000,000
Provisions:	
1. The amount transferred in this item to the Emergency Housing and Assistance Fund 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.	

Item		Amount
2240-107-0929—For transfer, upon order of the Director of Finance, from the Housing Rehabilitation Loan Fund to the General Fund		(8,000,000)
2240-115-0843—For transfer, upon order of the Director of Finance, from the California Housing Trust Fund to the General Fund		(4,000,000)
2310-001-0400—For support of Office of Real Estate Appraisers, payable from the Real Estate Appraisers Regulation Fund		3,834,000
Schedule:		
(1) 10-Administration of Real Estate Appraisers Program	3,914,000	
(2) Reimbursements	−80,000	
2320-001-0317—For support of Department of Real Estate, payable from the Real Estate Fund		42,979,000
Schedule:		
(1) 10-Licensing and Education	9,602,000	
(2) 20-Enforcement and Recovery	26,987,000	
(3) 30-Subdivisions	6,690,000	
(4) 40.10-Administration	8,326,000	
(5) 40.20-Distributed Administration	−8,326,000	
(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.
2. The Department of Real Estate shall, by January 10, 2008, report to the chairperson of the budget committee of each house of the Legislature and to the Legislative Analyst's Office all of the following: (a) actual workload data for the 2005–06 and 2006–07 fiscal years compared to the workload projected by the department in February 2006; (b) projected workload data for the 2007–08 and 2008–09 fiscal years; and (c) any staffing and funding changes requested based on (a) and (b). Workload data shall include, at a minimum, the total number of licensees; the number of onsite and offsite exams scheduled; the number of licenses issued; the number of enforcement cases assigned; the number of audits performed; the number of Subdivision Program filings; and the number of legal actions filed.

Item Amount

2400-001-0933—For support of Department of Managed Health Care, payable from the Managed Care Fund..... 39,001,000

Schedule:

(1) 30-Health Plan Program..... 39,221,000

(2) 50.01-Administration..... 9,249,000

(3) 50.02-Distributed Administration..... −9,249,000

(4) Reimbursements..... −220,000

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..... 2,314,000

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..... 675,000

2600-001-0046—For support of California Transportation Commission, payable from the Public Transportation Account, State Transportation Fund..... 1,211,000

Schedule:

(1) 10-Administration of California Transportation Commission..... 2,316,000

(2) Reimbursements..... −430,000

(3) Amount payable from the State Highway Account, State Transportation Fund (Item 2600-001-0042)..... −675,000

2600-402—Before allocating projects in the 2006–07 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

Item Amount

$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..... 580,815,000

Provisions:

1. Notwithstanding Sections 99313 and 99314 of the Public Utilities Code, not more than $67,387 of the amount appropriated in this item shall reimburse the Controller for expenditures for administration of state transportation assistance funds.

2660-001-0041—For support of Department of Transportation, for payment to Item 2660-001-0042, payable from the Aeronautics Account, State Transportation Fund..... 3,118,000

2660-001-0042—For support of Department of Transportation, payable from the State Highway Account, State Transportation Fund..... 2,322,131,000

Schedule:

(1) 10-Aeronautics..... 3,154,000
(2) 20.10-Highway Transportation—Capital Outlay Support.... 1,394,844,000
(3) 20.30-Highway Transportation—Local Assistance..... 35,779,000
(4) 20.40-Highway Transportation—Program Development..... 71,768,000
(5) 20.65-Highway Transportation—Legal..... 75,599,000
(6) 20.70-Highway Transportation—Operations..... 183,867,000
(7) 20.80-Highway Transportation—Maintenance..... 967,664,000
(8) 30-Mass Transportation..... 112,144,000
(9) 40-Transportation Planning..... 94,063,000
(10) 50.00-Administration..... 326,613,000
(11) 60.10-Equipment Service Program Costs..... 173,266,000
(11.5) 60.20-Distributed Equipment Service Program Costs..... −173,266,000
(12) Reimbursements..... −245,163,000

Item Amount

(13) Amount payable from the Aeronautics Account, State Transportation Fund (Item 2660-001-0041)..... −3,118,000

(14) Amount payable from the Bicycle Transportation Account, State Transportation Fund (Item 2660-001-0045)..... −44,000

(15) Amount payable from the Public Transportation Account, State Transportation Fund (Item 2660-001-0046)..... −131,201,000

(16) Amount payable from the Historic Property Maintenance Fund (Item 2660-001-0365)..... −1,507,000

(17) Amount payable from the Federal Trust Fund (Item 2660-001-0890)..... −547,224,000

(18) Amount payable from the Transportation Financing Subaccount, State Highway Account, State Transportation Fund (Item 2660-001-6801)..... −15,107,000

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 of both houses of the Legislature 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 construc-

Item Amount

tion 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 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 chairpersons of the committees in each house of the Legislature that consider 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 Finance, all or part of the savings to Item 2660-101-0042, 2660-301-0042, 2660-302-0042, or 2660-303-0042 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 chairpersons of the committees in each house of the Legislature that consider 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. The funds appropriated in Schedule (2) for external consultant and professional services related to project delivery (also known as 232 con-

Item Amount

tracts) 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.

6. 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 of Transportation 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.
7. Of the funds appropriated in Schedule (7), $588,000 is for the maintenance of the new Route 125 toll road in San Diego County. This full amount shall not be available for expenditure until the Department of Transportation has entered into a contract with the contractor for the year in which funds are to be expended.
8. (a) Notwithstanding any other provision of law, funds appropriated in Item 2660-001-0042, 50.00-Administration from the State Highway Account may be reduced and replaced by an equivalent amount of Reimbursements funds determined by the Department of Transportation to be available and necessary to comply with Section 28.50 and the most effective management of state transportation resources. The Reimbursements Account may also be reduced and replaced by an equivalent amount of funds from the State Highway Account. Not more than 30 days after replacing the State Highway Account funds with Reimbursements funds and vice versa, the Director of Finance shall notify in writing the chairpersons of the committees in each house of the Legislature that consider appropriations and the Chairperson of the Joint Legislative Budget Committee of this action.

   (b) To the extent that funds in the State Highway Account and Reimbursements Account are reduced pursuant to this provi-

Item Amount

sion, the Department of Transportation may transfer, with the approval of the Business, Transportation and Housing Agency, and upon authorization by the Director of Finance, all or part of the savings to Item 2660-101-0042 for local assistance to Item 2660-301-0042 or 2660-302-0042 for 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 chairpersons of the committees in each house of the Legislature that consider appropriations and the Chairperson of the Joint Legislative Budget Committee.

9. Of the funds appropriated in Schedule (11), it is the intent of the Legislature that the Equipment Service Fund be abolished as of June 30, 2006. All encumbrances as of June 30, 2006, will become liabilities of the State Highway Account.
10. Not more than $1,400,000 appropriated in this item is available for support of the Department of Transportation's Owner Controlled Insurance Program to administer insurance coverage for contractors on projects with combined total costs not to exceed $750,000,000.
11. Of the funds appropriated in this item, $76,000,000 is for major maintenance contracts for the preservation of highway pavement and shall not be used to supplant any other funding that would have been used for major pavement maintenance.
12. Of the funds appropriated in Schedule (5), $48,600,000 is for the payment of tort lawsuit claims and awards. Any funds for that purpose that are unencumbered as of April 1, 2007, may be transferred to Item 2660-302-0042. Any transfer shall require the prior approval of the Department of Finance.
13. Of the funds appropriated in Schedule (2), $19,600,000 is for capital outlay support costs that would be added due to the passage of the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 on the November 7, 2006, ballot. This amount shall

Item Amount

not be available for expenditure until after November 7, 2006, and shall only be available if the voters approve the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006.

14. Notwithstanding Section 63048.65 of the Government Code, if no bonds are issued pursuant to that section by June 15, 2007, the Director of Finance shall transfer $60,000,000 of the funds in the Special Deposit Fund described in that section to the Traffic Congestion Relief Fund. The director shall then transfer the amount of $60,000,000 from the Traffic Congestion Relief Fund to the Public Transportation Account for partial repayment of loans authorized by Section 14556.8 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..... 44,000

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..... 131,201,000

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 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

Item Amount

2660-001-0890—For support of Department of Transportation, for payment to Item 2660-001-0042, payable from the Federal Trust Fund..... 547,224,000

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.

2660-001-3008—For transfer by the Controller, upon the order of the Department of Transportation, from the Transportation Investment Fund to the State Highway Investment Fund, State Transportation Fund..... (185,000,000)

Provisions:

1. Funds transferred by this item shall only be used for capital outlay support expenditures on State Transportation Improvement Program Projects.

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..... 15,107,000

2660-002-0042—For support of Department of Transportation, payable from State Highway Account to fund Garvee increase for ongoing administrative costs..... 600,000

2660-002-3007—For support of Department of Transportation, payable from the Traffic Congestion Relief Fund..... 29,001,000

Item Amount

Schedule:

(1) 20.10-Highway Transportation Capital Outlay Support..... 28,275,000

(2) 30-Mass Transportation..... 265,000

(3) 50-Administration..... 461,000

Provisions:

1. Notwithstanding any other provision of law, if the California Transportation Commission allocates funds to Traffic Congestion Relief Program projects in the 2006–07 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..... 14,737,000

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 insurance, 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.
3. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

2660-007-0042—For support of Department of Transportation, payable from the State Highway Account, State Transportation Fund..... 91,459,000

Item Amount

Schedule:

(1) 20.10-Highway Transportation—Capital Outlay Support..... 46,078,000

(2) 20.65-Highway Transportation—Legal..... 594,000

(3) 20.70-Highway Transportation—Operations..... 981,000

(4) 20.80-Highway Transportation—Maintenance..... 43,788,000

(5) 50-Administration..... 18,000

Provisions:

1. The funds appropriated in this item may be expended only to attain compliance with (a) 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, (b) the Statewide Storm Water Management Plan, or (c) 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.

2660-011-0041—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.

Item Amount

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..... (9,287,000)

Provisions:

1. The funds transferred by this item are moneys from revenues that are not protected 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.
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 (Chapter 6 (commencing with Section 99690) of Part 11.5 of Division 10 of the Public Utilities Code), the Passenger Rail and Clean Air Bond Act of 1990 (Chapter 17 (commencing with Section 2701) of Division 3 of the Streets and Highways Code), and the Seismic Retrofit Bond Act of 1996 (Chapter 12.48 (commencing with Section 8879) of Division 1 of Title 2 of the Government 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..... (22,902,000)

2660-022-0042—For transfer by the Controller from the State Highway Account, State Transportation Fund, to the Environmental Enhancement and Mitigation Program Fund to be used as specified in Section 164.56 of the Streets and Highways Code..... (10,000,000)

2660-101-0042—For local assistance, Department of Transportation, State Transportation Improvement Program (STIP), payable from the State Highway Account, State Transportation Fund..... 69,000,000

Schedule:

(1) 20.30-Highway Transportation—Local Assistance..... 67,500,000
  (a) Regional Improvements..... (64,125,000)

Item Amount

(b) Interregional Improvements..... (3,375,000)

(2) 30-Mass Transportation..... 1,500,000

Provisions:

1. Funds appropriated in this item shall be available for allocation by the California Transportation Commission through the 2008–09 fiscal year and available for encumbrance and liquidation until June 30, 2012.
2. Notwithstanding any other provision of law, funds appropriated in this item may be transferred intraschedule or to Item 2660-301-0042, 2660-102-0042, or 2660-302-0042. These transfers shall require the prior approval of the Department of Finance.
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 of Transportation 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..... 9,200,000

2660-101-0046—For local assistance, Department of Transportation, payable from the Public Transportation Account, State Transportation Fund..... 574,790,000

Provisions:

1. Funds appropriated in this item shall be available for allocation by the California Transportation Commission until June 30, 2009.
2. Notwithstanding any other provision of law, funds appropriated in this item may be transferred to Item 2660-302-0046. These transfers require the prior approval of the Department of Finance.
3. Notwithstanding Provision 1, $20,000,000 shall be expended for competitive grants to public agencies as part of an agricultural worker transportation program that will be enacted in legislation during the 2005–06 Regular Session. Notwithstanding Section 1.80, funds ap-

Item Amount

propriated for this program shall be available for encumbrance or expenditure until June 30, 2009.

2660-101-0183—For local assistance, Department of Transportation, Program 20-Highway Transportation, payable from the Environmental Enhancement and Mitigation Program Fund..... 10,000,000

2660-101-0890—For local assistance, Department of Transportation, State Transportation Improvement Program (STIP), payable from the Federal Trust Fund..... 58,000,000

Schedule:

(1) 20-Highway Transportation..... 58,000,000

(a) Regional Improvements..... (55,100,000)

(b) Interregional Improvements..... (2,900,000)

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 any other provision of law, funds appropriated in this item may be transferred intraschedule or to Item 2660-301-0890, 2660-302-0890, or 2660-102-0890. These transfers shall require the prior approval of the Department of Finance. These funds shall be available for allocation by the California Transportation Commission until June 30, 2009.

2660-102-0042—For local assistance, Department of Transportation, non-State Transportation Improvement Program (STIP), payable from the State Highway Account, State Transportation Fund..... 113,364,000

Schedule:

(1) 20-Highway Transportation..... 101,364,000

(a) Regional Surface Transportation Program Exchange..... (39,000,000)

(b) Local Assistance..... (62,364,000)

Item Amount

(2) 40-Transportation Planning..... 12,000,000

Provisions:

1. Funds appropriated in Schedule (1) shall be available for allocation by the California Transportation Commission until June 30, 2009, and available for encumbrance and liquidation until June 30, 2012.
2. Notwithstanding any other provision of law, funds appropriated in this item may be transferred intraschedule or to Item 2660-101-0042, 2660-301-0042, or 2660-302-0042. These transfers shall require the prior approval of the Department of Finance.

2660-102-0890—For local assistance, Department of Transportation, non-State Transportation Improvement Program (STIP), payable from the Federal Trust Fund..... 1,454,713,000

Schedule:

(1) 20-Highway Transportation..... 1,324,670,000

(2) 30-Mass Transportation..... 48,043,000

(3) 40-Transportation Planning..... 82,000,000

Provisions:

1. Notwithstanding any other provision of law, funds appropriated in this item may be transferred intraschedule or to Item 2660-101-0890, 2660-301-0890, or 2660-302-0890. These transfers shall require the prior approval of the Department of Finance. Funds appropriated in Schedules (1) and (2) shall be available for allocation by the California Transportation Commission until June 30, 2009.
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.
4. For Program 40—Transportation Planning. Of the amount appropriated in this item, $5,000,000 is for regional blueprint planning grants.

Item Amount

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..... 2,937,000

2660-301-0042—For capital outlay, Department of Transportation, State Transportation Improvement Program (STIP), payable from the State Highway Account, State Transportation Fund..... 161,322,000

Schedule:

(1) 20-Highway Transportation..... 161,322,000

(a) Regional Improvements..... (98,406,000)

(b) Interregional Improvements..... (62,916,000)

Provisions:

1. These funds shall be available for allocation by the California Transportation Commission through the 2008–09 fiscal year and available for encumbrance and liquidation until June 30, 2012.
2. Notwithstanding any other provision of law, funds appropriated in this item may be transferred intraschedule or to Item 2660-101-0042, 2660-102-0042, 2660-302-0042, or 2660-311-0042. These transfers shall require the prior approval of the Department of Finance.
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..... 383,678,000

Schedule:

(1) 20-Highway Transportation..... 383,678,000

(a) Regional Improvements..... (234,044,000)

Item Amount

(b) Interregional Improvements..... (149,634,000)

Provisions:

1. Notwithstanding any other provision of law, amounts scheduled in this item may be transferred intraschedule or to Item 2660-101-0890, 2660-102-0890, or 2660-302-0890, upon the prior approval of the Department of Finance. These funds shall be available for allocation by the California Transportation Commission until June 30, 2009.
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.

2660-302-0042—For capital outlay, Department of Transportation, Non-State Transportation Improvement Program (STIP), payable from the State Highway Account, State Transportation Fund..... 1,575,700,000

Schedule:

(1) 20-Highway Transportation..... 2,275,700,000

(a) State Highway Operation and Protection Program..... (2,275,700,000)

(2) Reimbursements..... −700,000,000

Provisions:

1. These funds shall be available for allocation by the California Transportation Commission through the 2008–09 fiscal year and available for encumbrance and liquidation through June 30, 2012.
2. Notwithstanding any other provision of law, funds appropriated in this item may be transferred to Item 2660-101-0042, 2660-102-0042, 2660-301-0042, or 2660-311-0042. These transfers shall require the prior approval of the Department of Finance.

Item Amount

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.
4. No funds appropriated in this item are available for expenditure on specialty building facilities. For the purpose of this item, specialty building facilities are equipment facilities, maintenance facilities, material labs, and traffic management centers.

2660-302-0046—For capital outlay, Department of Transportation, payable from the Public Transportation Account, State Transportation Fund..... 134,066,000

Schedule:

(1) 30-Mass Transportation..... 159,066,000

(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 sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may determine.
2. Funds appropriated in this item shall be available for allocation by the California Transportation Commission until June 30, 2009.
3. Notwithstanding any other provision of law, funds appropriated in this item may be transferred to Item 2660-101-0046. These transfers shall require prior approval of the Department of Finance.

2660-302-0890—For capital outlay, Department of Transportation, non-State Transportation Improvement Program (STIP), payable from the Federal Trust Fund..... 920,864,000

Item Amount

Schedule:

(1) 20-Highway Transportation..... 920,864,000

(a) State Highway Operation and Protection Program..... (920,864,000)

Provisions:

1. Notwithstanding any other provision of law, amounts scheduled in this item may be transferred to Item 2660-101-0890, 2660-102-0890, or 2660-301-0890. These transfers shall require the prior approval of the Department of Finance. These funds shall be available for allocation by the California Transportation Commission until June 30, 2009.
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.
4. No funds appropriated in this item are available for expenditure on specialty building facilities. For the purpose of this item, speciality building facilities are equipment facilities, maintenance facilities, material labs, and traffic management centers.

2660-303-0042—For capital outlay, Department of Transportation, specialty building facilities, payable from the State Highway Account, State Transportation Fund..... 54,742,000

Provisions:

1. For the purpose of this item, specialty building facilities are equipment facilities, maintenance facilities, material labs, and traffic management centers. Ancillary equipment associated with the management of transportation systems such as loop detectors, closed-circuit television cameras, and Transportation Management Systems field elements are not deemed specialty building facilities and are not funded from this item.
2. Notwithstanding any other provision of law, funds appropriated in this item may be transferred to Item 2660-101-0042, 2660-102-0042,

Item Amount

2660-301-0042, or 2660-302-0042. These transfers shall require the prior approval of the Department of Finance.

2660-311-0042—For capital outlay, Department of Transportation, payable from the State Highway Account, State Transportation Fund..... 44,300,000

Schedule:

(1) 20-Highway Transportation..... 44,300,000

(a) 20.20.516-Oakland Seismic Retrofit Project—Construction..... (44,300,000)

Provisions:

1. For Program 20—Highway Transportation. Upon approval of the Department of Finance, up to 20 percent of the funds appropriated in this item may be transferred from Item 2660-301-0042 or 2660-302-0042 to enable the California Transportation Commission to allocate supplemental funds to this project.
2. Notwithstanding any other provision of law, the project in this item shall be subject to administrative oversight by the State Public Works Board.

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, 2007..... 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.
2. Notwithstanding any other provision of law, funds appropriated in this item may be transferred to Item 2660-001-0890, 2660-101-0890, 2660-102-0890, 2660-301-0890, or 2660-302-0890. These transfers shall require the prior approval of the Department of Finance.

2660-402—Before allocating projects in the 2006–07 fiscal year that would result in the issuance of notes pursuant to Section 14553 of the Government Code

Item Amount

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 of the transportation committees of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee.

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, 2007. The unencumbered balance shall not be available for encumbrance.

0042—State Highway Account

(1) Item 2660-301-0042, Budget Act of 1998 (Ch. 324, Stats. 1998)
(2) Item 2660-301-0042, Budget Act of 1999 (Ch. 50, Stats. 1999)
(3) Item 2660-301-0042, Budget Act of 2000 (Ch. 52, Stats. 2000)
(4) Item 2660-301-0042, Budget Act of 2001 (Ch. 106, Stats. 2001)
(5) Item 2660-302-0042, Budget Act of 2001 (Ch. 106, Stats. 2001) as added by Ch. 1, Stats. 2002

0046—Public Transportation Account

(1) Item 2660-301-0046, Budget Act of 2001 (Ch. 106, Stats. 2001)

0660—Public Building Construction Fund

(1) Item 2660-311-0660, Budget Act of 2002 (Ch. 379, Stats. 2002)

0853—Petroleum Violation Escrow Account

(1) Chapter 1434, Statutes of 1988
(2) Chapter 1648, Statutes of 1990
(3) Item 2660-101-853, Budget Act of 1992 (Ch. 587, Stats. 1992)
(4) Chapter 1159, Statutes of 1993

Item Amount

(5) Chapter 980, Statutes of 1995

0890—Federal Trust Fund

(1) Item 2660-301-0890, Budget Act of 1998 (Ch. 324, Stats. 1998)

(2) Item 2660-301-0890, Budget Act of 1999 (Ch. 50, Stats. 1999)

2660-492—Reappropriation, Department of Transportation. The balance of the funds for the appropriation provided in the following citation is reappropriated for the purposes provided for in the appropriation and is available for encumbrance or expenditure until June 30, 2007.

0042—State Highway Account, State Transportation Fund

(1) Item 2660-001-0042, Budget Act of 2001 (Ch. 106, Stats. 2001), as reappropriated by 2660-492, Budget Act of 2002 (Ch. 379, Stats. 2002), Budget Act of 2003 (Ch. 157, Stats. 2003), Budget Act of 2004 (Ch. 208, Stats. 2004), Budget Act of 2005 (Ch. 38, Stats. 2005), 20.10-Highway Transportation-Capital Outlay Support, up to $7,057,000 shall be available for the Project Resourcing and Schedule Management System.

0890—Federal Trust Fund

(1) Item 2660-399-0890, Budget Act of 2004 (Ch. 208, Stats. 2004)

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, 2006. These appropriations are not available for encumbrance or liquidation and shall revert on June 30, 2007:

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)

(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)

Item Amount

(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 2660-301-0890, Budget Act of 1996 (Ch. 162, Stats. 1996)
(12) Item 2660-301-0890, Budget Act of 1997 (Ch. 282, Stats. 1997)
(13) Item 2660-001-0890, Budget Act of 1996 (Ch. 162, Stats. 1996)
(14) Item 2660-001-0890, Budget Act of 1997 (Ch. 282, Stats. 1997)
(15) Item 2660-001-0890, Budget Act of 1998 (Ch. 324, Stats. 1998)
(16) Item 2660-001-0890, Budget Act of 1999 (Ch. 50, Stats. 1999)
(17) Item 2660-001-0890, Budget Act of 2000 (Ch. 52, Stats. 2000)
(18) Item 2660-001-0890, Budget Act of 2001 (Ch. 106, Stats. 2001)

2660-494—Extension of liquidation period, Department of Transportation. Notwithstanding any other provision of law, the period to liquidate encumbrances of the following citations is extended until June 30, 2007: 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), and extension of liquidation by Item 2660-492, Budget Act of 2004 (Ch. 208, Stats. 2004), 50.00—Administration, up to $5,253,000 shall be available for the Transportation Permits Management Systems Information Technology Project.

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..... 14,298,000

Schedule:

(1) 10-High-Speed Rail Authority..... 14,298,000

Item Amount

Provisions:

1. Of the funding provided in this item, $13,000,000 shall be expended to enable the authority to do all of the following during the 2006–07 fiscal year:
   (a) Complete the draft Environmental Impact Report/Environmental Impact Statement for the Northern Mountain Crossing connecting the Central Valley with the San Francisco Bay area along the proposed high-speed rail route.
   (b) Develop and submit to the Joint Legislative Budget Committee and the transportation policy committees of the Senate and Assembly, no later than May, 1, 2007, a financing plan for the high-speed rail project. The plan shall describe the timeline and estimated costs for the construction of the project, as well as a multiyear expenditure plan and proposed milestones to be achieved based on the receipt of anticipated funding for the project.
   (c) Commence site-specific environmental work, right-of-way acquisition, and identification of necessary grade separations to improve and preserve rail corridors in California so the corridors may accommodate high-speed passenger rail service and otherwise provide for the improved flow and enhanced safety of passenger and freight rail service in this state.

2700-001-0044—For support of Office of Traffic Safety, payable from the Motor Vehicle Account, State Transportation Fund..... 410,000

Schedule:

(1) 10-California Traffic Safety..... 58,778,000
(2) Amount payable from the Federal Trust Fund (Item 2700-001-0890)..... −58,368,000

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..... 58,368,000

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

Item Amount

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..... 52,586,000

2720-001-0044—For support of Department of the California Highway Patrol, payable from the Motor Vehicle Account, State Transportation Fund..... 1,403,109,000

Schedule:

(1) 10-Traffic Management..... 1,371,704,000
(2) 20-Regulation and Inspection..... 161,250,000
(3) 30-Vehicle Ownership Security..... 36,713,000
(4) 40.01-Administration..... 225,285,000
(5) 40.02-Distributed Administration..... −225,285,000
(6) Reimbursements..... −94,605,000
(7) Amount payable from the State Highway Account (Item 2720-001-0042)..... −52,586,000
(8) Amount payable from the Motor Carrier Safety Improvement Fund (Item 2720-001-0293)..... −1,555,000
(9) Amount payable from the California Motorcyclist Safety Fund (Item 2720-001-0840)..... −1,429,000
(10) Amount payable from the Federal Trust Fund (Item 2720-001-0890)..... −14,085,000
(11) Amount payable from the Hazardous Substance Account, Special Deposit Fund (Item 2720-001-0942)..... −211,000
(12) Amount payable from the Asset Forfeiture Account, Special Deposit Fund (Item 2720-011-0942)..... −2,087,000

Provisions:

1. Of the amount appropriated in this item, $56,380,000 is for costs of the California Highway Patrol Enhanced Radio System in the 2006–07 fiscal year. On March 1, 2007, and each March 1 thereafter until the project is fully implemented, the department shall report the status of the project to the appropriate fiscal and policy committees of the Legislature and the Joint Legislative Budget Committee. At a minimum, each report shall include all of the

Item Amount

following: (a) a revised estimate of total project costs and activities, by fiscal year, including separate reporting on the categories of mobiles, portables, remote site equipment, Department of General Services costs, and other; (b) a description of any changes in the project scope including the type and number of hardware units needed, and changes to the frequencies used; and (c) a description of any adverse effects to interoperability caused by changes in usage of new technology by local agencies or other state agencies.

2720-001-0293—For support of Department of the California Highway Patrol, for payment to Item 2720-001-0044, payable from the Motor Carriers Safety Improvement Fund..... 1,555,000

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..... 1,429,000

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..... 14,085,000

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..... 211,000

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..... 949,000

Schedule:

(1) Base Rental and Fees..... 948,000
(2) Insurance..... 2,000
(3) Reimbursements..... −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.
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

Item		Amount
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		2,087,000
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 2006–07 fiscal year, for delivery beginning in the 2007–08 fiscal year, payable from the Motor Vehicle Account, State Transportation Fund		(5,000,000)
2720-101-0974—For local assistance, Department of the 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		5,731,000
Schedule:		
(1) 50.03.003-Academy: Outdoor Track Replacement—Working drawings and construction	945,000	
(2) 50.40.400-Oakhurst: Replacement Facility—Acquisition and preliminary plans	1,059,000	
(3) 50.57.507-Santa Fe Springs: Replacement Facility—Working drawings	709,000	
(4) 50.59.509-Southern Division Office: Replacement study	50,000	
(5) 50.62.602-San Diego: Building Alterations—Working drawings	169,000	
(6) 50.63.603-Oceanside: Replacement Facility—Acquisition and preliminary plans	2,799,000	
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		43,517,000
2740-001-0044—For support of Department of Motor Vehicles, payable from the Motor Vehicle Account, State Transportation Fund		456,312,000

Item	Amount
Schedule:	
(1) 11-Vehicle/Vessel Identification and Compliance	472,133,000
(2) 22-Driver Licensing and Personal Identification	225,271,000
(3) 25-Driver Safety	104,004,000
(4) 32-Occupational Licensing and Investigative Services	43,838,000
(5) 35-New Motor Vehicle Board	2,469,000
(6) 41.01-Administration	96,742,000
(7) 41.02-Distributed Administration	−96,742,000
(8) Reimbursements	−13,816,000
(9) Amount payable from the State Highway Account, State Transportation Fund (Item 2740-001-0042)	−43,517,000
(10) Amount payable from the New Motor Vehicle Board Account (Item 2740-001-0054)	−2,469,000
(11) Amount payable from the Motor Vehicle License Fee Account, Transportation Tax Fund (Item 2740-001-0064)	−320,900,000
(12) Amount payable from the Harbors and Watercraft Revolving Fund (Item 2740-001-0516)	−2,775,000
(13) Amount payable from the Motor Vehicle Account, State Transportation Fund (Chapter 12, Statutes of 2004)	−7,926,000

Provisions:

1. (a) Funding provided in Items 2740-001-0042, 2740-001-0044, and 2740-001-0064, in the amounts of $114,000, $1,173,000, and $848,000, respectively, shall be made available for expenditure on the Information Technology Modernization project only if an Independent Verification and Validation (IV&V) contractor is in place before release of a Request for Proposals to review and validate the proposed contract statement of work including requirements, deliverables, and associated pay points, as well as to help develop a Contract Management Plan.

Item Amount

(b) Prior to project initiation, the Department of Motor Vehicles (DMV) will provide the Department of Finance (DOF) with a detailed Project Plan that reflects project phases including estimated cost per phase, phase activities, and scheduled phase duration. Over the life of the project, DMV shall meet with DOF monthly to report project status. DOF shall approve the project's expenditures and progression to each subsequent phase based on its evaluation of the information reported. Regarding the project's status, at the minimum, information reported by DMV to DOF shall include all of the following: (1) planned milestone completion dates versus actual milestone completion dates, (2) planned expenditures by phase versus actual expenditures, (3) description of adherence to scope and reasons for any changes.

(c) No later than December 31 of each year up to and including 2014, DMV shall report to the Joint Legislative Budget Committee and the policy committees on transportation on all of the following concerning the Information Technology Modernization project: (1) planned milestone completion dates versus actual milestone completion dates, (2) planned expenditures by phase versus actual expenditures, (3) description of adherence to scope and reasons for any changes.

2. Of the funds appropriated in this item, $18,766,000 is appropriated to the Department of Motor Vehicles so that it may commence planning and making necessary investments in its information technology (IT) systems in anticipation of increased demands on the department. This appropriation does not authorize the department to implement the requirements of federal law specified in Public Law 109-13. Any implementation of those requirements shall be achieved pursuant to a subsequent state statute.

(a) Of the funds appropriated in this provision, $9,383,000 shall be used only for those activities necessary to enhance the depart-

Item Amount

ment's IT infrastructure in anticipation of increased demands on that infrastructure. These activities shall be limited to the following: (1) enhancing the department's Internet capacity to better serve the public, to reduce required visits to department field offices for non-driver's license-related transactions, and to enhance the security of the department's Internet-based programs; and (2) planning for program change and upgrading IT systems, including security enhancements to protect the privacy and integrity of data, to accommodate new requirements on the department.

(b) Of the funds appropriated in this item, $9,383,000 shall be available for expenditure after January 1, 2007, and used only for the activities described in subdivision (a) of this provision, after the submittal of a report to, and a 30-day review by, the Joint Legislative Budget Committee on the expenditure of funds made available to the department under subdivision (a) of this provision. The report shall provide a detailed description of the expenditures made, the milestones achieved by the department, and the planned expenditures from the funds made available to the department pursuant to this subdivision.

(c) No later than December 15, 2006, the department shall submit to the Joint Legislative Budget Committee and the transportation policy committees of the Assembly and Senate a summary of the published federal regulations for the implementation of the federal REAL ID Act. The summary shall include all of the following: (1) a description of the federal regulations and the requirements and anticipated costs those regulations place on the state and the department; (2) a description and timeline for the necessary steps the department will need to take to implement the federal regulations, including an identification of necessary operational, regulatory, and statutory changes the department will seek to comply with federal law; (3) an evaluation of

Item		Amount
the department's ability to comply with the federal law within the timeline required by the federal regulations; (4) a description of the requirements the federal regulations place on individuals who seek to obtain or renew a driver's license or identification card issued by the department; and (5) a description of the privacy and security measures the department will consider utilizing in order to implement the federal regulations.		
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.....		2,469,000
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.....		320,900,000
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.....		2,775,000
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.....		955,000
2740-301-0044—For capital outlay, Department of Motor Vehicles, payable from the Motor Vehicle Account, State Transportation Fund.....		9,974,000
Schedule:		
(1) 71.03.020-Sacramento Headquarters: 5th Floor Asbestos Removal and Office Renovation—Working drawings and construction.....	15,651,000	
(2) 71.03.024-Sacramento Headquarters: 6th Floor Asbestos Removal, Seismic Retrofit, Office Renovation and Building Re-skin—Working drawings.....	2,216,000	
(3) 71.22.010-Statewide: Studies, preplanning and budget packages.....	100,000	

Item Amount

(4) Amount payable from the State Highway Account, State Transportation Fund (Item 2740-301-0042)..... −955,000

(5) Amount payable from the Motor Vehicle License Fee Account, Transportation Tax Fund (Item 2740-301-0064)..... −7,038,000

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..... 7,038,000

2740-490—Reappropriation, Department of Motor Vehicles. 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 or expenditure until June 30, 2008:

0044—Motor Vehicle Account

(1) Chapter 12, Statutes of 2004 for the settlement in the case of William Dare et al. v. Department of Motor Vehicles.

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..... 201,000

3110-101-0001—For support of Special Resources Program, Program 10—Tahoe Regional Planning Agency..... 148,000

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).

Item	Amount
3110-101-0140—For local assistance, Special Resources Program, Program 10—Tahoe Regional Planning Agency, payable from the California Environmental License Plate Fund	4,086,000
Provisions:	
1. Of the funds appropriated in this item, $536,000 shall be available for upgrading the permit tracking system as a one-time appropriation available for expenditure until June 30, 2007.	
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	180,000
Schedule:	
(1) 10-Tahoe Conservancy	5,286,000
(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)	−151,000
(4) Amount payable from the California Environmental License Plate Fund (Item 3125-001-0140)	−3,088,000
(5) Amount payable from the Habitat Conservation Fund (Item 3125-001-0262)	−131,000
(6) Amount payable from the Lake Tahoe Conservancy Account (Item 3125-001-0286)	−458,000
(7) Amount payable from the Tahoe Conservancy Fund (Item 3125-001-0568)	−207,000
(8) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 3125-001-6029)	−635,000

Item	Amount
(9) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3125-001-6031)..... −376,000	
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.....	151,000
3125-001-0140—For support of California Tahoe Conservancy, for payment to Item 3125-001-0001, payable from the California Environmental License Plate Fund.....	3,088,000
3125-001-0262—For support of California Tahoe Conservancy, for payment to Item 3125-001-0001, payable from the Habitat Conservation Fund.....	131,000
3125-001-0286—For support of California Tahoe Conservancy, for payment to Item 3125-001-0001, payable from the Lake Tahoe Conservancy Account.....	458,000
3125-001-0568—For support of California Tahoe Conservancy, for payment to Item 3125-001-0001, payable from the Tahoe Conservancy Fund.....	207,000
Provisions:	
1. Of this amount, pursuant to Section 66908.3 of the Government Code, the conservancy shall pay $49,680 to the County of Placer, and $2,750 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.....	635,000
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.....	376,000

Item Amount

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, 2009.

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, 2009.

Item Amount

3125-301-0262—For capital outlay, California Tahoe Conservancy, payable from the Habitat Conservation Fund..... 369,000

Schedule:

(1) 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..... 369,000

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, 2009. 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..... 700,000

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.... 350,000

(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..... 350,000

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, 2009. Expendi-

Item	Amount
tures 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.	
3125-301-6029—For capital outlay, California Tahoe Conservancy, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund.....	7,183,000
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.....	810,000
(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.....	4,090,000
(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.....	−440,000
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.	

Item Amount

3. The amount appropriated in this item is available for expenditure until June 30, 2009.

3340-001-0001—For support of California Conservation Corps..... 32,886,000

Schedule:

(1) 10-Training and Work Program..... 58,590,000
(2) 20.01-Administration..... 7,178,000
(3) 20.02-Distributed Administration..... −7,178,000
(4) Amount payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund (Item 3340-001-0005)..... −45,000
(5) Amount payable from the California Environmental License Plate Fund (Item 3340-001-0140)..... −315,000
(6) Amount payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund (Item 3340-001-0235)..... −306,000
(7) Amount payable from the Collins-Dugan California Conservation Corps Reimbursement Account (Item 3340-001-0318)..... −23,462,000
(8) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 3340-001-6029)..... −1,576,000

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

Item Amount

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 response. 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..... 45,000

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..... 306,000

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..... 23,462,000

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 $5,865,500 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 Conserva-

Item Amount

tion Corps has a valid contract or certification signed by the client agency, which demonstrates that sufficient funds will be available to 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. Notwithstanding Section 28.50, the Department of Finance may augment this item to reflect increases in reimbursements in the Collins-Dugan California Conservation Corps Reimbursement Account received from another officer, department, division, bureau, or other agency of the state.

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..... 1,576,000

3340-101-0005—For local assistance, California Conservation Corps, payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund..... 406,000

3340-101-6029—For local assistance, California Conservation Corps, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund..... 106,000

Schedule:

(1) 10-Training and work program..... 106,000

3340-301-0001—For capital outlay, California Conservation Corps..... 892,000

Schedule:

(1) 20.10.140-Minor Capital Outlay.... 148,000

(2) 20.10.192-Sierra Placer Municipal Sewer/WaterConnection—Preliminary plans and working drawings..... 744,000

3340-301-0660—For capital outlay, California Conservation Corps, payable from the Public Buildings Construction Fund..... 26,207,000

Item Amount

Schedule:

(1) 20.10.170-Tahoe Base Center Relocation—Acquisition, preliminary plans, working drawings, and construction..... 26,207,000

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 project authorized by this item.
2. The State Public Works Board and the California Conservation Corps 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 costs of acquisition, design, and 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 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 California Conservation Corps is authorized and directed to execute and deliver any and all leases, contracts, agreements, or other documents necessary or advisable to consummate the financing of the project authorized in this item.
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 10b (commencing with Section 15800) of Division 3 of Title 2 of the Gov-

Item Amount

ernment Code). This provision does not exempt the California Conservation Corps from the requirements of the California Environmental Quality Act. This provision is intended to be declarative of existing law.

3340-490—Reappropriation, California Conservation Corps. 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 2005 (Chs. 38 and 39, Stats. 2005)

(1) 20.10.150-Delta Service District Center—Working drawings and construction

(2) 20.10.145-Camarillo Satellite Relocation/construction—Working drawings and construction

3340-491—Reappropriation, California Conservation Corps. The balances of the appropriations provided for in the following citations, or the amounts specified, are reappropriated for the purposes provided for in the appropriations and shall be available for encumbrance or expenditure until June 30, 2007.

0005—Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund

(1) Item 3340-101-0005, Budget Act of 2004 (Ch. 208, Stats. 2004), as reappropriated by Item 3340-491, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005), for local assistance to local conservation corps. Of that amount, $106,000 shall be for the Conservation Corps of Long Beach for resource conservation projects, and $401,000 for the Fresno Local Corps for the construction of a recreation building with a neighborhood youth center.

6029—California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Resources Bond)

(1) Item 3340-101-6029, Budget Act of 2003 (Ch. 157, Stats. 2003), for local assistance to the Tulare County Conservation Corps for the acquisition and development of facilities to support their conservation corps

(2) Item 3340-101-6029, Budget Act of 2004 (Ch. 208, Stats. 2004), for local assistance to the East Bay Conservation Corps for the acquisi-

Item Amount

tion and development of facilities to support their conservation corps

3340-495—Reversion, California Conservation Corps. As of June 30, 2006, the unencumbered balance of the appropriation provided in the following citation shall revert to the fund from which the appropriation was made:

0660—Public Buildings Construction Fund

(1) Item 3340-301-0660, Budget Act of 2003 (Ch. 157, Stats. 2003), as partially reappropriated by Item 3340-490, Budget Act of 2004 (Ch. 208, Stats. 2004) and Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(1) 20.10.170-Tahoe Base Center Relocation—Acquisition, preliminary plans, working drawings, and construction

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..... 139,000

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..... 69,790,000

Provisions:

1. Notwithstanding subdivision (a) of Section 1.80 of this act, funds appropriated in this item shall be available for expenditure during the 2006–07 and 2007–08 fiscal years, except that no funds appropriated in this item shall be expended or committed for grants, loans, or research contracts prior to January 1, 2007.
2. Notwithstanding Section 16304.1 of the Government Code, funds appropriated in this item shall be available for liquidation of encumbrances until June 30, 2012.
3. Notwithstanding any other provision of law other than the provisions of this item, funds appropriated in this item may be used by the Energy Resources Conservation and Development Commission to provide grants, loans, or repayable research contracts. The commission may use a high-point scoring method in lieu of lowest cost when evaluating proposals. The commission shall determine repayment terms.

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		5,445,000
3360-001-0465—For support of Energy Resources Conservation and Development Commission, payable from the Energy Resources Programs Account		52,761,000
Schedule:		
(1) 10-Regulatory and Planning	26,179,000	
(2) 20-Energy Resources Conservation	19,790,000	
(3) 30-Development	104,513,000	
(4) 40.01-Policy, Management and Administration	13,082,000	
(5) 40.02-Distributed Policy, Management and Administration	−13,082,000	
(6) Reimbursements	−5,745,000	
(7) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 3360-001-0044)	−139,000	
(8) Amount payable from the Public Interest Research, Development and Demonstration Fund (Item 3360-001-0381)	−69,790,000	
(9) Amount payable from the Renewable Resource Trust Fund (Item 3360-001-0382)	−5,445,000	
(10) Amount payable from the Energy Technologies Research Development and Demonstration Account (Item 3360-001-0479)	−2,500,000	
(11) Amount payable from the Local Government Geothermal Resources Revolving Subaccount, GRDA (Item 3360-001-0497)	−308,000	
(12) Amount payable from the Katz Schoolbus Fund (Item 3360-001-0854)	−303,000	
(13) Amount payable from the Federal Trust Fund (Item 3360-001-0890)	−11,675,000	
(14) Amount payable from the Gas Consumption Surcharge Fund (Item 3360-001-3015)	−1,193,000	

Item Amount

(15) Amount payable from the Energy Facility License and Compliance Fund (Item 3360-001-3062)..... −623,000

Provisions:

1. Notwithstanding Section 16304.1 of the Government Code, funds appropriated in this item for the Energy Technology Export Program shall be available for liquidation of encumbrances until June 30, 2010.

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..... 2,500,000

Provisions:

1. Notwithstanding subdivision (a) of Section 1.80 of this act, funds appropriated in this item shall be available for expenditure during the 2006–07 and 2007–08 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.

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..... 308,000

3360-001-0854—For support of Energy Resources Conservation and Development Commission, for payment to Item 3360-001-0465, payable from the Katz Schoolbus Fund..... 303,000

Provisions:

1. The Controller is hereby authorized and directed to transfer all unliquidated funds from the Katz Schoolbus Fund to the Petroleum Viola-

Item Amount

tion Escrow Account (0853002) upon reversion of this appropriation unless an extension is requested.

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..... 11,675,000

3360-001-3015—For support of Energy Resources Conservation and Development Commission, for payment to Item 3360-001-0465, payable from the Gas Consumption Surcharge Fund..... 1,193,000

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..... 623,000

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..... 1,000,000

Schedule:

(1) 30-Development..... 1,000,000

Provisions:

1. Funds appropriated in this item shall be available for expenditure until June 30, 2008.
2. Notwithstanding Section 16304.1 of the Government Code, funds appropriated in this item shall be available for liquidation until June 30, 2010.

3360-490—Reappropriation, Energy Resources Conservation and Development Commission. Notwithstanding any other provision of law, the period to liquidate encumbrance of the following citations are extended to June 30, 2008:

0381—Public Interest Research, Development, and Demonstration Fund

(1) Item 3360-001-0381, Budget Act of 2000 (Ch. 52, Stats. 2000)

0497—Local Government Geothermal Resources Revolving Subaccount, Geothermal Resources Development Account

(1) Item 3360-101-0497, Budget Act of 2002 (Ch. 379, Stats. 2002)

3460-001-0001—For support of Colorado River Board of California..... 0

Item		Amount
Schedule:		
(1) 10-Protection of California's Colorado River Rights and Interests....	1,393,000	
(2) Reimbursements.....	−1,393,000	
3480-001-0001—For support of Department of Conservation.....		4,165,000
Schedule:		
(1) 10-Geologic Hazards and Mineral Resources Conservation.....	22,695,000	
(2) 20-Oil, Gas, and Geothermal Resources.....	18,661,000	
(3) 30-Land Resource Protection.....	4,509,000	
(4) 40.01-Administration.....	11,438,000	
(5) 40.02-Distributed Administration.....	−11,438,000	
(6) 50-Beverage Container Recycling and Litter Reduction Program.....	41,637,000	
(7) 60-Office of Mine Reclamation.....	7,924,000	
(8) Reimbursements.....	−8,897,000	
(10) Amount payable from the Surface Mining and Reclamation Account (Item 3480-001-0035).....	−3,927,000	
(11) Amount payable from the State Highway Account, State Transportation Fund (Item 3480-001-0042).....	−12,000	
(12) Amount payable from the California Beverage Container Recycling Fund (Item 3480-001-0133).....	−41,537,000	
(13) Amount payable from the Soil Conservation Fund (Item 3480-001-0141).....	−3,208,000	
(14) Amount payable from the Hazardous and Idle-Deserted Well Abatement Fund (Section 3206, Public Resources Code).....	−100,000	
(15) Amount payable from the Mine Reclamation Account (Item 3480-001-0336).....	−2,955,000	
(16) Amount payable from the Strong Motion Instrumentation and Seismic Hazards Mapping Fund (Item 3480-001-0338).....	−8,784,000	
(17) Amount payable from the Federal Trust Fund (Item 3480-001-0890).....	−1,779,000	

Item	Amount
(18) Amount payable from the Bosco Keene Renewable Resources Investment Fund (Item 3480-001-0940).....	−901,000
(18.5) Amount payable from the Acute Orphan Well Account, Oil, Gas, and Geothermal Administrative Fund (Item 3480-001-3102).....	−1,500,000
(19) Amount payable from the Abandoned Mine Reclamation and Mineral Fund Subaccount, Mine Reclamation Account (Item 3480-001-3025).....	−411,000
(20) Amount payable from the Oil, Gas, and Geothermal Administrative Fund (Item 3480-001-3046).....	−16,049,000
(21) Amount payable from the Agriculture and Open Space Mapping Subaccount (Item 3480-001-6004).....	−430,000
(22) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund of 2002 (Item 3480-001-6029).....	−543,000
(23) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3480-001-6031).....	−228,000

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 possi-

Item	Amount
ble, but not later than one year from the date of the loan.	
3480-001-0035—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the Surface Mining and Reclamation Account	3,927,000
Provisions:	
1. Of the funds appropriated in this item, $54,000 shall be available for the Information Technology Infrastructure Upgrades as a one-time appropriation available for expenditure until June 30, 2007.	
2. Of the funds appropriated in this item, $2,000,000 shall be available to the Department of Conservation to develop remediation strategies for statewide specified chemical hazards. If the estimated costs of remediation of the specified chemical hazard exceed the amount appropriated, the department shall report back to the Legislature with its findings prior to proposing an ongoing remediation strategy.	
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	41,537,000
Provisions:	
1. Of the funds appropriated in this item, $268,000 shall be available for the Information Technology Infrastructure Upgrades as a one-time appropriation available for expenditure until June 30, 2007.	
3480-001-0141—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the Soil Conservation Fund	3,208,000
3480-001-0336—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the Mine Reclamation Account	2,955,000

Item Amount

Provisions:

1. Of the funds appropriated in this item, $54,000 shall be available for the information technology infrastructure upgrades as a one-time appropriation, available for expenditure until June 30, 2007.

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..... 8,784,000

3480-001-0890—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the Federal Trust Fund..... 1,779,000

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..... 901,000

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..... 411,000

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..... 16,049,000

Provisions:

1. Of the funds appropriated in this item, $161,000 shall be available for the Information Technology Infrastructure Upgrades as a one-time appropriation available for expenditure until June 30, 2007.

3480-001-3102—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the Acute Orphan Well Account, Oil, Gas, and Geothermal Administrative Fund..... 1,500,000

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

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..... 543,000

Item	Amount
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	228,000
3480-101-6029—For local assistance, Department of Conservation, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund	8,330,000
Provisions:	
1. The funds appropriated in this item shall be available for expenditure until June 30, 2009.	
3540-001-0001—For support of Department of Forestry and Fire Protection	491,470,000
Schedule:	
(1) 10-Office of the State Fire Marshal	14,737,000
(2) 11-Fire Protection	802,127,000
(3) 12-Resource Management	56,250,000
(4) 20.01-Administration	61,424,000
(5) 20.02-Distributed Administration	−60,994,000
(6) Reimbursements	−228,882,000
(7) Less funding provided by capital outlay	−4,176,000
(8) Amount payable from the General Fund (Item 3540-006-0001)	−95,000,000
(9) Amount payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund (Item 3540-001-0005)	−255,000
(10) Amount payable from the State Emergency Telephone Number Account (Item 3540-001-0022)	−1,085,000
(11) Amount payable from the Unified Program Account (Item 3540-001-0028)	−316,000
(12) Amount payable from the State Fire Marshal Licensing and Certification Fund (Item 3540-001-0102)	−2,419,000
(13) Amount payable from the California Environmental License Plate Fund (Item 3540-001-0140)	−413,000

Item	Amount
(14) Amount payable from the California Fire and Arson Training Fund (Item 3540-001-0198).....	−1,626,000
(15) Amount payable from the Hazardous Liquid Pipeline Safety Fund (Item 3540-001-0209).....	−2,740,000
(16) Amount payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund (Item 3540-001-0235).....	−400,000
(17) Amount payable from the Professional Forester Registration Fund (Item 3540-001-0300).....	−197,000
(18) Amount payable from the Federal Trust Fund (Item 3540-001-0890).....	−29,230,000
(19) Amount payable from the Forest Resources Improvement Fund (Item 3540-001-0928).....	−7,100,000
(20) Amount payable from the Timber Tax Fund (Item 3540-001-0965).....	−31,000
(21) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 3540-001-6029).....	−8,045,000
(22) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3540-001-6031).....	−159,000

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.
2. Notwithstanding any other provision of law, the Department of Finance may adjust this item of appropriation to correct any technical errors related to the California Bay-Delta Authority reorganization plan, enacted as part of this budget act, not sooner than 30 days after written notification of the necessity therefor to the chairpersons of the committees in each house

Item Amount

of the Legislature that consider 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, the Department of Finance may augment this item to provide authority to spend funds encumbered prior to the 2006–07 fiscal year by the California Bay-Delta Authority for the ongoing support of the CALFED Bay-Delta Program not sooner than 30 days after written notification of the necessity therefor to the chairpersons of the committees in each house of the Legislature that consider 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.

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..... 255,000

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..... 1,085,000

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..... 316,000

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..... 2,419,000

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..... 413,000

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..... 1,626,000

Item	Amount
3540-001-0209—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the California Hazardous Liquid Pipeline Safety Fund.....	2,740,000
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.....	400,000
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.....	197,000
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.....	29,230,000
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.....	7,100,000
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.....	31,000
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.....	8,045,000
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.....	159,000
3540-003-0001—For support of Department of Forestry and Fire Protection for rental payments on lease-revenue bonds.....	3,538,000

Schedule:

(1) Base Rental and Fees..... 3,509,000

(2) Insurance..... 29,000

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

Item Amount

or as otherwise might be needed to ensure debt requirements are met.

2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

3540-006-0001—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001..... 95,000,000

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 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

3540-101-6029—For local assistance, Department of Forestry and Fire Protection, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund..... 2,864,000

Provisions:

1. The funds appropriated in this item shall be expended on grants consistent with the priorities set out in the California Urban Forestry Act of 1978.

3540-301-0001—For capital outlay, Department of Forestry and Fire Protection..... 24,225,000

Item Amount

Schedule:

(1.5) 30.30.150-Nipomo Forest Fire Station: Replace Facility—Working drawings and construction..... 2,964,000

(2) 30.40.020-Batterson Forest Fire Station: Relocate Facility—Preliminary plans and working drawings..... 269,000

(3) 30.40.110-Hollister Air Attack Base: Relocate Facility—Acquisition and working drawings..... 819,000

(4) 30.40.150-Baseline Conservation Camp: Remodel Facility—Working drawings..... 55,000

(5) 30.60.041-Statewide: Replace Communications Facilities, Phase IV—Preliminary plans and working drawings..... 1,834,000

(6) 30.60.050-Statewide: Construct Communications Facilities—Working drawings and construction..... 16,152,000

(7) 30.80-Minor capital outlay..... 2,132,000

Provisions:

1. The funds appropriated in 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 these projects, the projects are subject to 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..... 136,943,000

Schedule:

(.1) 30.10.005-Alma Helitack Base: Replace Facility—Preliminary plans, working drawings, and construction ……..... 929,000

(.2) 30.10.035-Stevens Creek Forest Fire Station: Replace Facility—Construction..... 237,000

Item	Amount
(.3) 30.10.090-Pacheco Forest Fire Station: Replace Facility—Construction	228,000
(.4) 30.10.110-Elk Camp Forest Fire Station: Relocate Facility—Construction	228,000
(.5) 30.10.125-Mendocino Ranger Unit Headquarters: Replace Automotive Shop—Working drawings and construction	253,000
(.6) 30.10.130-Santa Clara Ranger Unit Headquarters: Replace Automotive Shop—Construction	322,000
(1) 30.10.265-North Region Forest Fire Station Facilities—Preliminary plans, working drawings, and construction	22,639,000
(1.5) 30.20.045-Weaverville Forest Fire Station: Relocate Facility—Working drawings and construction	2,361,000
(2) 30.20.135-Intermountain Conservation Camp: Replace Facility—Preliminary plans, working drawings, and construction	15,745,000
(2.1) 30.30.020-San Luis Obispo Ranger Unit Headquarters: Replace Facility—Working drawings and construction	924,000
(2.2) 30.30.065-San Marcos Forest Fire Station: Relocate Facility—Construction	261,000
(2.3) 30.30.075-Warner Springs Forest Fire Station: Replace Facility—Working drawings and construction	1,027,000
(2.4) 30.30.115-Ventura Youth Conservation Camp: Construct Apparatus Building, Shop, and Warehouse—Construction	203,000
(3) 30.30.160-South Operations Area Headquarters: Relocate Facility—Acquisition, working drawings, and construction	30,523,000
(3.5) 30.30.165-Cuyamaca Forest Fire Station: Relocate Facility—Construction	937,000

Item		Amount
(4)	30.30.195-Miramonte Conservation Camp: Replace Facility—Preliminary plans, working drawings, and construction.....	41,770,000
(5)	30.40.030-Academy: Construct Dormitory Building and Expand Messhall—Preliminary plans, working drawings, and construction.....	10,000,000
(5.1)	30.40.075-Usona Forest Fire Station: Replace Facility—Working drawings and construction.....	954,000
(5.2)	30.40.120-Dew Drop Forest Fire Station: Replace Facility—Construction.....	219,000
(5.3)	30.40.125-Twain Harte Forest Fire Station: Relocate Facility—Construction.....	407,000
(5.4)	30.40.145-Bautista Conservation Camp: Replace Modular Buildings—Working drawings and construction.....	1,652,000
(6)	30.40.170-Badger Forest Fire Station: Replace Facility—Preliminary plans, working drawings, and construction.....	4,127,000
(6.5)	30.40.195-Altaville Forest Fire Station: Replace Facility—Preliminary plans, working drawings, and construction.....	997,000

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. Notwithstanding any other provision of law, the funds appropriated by this item shall be available for expenditure during the 2006–07 fiscal year, except appropriations for acquisitions which shall be available for expenditure until June 30, 2009, appropriations for working drawings which shall be available for expenditure until June 30, 2008, and appropriations for construction which shall be available for expen-

Item Amount

diture until June 30, 2011. In addition, the balance of funds appropriated for construction that have not been allocated, through fund transfer or approval to bid, by the Department of Finance on or before June 30, 2009, shall revert as of that date to the fund from which the appropriation was made.

3. The Department of Forestry and Fire Protection and the State Public Works Board are 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.
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 Department of Forestry and Fire Protection from the requirements of the California Environmental Quality Act. This section is intended to be declarative of existing law.
5. The funds appropriated by 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 these projects, the projects are subject to review by the State Public Works Board and require authorization to proceed to bid from the Department of Finance.

Item Amount

3540-490—Reappropriation, Department of Forestry and Fire Protection. Notwithstanding any other provision of law, the balance, specified below, of the appropriation provided in the following citation is reappropriated for the purposes specified and shall be available for encumbrance or expenditure until June 30, 2007:

0001—General Fund

(1) $10,800,000 in Item 3540-001-0001, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005) Program 11—Fire Protection

3540-495—Reversion, Department of Forestry and Fire Protection. As of June 30, 2006, the unencumbered balance of the appropriations provided for in the following citations shall revert to the balance for the fund from which the appropriation was made:

0660—Public Buildings Construction Fund

(1) Item 3540-301-0660, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(3.5) 30.30.150–Nipomo Forest Fire Station: Replace Facility—Acquisition and construction

3560-001-0001—For support of State Lands Commission..... 9,730,000

Schedule:

(1)	10-Mineral Resources Management.....	8,967,000
(2)	20-Land Management.....	9,197,000
(3)	30.01-Executive and Administration.....	3,214,000
(4)	30.02-Distributed Administration.....	−3,214,000
(5)	40-Marine Facilities Management.....	9,164,000
(6)	Reimbursements.....	−3,400,000
(7)	Amount payable from the Marine Invasive Species Control Fund (Item 3560-001-0212).....	−2,229,000
(8)	Amount payable from the Oil Spill Prevention and Administration Fund (Item 3560-001-0320).....	−9,353,000
(8.5)	Amount payable from the School Land Bank Fund (Item 3560-001-0347)	−2,200,000
(9)	Amount payable from the Land Bank Fund (Item 3560-001-0943).....	−416,000

Item Amount

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 funded from revenues deposited into the General Fund pursuant to paragraph (1) of subdivision (a) of Section 6217 of the Public Resources Code.
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.
3. Of the funds appropriated in this item, $2,000,000 shall be available for expenditure for identification and remediation of dangerous mine features on state school lands until June 30, 2009.

3560-001-0212—For support of State Lands Commission, for payment to Item 3560-001-0001, payable from the Marine Invasive Species Control Fund..... 2,229,000

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..... 9,353,000

3560-001-0347—For support of State Lands Commission, for payment to Item 3560-001-0001, payable from the School Land Bank Fund..... 2,200,000

Provisions:

1. Of the funds appropriated in this item, $2,000,000 shall be available for expenditure for identification and remediation of dangerous mine features on state school lands until June 30, 2009.

3560-001-0943—For support of State Lands Commission, for payment to Item 3560-001-0001, payable from the Land Bank Fund..... 416,000

3600-001-0001—For support of Department of Fish and Game..... 101,813,000

Schedule:

(1) 20-Biodiversity Conservation Program..... 181,265,000
(2) 25-Hunting, Fishing and Public Use..... 58,396,000

Item	Amount
(3) 30-Management of Department Lands and Facilities	67,020,000
(4) 40-Conservation Education and Enforcement	53,841,000
(5) 50-Spill Prevention and Response	30,557,000
(6) 70.01-Administration	35,511,000
(7) 70.02-Distributed Administration	−35,511,000
(8) Reimbursements	−64,689,000
(9) Amount payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund (Item 3600-001-0005)	−984,000
(10) Amount payable from the California Environmental License Plate Fund (Item 3600-001-0140)	−15,565,000
(11) Amount payable from the Fish and Game Preservation Fund (Item 3600-001-0200)	−94,648,000
(12) Amount payable from the Fish and Wildlife Pollution Account (Item 3600-001-0207)	−2,586,000
(13) Amount payable from the California Waterfowl Habitat Preservation Account, Fish and Game Preservation Fund (Item 3600-001-0211)	−225,000
(14) Amount payable from the Exotic Species Control Fund (Item 3600-001-0212)	−1,233,000
(15) Amount payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund (Item 3600-001-0235)	−2,665,000
(16) Amount payable from the Oil Spill Prevention and Administration Fund (Item 3600-001-0320)	−22,279,000
(17) Amount payable from the Environmental Enhancement Fund (Item 3600-001-0322)	−338,000
(18) Amount payable from the Central Valley Project Improvement Subaccount (Item 3600-001-0404)	−55,000

Item	Amount
(20) Amount payable from the Federal Trust Fund (Item 3600-001-0890).....	−56,218,000
(21) Amount payable from the Special Deposit Fund (Item 3600-001-0942).....	−608,000
(21.5) Amount payable from the Hatchery and Inland Fisheries Fund (Item 3600-001-3103)	−17,039,000
(22) Amount payable from the Interim Water Supply and Water Quality Infrastructure and Management Subaccount (Item 3600-001-6027).....	−750,000
(23) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3600-001-6031).....	−6,769,000
(24) Amount payable from the Salton Sea Restoration Fund (Item 3600-001-8018).....	−2,615,000

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 Schedules (8) and (20). The funds appropriated in 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 (20) shall be used in repayment of any funds used to meet current obligations pursuant to this provision.

2. Of the amount appropriated in Schedule (3), $95,000 from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund and $622,000 in reimbursements shall be available for fire prevention projects until June 30, 2007.

Item Amount

8. Of the funds appropriated in this item, at least $3,470,000 shall be available for implementation of the Marine Life Protection Act.
9. Of the funds appropriated in this item, $2,000,000 shall be available for expenditure until June 30, 2009, for implementation of the Marine Life Protection Act and the Marine Life Management Act.

14. Contingent upon the receipt of $150,000 by the Department of Fish and Game from the San Francisco Public Utilities Commission, that same sum is hereby appropriated to the Department of Fish and Game for use during the 2006–07 fiscal year for associated wages, benefits, operating expenses, equipment, and department overhead associated with a full-time person-year, or equivalent, of an environmental scientist, dedicated to the planning, review, and permitting of projects related to the San Francisco Public Utilities Commission Water System Improvement Program.
15. Of the funds appropriated in this item, at least $8,000,000 is available for expenditure for the Fisheries Restoration Grant Program consistent with Section 6271.1 of the Public Resources Code and $6,000,000 is available for expenditure on restoration projects on the Klamath River system until June 30, 2009. The department may transfer funds between the Fisheries Restoration Grant Program and the Klamath River if additional funds are needed to maximize federal funds. This transfer shall occur no sooner than 30 days after written notification is provided to the chairpersons of the fiscal committees in each house of the Legislature and the chairperson of the Joint Legislative Budget Committee. Projects on the Klamath River system may also apply for grants under the Fisheries Restoration Grant Program. Of the $6,000,000 allocated for the Klamath River system, $500,000 is available to the State Coastal Conservancy for a study on fish passage impediments on the Klamath River and its tributaries, including the removal of dams.
16. Of the funds appropriated in this item, $10,000,000 is available for expenditure for public trust nongame fish and wildlife activi-

Item Amount

ties, including $900,000 for invasive weed control on state-owned lands until June 30, 2009. Of this amount, up to $1,500,000 may be made available to carry out Section 1507 of the Fish and Game Code relating to mosquito production control and the West Nile Virus. Projects undertaken to implement Section 1507 of the Fish and Game Code are not subject to Part 2 (commencing with Section 999) of the Military and Veterans Code. The Department of Fish and Game may contract with a Mosquito and Vector District, a Resource Conservation district, or a nonprofit organization to accomplish these projects.

17. Notwithstanding any other provision of law, the Department of Finance may adjust this item of appropriation to correct any technical errors related to the California Bay-Delta Authority reorganization plan, enacted as part of this budget act, not sooner than 30 days after written notification of the necessity therefor to the chairpersons of the committees in each house of the Legislature that consider 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.
18. Notwithstanding any other provision of law, the Department of Finance may augment this item to provide authority to spend funds encumbered prior to the 2006–07 fiscal year by the California Bay-Delta Authority for the ongoing support of the CALFED Bay-Delta Program not sooner than 30 days after written notification of the necessity therefor to the chairpersons of the committees in each house of the Legislature that consider 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.
19. Of the funds appropriated in this item, at least $5,000,000 is available for implementation of bottom trawling regulation, aquaculture regula-

Item	Amount
tions, the Marine Life Protection Act ,and the Marine Life Management Act.	
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.....	984,000
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.....	15,565,000
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.....	94,648,000
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.	
5. Of the funds appropriated in this item, $10,800,000 is one-time funding to eliminate a projected deficit in the Fish and Game Preservation Fund's nondedicated account of a like amount; $7,600,000 is one-time funding to eliminate a projected deficit in the Lake and Streambed Alteration Account of a like amount; and $1,500,000 is for the repayment, including interest, of a 1988 loan to the Native Species Conservation and Enhancement Account from the Fish and Game Preservation Fund's nondedicated account.	
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.....	2,586,000
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.....	225,000
3600-001-0212—For support of Department of Fish and Game, for payment to Item 3600-001-0001, payable from the Marine Invasive Species Control Fund.....	1,233,000

Item	Amount
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.....	2,665,000
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.....	22,279,000
3600-001-0322—For support of Department of Fish and Game, for payment to Item 3600-001-0001, payable from the Environmental Enhancement Fund.....	338,000
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.....	55,000
3600-001-0890—For support of Department of Fish and Game, for payment to Item 3600-001-0001, payable from the Federal Trust Fund.....	56,218,000
3600-001-0942—For support of Department of Fish and Game, for payment to Item 3600-001-0001, payable from the Special Deposit Fund.....	608,000
3600-001-3103—For support of the Department of Fish and Game, for implementation of Section 13007 of the Fish and Game Code, payable from the Hatchery and Inland Fisheries Fund.....	17,039,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures in this item for an assessment of the capital outlay needs of the state's nonmitigation hatcheries necessary for implementation of Section 13007 of the Fish and Game Code. The Director of Finance may also authorize expenditures from this appropriation for capital outlay projects not sooner than 30 days after written notification is provided to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee. The written notification shall provide a description of each capital outlay project, the need for the project, the cost and phase for which approval is requested, and the total project costs and timeline for project completion. Capital outlay projects in excess of $500,000 shall be subject to oversight by the State Public Works Board. Capital out-

Item Amount

lay project expenditures may be augmented by up to 10 percent with notification to the Chairperson of the Joint Legislative Budget Committee. Any funding used for capital outlay purposes must be encumbered by June 30, 2009.

2. Of the funds appropriated in this item, $651,000 shall be available for seven new, permanent positions for the Heritage and Wild Trout Program.

3600-001-6027—For support of Department of Fish and Game, for payment to Item 3600-001-0001, payable from the Interim Water Supply and Water Quality Infrastructure and Management Subaccount..... 750,000

Provisions:

1. All funds provided in this item for San Joaquin River Restoration activities shall be available to support any final settlement by plaintiffs, federal defendants, and the Friant defendants in the litigation titled Natural Resources Defense Council v. Rodgers (2005) 381 F.Supp.2d 1212 (NRDC v. Rodgers). All such funds provided to the Department of Water Resources and the Department of Fish and Game shall be expended to do all of the following:
   (a) Further the ecosystem restoration and water management goals and purposes of the settlement in NRDC v. Rodgers, including any Department of Water Resources and Department of Fish and Game activities described in the Budget Change Proposals that are not inconsistent with that settlement.
   (b) Support cooperation between and among the state agencies and parties settling NRDC v. Rodgers in implementing that settlement.
   (c) Provide funding for any independent implementation or administration of the settlement that is not to be carried out by any settling party, including funding for any technical committees other than committees staffed or funded by the federal defendants, as called for by the settlement for the period of July 1, 2006, to June 30, 2009, inclusive.

Item	Amount
(d) Exercise the State of California's sovereignty over the San Joaquin River, consistent with the settlement and any federal legislation implementing that settlement.	
If the specified parties do not achieve a final settlement, then until a settlement is finalized, the Department of Water Resources and the Department of Fish and Game may expend this funding consistent with the Budget Change Proposal, for the purposes of promoting a final settlement or improving fish passage and related river habitat restoration projects on the San Joaquin River system between Friant Dam and the confluence of the Merced River.	
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	6,769,000
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	2,615,000
3600-002-0001—For transfer, as an expenditure, by the Controller upon order of the Director of Finance, to the Fish and Game Preservation Fund	19,852,000
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	18,000
3600-013-0001—For transfer, as an expenditure, by the Controller upon order of the Director of Finance to the Coastal Wetlands Fund	5,000,000
3600-101-0001—For local assistance, Department of Fish and Game	576,000
Schedule:	
(1) 20-Biodiversity Conservation Program 576,000	
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	35,000
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	952,000

Item Amount

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..... 75,000

Schedule:

(1) 90.07.100-Minor Projects..... 75,000

3600-301-0235—For capital outlay, Department of Fish and Game, payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund..... 1,094,000

Schedule:

(1) 90.07.100-Minor Projects..... 1,094,000

3600-301-0890—For capital outlay, Department of Fish and Game, payable from the Federal Trust Fund.... 130,000

Schedule:

(1) 90.07.100-Minor Projects..... 130,000

3600-490—Reappropriation, Department of Fish and Game. The balances of the appropriations specified in the following citations are reappropriated to the Department of Fish and Game for the purposes of the CALFED Ecosystem Restoration Program.

0546—Bay-Delta Ecosystem Restoration Account

(1) Item 3870-001-0546 of the Budget Act of 2003 (Ch. 157, Stats. 2003), as reappropriated by Item 3870-490 of the Budget Act of 2004 (Ch. 208, Stats. 2004)

(2) Item 3870-001-0546 of the Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

6031—Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002

(1) Item 3870-001-6031 of the Budget Act of 2003 (Ch. 157, Stats. 2003), as reappropriated by Item 3870-490 of the Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(2) Item 3870-001-6031 of the Budget Act of 2004 (Ch. 208, Stats. 2004)

3600-491—Reappropriation, Department of Fish and Game. Notwithstanding any other provision of law, the balance of the appropriation specified in the following citation is reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in that appropriation and shall be available for encumbrance or expenditure until June 30, 2007:

0001—General Fund

(1) $150,000 in Item 3600-001-0001, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005), to contin-

Item	Amount
ue a corrective action plan to address workload tracking and other systems to increase budget transparency.	
3640-001-0001—For support of Wildlife Conservation Board, payable to Item 3640-001-0447.....	195,000
3640-001-0005—For support of Wildlife Conservation Board, payable to Item 3640-001-0447, from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund.....	200,000
3640-001-0140—For support of Wildlife Conservation Board, payable to Item 3640-001-0447, from the California Environmental License Plate Fund.....	216,000
3640-001-0262—For support of Wildlife Conservation Board, payable to Item 3640-001-0447, from the Habitat Conservation Fund.....	301,000
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.....	1,094,000
Schedule:	
(1) 10-Wildlife Conservation Board.... 3,655,000	
(2) Amount payable from the General Fund (Item 3640-001-0001)..... −195,000	
(3) Amount payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund (Item 3640-001-0005)..... −200,000	
(4) Amount payable from the California Environmental License Plate Fund (Item 3640-001-0140)..... −216,000	
(5) Amount payable from the Habitat Conservation Fund (Item 3640-001-0262)..... −301,000	
(6) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 3640-001-6029)..... −648,000	

Item Amount

(7) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3640-001-6031)..... −1,001,000

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 Fund..... 648,000

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..... 1,001,000

3640-301-0001—For capital outlay, Wildlife Conservation Board..... 5,000,000

Provisions:

1. $3,000,000 of the funds appropriated in this item shall be available for the California Riparian Habitat Conservation Program, pursuant to Chapter 4.1 (commencing with Section 1385) of Division 2 of the Fish and Game Code.
2. $2,000,000 of the funds appropriated in this item shall be available for the Inland Wetlands Conservation Program, pursuant to Chapter 4.3 (commencing with Section 1400) of Division 2 of the Fish and Game Code.
3. 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.
4. The funds appropriated in this item are available for capital outlay or local assistance until June 30, 2009.

3640-301-0005—For capital outlay, Wildlife Conservation Board, payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund..... 15,224,000

Item Amount

Schedule:

(1) 80.10.610-Wildlife Conservation Board Projects (Unscheduled)..... 15,224,000

Provisions:

1. The funds appropriated 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, 2009.
3. Of the amount appropriated in this item, $3,254,000 shall be available to the Wildlife Conservation Board pursuant to paragraph (3) of subdivision (a) of Section 5096.350 of the Public Resources Code.
4. Of the amount appropriated in this item, $6,177,000 shall be available to the Wildlife Conservation Board pursuant to paragraph (5) of subdivision (a) of Section 5096.350 of the Public Resources Code.
5. Of the amount appropriated in this item, $5,793,000 shall be available to the Wildlife Conservation Board pursuant to paragraph (6) of subdivision (a) of Section 5096.350 of the Public Resources Code.

3640-301-0262—For capital outlay, Wildlife Conservation Board, payable from the Habitat Conservation Fund..... 20,699,000

Schedule:

(1) 80.10-Wildlife Conservation Board Projects (Unscheduled)..... 20,699,000

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 through June 30, 2009.

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..... 17,688,000

Provisions:

1. The funds transferred in this item shall be used for purposes consistent with the requirements

Item Amount

of the Habitat Conservation Fund and the requirements of Section 79572 of the Water Code.

3640-490—Reappropriation, Wildlife Conservation Board. 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, 2009:

0005—Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund

(1) Item 3640-302-0005, Budget Act of 2000 (Ch. 52, Stats. 2000) as reappropriated by Item 3640-490, Budget Act of 2003 (Ch. 157, Stats. 2003)

(1) 80.10.603-San Joaquin River Conservancy—Project and Acquisition.

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

(1) Item 3640-302-6029, Budget Act of 2003 (Ch. 157, Stats. 2003)

(1) 80.10.103-San Joaquin River Conservancy—Project and acquisition

6031—Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002

(1) Item 3640-301-6031, Budget Act of 2003 (Ch. 157, Stats. 2003)

80.10.440-Colorado River Acquisition, Protection and Restoration Program

8011—Oak Woodlands Conservation Fund

(1) Item 3640-301-8011, Budget Act of 2003 (Ch. 157, Stats. 2003)

80.10.410-Oak Woodlands Conservation

3680-001-0516—For support of Department of Boating and Waterways, payable from the Harbors and Watercraft Revolving Fund..... 16,925,000

Schedule:

(1) 10-Boating Facilities..... 15,269,000
(2) 20-Boating Operations..... 8,131,000
(3) 30-Beach Erosion Control..... 875,000
(4) 40.01-Administration..... 2,350,000
(5) 40.02-Distributed Administration..... −2,350,000
(6) Reimbursements..... −15,000
(7) Amount payable from the Federal Trust Fund (Item 3680-001-0890)..... −7,293,000

Item Amount

(8) Less funding provided by capital outlay..... −42,000

Provisions:

1. Notwithstanding Section 85.2 of the Harbors and Navigation Code, $875,000 of the funds appropriated in this item shall be expended for support of the 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..... 7,293,000

3680-101-0516—For local assistance, Department of Boating and Waterways, payable from the Harbors and Watercraft Revolving Fund..... 48,190,000

Schedule:

(1) 10-Boating Facilities..... 40,133,000

(a) Launching Facility Grants..... (10,585,000)

(1) Antioch Marina BLF..... (1,450,000)

(2) Beardsley Point..... (155,000)

(3) Bonelli Park..... (1,230,000)

(4) Caples Lake..... (1,600,000)

(5) Dana Point BLF..... (541,000)

(6) Floating Restrooms..... (500,000)

(7) Gridley BLF..... (635,000)

(8) Heron Pointe BLF..... (200,000)

(9) Jack Smith Park BLF..... (223,000)

(10) Live Oak BLF..... (557,000)

(11) Vessel Pumpout..... (100,000)

(12) Ramp Repair and Extension..... (500,000)

(13) Shelter Cove..... (1,726,000)

(14) Skippers Point..... (118,000)

(15) Signs..... (50,000)

(16) Reimbursement Grants..... (1,000,000)

(b) Public Small Craft Harbor Loans..... (24,505,000)

(1) Alamitos Bay Basin 1..... (8,480,000)

(2) Berkeley Marina..... (2,000,000)

(3) Dana Point Marina..... (5,000,000)

(4) Dana Point 2..... (500,000)

Item Amount

(5) Emergency Loans..... (500,000)
(6) Long Beach Basins 2 and 3..... (500,000)
(7) Sacramento Marina..... (1,025,000)
(8) San Francisco Marina-East..... (500,000)
(9) San Francisco Marina-West..... (6,000,000)
(c) Private Loans..... (3,500,000)
(d) Clean Vessel Act Grant Program..... (843,000)
(e) Boating Trails..... (600,000)
(f) Boating Infrastructure Grant Program..... (100,000)
(2) 20-Boating Operations..... 12,300,000
(3) 30-Beach Erosion Control..... 750,000
(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)..... −2,743,000
(7) Amount payable from the Public Beach Restoration Fund (Item 3680-101-3001)..... −750,000

Provisions:

1. Of the funds appropriated in Schedule (2), Program 20-Boating Operations, $10,600,000 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

3680-101-0890—For local assistance, Department of Boating and Waterways, for payment to Item 3680-101-0516, payable from the Federal Trust Fund..... 2,743,000

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 per-

Item Amount

cent 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.

3680-101-3001—For local assistance, Department of Boating and Waterways, for payment to Item 3680-101-3001, payable from the Public Beach Restoration Fund..... 750,000

3680-112-0516—For transfer by the Controller from the Harbors and Watercraft Revolving Fund to the Abandoned Watercraft Abatement Fund..... (500,000)

3680-113-0516—For transfer by the Controller from the Harbors and Watercraft Revolving Fund to the Public Beach Restoration Fund..... (637,000)

3680-301-0516—For capital outlay, Department of Boating and Waterways, payable from the Harbors and Watercraft Revolving Fund..... 6,045,000

Schedule:

(2) 50.99.010-Project Planning..... 85,000

(3) 50.99.020-Minor Projects..... 5,960,000

Provisions:

1. Funds appropriated in Schedule (2) of this item 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

Item		Amount
Governor's Budget for the 2007–08 or 2008–09 fiscal year.		
3720-001-0001—For support of California Coastal Commission		11,145,000
Schedule:		
(1) 10-Coastal Management Program	14,929,000	
(2) 20-Coastal Energy Program	1,069,000	
(3) 30.01-Administration	1,624,000	
(4) 30.02-Distributed Administration	−1,543,000	
(5) Reimbursements	−1,288,000	
(6) Amount payable from California Beach and Coastal Enhancement Account (Item 3720-001-0371)	−606,000	
(7) Amount payable from the Federal Trust Fund (Item 3720-001-0890)	−3,040,000	
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		606,000
3720-001-0890—For support of California Coastal Commission, for payment to Item 3720-001-0001, payable from the Federal Trust Fund		3,040,000
3720-101-0371—For local assistance, California Coastal Commission, payable from California Beach and Coastal Enhancement Account, California Environmental License Plate Fund		708,000
Schedule:		
(1) 10-Coastal Management Program	708,000	
3760-001-0001—For support of State Coastal Conservancy		8,000,000
Provisions:		
1. Of the funds appropriated in this item, $8,000,000 shall be available for implementation of the Marine Life Protection Act and Marine Life Management Act. These funds shall be expended pursuant to a plan developed jointly by the Ocean Protection Council and the Department of Fish and Game. The plan shall be submitted to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee. The expenditure of these		

Item	Amount
funds shall occur no sooner than 30 days after the plan has been submitted to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee. These funds shall be available for expenditure until June 30, 2009.	
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	1,423,000
3760-001-0140—For support of State Coastal Conservancy, for payment to Item 3760-001-0565, payable from the California Environmental License Plate Fund	1,201,000
3760-001-0565—For support of State Coastal Conservancy, payable from the State Coastal Conservancy Fund	3,915,000
Schedule:	
(1) 15-Coastal Resource Development	4,748,000
(2) 25-Coastal Resource Enhancement	5,114,000
(3) 90.01-Administration and Support	3,183,000
(4) 90.02-Distributed Administration	−3,183,000
(5) Reimbursements	−621,000
(6) Amount payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund (Item 3760-001-0005)	−1,423,000
(7) Amount payable from the California Environmental License Plate Fund (Item 3760-001-0140)	−1,201,000
(8) Amount payable from the Federal Trust Fund (Item 3760-001-0890)	−127,000
(9) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 3760-001-6029)	−1,900,000

Item Amount

(10) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3760-001-6031)..... −675,000

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.
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..... 127,000

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..... 1,900,000

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..... 675,000

3760-301-0262—For capital outlay, State Coastal Conservancy, payable from the Habitat Conservation Fund..... 4,000,000

Item	Amount
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 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

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..... 500,000

(2) Reimbursements..... −100,000

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, 2009.

3760-301-0565—For capital outlay, State Coastal Conservancy, payable from the State Coastal Conservancy Fund..... 425,000

Schedule:

(1) 80.00.020-Public Access..... 525,000

(2) Reimbursements..... −100,000

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 ap-

Item Amount

proval 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, 2009.

3760-301-0593—For capital outlay, State Coastal Conservancy, payable from the Coastal Access Account, State Coastal Conservancy Fund..... 1,000,000

Schedule:

(1) 80.00.020-Public Access..... 1,100,000

(2) Reimbursements..... −100,000

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.

Item Amount

2. The funds appropriated in this item are available for encumbrance for either capital outlay or local assistance until June 30, 2009.

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, 2009.

3760-301-6031—For capital outlay, State Coastal Conservancy, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002..... 23,500,000

Schedule:

(1) 80.97.030-Conservancy Programs..... 24,700,000

(2) Reimbursements..... −1,200,000

Provisions:

1. The amount appropriated in this item is available for encumbrance for either capital outlay or local assistance until June 30, 2009.

Item Amount

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 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 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..... 4,000,000

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 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 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 those appropriations, and shall be available for encumbrance or expenditure until June 30, 2009:

Item Amount

0005—Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund

(1) Item 3760-302-0005, Budget Act of 2000 (Ch. 52, Stats. 2000), as reappropriated by Item 3760-490 of the Budget Act of 2004 (Ch. 208, Stats. 2004)

(2) 80.97.030-Conservancy Programs

(B) Ballona Wetlands

(2) Item 3760-301-0005, Budget Act of 2001 (Ch. 106, Stats. 2001), as reappropriated by Item 3760-490, Budget Act of 2004 (Ch. 208, Stats. 2004)

(7) 80.01.030-Laguna Coast Wilderness Park

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

(3) Item 3760-301-6029, Budget Act of 2003 (Ch. 157, Stats. 2003)

(1) 80.00.023-San Francisco Bay Conservancy Program

(2) 80.02.032-Watershed: Water Quality Protection and Enhancement Program

(3) 80.97.030-Conservancy Programs

6031—Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002

(4) Item 3760-301-6031, Budget Act of 2003 (Ch. 157, Stats. 2003)

(1) 80.97.030-Conservancy Programs

Provisions:

1. The funds in Schedule (2) for Item 3760-301-0005 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.
2. The funds in Schedules (3) and (4) for Items 3760-301-6029 and 3760-301-6031 are restricted to the following:
   (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 ap-

Item Amount

proval 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 these funds for grants to nonstate public agencies and nonprofit organizations shall be exempt from State Public Works Board review.

3. The funds reappropriated in Schedules (3) and (4) are available for encumbrance for either capital outlay or local assistance until June 30, 2009.

3780-001-0001—For support of Native American Heritage Commission..... 734,000

Schedule:

(1) 10-Native American Heritage Commission..... 739,000

(2) Reimbursements..... −5,000

3790-001-0001—For support of Department of Parks and Recreation..... 377,959,000

Schedule:

(1) For support of the Department of Parks and Recreation..... 605,378,000

(2) Reimbursements..... −31,060,000

(3) Less funding provided by capital outlay..... −4,000,000

(4) Amount payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund (Item 3790-001-0005)..... −7,128,000

(5) Amount payable from the California Environmental License Plate Fund (Item 3790-001-0140)..... −2,808,000

(6) Amount payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund (Item 3790-001-0235)..... −10,078,000

Item	Amount
(7) Amount payable from the Off-Highway Vehicle Trust Fund (Item 3790-001-0263).....	−40,158,000
(8) Amount payable from the State Parks and Recreation Fund (Item 3790-001-0392).....	−121,173,000
(9) Amount payable from the Winter Recreation Fund (Item 3790-001-0449).....	−357,000
(10) Amount payable from the Harbors and Watercraft Revolving Fund (Item 3790-001-0516).....	−712,000
(11) Amount payable from the Federal Trust Fund (Item 3790-001-0890).....	−3,772,000
(12) Amount payable from the California Main Street Program Fund (Item 3790-001-3077).....	−175,000
(13) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 3790-001-6029).....	−5,527,000
(14) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3790-001-6031).....	−471,000

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 3.7 percent of each project's appropriation, except to the extent otherwise restricted by law, to allow the department to administer its grants. Such funds shall be available for encumbrance or expenditure until June 30, 2012.
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 should also

Item Amount

be reflected in the department's state operations budget in the Governor's Budget as a special item of expense reflecting the funding provided from the capital outlay appropriations.

3. $250,000,000 of the funds appropriated in this item shall be available for encumbrance until June 30, 2012.
4. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures in this item for capital outlay projects not sooner than 30 days after written notification is provided to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee. The written notification shall provide a description of each capital outlay project, the need for the project, and the cost and phase for which approval is requested. The total of these expenditures may not exceed $250,000,000.
5. Of the funds appropriated in this item, not less than $15,000,000 shall be available for operations and maintenance needs at new and existing facilities, including seasonal aquatic safety staffing at state beaches.

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..... 7,128,000

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..... 2,808,000

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..... 10,078,000

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..... 40,158,000

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..... 121,173,000

Item	Amount
3790-001-0449—For support of Department of Parks and Recreation, for payment to Item 3790-001-0001, payable from the Winter Recreation Fund.....	357,000
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.....	712,000
3790-001-0890—For support of Department of Parks and Recreation, for payment to Item 3790-001-0001, payable from the Federal Trust Fund.....	3,772,000
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.....	5,527,000
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.....	471,000
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 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 2008–09.....	4,209,000

Item Amount

Schedule:

(1) 80.25-Recreational Grants..... 2,709,000

(2) 80.28-Local Projects..... 1,500,000

(a) Monterey County, MontereyPeninsula 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 2008–09..... 18,000,000

Schedule:

(1) 80.12-OHV Grants..... 18,000,000

Provisions:

1. Funding provided in this item for grants awarded by the Off-Highway Motor Vehicle Recreation Division, in the State Department of Parks and Recreation shall be available for expenditure only after a completed gas tax study is submitted to the Legislature.

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 2008–09..... 8,700,000

Schedule:

(1) 80.12-OHV Grants..... 1,700,000

(2) 80.25-Recreational Grants..... 7,000,000

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.

Item Amount

3. Grants may be made to nonprofit organizations and government entities.
4. Notwithstanding any other provision of law, the Director of Finance may authorize an intraschedule transfer of funds in this item. The intraschedule transfer shall occur no sooner than 30 days after written notification is provided to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee.

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 2008–09..... 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.

3790-101-8017—For local assistance, Department of Parks and Recreation, payable from the California Missions Foundation Fund, to be available for expenditure through fiscal year 2008–09..... 260,000

Schedule:

(1) 80.30-Historic Preservation Grants..... 260,000

Provisions:

1. The funds appropriated in this item shall be available for allocation to the California Missions Foundation for the restoration of California missions.
2. The Department of Parks and Recreation, upon approval by the Department of Finance, may adjust the appropriation specified in this item to the amount deposited in the fund from voluntary contributions made by taxpayers.

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..... 8,754,000

Item Amount

Schedule:

(1) 90.AI.101-Millerton Lake SRA: Rehabilitate La Playa Day Use Area—Working drawings..... 131,000

(1.5) 90.E4.103-Chino Hills SP: Visitor Center—Construction..... 1,020,000

(2) 90.G3.101-Antelope Valley Indian Museum: Structural Improvements—Construction..... 1,997,000

(3) 90.I6.101-San Elijo SB: Replace Main Lifeguard Tower—Construction and equipment..... 2,637,000

(3.5) 90.KZ.104-Los Angeles SHP: Planning and Conceptual Design—Study..... 765,000

(4) 90.RS.205-Statewide: State Park System—Minor projects..... 275,000

(5) 90.RS.235-Volunteer Enhancement Program—Minor projects..... 241,000

(6) 90.8J.101-Columbia SHP: Drainage Improvements—Working drawings and construction..... 1,688,000

Provisions:

1. Notwithstanding any other provision of law, the funds appropriated by this item shall be available for expenditure until June 30, 2010, except appropriations for working drawings which shall be available for expenditure until June 30, 2008, and minor capital outlay which shall be available for expenditure until June 30, 2007. In addition, the balance of every appropriation made in this item 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, 2007, shall revert as of that date to the fund from which the appropriation was made.

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..... 2,667,000

Item	Amount
Schedule:	
(1) 90.RS.206-Statewide: OHV Minors—Minor projects..... 2,067,000	
(2) 90.RS.405-Statewide: OHV Opportunity Purchase/Budget Package/Schematic Planning—Acquisition and study..... 600,000	
Provisions:	
1. The funds appropriated in Schedule (2) 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 2007–08 or 2008–09 fiscal year.	
3790-301-0890—For capital outlay, Department of Parks and Recreation, payable from the Federal Trust Fund.....	5,000,000
Schedule:	
(1) 90.RS.801-Federal Trust Fund Program—Acquisition, preliminary plans, working drawings, and construction..... 5,000,000	
Provisions:	
1. Notwithstanding any other provision of law, the Department of Finance may revise and create new schedule(s) within this item, and may transfer funds appropriated within this item to and from any schedules within this item for the purposes of tracking and displaying actual expenditures by project, in accordance with the grants received.	
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.....	6,053,000
Schedule:	
(1) 90.BA.102-Big Basin Redwoods SP: Water System Improvements—Working drawings and construction..... 3,145,000	
(1.5) 90.GY.101-Doheny SB: New Lifeguard Headquarters—Construction..... 293,000	

Item	Amount
(2) 90.RS.810-Capital Outlay Projects—Acquisition, preliminary plans, working drawings, construction, and minor projects.....	3,000,000
(3) 90.2U.102-Jedediah Smith Redwoods SP: Aubell Maintenance Facility—Construction.....	949,000
(3.2) 90.42.101-MacKerricher SP: Rehabilitate Historic Pudding Creek Trestle—Construction.....	1,666,000
(3.5) 90.8D.102-Donner Memorial SP: New Visitor Center—Working drawings and construction.....	2,586,000
(3.8) Reimbursement—Donner Memorial SP: New Visitor Center.....	−2,586,000
(4) Reimbursements—Capital Outlay Projects.....	−3,000,000

Provisions:

1. Notwithstanding any other provision of law, the funds appropriated by this item shall be available for expenditure until June 30, 2010, except appropriations for preliminary plans or working drawings which shall be available for expenditure until June 30, 2008, and appropriations for minor capital outlay shall be available for expenditure until June 30, 2007. In addition, the balance of every appropriation made in this item 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, 2007, shall revert as of that date to the fund from which the appropriation was made.

3790-401—For the 2006–07 fiscal year, the balance as of July 1, 2006, 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 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 deter-

Item Amount

mined necessary to meet the cashflow needs of the Off-Highway Vehicle Trust Fund.

3790-402—The amount loaned pursuant to Provision 2 of Item 3790-012-0061, Budget Act of 2002 (Ch. 379, Stats. 2002) shall not be required to be repaid.

3790-490—Reappropriation, Department of Parks and Recreation. The balance of the appropriation provided for 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 3790-001-6029, Budget Act of 2005 (Ch. 38, Stats. 2005)

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 and shall be available for encumbrance or expenditure until June 30, 2007:

0005—Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund

(1) Item 3790-301-0005, Budget Act of 2000 (Ch. 52, Stats. 2000), as reappropriated by Item 3790-490, Budget Act of 2003 (Ch. 157, Stats. 2003)

(15) 90.CO.402-Henry W. Coe SP: Mount Hamilton—Acquisition

(16) 90.KV.100-Los Angeles River Parkway Project: Acquisition and Development—Acquisition

(20) 90.C9.100-Montana de Oro SP: Irish Hills—Acquisition

(2) Item 3790-302-0005, Budget Act of 2000 (Ch. 52, Stats. 2000), as reappropriated by Item 3790-490, Budget Act of 2003 (Ch. 157, Stats. 2003)

(15) 90.CS.100-Monterey State Beach: Acquisition

(3) Item 3790-301-0005, Budget Act of 2002 (Ch. 379, Stats. 2002), as reappropriated by Item 3790-490, Budget Act of 2003 (Ch. 157, Stats. 2003)

Item Amount

(19) 90.GG.101-Silverwood Lake SRA: Campground and Day Use Improvements—Construction

(4) Item 3790-301-0005, Budget Act of 2003 (Ch. 157, Stats. 2003)

(1) 90.AN.101-Empire Mine SHP: Public Underground Tour—Construction and equipment

(2) 90.BA.101-Big Basin Redwoods SP: Wastewater Collection/Treatment System Improvements—Construction

(9) 90.IL.101-Border Field SP: Development and Rehabilitate Day Use Facilities—Construction and equipment

(12) 90.2W.101-Prairie Creek Redwoods SP: Public Use Improvements—Construction

(14) 90.5N.101-Mount Diablo SP: Road System Improvements—Construction

(5) Item 3790-301-0005, Budget Act of 2004 (Ch. 208, Stats. 2004), as reappropriated by Item 3790-491, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(0.1) 90.EX.101-Malibu Creek SP: Restore Sepulveda Adobe—Working drawings and construction

(0.2) 90.E4.103-Chino Hills SP: Visitor Center—Construction and equipment

(6) Item 3790-301-0005, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(1.1) 90.EX.101-Malibu Creek SP: Restore Sepulveda Adobe—Construction

(1.2) 90.E4.103-Chino Hills SP: Visitor Center—Construction

(3) 90.I6.101-San Elijo SB: Replace Main Lifeguard Tower—Preliminary plans and working drawings

(7) 90.RS.601-Statewide: Budget Development—Study

0263—Off-Highway Vehicle Trust Fund

(1) Item 3790-301-0263, Budget Act of 2003 (Ch. 157, Stats. 2003)

(2.5) 90.RS.423-Statewide: OHV Park and Buffer Acquisition Projects—Acquisition

(3) 90.RS.405-Statewide: OHV Opportunity Purchase/Budget Package/Schematic Planning—Acquisition

Item Amount

(4) 90.6S.101-Hollister Hills SVRA: Hudner/Renz Public Use Facility—Construction and equipment

(5) 90.IG.100-Riverside OHV Park Project: Acquisition and Development—Acquisition, preliminary plans, working drawings, construction, and equipment

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

(1) Chapter 1126 of the Statutes of 2002, as reappropriated by Item 3790-491, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(2) 90.8L.101-California Indian Museum: Preliminary plans, working drawings, and construction

(2) Item 3790-301-6029, Budget Act of 2003 (Ch. 157, Stats. 2003)

(2) 90.CB.102-Morro Bay SP: Sewer System Improvements—Working drawings

(2.5) 90.EC.103-Kenneth Hahn State Recreation Area: Vista Pacifica Visitor Center—Construction

(10) 90.RS.224-Statewide: 2002 Bond State Park System Acquisition Program—Acquisition

(18) 90.6C.101-Ano Nuevo SR: Marine Education Center—Working drawings, construction, and equipment

(20) 90.8D.102-Donner Memorial SP: New Visitor Center—Preliminary plans

(24) Reimbursement-Ano Nuevo SR: Marine Education Center

(3) Item 3790-301-6029, Budget Act of 2004 (Ch. 208, Stats. 2004), as partially reappropriated by Item 3790-491, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(0.5) 90.AC.101-Railroad Technology Museum: Rehabilitation and Facilities Plan—Working drawings and construction

(2) 90.CB.102-Morro Bay SP: Sewer System Improvements—Construction

(2.1) 90.EX.103-Malibu Creek SP: Rehabilitate Public Use Facilities at Tapia—Preliminary plans

(2.2) 90.E4.104-Chino Hills SP: Entrance Road and Facilities—Working drawings

Item Amount

(2.6) 90.GY.101-Doheny SB: New Lifeguard Headquarters—Construction and equipment

(5.1) 90.8D.102-Donner Memorial SP: New Visitor Center—Working drawings, construction, and equipment

(5.5) Reimbursement-Railroad Technology Museum: Rehabilitation and Facilities Plan

(5.7) Reimbursement-Donner Memorial SP: Visitor Center

(4) Item 3790-301-6029, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(2) 90.EX.103-Malibu Creek SP: Rehabilitate Public Use Facilities at Tapia—Working drawings, construction, and equipment

(3) 90.E4.104-Chino Hills SP: Entrance Road and Facilities—Construction and equipment

(4) 90.FW.101-Topanga SP: Public Use Improvements—Construction and equipment

(4.2) 90.GY.101-Doheny SB: New Lifeguard Headquarters—Construction

(7) 90.3I.101-Shasta SHP: Southside Ruins Stabilization—Working drawings and construction

(8) 90.6H.101-Samuel P. Taylor SP: Install New Concrete Reservoirs—Working drawings and construction

3790-492—Reappropriation, Department of Parks and Recreation. The amount specified in the appropriation provided for in the following citation is reappropriated for the purposes specified in that appropriation and shall be available for encumbrance or expenditure until June 30, 2007:

0005—Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund

(1) Item 3790-001-0005, Budget Act of 2004 (Ch. 208, Stats. 2004), $500,000 shall be available for natural stewardship projects.

3790-493—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, 2007:

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)

Item Amount

(1) 90.AC.101-Railroad Technology Museum: Rehabilitation and Facilities Plan—Studies and preliminary plans

(8) 90.RS.205-Statewide: State Parks—Minor projects

3790-494—Reappropriation, Department of Parks and Recreation. Notwithstanding any other provision of law, the period to liquidate the encumbrances of the following citations, subject to the following limitation, is extended to June 30, 2007:

0001—General Fund

(1) 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, and Item 3790-493(2), Budget Act of 2004 (Ch. 208, Stats. 2004), 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

0005—Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund

(1) Item 3790-102-0005(a)(5)(i), Budget Act of 2000 (Ch. 52, Stats. 2000), City of Huntington Park: Regional Community Youth Center, as reappropriated by Item 3790-492(3)(a)(5)(i), Budget Act of 2005 (Chs. 38 and 39, Stats. 2005), City of Huntington Park: Regional Community Youth Center

(2) Item 3790-102-0005(a)(5)(qx), Budget Act of 2000 (Ch. 52, Stats. 2000), City of Huntington Park: Bonelli Regional Youth Center, as reappropriated by Item 3790-492(3)(a)(5)(qx), Budget Act of 2005 (Chs. 38 and 39, Stats. 2005), City of Huntington Park: Bonelli Regional Youth Center

0262— Habitat Conservation Fund

(1) Item 3790-101-0262, Budget Act of 1999 (Ch. 50, Stats. 1999), as reappropriated by Item 3790-493, Budget Act of 2004 (Ch. 208, Stats. 2004), and Item 3790-492(1), Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(1) 80.25.001-Local Grants—Conservation Fund Program

Provisions:

1. The reappropriation in Schedule (1), Item 3790-101-0262, Budget Act of 1999 (Ch. 50,

Item		Amount
Stats. 1999), is limited to the $325,000 grant to the Mid-Peninsula Regional Open Space District.		
3790-495—Reversion, Department of Parks and Recreation. As of June 30, 2006, the unencumbered balances of the appropriations provided in the following citations shall revert to the fund from which the appropriations were made:		
6029—California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund		
(1) Item 3790-301-6029, Budget Act of 2004 (Ch. 208, Stats. 2004), as reappropriated by Item 3790-491, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)		
(2.7) 90.IH.101-Lake Perris SRA: Replace Lifeguard Headquarters—Construction and equipment		
(2) Item 3790-301-6029, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)		
(4.3) 90.IH.101-Lake Perris SRA: Replace Lifeguard Headquarters—Construction		
3790-496—Reversion, Department of Parks and Recreation. As of June 30, 2006, the unencumbered balance of the appropriations provided for in the following citations shall revert to the fund from which the appropriation was made:		
0005—Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund		
(1) Item 3790-301-0005, Budget Act of 2004 (Ch. 208, Stats. 2004)		
(2) 90.RS.235-Statewide: Volunteer Enhancement Program—Minor projects		
3810-001-0140—For support of Santa Monica Mountains Conservancy, payable from the California Environmental License Plate Fund.....		287,000
Schedule:		
(1) 10-Santa Monica Mountains Conservancy.....	741,000	
(2) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 3810-001-6029).....	−231,000	

Item Amount

(3) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3810-001-6031)..... −223,000

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 as required in (a) and the amount of state funds thus far encumbered for interest, penalties, or other principal surcharges.

Item	Amount
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.....	231,000
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.....	223,000
3810-301-0941—For capital outlay, Santa Monica Mountains Conservancy, payable from the Santa Monica Mountains Conservancy Fund.....	57,000
Schedule:	
(1) 50.20-Capital Outlay and Local Assistance..... 57,000	
Provisions:	
1. The Santa Monica Mountains Conservancy may encumber funds for either capital outlay or local assistance grants until June 30, 2009.	
3. The Santa Monica Mountains Conservancy shall provide a report to the Department of Finance on donations received during the prior fiscal year on or before September 1 of each year.	
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.....	8,500,000
Schedule:	
(1) 50.20-Capital Outlay and Local Assistance..... 8,500,000	
Provisions:	
1. The Santa Monica Mountains Conservancy may encumber funds for either capital outlay or local assistance grants until June 30, 2009.	
2. 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.	
3820-001-0001—For support of San Francisco Bay Conservation and Development Commission.....	4,230,000
Schedule:	
(1) 10-Bay Conservation and Development..... 5,103,000	

Item		Amount
(2) Reimbursements.....	−678,000	
(3) Amount payable from the Bay Fill Clean-up and Abatement Fund (Item 3820-001-0914).....	−195,000	
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 fee revenues to at least 50 percent of the amount appropriated in the item to support the operation of the commission's regulatory program.		
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.....		195,000
3825-001-0140—For support of San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, payable from the California Environmental License Plate Fund.....		307,000
Schedule:		
(1) 10-San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy.....	539,000	
(2) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 3825-001-6029).....	−132,000	
(3) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3825-001-6031).....	−100,000	
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.....		132,000
3825-001-6031—For support of San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, for payment to Item 3825-001-0140, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002.....		100,000

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		2,800,000
Schedule:		
(1) 30.10-Capital Outlay and Grants	2,825,000	
(2) Reimbursements	−25,000	
Provisions:		
1. The funds appropriated in this item are available for expenditure for capital outlay or local assistance until June 30, 2009.		
3830-001-0104—For support of San Joaquin River Conservancy, for payment to Item 3830-001-0140, payable from the San Joaquin River Conservancy Fund		58,000
3830-001-0140—For support of San Joaquin River Conservancy, payable from the California Environmental License Plate Fund		266,000
Schedule:		
(1) 10-San Joaquin River Conservancy	434,000	
(2) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 3830-001-6029)	−110,000	
(3) Amount payable from the San Joaquin River Conservancy Fund (Item 3830-001-0104)	−58,000	
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		110,000
3830-301-0104—For capital outlay, San Joaquin River Conservancy, payable from the San Joaquin River Conservancy Fund		0
Schedule:		
(1) 20-Capital Outlay Acquisition and Enhancement Projects	2,000,000	
(2) Reimbursements	−2,000,000	
Provisions:		
1. The funds appropriated in this item are available for expenditure for capital outlay or local assistance until June 30, 2009.		

Item Amount

2. Notwithstanding any other provision of law, upon approval and order of the Department of Finance, loans may be made from the California Environmental License Plate Fund to meet cashflow needs due to delays in collecting reimbursements. Any loan authorized by the Department of Finance pursuant to this provision shall only be made if the conservancy has a valid contract or certification that demonstrates that sufficient funds will be available to repay the loan.

3835-001-0140—For support of Baldwin Hills Conservancy, payable from the California Environmental License Plate Fund..... 309,000

Schedule:

(1) 10-Baldwin Hills Conservancy..... 415,000

(2) Amount payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Item 3835-001-6029)..... −106,000

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..... 106,000

3835-490—Reappropriation, Baldwin Hills Conservancy. 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, 2009:

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

(1) Item 3835-301-6029, Budget Act of 2003 (Ch. 157, Stats. 2003)

(1) 20-Capital Outlay Acquisition and Improvement Program

3840-001-0140—For support of Delta Protection Commission, payable from the California Environmental License Plate Fund..... 154,000

3840-001-0516—For support of Delta Protection Commission, payable from the Harbors and Watercraft Revolving Fund..... 213,000

Item		Amount
3845-001-0140—For support of San Diego River Conservancy, payable from the California Environmental License Plate Fund.....		292,000
Schedule:		
(1) 10-San Diego River Conservancy.....	292,000	
3850-001-0140—For support of Coachella Valley Mountains Conservancy, payable from the California Environmental License Plate Fund.....		240,000
Schedule:		
(1) 10-Coachella Valley Mountains Conservancy.....	397,000	
(2) Reimbursements.....	−125,000	
(3) Amount payable from the Coachella Valley Mountains Conservancy Fund (Item 3850-001-0296).....	−32,000	
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
3850-301-0296—For capital outlay, Coachella Valley Mountains Conservancy, payable from the Coachella Valley Mountains Conservancy Fund.....		0
Schedule:		
(1) 20-Coachella Valley Mountains Acquisition and Enhancement Projects and Costs.....	500,000	
(2) Reimbursements.....	−500,000	

Provisions:

1. The funds appropriated in this item are available for expenditure for capital outlay or local assistance until June 30, 2009.
2. Notwithstanding any other provision of law, upon approval and order of the Department of Finance, loans may be made from the California Environmental License Plate Fund to meet cashflow needs due to delays in collecting reimbursements. Any loan authorized by the Department of Finance pursuant to this provision shall only be made if the conservancy has a valid contract or certification that demonstrates that sufficient funds will be available to repay the loan.

Item Amount

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..... 211,000

Schedule:

(1) 20-Coachella Valley Mountains Acquisition and Enhancement Projects and Costs..... 211,000

Provisions:

1. The funds appropriated in this item are available for expenditure for capital outlay or local assistance until June 30, 2009.

3850-490—Reappropriation, Coachella Valley Mountains Conservancy. The amounts specified 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, 2007:

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

(1) $577,000 in Item 3850-301-6029, Budget Act of 2002 (Ch. 379, Stats. 2002)

(1) 20.00.000.000-Coachella Valley Mountains Acquisition and Enhancement Projects and Costs

3850-495—Reversion, Coachella Valley Mountains Conservancy. As of June 30, 2006, the unencumbered balance of the appropriation provided for in the following citation shall revert to the fund from which the appropriation was made:

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

(1) Item 3850-001-6029, Budget Act of 2004 (Ch. 208, Stats. 2004)

3855-001-0140—For support of Sierra Nevada Conservancy, payable from the California Environmental License Plate Fund..... 3,462,000

Schedule:

(1) 10-Sierra Nevada Conservancy..... 3,662,000

(2) Reimbursements..... −200,000

3855-490—Reappropriation, Sierra Nevada Conservancy. The amount specified in the following citation is reappropriated for out-of-state travel, training, facilities operations, and interagency contractual services.

Item		Amount
0140—California Environmental License Plate Fund		
(1) $276,000 in Item 3855-001-0140, Budget Act of 2005 (Ch. 38, Stats. 2005), and is available for encumbrance or expenditure until June 30, 2007.		
3860-001-0001—For support of Department of Water Resources		61,997,000
Schedule:		
(1) 10-Continuing Formulation of the California Water Plan	129,658,000	
(2) 20-Implementation of the State Water Resources Development System	5,184,000	
(3) 30-Public Safety and Prevention of Damage	79,246,000	
(4) 40-Services	8,729,000	
(5) 45-California Energy Resources Scheduling (CERS)	21,076,000	
(6) 50.01-Management and Administration	63,700,000	
(7) 50.02-Distributed Management and Administration	−63,700,000	
(8) Reimbursements	−26,256,000	
(9) Amount payable from the California Environmental License Plate Fund (Item 3860-001-0140)	−269,000	
(10) Amount payable from the Central Valley Project Improvement Subaccount (Item 3860-001-0404)	−1,575,000	
(11) Amount payable from the Feasibility Projects Subaccount (Item 3860-001-0445)	−114,000	
(12) Amount payable from the Water Conservation and Groundwater Recharge Subaccount (Item 3860-001-0446)	−125,000	
(13) Amount payable from the Energy Resources Programs Account (Item 3860-001-0465)	−1,941,000	
(14) Amount payable from the Local Projects Subaccount (Item 3860-001-0543)	−101,000	
(15) Amount payable from the Sacramento Valley Water Management and Habitat Protection Subaccount (Item 3860-001-0544)	−60,000	

Item	Amount
(16) Amount payable from the 1986 Water Conservation and Water Quality Bond Fund (Item 3860-001-0744)	−195,000
(17) Amount payable from the Federal Trust Fund (Item 3860-001-0890)	−12,546,000
(18) Amount payable from the Dam Safety Fund (Item 3860-001-3057)	−9,128,000
(19) Amount payable from the Electric Power Fund (Item 3860-001-3100)	−21,076,000
(20) Amount payable from the Safe Drinking Water, Clean Water, Watershed Protection, and Flood Protection Bond Fund (Item 3860-001-6001)	−988,000
(21) Amount payable from the Flood Protection Corridor Subaccount (Item 3860-001-6005)	−460,000
(22) Amount payable from the Urban Stream Restoration Subaccount (Item 3860-001-6007)	−609,000
(23) Amount payable from the Yuba Feather Flood Protection Subaccount (Item 3860-001-6010)	−703,000
(24) Amount payable from the Water Conservation Account (Item 3860-001-6023)	−789,000
(25) Amount payable from the Conjunctive Use Subaccount (Item 3860-001-6025)	−1,316,000
(26) Amount payable from the Bay-Delta Multipurpose Water Management Subaccount (Item 3860-001-6026)	−22,479,000
(27) Amount payable from the Interim Water Supply and Water Quality Infrastructure and Management Subaccount (Item 3860-001-6027)	−1,446,000
(28) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3860-001-6031)	−79,720,000

Item Amount

Provisions:

1. The amounts appropriated in Items 3860-001-0001 to 3860-001-6031, inclusive, shall be transferred to the Water Resources Revolving Fund (0691) for direct expenditure in such amounts as the Department of Finance may authorize, including cooperative work with other agencies.
2. Funds appropriated in Schedule 3(a) shall be available for encumbrance by the Department of Water Resources until June 30, 2009, and available for liquidation until June 30, 2011.
3. Of the funds appropriated in this item, $250,000 for Sacramento Bypass Levee repair shall be available for encumbrance until June 30, 2009, and available for liquidation until June 30, 2011.
4. Notwithstanding any other provision of law, the Department of Finance may adjust this item of appropriation to correct any technical errors related to the California Bay-Delta Authority reorganization plan, enacted as part of this budget act, not sooner than 30 days after written notification of the necessity therefor to the chairpersons of the committees in each house of the Legislature that consider 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.
5. Notwithstanding any other provision of law, the Department of Finance may augment this item to provide authority to spend funds encumbered prior to the 2006–07 fiscal year by the California Bay-Delta Authority for the ongoing support of the CALFED Bay-Delta Program not sooner than 30 days after written notification of the necessity therefor to the chairpersons of the committees in each house of the Legislature that consider 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.

Item	Amount
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	269,000
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	1,575,000
3860-001-0445—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Feasibility Projects Subaccount	114,000
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	125,000
3860-001-0465—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Energy Resources Programs Account	1,941,000
3860-001-0543—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Local Projects Subaccount	101,000
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	60,000
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	195,000
3860-001-0890—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Federal Trust Fund	12,546,000
3860-001-3057—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Dam Safety Fund	9,128,000
3860-001-3100—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Electric Power Fund	21,076,000
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	988,000

Item	Amount
3860-001-6005—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Flood Protection Corridor Subaccount	460,000
3860-001-6007—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Urban Stream Restoration Subaccount	609,000
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	703,000
3860-001-6023—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Water Conservation Account	789,000
3860-001-6025—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Conjunctive Use Subaccount	1,316,000
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	22,479,000
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	1,446,000

Provisions:

1. All funds provided for in this item for San Joaquin River Restoration activities shall be available to support any final settlement by plaintiffs, federal defendants, and the Friant defendants in the litigation titled Natural Resources Defense Council v. Rodgers (2005) 381 F.Supp.2d 1212 (NRDC v. Rodgers). All such funds provided to the Department of Water Resources and the Department of Fish and Game shall be expended to do all of the following:
   (a) Further the ecosystem restoration and water management goals and purposes of the settlement in NRDC v. Rodgers, including any Department of Water Resources and Department of Fish and Game activities described in the Budget Change Proposals that are not inconsistent with that settlement.

Item Amount

(b) Support cooperation between and among the state agencies and parties settling NRDC v. Rodgers in implementing that settlement.

(c) Provide funding for any independent implementation or administration of the settlement that is not to be carried out by any settling party, including funding for any technical committees other than committees staffed or funded by the federal defendants, as called for by the settlement, for the period of July 1, 2006, to June 20, 2009, inclusive.

(d) Exercise the State of California's sovereignty over the San Joaquin River, consistent with the settlement and any federal legislation implementing that settlement.

If the specified parties do not achieve a final settlement, then until a settlement is finalized, the Department of Water Resources and the Department of Fish and Game may expend this funding consistent with the Budget Change Proposal, for the purposes of promoting a final settlement or improving fish passage and related river habitat restoration projects on the San Joaquin River system between Friant Dam and the confluence of the Merced River.

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..... 79,720,000

Provisions:

1. This item contains $1,000,000 to continue studies of the feasibility of enlarging the Los Vaqueros Reservoir. These funds shall not be expended to fund this activity until regional partners in the Los Vaqueros Reservoir execute an agreement to work together and fund continued investigation and planning for the Los Vaqueros Reservoir.

3860-002-0001—For support of Department of Water Resources, for annual payment related to Coordination Proceeding Special Title (Rule 1550(b)) February 20, 1986, Flood Cases (Paterno v. State of California (2003) 113 Cal.App.4th 998)..... 62,931,000

Item Amount

Provisions:

1. This item is for the payment of the settlement entered into by the State of California and the plaintiffs of the Coordination Proceeding Special Title (Rule 1550(b)) February 20, 1986, Flood Cases (Paterno v. State of California (2003) 113 Cal.App.4th 998), that was ultimately acquired by Merrill Lynch & Co. and allows for repayment over a 10-year period ending in 2015. Interest payments are due each December 1 and June 1. A principal payment is due each June 1.
2. Because the judgment terms include a variable interest rate, the precise amount of the payments that will come due cannot be determined with certainty beforehand. In the event that the actual total payments for this item exceed the amount appropriated in this item, the Director of Finance is hereby authorized to increase this item in an amount necessary to pay the full required amount. The Director of Finance shall notify the Joint Legislative Budget Committee 30 days prior to the expenditure of any additional funds from this item.
3. In the event that the actual total payments for this item are less than the amount appropriated, the excess funds will revert to the General Fund on June 30, 2007.

3860-013-0144—For transfer by the Controller from the California Water Fund to the General Fund..... (15,614,000)

3860-101-0001—For local assistance, Department of Water Resources..... 108,370,000

Provisions:

1. Notwithstanding any other provision of law, the amount appropriated in this item shall be available for encumbrance or expenditure until June 30, 2009.
2. The Department of Water Resources shall give priority to processing $10,000,000 in claims from the Napa County Flood Control and Water Conservation District to avoid delays that could lead to the loss of federal funds or create otherwise avoidable flood risks along the Napa River. This priority shall apply during the 2006–07 fiscal year in recognition of the extensive flood damage that occurred in January 2006.

Item		Amount
3860-101-0176—For local assistance, Department of Water Resources, payable from the Delta Flood Protection Fund		995,000
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
3860-101-6023—For local assistance, Department of Water Resources, payable from the Water Conservation Account		17,933,000
Provisions:		
1. The funds appropriated in this item shall be available for encumbrance by the Department of Water Resources until June 30, 2009, and available for liquidation until June 30, 2011.		
3860-101-6025—For local assistance, Department of Water Resources, payable from the Conjunctive Use Subaccount		2,000,000
3860-101-6027—For local assistance, Department of Water Resources, payable from the Interim Water Supply and Water Quality Infrastructure and Management Subaccount		1,999,000
3860-301-0001—For capital outlay, Department of Water Resources		31,383,000
Schedule:		
(1) 30.95.010-Sacramento River Bank Protection Project	4,920,000	
(2) 30.95.115-American River Flood Control Project: Common Elements	9,155,000	
(3) 30.95.220-Upper Sacramento River Area Levee Restoration Project	484,000	
(4) 30.95.245-American River Flood Control Project—Natomas Features	496,000	
(5) 30.95.311-Folsom Dam Modifications Project	19,455,000	
(6) 30.95.330-American River Watershed, Folsom Dam Raise Project, Bridge Element	6,762,000	
(7) Reimbursements-American River Flood Control Project: Common Elements	−2,715,000	

Item	Amount
(8) Reimbursements-Upper Sacramento River Area Levee Restoration Project.....	−127,000
(9) Reimbursements-Folsom Dam Modifications Project.....	−5,040,000
(10) Reimbursements-American River Watershed, Folsom Dam Raise Project, Bridge Element.....	−2,007,000

Provisions:

1. The funds appropriated in this item may be expended for relocations and acquisition of land, easements, and rights-of-way, including, but not limited to, borrow pits, spoil areas, and easements for levees, clearing, flood control works, and flowage, and for appraisals, surveys, and engineering studies necessary for the completion or operation of the projects in the Sacramento and San Joaquin watersheds as authorized by Section 8617.1 and Chapters 1 (commencing with Section 12570), 2 (commencing with Section 12639), 3 (commencing with Section 12800), 3.5 (commencing with Section 12840), and 4 (commencing with Section 12850) of Part 6 of Division 6 of the Water Code. Notwithstanding paragraph (1) of subdivision (a) of Section 12582.7 and Section 12585.5 of the Water Code, prior to state and federal authorization of the project and appropriation of federal construction funds by Congress and subsequent to submittal of a report to the Legislature pursuant to Section 12582.7, the amounts appropriated in this item may be expended for state costs associated with preconstruction design and engineering work conducted by the federal government and others.
2. The amounts appropriated in this item are also for advances to the federal government or payments to the federal government or others for incidental construction or reconstruction items that are an obligation of the state in connection with the completion or operation of the projects and for materials and necessary construction, reconstruction, relocation, or alterations to highways, railroads, bridges, power lines, communication lines, pipelines, irrigation works, and other structures and facilities and for ap-

Item Amount

praisals, surveys, and engineering studies incidental thereto.

3. The funds appropriated in this item include funding for preliminary plans, working drawings, construction supervision, contract administration, and other work activities to be performed by Department of Water Resources personnel in completion of the projects.
4. The funds appropriated in this item may be used to implement the above projects by arranging to perform work which is a federal responsibility prior to the availability of federal appropriations with the intention that the costs will be reimbursed or eligible for credit by the federal government as provided in Public Law 99-662, Section 104, November 17, 1986, or Public Law 90-488, Section 215, August 13, 1968.
5. Notwithstanding Section 26.00, funds may be transferred, with the approval of the Department of Finance, between projects specified in this item and other Department of Water Resources major capital outlay projects with an active appropriation. 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, within 30 days or such lesser time as the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may determine, prior to any transfer.
6. Payments from a local sponsor to pay for obligations that are federal obligations may be received by the Department of Water Resources and advanced to the federal government with the intent that the costs shall be reimbursed or eligible for credit.

3860-301-6026—For capital outlay, Department of Water Resources, payable from the Bay-Delta Multipurpose Water Management Subaccount..... 26,600,000

Schedule:

(1) 10.95.015-South Delta Improvements Program..... 26,600,000

Provisions:

1. This item contains $26,600,000 to support implementation of the South Delta Improvement Program. These funds shall not be expended to fund this activity until the Secretary for Re-

Item Amount

sources submits to the Legislature a report on the actions it will take, other than study, in the next fiscal year to stabilize the ecosystem in the Delta and to address the pelagic organism decline.

3860-301-6031—For capital outlay, Department of Water Resources, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002..... 15,000,000

Schedule:

(1) 10.95.015-South Delta Improvements Program..... 15,000,000

Provisions:

1. This item contains $15,000,000 to support the implementation of the South Delta Improvement Program. These funds shall not be expended to fund this activity until the Secretary for Resources submits to the Legislature a report on the actions it will take, other than study, in the next fiscal year to stabilize the ecosystem in the Delta and to address the pelagic organism decline.

3860-490—Reappropriation, Department of Water Resources. The balances of the appropriations provided for 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, 2008:

0001—General Fund

(1) Item 3860-301-0001, Budget Act of 1998 (Ch. 324, Stats. 1998), as reappropriated by Item 3860-490, Budget Act of 2001 (Ch. 106, Stats. 2001), and Item 3860-490, Budget Act of 2003 (Ch. 157, Stats. 2003)

(4) 30.95.210-Tisdale Bridge Replacement

(2) Item 3860-301-0001, Budget Act of 2000 (Ch. 52, Stats. 2000), as reappropriated by Item 3860-490, Budget Act of 2001 (Ch. 106, Stats. 2001), and Item 3860-492, Budget Act of 2002 (Ch. 379, Stats. 2002), and Budget Act of 2003 (Ch. 157, Stats. 2003)

(3.1) Yuba River Basin Project

(3) Item 3860-301-0001, Budget Act of 2003 (Ch. 157, Stats. 2003)

(1) 30.95.105-Marysville/Yuba Levee Reconstruction

6008—State Capital Protection Subaccount

Item Amount

(1) Item 3860-301-6008, Budget Act of 2000 (Ch. 52, Stats. 2000), as reappropriated by Item 3860-490, Budget Act of 2003 (Ch. 157, Stats. 2003)

(2) Magpie Creek Small Flood Control Project

(4) South Sacramento County Streams

3860-491—Reappropriation, Department of Water Resources. The balances of the appropriations 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, 2008:

6026—Bay-Delta Multipurpose Water Management Subaccount

(1) Item 3860-001-6026, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005) for purposes of the CALFED Conveyance and Science Programs.

(2) Item 3860-001-6026, Budget Act of 2003 (Ch. 157, Stats. 2003), as reappropriated by Item 3860-491, Budget Act of 2004 (Ch. 208, Stats. 2004) for purposes of the CALFED Conveyance and Science Programs.

6031—Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002

(1) Item 3860-101-6031, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005) for purposes of the Integrated Regional Water Management Grant Program.

(2) Item 3860-101-6031, Budget Act of 2004 (Ch. 208, Stats. 2004) for purposes of the Watershed Grant Program.

(3) Item 3860-001-6031, Budget Act of 2003 (Ch. 157, Stats. 2003), as reappropriated by Item 3860-491, Budget Act of 2004 (Ch. 208, Stats. 2004) for the purposes of the CALFED Water Use Efficiency Grant and the Water Supply Reliability Programs.

(4) Item 3860-101-6031, Budget Act of 2003 (Ch. 157, Stats. 2003), as reappropriated by Item 3860-491, Budget Act of 2004 (Ch. 208, Stats. 2004) for the purposes of the Integrated Regional Water Management Grant Program.

3860-492—Reappropriation, Department of Water Resources. Notwithstanding any other provision of law, the period to liquidate encumbrances of the following citations is extended to June 30, 2008:

Item Amount

0446—Water Conservation and Groundwater Recharge Subaccount

(1) Item 3860-101-0446, Budget Act of 2003 (Ch. 157, Stats. 2003) Water Conservation and Groundwater Recharge Program.

0543—Local Projects Subaccount

(1) Item 3860-101-0543, Budget Act of 2001 (Ch. 106, Stats. 2001) Local Project Loan and Grant Program.

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) Pro-Act Floodplain Mapping Program.

6005—Flood Protection Corridor Subaccount

(1) Item 3860-101-6005, Budget Act of 2003 (Ch. 157, Stats. 2003) Flood Protection Corridor Program.

6007—Urban Stream Restoration Subaccount

(1) Item 3860-101-6007, Budget Act of 2001 (Ch. 106, Stats. 2001) Urban Streams Restoration Program.

6010—Yuba Feather Flood Protection Subaccount

(1) Item 3860-101-6010, Budget Act of 2001 (Ch. 106, Stats. 2001) Yuba Feather Flood Protection Program.

(2) Item 3860-101-6010, Budget Act of 2003 (Ch. 157, Stats. 2003) Yuba Feather Flood Protection Program.

6023—Water Conservation Account

(1) Item 3860-101-6023, Budget Act of 2001 (Ch. 106, Stats. 2001) Agricultural Water Conservation Program, Groundwater Recharge Facilities Loan Program, Infrastructure Rehabilitation Program, and Urban Water Conservation Program.

(2) Item 3860-101-6023, Budget Act of 2003 (Ch. 157, Stats. 2003) Groundwater Recharge Facilities Loan Program and Infrastructure Rehabilitation Program.

6025—Conjunctive Use Subaccount

(1) Item 3860-101-6025, Budget Act of 2001 (Ch. 106, Stats. 2001) Groundwater Storage Program.

6026—Bay-Delta Multipurpose Water Management Subaccount

Item Amount

(1) Item 3860-001-6026, Budget Act of 2001 (Ch. 106, Stats. 2001) CALFED Conveyance Program-Delta Cross Channel and Through Delta Facility Studies.

(2) Item 3860-001-6026, Budget Act of 2003 (Ch. 157, Stats. 2003) CALFED Ecosystem Restoration/Water Quality Program.

6027—Interim Water Supply and Water Quality Infrastructure and Management Subaccount

(1) Item 3860-101-6027, Budget Act of 2001 (Ch. 106, Stats. 2001) Interim Reliable Water Supply Program.

6031—Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002

(1) Item 3860-101-6031, Budget Act of 2003 (Ch. 157, Stats. 2003) Delta Levees System Integrity Program.

(1) Item 3860-001-6031, Budget Act of 2003 (Ch. 157, Stats 2003) Water Supply Reliability Program.

3860-493—Reappropriation, Department of Water Resources. The balance of the appropriation in the following citation is reappropriated for the purposes provided for in the appropriation and shall be available for encumbrance or expenditure until June 30, 2009:

6010—Yuba Feather Flood Protection Subaccount

(1) Item 3860-301-6010, Budget Act of 2000 (Ch. 52, Stats. 2000)

(1) Colusa Basin Watershed Flood Protection Program

3860-495—Reversion, Department of Water Resources. As of June 30, 2006, the appropriations provided in the following citations shall revert to the fund from which the appropriations were made:

6005—Flood Protection Corridor Subaccount

(1) Item 3860-001-6005, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)..... 132,000

6007—Urban Streams Restoration Subaccount

(1) Item 3860-001-6007, Budget Act of 2004 (Ch. 208, Stats. 2004)..... 53,000

(2) Item 3860-001-6007, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)..... 79,000

6023—Water Conservation Account

Item Amount

(1) Item 3860-101-6023, Budget Act of 2004 (Ch. 208, Stats. 2004)..... 2,933,000

6025—Conjunctive Use Subaccount

(1) Item 3860-101-6025, Budget Act of 2001 (Ch. 106, Stats. 2001)..... 2,000,000

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)..... 800,000
(2) Item 3860-001-6031, Budget Act of 2004 (Ch. 208, Stats 2004)..... 200,000
(3) Item 3860-001-6031, Budget Act of 2003 (Ch. 157, Stats. 2003)..... 4,062,757
(4) Item 3860-001-6031, Budget Act of 2004 (Ch. 208, Stats. 2004)..... 1,300,432
(5) Item 3860-001-6031, Budget Act of 2003 (Ch. 157, Stats. 2003) as reappropriated by Item 3860-491, Budget Act of 2004 (Ch. 208, Stats. 2004), CALFED Storage..... 168,730

CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY

3900-001-0001—For support of State Air Resources Board, for payment to Item 3900-001-0044..... 2,280,000

3900-001-0044—For support of State Air Resources Board, payable from the Motor Vehicle Account, State Transportation Fund..... 160,579,000

Schedule:

(1) 15-Mobile Source..... 272,255,000
(2) 25-Stationary Source..... 51,210,000
(3) 30.01-Program Direction and Support..... 11,074,000
(4) 30.02-Distributed Program Direction and Support..... −11,074,000
(5) Reimbursements..... −4,690,000
(6) Amount payable from the General Fund (Item 3900-001-0001)..... −2,280,000
(7) Amount payable from the Air Pollution Control Fund (Item 3900-001-0115)..... −128,133,000
(8) Amount payable from the Vehicle Inspection and Repair Fund (Item 3900-001-0421)..... −12,530,000
(9) Amount payable from the Air Toxics Inventory and Assessment Account (Item 3900-001-0434)..... −862,000

Item Amount

(10) Amount payable from the Federal Trust Fund (Item 3900-001-0890)..... −12,892,000

(11) Amount payable from the Non-Toxic Dry Cleaning Incentive Trust Fund (Item 3900-001-3070)..... −1,499,000

Provisions:

2. Of the funds appropriated in this item, $25,000,000 shall be available for grants to public agencies to purchase low-polluting construction equipment if the Transportation and Air Quality Bond is passed by the voters at the November 4, 2006, general election; otherwise, these funds are allocated for replacement of pre-1977 model-year school buses.

5. Of the funds appropriated pursuant to this item, $6,500,000 shall be expended pursuant to Section 7 of Chapter 91 of the Statutes of 2005. Notwithstanding subdivision (a) of Section 1.80 of this act, these funds are available for expenditure until June 30, 2009.

6. $25,000,000 shall be expended in the budget year pursuant to an expenditure plan jointly developed by the State Air Resources Board and the Energy Conservation Resources and Development Commission for all of the following purposes:

   (a) Market-based incentives such as buydowns, rebates, credits, or other incentives for purchasers of high efficiency, high mileage, clean alternative fuel light, medium, and heavy duty vehicles, both individual and public fleet, in California.

   (b) Production incentives such as loans, loan guarantees, and credits for clean alternative fuel production in California.

   (c) Market-based incentives such as loans and loan guarantees for the construction of publicly accessible, clean alternative fuel refueling stations, including refueling stations that sell ethanol blends consisting of at least 85 percent ethanol (“E-85”), sufficient in number to match the existing and anticipated supply of E-85 vehicles in California.

Item Amount

(d) Grants for research and development of clean and zero emission fuels and vehicle technology to assist in making those technologies affordable in the marketplace.

(e) Incentives to replace the current state vehicle fleet with clean, high mileage alternative fuel vehicles.

7. None of the funds appropriated pursuant to Provision 6 shall be used for incentives, grants, or any other form of state support for the development of fuels derived from petroleum, petroleum coke, or coal.

8. In approving the funding and positions pursuant to this item, it is the intent of the Legislature to ensure that the specific measures to reduce air pollution and greenhouse gas emissions be undertaken and completed by the State Air Resources Board in the fiscal year. Accordingly, the board shall submit quarterly reports on the expenditure of these funds, and the status of the development and adoption of the measures.

3900-001-0115—For support of State Air Resources Board, for payment to Item 3900-001-0044, payable from the Air Pollution Control Fund..... 128,133,000

Provisions:

1. Of the amount available in this item, $1,100,000 shall be available for the purchase of a portable emissions measurement system and to fund contracts to develop a particulate matter accuracy margin for use with that equipment, after the Air Resources Board confirms to the Department of Finance that a site suitable for the equipment has been secured.

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..... 12,530,000

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..... 862,000

3900-001-0890—For support of State Air Resources Board, for payment to Item 3900-001-0044, payable from the Federal Trust Fund..... 12,892,000

Item Amount

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..... 1,499,000

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..... 20,111,000

Schedule:

(1) 35-Subvention..... 20,111,000

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 permeates to the local air quality management and air pollution control districts.

3900-301-0115—For capital outlay, State Air Resources Board, payable from the Air Pollution Control Fund..... 1,120,000

Schedule:

(1) 40.10.002—Haagen-Smit Laboratory Seismic Retrofit—Working drawings and construction..... 1,120,000

3900-490—Reappropriation, Air Resources Board. 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 or expenditure through June 30, 2008:

0044—Motor Vehicle Account

(1) Chapter 91, Statutes of 2005

3900-495—Reversion, State Air Resources Board. As of June 30, 2006, 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.

0001—General Fund

(1) Chapter 1072, Statutes of 2000

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..... 141,000

Item	Amount
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.....	4,592,000
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 2006–07 fiscal year.	
3910-001-0193—For support of California Integrated Waste Management Board, for payment to Item 3910-001-0387, payable from the Waste Discharge Permit Fund.....	200,000
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.....	21,166,000
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.....	934,000
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.....	548,000
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		42,869,000
Schedule:		
(1) 11-Waste Reduction and Management	85,537,000	
(2) 30.01-Administration	8,874,000	
(3) 30.02-Distributed Administration	−8,874,000	
(4) Reimbursements	−207,000	
(5) Amount payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund (Item 3910-001-0005)	−141,000	
(6) Amount payable from the California Used Oil Recycling Fund (Item 3910-001-0100)	−4,592,000	
(7) Amount payable from the California Used Oil Recycling Fund (paragraph (4) of subdivision (a) of Section 48653 of the Public Resources Code)	−554,000	
(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 Waste Discharge Permit Fund (Item 3910-001-0193)	−200,000	
(10) Amount payable from the California Tire Recycling Management Fund (Item 3910-001-0226)	−21,166,000	
(11) Amount payable from the Recycling Market Development Revolving Loan Account, Integrated Waste Management Fund (Item 3910-001-0281)	−934,000	
(12) Amount payable from the Solid Waste Disposal Site Cleanup Trust Fund (Item 3910-001-0386)	−548,000	

Item	Amount
(13) Amount payable from the Integrated Waste Management Account, Integrated Waste Management Fund (Item 3910-006-0387).....	−640,000
(14) Amount payable from the Farm and Ranch Solid Waste Cleanup and Abatement Account (Item 3910-001-0558).....	−1,083,000
(15) Amount payable from the Rigid Container Account (Item 3910-001-3024).....	−162,000
(16) Amount payable from the Electronic Waste Recovery and Recycling Account (Item 3910-001-3065).....	−9,141,000

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.
3. Of this appropriation, an amount not to exceed $1,000,000 may be awarded in the form of a grant for demonstration projects that convert landfill gas to liquefied natural gas (LNG) for use as a clean transportation fuel, provided that the demonstration project meets all the following conditions:
   (a) The project shall produce at least 10,000 gallons of LNG per day.
   (b) The project shall utilize landfill gas that is currently flared.
   (c) The project shall have obtained all applicable land use permits before award of the grant.

   The grant amount shall not exceed 15 percent of the total project cost.

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.....	1,083,000

Item	Amount
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.....	162,000
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.....	9,141,000
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.....	(226,000)
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.....	(400,000)
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)

Item	Amount
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.....	17,300,000
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, payable from the Department of Pesticide Regulation Fund.....	42,902,000
Schedule:	
(1) 10-Pesticide Programs.....	46,351,000
(2) 20.01-Administration.....	8,941,000
(3) 20.02-Distributed Administration.....	−8,941,000
(4) Reimbursements.....	−479,000
(5) Amount payable from the California Environmental License Plate Fund (Item 3930-001-0140).....	−457,000
(6) Amount payable from the Food Safety Account (Item 3930-001-0224).....	−311,000
(7) Amount payable from the Federal Trust Fund (Item 3930-001-0890).....	−2,202,000
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines	

Item	Amount
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.....	457,000
3930-001-0224—For support of Department of Pesticide Regulation, for payment to Item 3930-001-0106, payable from the Food Safety Account.....	311,000
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.....	2,202,000
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.....	(293,000)
3940-001-0001—For support of State Water Resources Control Board.....	28,982,000
Schedule:	
(1) 10-Water Quality..... 435,962,000	
(2) 20-Water Rights..... 13,288,000	
(3) 30.01-Administration..... 17,222,000	
(4) 30.02-Distributed Administration..... −17,222,000	
(5) Reimbursements..... −9,999,000	
(6) Amount payable from the Unified Program Account (Item 3940-001-0028)..... −522,000	
(7) Amount payable from the Waste Discharge Permit Fund (Item 3940-001-0193)..... −69,614,000	
(8) Amount payable from the Marine Invasive Species Control Fund (Item 3940-001-0212)..... −79,000	
(9) Amount payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund (Item 3940-001-0235)..... −2,202,000	
(10) Amount payable from the Integrated Waste Management Account, Integrated Waste Management Fund (Item 3940-001-0387)..... −5,649,000	

Item	Amount
(11) Amount payable from the State Revolving Fund Loan Subaccount (Item 3940-001-0417).....	−538,000
(12) Amount payable from the Water Recycling Subaccount (Item 3940-001-0419).....	−153,000
(13) Amount payable from the Drainage Management Subaccount (Item 3940-001-0422).....	−515,000
(14) Amount payable from the Seawater Intrusion Control Subaccount (Item 3940-001-0424).....	−39,000
(15) Amount payable from the Underground Storage Tank Tester Account (Item 3940-001-0436).....	−63,000
(16) Amount payable from the Underground Storage Tank Cleanup Fund (Item 3940-001-0439).....	−272,237,000
(17) Amount payable from the Surface Impoundment Assessment Account (Item 3940-001-0482).....	−198,000
(18) Amount payable from the 1984 State Clean Water Bond Fund (Item 3940-001-0740).....	−321,000
(19) Amount payable from the Federal Trust Fund (Item 3940-001-0890).....	−35,036,000
(20) Amount payable from the Water Rights Fund (Item 3940-001-3058).....	−12,990,000
(21) Amount payable from the Watershed Protection Subaccount (Item 3940-001-6013).....	−1,069,000
(22) Amount payable from the Santa Ana River Watershed Subaccount (Item 3940-001-6016).....	−1,062,000
(23) Amount payable from the Lake Elsinore and San Jacinto Watershed Subaccount (Item 3940-001-6017).....	−47,000
(24) Amount payable from the Nonpoint Source Pollution Control Subaccount (Item 3940-001-6019).....	−1,238,000

Item	Amount
(25) Amount payable from the State Revolving Fund Loan Subaccount (Item 3940-001-6020).....	−81,000
(26) Amount payable from the Wastewater Construction Grant Subaccount (Item 3940-001-6021).....	−23,000
(27) Amount payable from the Coastal Nonpoint Source Control Subaccount (Item 3940-001-6022).....	−1,076,000
(28) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3940-001-6031).....	−4,620,000
(29) Amount payable from the Petroleum Underground Storage Tank Financing Account (Item 3940-001-8026).....	−897,000

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.
2. Notwithstanding any other provision of law, the Department of Finance may adjust this item of appropriation to correct any technical errors related to the California Bay-Delta Authority reorganization plan, enacted as part of this budget act, not sooner than 30 days after written notification of the necessity therefor to the chairpersons of the committees in each house of the Legislature that consider 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, the Department of Finance may augment this item to provide authority to spend funds encumbered prior to the 2006–07 fiscal year by the California Bay-Delta Authority for the ongoing

Item	Amount
support of the CALFED Bay-Delta Program not sooner than 30 days after written notification of the necessity therefor to the chairpersons of the committees in each house of the Legislature that consider 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.	
3940-001-0028—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Unified Program Account	522,000
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	69,614,000
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	79,000
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	2,202,000
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	5,649,000
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	538,000
3940-001-0419—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Water Recycling Subaccount	153,000
3940-001-0422—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Drainage Management Subaccount	515,000
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	39,000

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	63,000
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	272,237,000
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.	
3940-001-0482—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Surface Impoundment Assessment Account Fund	198,000
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	321,000
3940-001-0890—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Federal Trust Fund	35,036,000
3940-001-3058—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Water Rights Fund	12,990,000
3940-001-6013—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Watershed Protection Subaccount	1,069,000
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	1,062,000
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	47,000
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	1,238,000
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

Item		Amount
3940-001-6021—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Wastewater Construction Grant Subaccount		23,000
3940-001-6022—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Coastal Nonpoint Source Control Subaccount		1,076,000
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		4,620,000
3940-001-8026—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Petroleum Underground Storage Tank Financing Account		897,000
3940-101-0001—For local assistance, State Water Resources Control Board		0
Schedule:		
(1) 10-Water Quality	68,123,000	
(2) Amount payable from the Water Recycling Subaccount (Item 3940-101-0419)	−7,000,000	
(3) Amount payable from the Watershed Protection Subaccount (Item 3940-101-6013)	−2,990,000	
(4) Amount payable from the Nonpoint Source Pollution Control Subaccount (Item 3940-101-6019)	−4,772,000	
(5) Amount payable from the Coastal Nonpoint Source Control Subaccount (Item 3940-101-6022)	−1,492,000	
(6) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3940-101-6031)	−40,369,000	
(7) Amount payable from the Petroleum Underground Storage Tank Financing Account (Item 3940-101-8026)	−11,500,000	

Item	Amount
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, 2009	7,000,000
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, 2009	2,990,000
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, 2009	4,772,000
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, 2009	1,492,000
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	40,369,000
Provisions:	
1. Notwithstanding any other provision of law, the amount appropriated in this item shall be available for expenditure until June 30, 2009, and may be used to provide grants to local, state, federal, and private entities for projects.	
3940-101-8026—For local assistance, State Water Resources Control Board, for payment to Item 3940-101-0001, payable from the Petroleum Underground Storage Tank Financing Account	11,500,000
3940-115-0439—For transfer by the Controller from the Underground Storage Tank Cleanup Fund to the Water Rights Fund	(2,900,000)
Provisions:	
1. The loan appropriated in this item shall be fully repaid to the Underground Storage Tank Cleanup Fund by June 30, 2011. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account at the time of the transfer.	
3940-495—Reversion, State Water Resources Control Board. As of June 30, 2006, the balances specified	

Item Amount

below, of the appropriations provided in the following citations shall revert to the balance in the fund from which the appropriations were made.

6013—Watershed Protection Subaccount

(1) $227,714 from Item 3940-101-6013, Budget Act of 2002 (Ch. 379, Stats. 2002)

6019—Nonpoint Source Pollution Control Subaccount

(2) $876,719 from Item 3940-101-6019, Budget Act of 2002 (Ch. 379, Stats. 2002)

6022—Nonpoint Source Control Subaccount

(3) $617,446 from Item 3940-101-6022, Budget Act of 2002 (Ch. 379, Stats. 2002)

6031—Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002

(4) $9,418,262 from 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..... 22,689,000

Provisions:

1. The Director of Toxic Substances Control may expend from this item: (a) $9,093,000 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) $6,562,000 for the operation of the Illegal Drug Laboratory Removal Program.
2. Notwithstanding any other provision of law, 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.

Item Amount

4. The amount appropriated in this item includes $5,475,000 for emergency response activities at the BKK Landfill. This appropriation is subject to the condition that, to the extent that funds are expended for purposes for which any private or public entity is or may be held financially liable, the Department of Toxic Substances Control shall take all reasonable actions to recover the amount of that expenditure from one or more of those entities, and that the amounts so recovered be paid to the General Fund in reimbursement of the amount of that expenditure. Additionally, those recovered funds shall be spent before funds from the General Fund, consistent with the language in any settlement agreements between the department and the potentially responsible parties.
5. As of June 30, 2007, or earlier, any unspent funds in Provision 4 shall revert to the General Fund if the Director of Toxic Substances Control and the Director of Finance agree that sufficient funds have been provided by the other potentially responsible parties.
6. The Director of Toxic Substances Control shall send a letter notifying the chairpersons of the fiscal committees of each house of the Legislature that act on the department's budget and the Legislative Analyst's Office within 30 days of receiving any moneys from potentially responsible parties for the BKK Landfill.

3960-001-0014—For support of Department of Toxic Substances Control, payable from the Hazardous Waste Control Account..... 49,725,000

Schedule:

(1) 12-Site Mitigation and Brownfields Reuse..... 80,303,000
(2) 13-Hazardous Waste Management..... 64,181,000
(3) 19.01-Administration..... 30,464,000
(4) 19.02-Distributed Administration..... −30,464,000
(5) 20-Science, Pollution Prevention and Technology..... 10,148,000
(6) 21-State as Certified Unified Program..... 1,156,000
(7) Reimbursements..... −10,136,000

Item	Amount
(8) Amount payable from General Fund (Item 3960-001-0001).....	−22,689,000
(9) Amount payable from Unified Program Account (Item 3960-001-0028).....	−986,000
(10) Amount payable from Illegal Drug Lab Cleanup Account (Item 3960-001-0065).....	−2,034,000
(11) Amount payable from California Used Oil Recycling Fund (Item 3960-001-0100).....	−359,000
(12) Amount payable from Toxic Substances Control Account (Item 3960-001-0557).....	−39,537,000
(13) Amount payable from Federal Trust Fund (Item 3960-001-0890).....	−26,258,000
(14) Amount payable from Environmental Quality Assessment Fund (Item 3960-001-3035).....	−681,000
(15) Amount payable from Electronic Waste Recovery and Recycling Account (Item 3960-001-3065)....	−2,227,000
(16) Amount payable from State Certified Unified Program Agency Account (Item 3960-001-3084).....	−1,156,000

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 cashflow 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 pro-

Item Amount

vides workload information that justifies the increase.

3960-001-0018—For support of Department of Toxic Substances Control, payable from the Site Remediation Account..... 8,317,000

Schedule:

(1) 12-Site Mitigation and Brownfields Reuse..... 8,317,000

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 180 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 1.80 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..... 986,000

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..... 2,034,000

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..... 359,000

3960-001-0456—For support of Department of Toxic Substances Control, payable from the Expedited Site Remediation Trust Fund..... 2,608,000

Schedule:

(1) 12-Site Mitigation and Brownfields Reuse..... 2,608,000

Item Amount

Provisions:

1. Notwithstanding any other provision of law, upon request of the Department of Toxic Substances Control, and approval by the Department of Finance, 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..... 39,537,000

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..... 26,258,000

Provisions:

1. Upon receipt of the federal Revolving Fund Grant, the Department of Toxic Substances Control is authorized to make loans and grants as authorized under the federal regulations and in accordance with all applicable federal laws and guidelines.

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..... 681,000

Item	Amount
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 cashflow 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.	
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.....	2,227,000
Provisions:	
1. Notwithstanding any other provisions of law, upon approval and order of the Director of Finance, the Department of Toxic Substances Control may borrow for cashflow 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.	
3960-001-3084—For support of Department of Toxic Substances Control, for payment to Item 3960-001-0014, payable from the State Certified Unified Program Agency Account.....	1,156,000
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 cashflow purposes sufficient funds from special funds that otherwise provide support to the department. Any such loans are to be repaid with interest at the rate earned by the Pooled Money Investment Account.	
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.	
3960-011-0294—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)

Item Amount

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..... (495,000)

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 2006–07 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 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.

Item Amount

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..... (8,092,000)

3960-490—Reappropriation, Department of Toxic Substances Control. The amounts specified in the appropriations provided for in the following citations are reappropriated for the purposes provided in those appropriations and shall be available for encumbrance or expenditure until June 30, 2007:

0001—General Fund

(1) $450,000 from Item 3960-001-0001, Budget Act of 1999 (Ch. 50, Stats. 1999), as reappropriated by Item 3960-490, Budget Act of 2001 (Ch. 106, Stats. 2001), as reappropriated by Item 3960-490, Budget Act of 2003 (Ch. 157, Stats. 2003)

(2) $450,000 from Item 3960-001-0001, Budget Act of 2000 (Ch. 52, Stats. 2000), as reappropriated by Item 3960-490, Budget Act of 2001 (Ch. 106, Stats. 2001), as reappropriated by Item 3960-490, Budget Act of 2003 (Ch. 157, Stats. 2003)

(3) $920,000 from Item 3960-001-0001, Budget Act of 2002 (Ch. 379, Stats. 2002), as reappropriated by Item 3960-490, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(4) $1,080,000 from Item 3960-001-0001, Budget Act of 2003 (Ch. 157, Stats. 2003), as reappropriated by Item 3960-490, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(5) $1,063,000 from Item 3960-301-0001, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

Item Amount

(1) 12.18.STF-Stringfellow Pretreatment Plant Site—Preliminary plans

Provisions:

1. Notwithstanding any other provision of law, a total in Schedules (1), (2), (3), and (4) of $2,900,000 from the unencumbered balances of the Budget Act appropriations cited above are reappropriated to capital outlay for the purpose of site acquisition and preparing preliminary plans for the construction of a new pretreatment plant at the Stringfellow Federal Superfund site and shall be available for encumbrance or expenditure until June 30, 2007. This reappropriation is consistent with the remediation efforts authorized in the original appropriation.
2. Notwithstanding any other provision of law, the Department of Toxic Substances Control, with the approval of the State Public Works Board, may enter into any and all contracts for the design, construction, and management of the project authorized in this item. In doing so, the Department of Toxic Substances Control shall comply with the State Contract Act (Chapter 1 (commencing with Section 10100) of Part 2 of Division 2 of the Public Contract Code) and other applicable competitive selection processes. The Department of Toxic Substances Control shall provide management oversight of the project, which shall be subject to the review of the State Public Works Board.

3980-001-0001—For support of Office of Environmental Health Hazard Assessment..... 8,377,000

Schedule:

(1) 10-Health Risk Assessment..... 16,385,000
(2) Reimbursements..... −1,705,000
(3) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 3980-001-0044).... −2,483,000
(4) Amount payable from the California Used Oil Recycling Fund (Item 3980-001-0100)..... −572,000
(5) Amount payable from the Department of Pesticide Regulation Fund (Item 3980-001-0106)..... −896,000

Item		Amount
(6) Amount payable from the California Environmental License Plate Fund (Item 3980-001-0140).....	−839,000	
(7) Amount payable from the Integrated Waste Management Account (Item 3980-001-0387).....	−352,000	
(8) Amount payable from the Federal Trust Fund (Item 3980-001-0890).....	−500,000	
(9) Amount payable from the Safe Drinking Water and Toxic Enforcement Fund (Item 3980-001-3056).....	−661,000	
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.....		2,483,000
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.....		572,000
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.....		896,000
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.....		839,000
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.....		352,000
3980-001-0890—For support of Office of Environmental Health Hazard Assessment, for payment to Item 3980-001-0001, payable from the Federal Trust Fund.....		500,000
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.....		661,000

Item Amount

HEALTH AND HUMAN SERVICES

4100-001-0890—For support of the State Council on Developmental Disabilities, payable from the Federal Trust Fund..... 7,047,000

Schedule:

(1) 10-State Council Planning and Administration..... 1,669,000

(2) 20-Community Program Development..... 1,987,000

(3) 40-Regional Offices and Local Area Boards..... 9,841,000

(4) Reimbursements..... −6,450,000

4100-490—Reappropriation, State Council on Developmental Disabilities. The unencumbered balance of the appropriation provided in the following citation is reappropriated pursuant to Provision 1 and shall be available for encumbrance or expenditure until June 30, 2007.

0890—Federal Trust Fund

(1) Item 4100-001-0890, Budget Act of 2005 (Ch. 38, Stats. 2005)

Provisions:

1. The funds reappropriated by this provision shall be available 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 Developmental Disabilities 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 implementation of any portion of the state plan as approved by the council.

4120-001-0001—For support of Emergency Medical Services Authority..... 19,291,000

Schedule:

(1) 10-Emergency Medical Services Authority..... 28,783,000

(2) Reimbursements..... −6,000,000

(3) Amount payable from the Emergency Medical Services Training Program Approval Fund (Item 4120-001-0194)..... −377,000

Item		Amount
(4) Amount payable from the Emergency Medical Services Personnel Fund (Item 4120-001-0312).....	−1,431,000	
(5) Amount payable from the Federal Trust Fund (Item 4120-001-0890).....	−1,684,000	
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.....		377,000
4120-001-0312—For support of Emergency Medical Services Authority, for payment to Item 4120-001-0001, payable from the Emergency Medical Services Personnel Fund.....		1,431,000
4120-001-0890—For support of Emergency Medical Services Authority, for payment to Item 4120-001-0001, payable from the Federal Trust Fund.....		1,684,000
4120-101-0001—For local assistance, Emergency Medical Services Authority, grants to local agencies		9,786,000
Schedule:		
(1) 10-Emergency Medical Services Authority	14,090,000	
(2) Reimbursements	−3,300,000	
(3) Amount payable from the Federal Trust Fund (Item 4120-101-0890)	−1,004,000	

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 at least $1 for each dollar of state funds received, (c) state funding shall be

Item Amount

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 ensure 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, 2004, 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..... 1,004,000

4120-115-0001—For transfer, as an expenditure, by the State Controller to the Trauma Care Fund..... 10,000,000

Provisions:

1. Of the amount appropriated in this item, up to $280,000 shall be available for the Emergency Medical Services Authority to administer grants and the remaining amount shall be allocated to local emergency medical agencies to distribute to trauma care centers on a competitive grant basis. Notwithstanding any other provision of law, no expenditure from this appropriation shall be made sooner than December 1, 2006, and the entire appropriation within this item shall revert to the General Fund in the event the proposed constitutional and statutory initiative titled “The Tobacco Tax Act of 2006” (File No. SA2005RF0139, Amdt. No. 1-NS) is approved by the electorate.

4140-001-0001—For support of Office of Statewide Health Planning and Development..... 398,000

Item	Amount
Schedule:	
(1) 10-Health Care Quality and Analysis	6,039,000
(2) 30-Health Care Workforce	8,058,000
(3) 42-Facilities Development	35,371,000
(4) 45-Cal-Mortgage Loan Insurance	4,590,000
(5) 60-Health Care Information	8,808,000
(6) 80.01-Administration	10,980,000
(7) 80.02-Distributed Administration	−10,492,000
(8) Reimbursements	−1,149,000
(9) Amount payable from the Hospital Building Fund (Item 4140-001-0121)	−35,071,000
(10) Amount payable from the California Health Data and Planning Fund (Item 4140-001-0143)	−16,669,000
(11) Amount payable from the Registered Nurse Education Fund (Item 4140-001-0181)	−1,510,000
(12) Amount payable from the Federal Trust Fund (Item 4140-001-0890)	−235,000
(13) Amount payable from the Mental Health Practitioner Education Fund (Item 4140-001-3064)	−213,000
(14) Amount payable from the Vocational Nurse Education Fund (Item 4140-001-3068)	−137,000
(15) Amount payable from the Medically Underserved Account for Physicians, Health Professions Education Fund (Section 128555, Health and Safety Code)	−1,939,000
(16) Amount payable from the Health Facilities Construction Loan Insurance Fund (Section 129200, Health and Safety Code)	−4,590,000
(17) Amount payable from the Health Professions Education Fund (Section 128355, Health and Safety Code)	−1,443,000
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	35,071,000

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..... 16,669,000

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..... 1,510,000

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..... 235,000

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..... 213,000

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..... 137,000

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 associat-

Item Amount

ed with fundraising activities by a nonprofit organization as specified in Section 127630 of the Health and Safety Code, 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. 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..... 102,000

Schedule:

(1) 60-Health Care Information..... 102,000

Provisions:

1. The funding appropriated in this item is limited to the amount specified in 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..... 4,690,000

Schedule:

(1) 30-Health Care Workforce..... 8,319,000
(2) Reimbursements..... −400,000
(3) Amount payable from California Health Data and Planning Fund (Item 4140-101-0143)..... −2,229,000
(4) Amount payable from the Federal Trust Fund (Item 4140-101-0890)..... −1,000,000

Provisions:

1. Of the amount appropriated in Schedule (1), $2,725,000 is appropriated for nursing education pursuant to subdivision (c) of Section 128235 of the Health and Safety Code.
2. Notwithstanding 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, registered nurses, or primary care nurse practitioners, as well as contracts with hospitals or

Item Amount

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 2007–08, 2008–09, and 2009–10 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..... 2,229,000

Provisions:

1. Notwithstanding subdivision (a) of Section 1.80 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 2007–08, 2008–09, and 2009–10 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..... 4,096,000

Schedule:

(1) 10-Nutrition..... 2,819,000
(2) 20-Senior Community Employment Service..... 655,000
(3) 30-Supportive Services and Centers..... 5,237,000
(4) 40-Special Projects..... 7,722,000
(5) 50.01-Administration..... 14,081,000
(6) 50.02-Distributed Administration..... −14,081,000
(7) Reimbursements..... −3,922,000

Item Amount

(8) Amount payable from the State HICAP Fund (Item 4170-001-0289)..... −208,000

(9) Amount payable from the Federal Trust Fund (Item 4170-001-0890)..... −8,077,000

(10) Amount payable from the Federal Citation Penalties Account, Special Deposit Fund (Item 4170-003-0942)..... −130,000

Provisions:

1. Of the amount available for expenditure in this item, $267,000 for 2.0 positions for the Adult Day Health Care (ADHC) Program shall not be expended until the federal Centers for Medicare and Medicaid Services (CMS) specifies the requirements to maintain federal financial participation for the ADHC as a Medicaid program. These 2.0 positions shall not be established until the Department of Finance has approved the workload necessary to comply with requirements set forth by the CMS.

4170-001-0289—For support of Department of Aging, for payment to Item 4170-001-0001, payable from the State HICAP Fund..... 208,000

4170-001-0890—For support of Department of Aging, for payment to Item 4170-001-0001, payable from the Federal Trust Fund..... 8,077,000

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.

Item Amount

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..... 130,000

4170-017-0001—For support of Department of Aging..... 12,000

Schedule:

(1) 40-Special Projects..... 24,000

(2) Reimbursements..... −12,000

Provisions:

1. The funding appropriated in this item is limited to the amount specified in 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..... 56,710,000

Schedule:

(1) 10-Nutrition..... 73,373,000

(2) 20-Senior Community Employment Service..... 9,149,000

(3) 30-Supportive Services and Centers..... 71,451,000

(4) 40-Special Projects..... 49,524,000

(5) Reimbursements..... −4,559,000

(6) Amount payable from the State HICAP Fund (Item 4170-101-0289)..... −2,246,000

(7) Amount payable from the Federal Trust Fund (Item 4170-101-0890)..... −138,540,000

(8) Amount payable from the Federal Citation Penalties Account, Special Deposit Fund (Item 4170-103-0942)..... −1,442,000

Provisions:

1. Notwithstanding Section 26.00, the Department of Finance, upon notification by the California Department of Aging, may authorize transfers between Program 10-Nutrition and Program 30-Supportive Services and Centers in response to budget revisions submitted by the Area Agencies on Aging.

2. 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

Item Amount

the Senior Community Service Employment Program shall revert to the General Fund.

3. Of the funds appropriated in this item, the Controller shall reimburse from Program 40-Special Projects, $25,258,000 upon enactment of the Budget Act to the State Department of Health Services for support of the Multipurpose Senior Services Program.

4170-101-0289—For local assistance, Department of Aging, for payment to Item 4170-101-0001, payable from the State HICAP Fund..... 2,246,000

4170-101-0890—For local assistance, Department of Aging, for payment to Item 4170-101-0001, payable from the Federal Trust Fund..... 138,540,000

Provisions:

1. Provision 1 of Item 4170-001-0890 is also applicable to this item.
2. Notwithstanding subdivision (d) of Section 28.00, the Department of Finance, upon notification by the California Department of Aging, may authorize augmentations in this item for budget revisions submitted by the Area Agencies on Aging for federal Title III and Title VII one-time-only allocations.
3. Notwithstanding Section 26.00, the Department of Finance, upon notification by the Department of Aging, may authorize transfers between Program 10-Nutrition and Program 30-Supportive Services and Centers in response to budget revisions submitted by the Area Agencies on Aging.

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

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.

Item Amount

4180-002-0886—For support of Commission on Aging, payable from the California Seniors Special Fund..... 53,000

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 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.

4180-002-0890—For support of Commission on Aging, payable from the Federal Trust Fund..... 340,000

4185-001-0983—For support of California Senior Legislature, payable from the California Fund for Senior Citizens..... 291,000

Provisions:

1. Funds appropriated in this item from the California Fund for Senior Citizens shall be allocated by the California Senior Legislature 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 California Senior Legislature in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairper-

Item		Amount
sons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee.		
4200-001-0001—For support of Department of Alcohol and Drug Programs		15,275,000
Schedule:		
(1) 15-Alcohol and Other Drug Services Program	54,282,000	
(2) 30.01-Administration	11,228,000	
(3) 30.02-Distributed Administration	−11,228,000	
(4) Reimbursements	−4,777,000	
(5) Amount payable from the Driving-Under-the-Influence Program Licensing Trust Fund (Item 4200-001-0139)	−1,815,000	
(6) Amount payable from the Narcotic Treatment Program Licensing Trust Fund (Item 4200-001-0243)	−1,124,000	
(7) Amount payable from Indian Gaming Special Distribution Fund (Item 4200-001-0367)	−3,044,000	
(8) Amount payable from the Audit Repayment Trust Fund (Item 4200-001-0816)	−67,000	
(9) Amount payable from the Federal Trust Fund (Item 4200-001-0890)	−24,444,000	
(10) Amount payable from the Substance Abuse Treatment Trust Fund (Item 4200-001-3019)	−3,486,000	
(11) Amount payable from the Mental Health Services Fund (Item 4200-001-3085)	−250,000	

Provisions:

1. Upon order of the Department of Finance, the Controller shall transfer funds as are necessary between this item and Item 4200-101-0001 to properly implement the Methamphetamine Prevention Campaign. Any transfer made pursuant to this provision shall occur 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

Item Amount

Joint Legislative Budget Committee, or his or her designee, may in each instance determine.

2. Upon order of the Department of Finance, the Controller shall transfer funds as are necessary between this item and Item 4200-101-0001 to properly implement the Substance Abuse Offender Treatment Program. Any transfer made pursuant to this provision shall occur 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 Joint Legislative Budget Committee, or his or her designee, may in each instance determine.

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..... 1,815,000

Provisions:

1. Notwithstanding any other provision of law, the Department 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 joint 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 1,124,000

Provisions:

1. Notwithstanding any other provision of law, the Department of Finance may augment this item 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

Item Amount

time the chairperson of the joint committee, or his or her designee, may in each instance determine.

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..... 3,044,000

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..... 24,444,000

Provisions:

1. Upon order of the Department of Finance, the Controller shall transfer funds as necessary between this item and Item 4200-101-0890. In determining which transfers are necessary pursuant to this provision, the department shall assess those programs and operations that have the most critical need. In making this assessment, the department 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.

4200-001-3019—For support of Department of Alcohol and Drug Programs, for payment to Item 4200-001-0001, payable from the Substance Abuse Treatment Trust Fund..... 3,486,000

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.

4200-001-3085—For support of Department of Alcohol and Drug Programs, for payment to Item 4200-001-0001, payable from the Mental Health Services Fund..... 250,000

Provisions:

1. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated for administration pursuant to subdivision (d) of Section 5892 of the Welfare and Institutions Code.

Item		Amount
4200-017-0001—For support of Department of Alcohol and Drug Programs, for implementation of the Health Insurance Portability and Accountability Act		832,000
Schedule:		
(1) 15-Alcohol and Other Drug Services Program	1,793,000	
(2) Reimbursements	−961,000	
Provisions:		
1. The funding appropriated in this item is limited to the amount specified in 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.		
4200-101-0001—For local assistance, Department of Alcohol and Drug Programs		60,143,000
Schedule:		
(1) 15-Alcohol and Other Drug Services Program	439,936,000	
(2) Reimbursements	−18,995,000	
(3) Amount payable from the Federal Trust Fund (Item 4200-101-0890)	−244,140,000	
(4) Amount payable from the Resident-Run Housing Revolving Fund (Item 4200-101-0977)	−144,000	
(5) Amount payable from the Substance Abuse Treatment Fund (Item 4200-101-3019)	−116,514,000	
Provisions:		
1. Upon approval by the Department 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 department shall assess those programs and operations that have the most critical need. In making this assessment, the department 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		

Item Amount

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. Each loan 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.

3. Upon order of the Department of Finance, the Controller shall transfer funds as are necessary between this item and Item 4200-001-0001 to properly implement the Methamphetamine Prevention Campaign. Any transfer made pursuant to this provision shall occur 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 Joint Legislative Budget Committee, or his or her designee, may in each instance determine.
4. Upon order of the Department of Finance, the Controller shall transfer funds as are necessary between this item and Item 4200-001-0001 to properly implement the Substance Abuse Offender Treatment Program. Any transfer made pursuant to this provision shall occur 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 Joint Legislative Budget Committee, or his or her designee, may in each instance determine.

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..... 244,140,000

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 determining which transfers are necessary pur-

Item Amount

suant to this provision, the department shall assess those programs and operations that have the most critical need. In making this assessment, the department 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 Department of Finance may augment this item 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.

4200-101-3019—For local assistance, Department of Alcohol and Drug Programs, for payment to Item 4200-101-0001, payable from the Substance Abuse Treatment Fund..... 116,514,000

Provisions:

1. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated for local assistance pursuant to Section 11999.6 of the Health and Safety Code.

4200-102-0001—For local assistance, Department of Alcohol and Drug Programs, for perinatal substance abuse treatment programs (Drug Medi-Cal)..... 3,431,000

Schedule:

(1) 15-Alcohol and Other Drug Services Program..... 6,863,000

Item Amount

(2) Reimbursements..... −3,432,000

Provisions:

1. Upon approval by the Department 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 department shall assess those programs and operations that have the most critical need. In making this assessment, the department 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. Notwithstanding subdivision (a) of Section 1.80 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 Department 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. Of the combined amounts appropriated in Items 4200-102-0001 and 4200-103-0001, $2,300,000 from the General Fund, and corresponding reimbursements, are for the purpose of augmenting Drug Medi-Cal rates above the rates that were authorized in regulation for the 2005–06 fiscal year. The department shall establish increases in maximum Drug Medi-Cal reimbursement rates during the 2006–07 fiscal year to reflect the General Fund moneys and reimbursements specified in this item.

Item Amount

4200-103-0001—For local assistance, Department of Alcohol and Drug Programs, Drug Medi-Cal Services..... 68,775,000

Schedule:

(1) 15-Alcohol and Other Drug Services Program..... 131,431,000

(2) Reimbursements..... −62,656,000

Provisions:

1. Upon approval by the Department 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 department shall assess those programs and operations that have the most critical need. In making this assessment, the department 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 1.80 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 Department 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 Insti-

Item Amount

tutions 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.

6. Of the combined amounts appropriated in Items 4200-102-0001 and 4200-103-0001, $2,300,000 from the General Fund and corresponding reimbursements are for the purpose of augmenting Drug Medi-Cal rates above the rates that were authorized in regulation for the 2005–06 fiscal year. The department shall establish increases in maximum Drug Medi-Cal reimbursement rates during the 2006–07 fiscal year to reflect the General Fund and reimbursement moneys specified in this item.

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

Provisions:

1. Upon approval by the Department 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 department shall assess those programs and operations that have the most critical need. In making this assessment, the department 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

Item Amount

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 payment to Item 4200-104-0001, payable from the Federal Trust Fund..... 17,054,000

4200-105-0001—For transfer, as an expenditure, by the Controller to the Substance Abuse Treatment Trust Fund..... 120,000,000

4260-001-0001—For support of Department of Health Services..... 212,925,500

Schedule:

(1) 10-Public and Environmental Health..... 325,444,000
(2) 20-Health Care Services..... 663,844,000
(3) 30.01-Administration..... 54,372,000
(4) 30.02-Distributed Administration..... −51,890,000
(5) Reimbursements..... −39,300,000
(6) Amount payable from the Breast Cancer Research Account (Item 4260-001-0007)..... −1,464,000
(7) Amount payable from the Breast Cancer Control Account (Item 4260-001-0009)..... −8,098,000
(8) Amount payable from the Nuclear Planning Assessment Special Account (Item 4260-001-0029)..... −813,000

Item	Amount
(9) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 4260-001-0044)....	−1,249,000
(10) Amount payable from the Sale of Tobacco to Minors Control Account (Item 4260-001-0066).....	−2,300,000
(11) Amount payable from the Occupational Lead Poisoning Prevention Account (Item 4260-001-0070)....	−2,750,000
(12) Amount payable from the Medical Waste Management Fund (Item 4260-001-0074).....	−1,943,000
(13) Amount payable from the Radiation Control Fund (Item 4260-001-0075).....	−19,820,000
(14) Amount payable from the Tissue Bank License Fund (Item 4260-001-0076).....	−282,000
(15) Amount payable from the Childhood Lead Poisoning Prevention Fund (Item 4260-001-0080).....	−9,135,000
(16) Amount payable from the Export Document Program Fund (Item 4260-001-0082).....	−387,000
(17) Amount payable from the Clinical Laboratory Improvement Fund (Item 4260-001-0098).....	−5,134,000
(18) Amount payable from the Health Statistics Special Fund (Item 4260-001-0099).....	−26,837,000
(19) Amount payable from the Wine Safety Fund (Item 4260-001-0116).....	−56,000
(20) Amount payable from the Water Device Certification Special Account (Item 4260-001-0129).....	−208,000
(21) Amount payable from the Food Safety Fund (Item 4260-001-0177).....	−5,793,000
(22) Amount payable from the Environmental Laboratory Improvement Fund (Item 4260-001-0179).....	−2,975,000
(23) Amount payable from the Genetic Disease Testing Fund (Item 4260-001-0203).....	−92,871,000

Item	Amount
(24) Amount payable from the Health Education Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-001-0231).....	−8,281,000
(25) Amount payable from the Research Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-001-0234).....	−5,372,000
(26) Amount payable from the Unallocated Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-001-0236).....	−4,578,000
(27) Amount payable from the Drinking Water Operator Certification Special Account (Item 4260-001-0247).....	−1,317,000
(28) Amount payable from the Nursing Home Administrator's State License Examining Fund (Item 4260-001-0260).....	−491,000
(29) Amount payable from the Infant Botulism Treatment and Prevention Fund (Item 4260-001-0272).....	−3,053,000
(30) Amount payable from the Safe Drinking Water Account (Item 4260-001-0306).....	−10,162,000
(31) Amount payable from the Registered Environmental Health Specialist Fund (Item 4260-001-0335).....	−269,000
(32) Amount payable from the Mosquitoborne Disease Surveillance Account (Item 4260-001-0478).....	−45,000
(33) Amount payable from the Drinking Water Treatment and Research Fund (Item 4260-001-0622).....	−637,000
(34) Amount payable from the Domestic Violence Training and Education Fund (Item 4260-001-0642).....	−852,000
(35) Amount payable from the California Alzheimer's Disease and Related Disorders Research Fund (Item 4260-001-0823).....	−888,000

Item	Amount
(36) Amount payable from the Federal Trust Fund (Item 4260-001-0890).....	−447,328,500
(37) Amount payable from the Drug and Device Safety Fund (Item 4260-001-3018).....	−3,178,000
(38) Amount payable from the Medical Marijuana Program Fund (Item 4260-001-3074).....	−855,000
(39) Amount payable from the Cannery Inspection Fund (Item 4260-001-3081).....	−1,590,000
(40) Amount payable from the Mental Health Services Fund (Item 4260-001-3085).....	−493,000
(41) Amount payable from the Licensing and Certification Fund (Item 4260-001-3098).....	−64,886,000
(42) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 4260-001-6031).....	−2,972,000
(43) Amount payable from California Prostate Cancer Research Fund (Item 4260-001-8025).....	−182,000

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 2006–07 fiscal year, the estimated 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 7.76 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 7.76 percent only if the fund condition statement for a fund projects a reserve less than 10 percent of estimated expenditures

Item Amount

and the revenues projected for the 2006–07 fiscal year are less than the appropriation contained in this act.

2. 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 be increased by 22.50 percent, effective July 1, 2006.
3. The State Department of Health Services shall limit expenditures in this item to implement the Uniform Anatomical Gift Act (Chapter 819 of the Statutes of 2000) to the amount of actual fees collected from tissue banks.
4. $13,601,000 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.
5. The State Department of Health Services shall report annually 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 most recently completed 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.
6. Of the funds appropriated for new information technology projects, no funds may be expended on a project prior to approval of a feasibility study report concerning that project by the Department of Finance. The State Department of Health Services shall notify the fiscal committees of both houses of the Legislature that a feasibility study report has been approved for a project within 30 days of the report's approval by the Department of Finance, and shall include with the notification a copy of the approved feasibility study report that reflects the Department of Finance's changes.

Item Amount

7. It is the intent of the Legislature that all clinical positions within the Licensing and Certification Division, including medical, nursing, and pharmacy positions, that conduct core functions associated with surveys, field investigations, quality assurance, pharmaceutical monitoring, and related activities be exempt from any unallocated reductions undertaken by the department. The purpose of this language is to assist in ensuring the health and safety of Californians who receive services in various types of facilities that are licensed or certified by the department.
8. The State Department of Health Services shall report to the Joint Legislative Budget Committee on or before February 15, 2007, on the feasibility of each of the following: (a) obtaining federal matching funds for the Trauma Care Fund as administered by the Emergency Medical Services Authority and (b) expanding the existing Medi-Cal State Plan Amendment for Los Angeles and Alameda counties on a statewide basis.
9. The State Department of Health Services shall provide the fiscal and appropriate policy committees of the Legislature with a plan for hiring positions in the Licensing and Certification Division as adopted in the Budget Act of 2006. This plan shall be provided no later than October 1, 2006, and, at a minimum, shall contain all of the following: (a) a schedule for hiring new personnel that specifies their field offices, (b) methods for recruitment of employees for field offices, (c) a description of training for new personnel, (d) methods for retaining new personnel as well as existing employees in the field offices; and (e) any other information the department chooses to provide to depict its commitment to maintaining a well-trained, viable workforce in the field offices.

4260-001-0007—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Breast Cancer Research Account..... 1,464,000

4260-001-0009—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Breast Cancer Control Account.... 8,098,000

Item	Amount
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	813,000
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	1,249,000
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	2,300,000
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.	
4260-001-0070—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Occupational Lead Poisoning Prevention Account	2,750,000
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	1,943,000
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	19,820,000
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	282,000

Item	Amount
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.....	9,135,000
4260-001-0082—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Export Document Program Fund.....	387,000
4260-001-0098—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Clinical Laboratory Improvement Fund.....	5,134,000
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.....	26,837,000
Provisions:	
1. Funding in this appropriation for the Vital Records Image Reduction and Statewide Access Project (VRIRSA) and the related computerization of vital records is provided on the following basis:	
(a) The Department of Health Sciences (DHS), in collaboration with the Department of Finance (DOF) and the Department of Technology Services (DTS), shall prepare a revised analysis to determine the most appropriate and cost-effective location for the production and backup services for the VRIRSA Project and the related computerization of records project.	
(b) To assist in this effort, DTS shall estimate an interim rate to be charged for its support of VRIRSA infrastructure requirements.	
(c) Based on this information, DOF shall recommend an appropriate infrastructure implementation approach that is based on the project's cost, support and security needs, and that is in line with the state's data infrastructure consolidation goals.	
(d) Within 30 days of its completion, DOF shall submit the revised analysis to the Chairperson of the Joint Legislative Bud-	

Item	Amount
get Committee and the chairpersons of the fiscal committees of both houses of the Legislature.	
4260-001-0116—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Wine Safety Fund.....	56,000
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.....	208,000
4260-001-0177—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Food Safety Fund.....	5,793,000
4260-001-0179—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Environmental Laboratory Improvement Fund.....	2,975,000
4260-001-0203—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Genetic Disease Testing Fund.....	92,871,000
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.....	8,281,000
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.....	5,372,000
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.....	4,578,000
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.....	1,317,000
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.....	491,000
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.....	3,053,000
4260-001-0306—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Safe Drinking Water Account.....	10,162,000

Item Amount

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..... 269,000

4260-001-0478—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Vectorborne Disease Account..... 45,000

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..... 637,000

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..... 852,000

4260-001-0823—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the California Alzheimer's Disease and Related Disorders Research Fund..... 888,000

4260-001-0890—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Federal Trust Fund..... 447,328,500

Provisions:

1. Of the funds appropriated in this item, $59,023,000 shall be available for administration, research, and training projects. Notwithstanding 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. $12,276,000 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 expenditure authority from this item to Item 4260-111-0890 in order to reflect modifications in the use of federal bioterrorism grants. Transfers pursuant to this provision may not be approved sooner than 30 days after notification in writing of the necessity therefor

Item Amount

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 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, federal moneys made available for bioterrorism preparedness pursuant to this act shall be available for expenditure and encumbrance until August 30, 2007.

5. The State 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 throughout the fiscal year, the State 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..... 3,178,000

4260-001-3074—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Medical Marijuana Program Fund..... 855,000

4260-001-3081—For support of the Department of Health Services, for payment to Item 4260-001-0001, payable from the Cannery Inspection Fund.... 1,590,000

4260-001-3085—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Mental Health Services Fund..... 493,000

Provisions:

1. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated for administration pursuant to

Item Amount

subdivision (d) of Section 5892 of the Welfare and Institutions Code.

4260-001-3098—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Licensing and Certification Fund..... 64,886,000

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..... 2,972,000

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.

4260-001-8025—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the California Prostate Cancer Research Fund..... 182,000

4260-002-0942—For support of Department of Health Services, payable from the Special Deposit Fund, Health Facilities Citation Penalties Account..... 5,009,000

4260-003-0001—For support of Department of Health Services, for rental payments on lease-revenue bonds (Richmond Laboratory)..... 12,117,000

Schedule:

(1) Base Rental and Fees..... 12,078,000

(2) Insurance..... 39,000

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.
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

Item Amount

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..... 563,000

Schedule:

(1) Base Rental and Fees..... 561,000

(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.
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

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..... 354,000

Schedule:

(1) Base Rental and Fees..... 353,000

(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.
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

4260-003-0098—For support of Department of Health Services, for rental payments on lease-revenue bonds, payable from the Clinical Laboratory Improvement Fund..... 147,000

Schedule:

(1) Base Rental and Fees..... 147,000

Provisions:

1. The Controller shall transfer funds appropriated in this item according to a schedule to be

Item Amount

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.

2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

4260-003-0179—For support of Department of Health Services, for rental payments on lease-revenue bonds, payable from the Environmental Laboratory Improvement Fund 7,000

Schedule:

(1) Base Rental and Fees 7,000

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.
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

4260-003-0203—For support of Department of Health Services, for rental payments on lease-revenue bonds, payable from the Genetic Disease Testing Fund..... 4,261,000

Schedule:

(1) Base Rental and Fees..... 4,248,000

(2) Insurance..... 13,000

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.
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

Item	Amount
4260-003-0890—For support of Department of Health Services, for rental payments on lease-revenue bonds, payable from the Federal Trust Fund.....	86,000
Schedule:	
(1) Base Rental and Fees..... 86,000	
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.	
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.	
4260-003-0942—For support of Department of Health Services, payable from the Special Deposit Fund, Federal Citation Penalties Account.....	945,000
4260-004-0001—For transfer to the Licensing and Certification Fund.....	16,377,000
4260-004-0942—For support of Department of Health Services, payable from the Special Deposit Fund, Local Education Agency Medi-Cal Recovery Account.....	1,589,000
4260-007-0890—For support of Department of Health Services, payable from the Federal Trust Fund.....	16,698,000
Provisions:	
1. Notwithstanding Section 28.00 of this act, adjustments may be made to this item by the Department of Finance to align the federal funds for legislative actions and other technical adjustments affecting the recipient department's appropriation authority.	
4260-011-3020—For transfer by the Controller, from the Tobacco Settlement Fund, to the General Fund.....	(1,118,000)
4260-017-0001—For support of Department of Health Services, for implementation of the Health Insurance Portability and Accountability Act.....	4,694,000
Schedule:	
(1) 20-Health Care Services..... 15,711,000	
(1.5) Reimbursements..... −322,000	
(2) Amount payable from the Genetic Disease Testing Fund (Item 4260-017-0203)..... −524,000	

Item Amount

(3) Amount payable from Federal Trust Fund (Item 4260-017-0890)..... −10,171,000

Provisions:

1. The funding appropriated in this item is limited to the amount specified in 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..... 524,000

Provisions:

1. The funding appropriated in this item is limited to the amount specified in 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..... 10,171,000

Provisions:

1. The funding appropriated in this item is limited to the amount specified in 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 13,444,722,000

Schedule:

(1) 20.10.010-Eligibility (County Administration) 2,330,731,000

(2) 20.10.020-Fiscal Intermediary Management 268,102,000

(3) 20.10.030-Benefits (Medical Care and Services) 30,140,437,000

(4) Reimbursements ..... −37,095,000

Item	Amount
(5) Amount payable from Childhood Lead Poisoning Prevention Fund (Item 4260-101-0080)	−130,000
(6) Amount payable from the Hospital Services Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-101-0232)	−18,000,000
(7) Amount payable from the Unallocated Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-101-0236)	−18,784,000
(8) Amount payable from the Federal Trust Fund (Item 4260-101-0890)	−19,215,038,000
(9) Amount payable from Federal Trust Fund (Item 4260-103-0890)	−5,501,000

Provisions:

1. The aggregate principal amount of disproportionate share hospital general obligation debt that may be issued in the 2006–07 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 shall have no effect upon the positive balance of the General Fund or the Health 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

Item Amount

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 State Department 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 State Department 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 attorney's 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's 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 Department 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 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

Item Amount

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 the transfer of expenditure authority between Schedules (1), (2), (3), and (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 Department 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. Not later than December 1, 2006, the Department of Finance shall authorize the transfer of amounts from Schedule (3) to Schedule (1) in order to fund increased costs as determined by the State Department of Health Services to county Medi-Cal eligibility programs, associated with compliance with Conlan v. Shewry (2005) 131 Cal.App.4th 1354.
13. Of the amount appropriated in this item, up to $600,000 can be used to conduct a study of the pharmacy reimbursement rates and fees provid-

Item Amount

ed under the Medi-Cal program, including the cost of providing prescription drugs and services. This study shall take into account the revised payments for Medicaid drug ingredient costs mandated by the 2005 federal Deficit Reduction Act. Due to the January 1, 2007, timeline for changes contained in the federal law, it is the intent of the Legislature that this study be conducted in an expedited manner to the extent feasible for a quality work product. The department shall provide the results of the study to the Legislature on or before December 1, 2006.

14. Notwithstanding any other provision of law and Section 26.00, the Department of Finance may authorize transfer of expenditure authority from Schedule (3) to Schedule (1) for the purposes of implementing changes required by the federal Deficit Reduction Act of 2005, which shall include, but not be limited to, providing assistance to individuals in meeting these verification rules and for county eligibility activities. It is the intent of the Legislature that these transfers be provided on a timely basis in order to ensure the health and safety of Californians. The Department of Finance shall notify the Legislature within 15 days of authorizing that 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.
15. If a federal grant that provides 75 percent federal financial participation to allow individuals in nursing homes to voluntarily move into a community setting and still receive the same amount of funding for services is awarded to the State Department of Health Services during the 2006–07 fiscal year, then, notwithstanding any other provision of law, the department may count expenditures from the appropriation made to this item as state matching funds for that grant.
16. (a) Of the amount appropriated in this item, $9,349,000 is appropriated for Medi-Cal managed care rate increases for plans that are experiencing financial hardship, as determined by the Department of Health Services and approved by the Department of

Item Amount

Finance. Rate increases provided pursuant to this section may be retroactive to the beginning of a plan's 2006–07 rate year.

(b) For purposes of determining if a plan will be eligible for additional funding, the Department of Health Services may assess the following criteria: (1) fiscal data available and reported as of June 2006 and the preceding eight quarters, (2) the sufficiency of the plan's financial reserves or tangible net equity to meet regulatory requirements, (3) the plan's medical loss ratio and administrative expense ratio, (4) whether the plan's financial situation is a result of business decisions to direct reserves to non-Medi-Cal related activities, and (5) an assessment of the health plan's management efficiency and cost containment activities.

(c) The Department of Finance shall notify the Legislature 10 days prior to the approval of any contract amendment that includes rate adjustments pertaining to this provision.

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..... 130,000

4260-101-0232—For local assistance, Department of Health Services, for payment to Item 4260-101-0001, payable from the Hospital Services Account, Cigarette and Tobacco Products Surtax Fund..... 18,000,000

4260-101-0236—For local assistance, Department of Health Services, for payment to Item 4260-101-0001, payable from the Unallocated Services Account, Cigarette and Tobacco Products Surtax Fund..... 18,784,000

4260-101-0890—For local assistance, Department of Health Services, for payment to Item 4260-101-0001, payable from the Federal Trust Fund..... 19,215,038,000

Provisions:

1. Any of the provisions in Item 4260-101-0001 that are relevant to this item also apply to this item.

Item Amount

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..... 50,506,000

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 Department 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..... 50,506,000

Provisions:

1. Any of the provisions in Item 4260-102-0001 that are relevant to this item also apply to this item.

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..... 5,501,000

Provisions:

1. Any of the provisions in Item 4260-101-0001 that are relevant to this item also apply to this item.

4260-104-0001—For transfer to the Nondesignated Public Hospital Supplemental Fund..... 1,909,000

4260-105-0001—For transfer to the Private Hospital Supplemental Fund..... 118,871,000

4260-111-0001—For local assistance, Department of Health Services..... 570,157,000

Schedule:

(1) 10.10.010-Vital Records Improvement Project..... 963,000

(2) 10.20.010-Environmental Management..... 271,429,000

(3) 10.20.040-Drinking Water..... 95,388,000

Item	Amount
(4) 10.30.030-Childhood Lead Poisoning Prevention	11,000,000
(5) 10.30.040-Chronic Diseases	187,890,000
(6) 10.30.050-Communicable Disease Control	75,711,000
(7) 10.30.060-AIDS	311,552,000
(8) 20.30-County Health Services	57,956,000
(9) 20.40-Primary Care and Family Health	1,536,864,000
(10) Reimbursements	−101,619,000
(11) Amount payable from the Breast Cancer Control Account (Item 4260-111-0009)	−8,736,000
(12) Amount payable from the Childhood Lead Poisoning Prevention Fund (Item 4260-111-0080)	−11,024,000
(13) Amount payable from the Health Statistics Special Fund (Item 4260-111-0099)	−963,000
(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)	−52,954,000
(16) Amount payable from the Hospital Services Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-111-0232)	−44,377,000
(17) Amount payable from the Physicians Services Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-111-0233)	−5,564,000
(18) Amount payable from the Unallocated Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-111-0236)	−51,853,000
(19) Amount payable from the Child Health and Safety Fund (Item 4260-111-0279)	−975,000
(20) Amount payable from the Drinking Water Treatment and Research Fund (Item 4260-111-0622)	−4,374,000

Item Amount

(21) Amount payable from the Domestic Violence Training and Education Fund (Item 4260-111-0642)..... −235,000

(22) Amount payable from the Federal Trust Fund (Item 4260-111-0890)..... −1,307,370,000

(23) Amount payable from the WIC Manufacturer Rebate Fund (Item 4260-111-3023)..... −297,401,000

(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. Notwithstanding any other provision of law, 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.
3. Notwithstanding any other provision of law, and due to the need to rapidly acquire, stockpile, store, and distribute antiviral medication to respond to outbreaks of highly communicable diseases such as pandemic influenza, contracts for such purposes funded through this item shall not be subject to Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code.
4. (a) Of the amount appropriated in this item, the Department of Health Services shall, at the discretion of the director, allocate

Item	Amount
$10,000,000 to local mosquito and vector control agencies or other governmental entities, or contract with other entities to supplement resources for local mosquito control efforts to mitigate the threat of West Nile Virus transmission. In allocating these funds, the director shall first address high priority areas and "hot spots," based on epidemiological studies and related information to mitigate the spread of the disease. These funds shall not be used to supplant existing local vector control agency funds.	
(b) In response to the public health implications of the West Nile Virus, and in order to expedite the implementation of mosquito control efforts funded by no more than $10,000,000 appropriated in this item, the department may make and receive grants and enter into contracts and interagency agreements. The department shall be exempt from competitive bidding requirements and shall be exempt from the requirements of Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code.	
4260-111-0009—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the Breast Cancer Control Account.....	8,736,000
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.....	11,024,000
4260-111-0099—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the Health Statistics Special Fund.....	963,000
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.....	52,954,000

Item	Amount
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 Products Surtax Fund.....	44,377,000
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.....	5,564,000
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.....	51,853,000
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.....	975,000
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.....	235,000
4260-111-0890—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the Federal Trust Fund.....	1,307,370,000
Provisions:	
1. Of the funds appropriated in this item, $60,809,000 shall be available for administration, research, and training projects. Notwithstanding the provisions of Section 28.00, 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, federal moneys made available for bioterrorism preparedness pursuant to this act shall be available for expenditure and encumbrance until August 30, 2007.	
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.....	297,401,000

Item Amount

Provisions:

2. Notwithstanding any other provision of law, if revenues to the WIC Manufacturer Rebate Fund are received in excess of the amount appropriated in this item, the Department of Finance may augment this item in excess of the amount appropriated not sooner than 30 days after written notification of the necessity to augment is provided to the chairpersons of the fiscal committees in each house 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.

4260-111-6031—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)..... 166,287,000

Schedule:

(1) 20.10.010-Eligibility (County Administration)..... 14,881,000

(2) 20.10.020-Fiscal Intermediary Management..... 188,000

(3) 20.10.030-Benefits (Medical Care and Services)..... 422,563,000

(4) Amount payable from the Federal Trust Fund (Item 4260-113-0890)..... −271,345,000

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 Department 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.

Item Amount

4260-113-0890—For local assistance, Department of Health Services, for payment to Item 4260-113-0001, payable from the Federal Trust Fund..... 271,345,000

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..... 77,500,000

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..... 6,829,000

Schedule:

(1) 20.10.010-Eligibility (County Administration)..... 5,540,000

(2) 20.10.020-Fiscal Intermediary Management..... 41,984,000

(4) Amount payable from the Federal Trust Fund (Item 4260-117-0890)..... −40,695,000

Provisions:

1. The funding appropriated in this item is limited to the amount specified in 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. Notwithstanding subdivision (a) of Section 1.80 and Section 26.00, the Department of Finance may authorize transfer of expenditure authority between Schedules (1) and (2). The Department 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..... 40,695,000

Item Amount

Provisions:

1. The funding appropriated in this item is limited to the amount specified in 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.

4260-401—Approximately $3,400,000 in General Fund moneys has been loaned to the State Department of Health Services, Botulism Treatment and Prevention Fund, pursuant to Section 123707 of the Health and Safety Code 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 United States Food and Drug Administration. In conjunction with payments from the Botulism Treatment and Prevention Fund beginning in the 2004–05 fiscal year, 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, including interest payments, has been satisfied.

4260-491—Reappropriation, Department of Health Services. Notwithstanding any other provision of law, the balances of the appropriations specified 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, 2007, 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 available for expenditure during the 2006–07 fiscal year, subject to the other provisions for that appropriation.

6031—Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002

(1) Item 4260-111-6031, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005). Funds appropriated in this item for the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of

Item Amount

2002 are available for expenditure during the 2006–07 fiscal year, subject to the other provisions of that appropriation.

(2) Item 4260-115-6031, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005). Funds appropriated in this item for the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 are available for expenditure during the 2006–07 fiscal year, subject to the other provisions of that appropriation.

4270-001-0001—For support of California Medical Assistance Commission..... 1,362,000

Schedule:

(1) 10-California Medical Assistance Commission..... 2,694,000

(2) Reimbursements..... −1,332,000

Provisions:

1. As permitted under subdivision (q) of Section 6254 of the Government Code, the California Medical Assistance Commission (CMAC) shall make entire hospital inpatient contracts and amendments open to inspection by the Joint Legislative Audit Committee and the Legislative Analyst's Office to review. The purpose of this review will be to determine if the CMAC is operating effectively and efficiently in negotiating hospital contracts.

4280-001-0001—For support of Managed Risk Medical Insurance Board..... 3,100,977

Schedule:

(1) 10-Major Risk Medical Insurance Program..... 957,000

(2) 20-Access for Infants and Mothers Program..... 891,000

(3) 40-Healthy Families Program..... 8,787,977

(4) 50-Children's Health Initiative Matching Fund Program..... 458,000

(6) Reimbursements..... −199,000

(7) Amount payable from Unallocated Account, Cigarette and Tobacco Products Surtax Fund (Item 4280-001-0236)..... −35,000

(8) Amount payable from Perinatal Insurance Fund (Item 4280-001-0309)..... −877,000

Item	Amount
(9) Amount payable from Major Risk Medical Insurance Fund (Item 4280-001-0313).....	−942,000
(10) Amount payable from Federal Trust Fund (Item 4280-001-0890).....	−5,331,000
(11) Amount payable from Mental Health Services Fund (Item 4280-001-3085).....	−151,000
(12) Amount payable from Federal Trust Fund (Item 4280-003-0890).....	−298,000
(13) Amount payable from Children's Health Initiative Matching Fund (Item 4280-003-3055).....	−160,000

Provisions:

1. Upon order of the Department of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4280-103-0890 or 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 and 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 chairpersons of the committees in each house of the Legislature that consider 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. This provision shall not apply to any General Fund increases or reductions.
3. Augmentations to reimbursements in this item are exempt from Section 28.50. The Managed Risk Medical Insurance Board shall provide written notification within 30 days to the Joint Legislative Budget Committee describing the nature and planned expenditure of these augmentations when the amount received exceeds $200,000. Federal funds may be increased to allow for the matching of the augmentations of reimbursements and the Department of Finance

Item	Amount
may authorize the establishment of positions if costs are fully offset by the augmentations to reimbursements.	
4280-001-0236—For support of the Managed Risk Medical Insurance Board, for payment to Item 4280-001-0001, payable from the Unallocated Account, Cigarette and Tobacco Products Surtax Fund.....	35,000
4280-001-0309—For support of Managed Risk Medical Insurance Board, for payment to Item 4280-001-0001, payable from the Perinatal Insurance Fund....	877,000
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.....	942,000
Provisions:	
1. Notwithstanding any other provision of law, the Department of Finance may augment this item 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 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.....	5,331,000
Provisions:	
1. Provision 3 of Item 4280-001-0001 also applies to this item.	
4280-001-3085—For support of the Managed Risk Medical Insurance Board, for payment to Item 4280-001-0001, payable from the Mental Health Services Fund.....	151,000

Item		Amount
4280-003-0001—For support of the Managed Risk Medical Insurance Board, for implementation of the County Health Initiative Interim Assistance Program.....		251,000
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.....		298,000
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 to Item 4280-001-0001, payable from the County Health Initiative Matching Fund, for the Children's Health Initiative Matching Fund Program.....		160,000
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
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

Item	Amount
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.....	343,193,000
Schedule:	
(1) 20-Access for Infants and Mothers Program..... 68,600,000	
(2) 40-Healthy Families Program..... 941,513,000	
(3) Amount payable from the Federal Trust Fund (Item 4280-101-0890)..... −666,920,000	
Provisions:	
1. Upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between this item and Item 4280-102-0001 in order to effectively administer the Healthy Families Program.	
4280-101-0236—For local assistance, Managed Risk Medical Insurance Board, payable from the unallocated account, Cigarette and Tobacco Products Surtax Fund.....	175,000
Schedule:	
(1) 40-Healthy Families Program..... 175,000	
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.....	666,920,000
Provisions:	
1. Upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between this item and Item 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.....	25,813,000
Schedule:	
(1) 40-Healthy Families Program..... 72,350,000	

Item Amount

(2) Reimbursements..... −7,488,000
(3) Amount payable from the Federal Trust Fund (Item 4280-102-0890)..... −39,049,000

Provisions:

1. Upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between this item and Item 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..... 39,049,000

Provisions:

1. Upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between this item and Item 4280-101-0890 in order to effectively administer the Healthy Families Program.

4280-103-0001—For local assistance, Managed Risk Medical Insurance Board, for the County Health Initiative Interim Assistance Program..... 22,783,000

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..... 2,536,000

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..... 1,366,000

Schedule:

(1) 50-County Health Initiative Matching Fund Program..... 3,902,000
(2) Amount payable from the Federal Trust Fund (Item 4280-103-0890)..... −2,536,000

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 Initia-

Item Amount

tive 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, as a condition of receiving funds, 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 and 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.

4280-104-0236—For local assistance, Managed Risk Medical Insurance Board, for the Healthy Families Program Rural Health Demonstration Project..... 2,047,000

Schedule:

(1) 40-Healthy Families Program..... 5,845,000

(2) Amount payable from Federal Trust Fund (Item 4280-104-0890)..... −3,798,000

Item	Amount
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.....	3,798,000
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.....	(31,023,000)
Provisions:	
1. In order to effectively administer the Access to Infants and Mothers Program the Department of Finance may decrease or increase this item in order to conform the appropriation to revised subvention estimates statutorily required and approved by the budget committees of both the Senate and the Assembly.	
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.....	(14,404,000)
Provisions:	
1. In order to effectively administer the Access to Infants and Mothers Program the Department of Finance may decrease or increase this item in order to conform the appropriation to revised subvention estimates statutorily required and approved by the budget committees of both the Senate and the Assembly.	
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.....	25,533,000
Schedule:	
(1) 10-Community Services Program..... 23,723,000	

Item	Amount
(2) 20-Developmental Centers Program	14,174,000
(3) 35.01-Administration	23,558,000
(4) 35.02-Distributed Administration	−23,558,000
(6) Reimbursements	−9,909,000
(7) Amount payable from the Developmental Disabilities Program Development Fund (Item 4300-001-0172)	−271,000
(8) Amount payable from the Federal Trust Fund (Item 4300-001-0890)	−2,184,000

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.

Item Amount

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.
5. 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.
6. The State Department of Developmental Services shall provide the fiscal and policy committees of the Legislature with a comprehensive status update on the Agnews Plan, on January 10, 2007, and May 15, 2007, which will include at a minimum all of the following:
   (a) A description and progress report on all pertinent aspects of the community-based resources development.
   (b) An aggregate update on the consumers living at Agnews and consumers who have been transitioned to other living arrangements.
   (c) An update to the Major Implementation Steps and Timelines.
   (d) A comprehensive update to the fiscal analyses as provided in the original plan.
   (e) An update to the plan regarding Agnews' employees.

   The above requested information may be provided through the Department of Developmental Services budget process, as part of the Regional Center and Developmental Center estimates packages. The updated information shall be made available to the public upon request.
7. The State Department of Developmental Services shall actively engage the Regional Centers to assess and determine methods for (a) improving the training of case managers, (b) recruiting and retaining case managers throughout the state, and (c) addressing other needs as identified in the federal Centers of Medicare and Medicaid (CMS) letter (dated April 2006)

Item Amount

regarding the state's compliance with the Home and Community-Based Waiver.

8. The State Department of Developmental Services shall provide to the Legislature on or before April 1, 2007, expenditure data for the costs of drugs purchased by Regional Centers and for the costs of Medicare Part D insurance premiums between July 1, 2006, and January 1, 2007, for Regional Center consumers eligible for the Medicare Part D drug benefit and projections for the rest of the calendar year.

4300-001-0172—For support of Developmental Services, for payment to Item 4300-001-0001, payable from the Developmental Disabilities Program Development Fund..... 271,000

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 in each house 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 Developmental Services, for payment to Item 4300-001-0001, payable from the Federal Trust Fund..... 2,184,000

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 Developmental Services, for Developmental Centers..... 374,708,000

Schedule:

(1) 20-Developmental Centers Program..... 688,275,000
(2) Reimbursements..... −312,947,000
(3) Amount payable from the Federal Trust Fund (Item 4300-003-0890)..... −620,000

Item Amount

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. Upon order of the Director of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4300-101-0001.
4. 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 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,

Item Amount

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.

4300-003-0890—For support of Developmental Services, for payment to Item 4300-003-0001, payable from the Federal Trust Fund..... 620,000

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 Developmental Services (Proposition 98), for Developmental Centers..... 10,021,000

Schedule:

(1) 20-Developmental Centers Program..... 13,510,000
  (a) 20.17-AB 1202 Contracts..... 2,052,000
  (b) 20.66-Medi-Cal Eligible Services..... 11,458,000
(2) Reimbursements..... −3,489,000

Provisions:

1. Of the amount appropriated in this item, $3,489,000 is to be used to provide the General Fund match for Medi-Cal Eligible Services.

4300-017-0001—For support of Developmental Services, for implementation of the Health Insurance Portability and Accountability Act..... 267,000

Schedule:

(1) 20-Developmental Centers Program..... 446,000
(2) Reimbursements..... −179,000

Provisions:

1. The funding appropriated in this item is limited to the amount specified in Section 17.00. These funds are to be used in support of compliance activities related to the federal Health Insur-

Item Amount

ance Portability and Accountability Act (HIPAA) of 1996.

4300-101-0001—For local assistance, Department of Developmental Services, for Regional Centers.... 2,084,766,000

Schedule:

(1) 10.10.010-Operations..... 479,488,000

(2) 10.10.020-Purchase of Services..... 2,732,506,000

(3) 10.10.060-Early Intervention Programs..... 20,095,000

(4) Reimbursements..... −1,093,349,000

(5) Amount payable from Developmental Disabilities Program Development Fund (Item 4300-101-0172)..... −1,732,000

(5.5) Amount payable from Developmental Disabilities Services Account (Item 4300-101-0496)..... −3,000

(6) Amount payable from Federal Trust Fund (Item 4300-101-0890)..... −52,239,000

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 cash-flow 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 vocational rehabilitation services through the Vocational Rehabilitation/Work Activity Program (VR/WAP) Transition Program.
4. Notwithstanding any other provision of law, the Director of Finance may augment this item

Item Amount

for the 2006–07 fiscal year costs of the State Department of Developmental Services' California Development Disabilities Information System (CADDIS), in excess of the amount appropriated in this item, subject to the following conditions:

(a) Based on the Special Project Report (SPR) for CADDIS approved by the Department of Finance, the amount of the augmentation shall not exceed the lesser of the following two amounts:
  (1) Ten percent of the total project costs identified in the approved SPR.
  (2) The 2006–07 costs identified in the approved SPR.

(b) In the 2006–07 fiscal year, the vendor may not conduct work on the project that would incur costs beyond the amount approved by the Department of Finance pursuant to this provision or appropriated by the Legislature.

(c) Any 2007–08 fiscal year or subsequent fiscal year costs shall be addressed through the normal budget process. The contract shall provide that if the project is discontinued, the state shall not be liable for any 2007–08 fiscal year or subsequent fiscal year costs, including closeout costs incurred by the vendor.

(d) Any augmentation pursuant to this provision shall be made no sooner than 30 days after written notification to the Chairperson of the Joint Legislative Budget Committee or no sooner than such lesser time as the Chairperson, or his or her designee, may in each instance determine.

(e) The request for augmentation shall include all of the following:
  (1) Verification that the state has secured the rights to fully use, modify, and enhance the computer system code.
  (2) The results of the technical review of the code, functionality, and architecture of the system. The report on the technical review and assessment shall address system code efficiency, effectiveness, maintainability, and the ex-

Item Amount

tent to which the vendor's system documentation will facilitate future system maintenance.

(3) An approved SPR that contains a plan and schedule for management of the project to completion and identifies the resources necessary to complete the CADDIS project, including a cost estimate that reflects the results of vendor negotiations, as well as all other associated project costs.

(4) A report on the availability of federal funds for the project.

5. Notwithstanding Section 12803.3 of the Government Code, upon approval of an augmentation pursuant to Provision 4, the State Department of Developmental Services may contract with the Office of Systems Integration for project management of the CADDIS project.

6. $2,148,000 of the funds appropriated in this item shall be used by Regional Centers to begin collecting the information required for reimbursement by the Home and Community-Based Services Waiver program from those service providers who are qualified providers under Title XIX of the Social Security Act, are not currently providing the required information, and are serving individuals enrolled under the Home and Community-Based Services Waiver program. Regional Centers shall assign the highest priority to utilizing these funds in order to obtain the information required for reimbursement from transportation vendors and other vendors with the highest annual costs.

7. $1,317,000 of the funds appropriated in this item may be used to augment service provider rates for the work needed to obtain information to secure federal participation under the Home and Community-Based Services Waiver program. Eligible providers are those service providers who are qualified providers under Title XIX of the Social Security Act, are not currently providing the required information, and are serving individuals enrolled under the Home and Community-Based Services Waiver program.

Item	Amount
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.....	1,732,000
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 chairpersons of the fiscal committees in each house 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.....	3,000
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.....	52,239,000
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 between this item and Item 4300-003-0890 in order to effectively administer the Foster Grandparent Program.	
4300-102-0001—For local assistance, Department of Developmental Services, Program 10.10.010− Regional Centers: Operations, Special Item for Medicare Part D Transition.....	2,885,000
Provisions:	
1. Funds appropriated in this item may only be expended to facilitate the enrollment of regional center consumers into Medicare Part D prescription drug plans.	

Item Amount

4300-117-0001—For local assistance, Department of Developmental Services, for implementation of the Health Insurance Portability and Accountability Act..... 708,000

Schedule:

(1) 10.10.010-Regional Centers: Operations..... 1,416,000

(2) Reimbursements..... −708,000

Provisions:

1. The funding appropriated in this item is limited to the amount specified in 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.

4300-301-0001—For capital outlay, Department of Developmental Services..... 1,177,000

Schedule:

(1) 55.50.470-Porterville: Renovate Satellite Serving Kitchens and Dining Rooms—Preliminary plans..... 1,177,000

Provisions:

1. Notwithstanding any other provision of law, the project funded in Schedule (1) of this item shall be considered part of the Porterville: New Main Kitchen project funded in Item 4300-301-0660 of this act.

4300-301-0660—For capital outlay, Department of Developmental Services, payable from the Public Buildings Construction Fund..... 101,030,000

Schedule:

(1) 55.50.470-Porterville: New Main Kitchen—Preliminary plans, working drawings, and construction..... 22,557,000

(2) 55.40.490-Porterville: 96-Bed Expansion and Recreation Complex—Construction..... 78,473,000

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 all phases of the projects authorized by this item.

2. The State Department of Developmental Services and State Public Works Board are authorized and directed to execute and deliver any

Item Amount

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.

3. The State Public Works Board shall not be deemed to be the 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 provision does not exempt the State Department of Developmental Services from the requirements of the California Environmental Quality Act. This provision is declarative of existing law.

4. Notwithstanding Section 1.80, funds appropriated in Schedule (1) for working drawings shall be available for expenditure until June 30, 2008, and funds appropriated in this item for construction shall be available for expenditure until June 30, 2011. In addition, the balance of funds for construction that have not been allocated, through fund transfer or approval to bid, by the Department of Finance on or before June 30, 2009, shall revert as of that date.

4300-490—Reappropriation, Department of Developmental Services. Notwithstanding any other provision of law, as of June 30, 2006, 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, 2007, unless otherwise stated:

0001—General Fund

(1) Item 4300-101-0001, Budget Act of 2004 (Ch. 208, Stats. 2004)

Schedule:

(a) Balance of appropriations in Schedule (1) 10.10.010 and Schedule (2) 10.10.020 for the Life Quality Assessment Interagency Agreement.

0496—Developmental Disabilities Services Account

(1) Item 4300-101-0496, Budget Act of 2004 (Ch. 208, Stats. 2004), as reappropriated by Item

Item Amount

4300-490, Budget Act of 2005 (Ch. 38, Stats. 2005).

4300-491—Reappropriation, Department of Developmental Services. Notwithstanding any other provision of law, the period to liquidate encumbrances of the following citation is extended to June 30, 2010:

0001—General Fund

(1) Item 4300-105-0001, Budget Act of 2004 (Ch. 208, Stats. 2004), as reappropriated by Item 4300-490, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

Provisions:

1. The State Department of Developmental Services shall provide the appropriate fiscal and policy committees of the Legislature with a monthly update on the development of the housing and the expenditure of the $11,115,000. At a minimum, this shall include all of the following components: (a) all the properties acquired during the month, (b) the cost of each property, (c) the address of each property, (d) the square footage of any residential structures on the property, (e) the size of any lot that is purchased with the intent to build on it, and (f) estimated construction and renovation costs for each property before construction or renovation begins. In addition, funds expended for the predevelopment costs of securing property, such as escrow deposits, architectural fees, and abatement of asbestos and other hazardous materials, shall be reported.

4300-492—Reappropriation, Department of Developmental Services. Notwithstanding any other provision of law, as of June 30, 2006, up to $2,000,000 of the appropriation provided in the following citation is reappropriated for the purposes specified below and shall be available for encumbrance or expenditure until June 30, 2007, unless otherwise stated:

0001—General Fund

(1) Item 4300-101-0001, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(1) 10.10.010-Regional Centers: Operation

Item Amount

Provisions:

1. Up to $2,000,000 of the funds appropriated in this item for the California Developmental Disabilities Information System (CADDIS) are made available for the 2006–07 fiscal year for activities necessary to complete the Special Project Report (SPR) or for activities necessary to request an augmentation pursuant to Provision 4 of Item 4300-101-0001. Expenditure of the funds after July 1, 2006, shall be contingent upon the State Department of Developmental Services providing notification to the Joint Legislative Budget Committee that the state has secured the rights to fully use, modify, and enhance the CADDIS computer system code as necessary to provide services and implement programs for persons with developmental disabilities. Upon completion of the technical review of the computer system, the State Department of Developmental Services shall notify the Joint Legislative Budget Committee of the feasibility of continuing the project.

4300-496—Reversion, Department of Developmental Services. As of June 30, 2006, the unencumbered balance of the appropriation provided in the following citations shall revert to the balance of the fund from which the appropriation was made:

0660—Public Buildings Construction Fund

(1) Item 4300-301-0660, Budget Act of 2003 (Ch. 157, Stats. 2003)
   (1) 55.50.340-Porterville: Recreation Complex—Forensic—Preliminary plans, working drawings, and construction.
   (2) 55.50.370-Porterville: 96 Bed Expansion—Forensic—Preliminary plans, working drawings, and construction

4440-001-0001—For support of Department of Mental Health..... 35,445,000

Schedule:

(1) 10-Community Services..... 62,992,000
(2) 20-Long-Term Care Services..... 16,059,000
(3) 35.01-Departmental Administration..... 24,328,000
(4) 35.02-Distributed Departmental Administration..... −21,010,000
(5) Reimbursements..... −21,936,000

Item	Amount
(6) Amount payable from the Traumatic Brain Injury Fund (Item 4440-001-0311).....	−119,000
(7) Amount payable from the Federal Trust Fund (Item 4440-001-0890).....	−3,742,000
(8) Amount payable from the Mental Health Services Fund (Item 4440-001-3085).....	−20,772,000
(9) Amount payable from the Licensing and Certification Fund, Mental Health (Item 4440-001-3099).....	−355,000

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 funds appropriated in this item, $100,000 shall be used to contract to develop and provide training for counties and provider organizations, as well as to develop a documentation manual, on billing procedures and related processes associated with operating an effective and qualitative Early and Periodic Screening, Diagnosis and Treatment Program. The first training shall be provided no later than October 1, 2006, and shall focus on the most common concerns regarding documentation within the program. The development of the documentation manual shall be done in an expedited manner.

4440-001-0311—For support of Department of Mental Health, for payment to Item 4440-001-0001, payable from the Traumatic Brain Injury Fund.....	119,000
4440-001-0890—For support of Department of Mental Health, for payment to Item 4440-001-0001, payable from the Federal Trust Fund.....	3,742,000

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.

Item Amount

4440-001-3085—For support of the Department of Mental Health, for payment to Item 4440-001-0001, payable from the Mental Health Services Fund..... 20,772,000

Provisions:

1. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated for administration pursuant to subdivision (d) of Section 5892 of the Welfare and Institutions Code.
2. Notwithstanding any other provision of law, the Director of Finance may increase the funding provided in this item to further the implementation of the Mental Health Services Act. Any increase would occur not sooner than 30 days after written notification has been provided to the chairpersons of the committees in each house of the Legislature that consider appropriations, the chairpersons of the committees, and the appropriate subcommittees, in each house that consider the State Budget, and the Chairperson of the Joint Legislative Budget Committee identifying the need for that increase and the expenditure plan for the additional funds.

4440-001-3099—For support of the Department of Mental Health, for payment to Item 4440-001-0001, payable from the Licensing and Certification Fund, Mental Health..... 355,000

4440-003-0001—For support of the Department of Mental Health, for rental payments on lease-revenue bonds..... 38,688,000

Schedule:

(1) Base Rent and Fees..... 38,558,000
(2) Insurance..... 130,000

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 needed to ensure debt requirements are met.
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

Item	Amount
4440-011-0001—For support of the State Hospitals, Department of Mental Health	836,976,000
Schedule:	
(1) 20.10-Long-Term Care Services—Lanterman-Petris-Short Act	69,824,000
(2) 20.20-Long-Term Care Services—Penal Code and Judicially Committed	712,559,000
(3) 20.25-Long-Term Care Services—Civil Rights of Institutionalized Persons Act	31,241,000
(4) 20.30-Long-Term Care Services—California Department of Corrections and Rehabilitation	91,617,000
(5) 20.40-Long-Term Care Services—Other State Hospital Services	3,842,000
(6) Reimbursements	−72,011,000
(7) Amount payable from the California State Lottery Education Fund (Section 8880.5 of the Government Code)	−96,000

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 five 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

Item Amount

filed by local jurisdictions for legal services may be scheduled by the Controller for payment.

4. The reimbursements identified in Schedule (6) shall include amounts received by the State Department of Mental Health as a result of billing for Lanterman-Petris-Short (LPS) Act 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).
5. Of the total amount attributable in the 2006–07 fiscal year to patient-generated collections for Lanterman-Petris-Short (LPS) Act 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 chairpersons of the committees of each house of the Legislature that consider 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.
7. Notwithstanding Section 26.00, the Department of Finance may authorize transfer of expenditure authority between Schedules (1), (2),

Item Amount

(4), and (5) in order to accurately reflect caseload in these programs.

8. The department shall provide the appropriate policy and fiscal committees of the Legislature with an update not later than January 10, 2007, or sooner if applicable, on the status of the operation of the adolescent unit at Metropolitan State Hospital, including whether construction of the onsite school is warranted.

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 Act..... 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 22,679,000

Schedule:

(1) 20-Long-Term Care Services 22,679,000

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 Article 4 (commencing with Section 2960) of Chapter 7 of Title 1 of Part 3 of the Penal Code, through contracts with programs which integrate the super-

Item Amount

vision 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 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, for implementation of the Health Insurance Portability and Accountability Act..... 1,100,000

Schedule:

(1) 10-Community Services..... 2,202,000
(2) 20-Long-Term Care Services..... 0
(3) 35.01-Departmental Administration..... 677,000
(4) 35.02-Distributed Departmental Administration..... −677,000
(5) Reimbursements..... −1,102,000

Provisions:

1. The funding appropriated in this item is limited to the amount specified in 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.

4440-101-0001—For local assistance, Department of Mental Health..... 410,711,000

Schedule:

(1) 10.25-CommunityServices—Other Treatment..... 690,132,000
(2) 10.30-Community Services—EPSDT..... 701,528,000
(3) 10.47-Community Services—Children's Mental Health Services..... 350,000
(4) 10.85-Community Services—AIDS..... 1,500,000
(5) 10.97-Community Services—Healthy Families..... 17,850,000
(6) Reimbursements..... −1,000,649,000

Provisions:

1. Augmentations to reimbursements in this item from the Office of Emergency Services for Disaster Relief are exempt from Section 28.00. The State Department of Mental Health shall provide written notification to the Joint Legisla-

Item Amount

tive 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..... 1,088,000

Schedule:

(1) 10.87-CommunityServices—Traumatic Brain Injury Projects..... 1,237,000

(2) Reimbursements..... −149,000

4440-101-0890—For local assistance, Department of Mental Health, payable from the Federal Trust Fund..... 59,457,000

Schedule:

(1) 10.25-Community Services—Other Treatment..... 52,075,000

(2) 10.75-Community Services—Homeless Mentally Disabled..... 7,382,000

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 2006–07 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..... 10,000,000

Item Amount

4440-103-0001—For local assistance, Department of Mental Health, Program 10.25-Community Services: Other Treatment for Mental Health Managed Care..... 230,976,000

Schedule:

(1) 10.25-CommunityServices—Other Treatment..... 230,976,000

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 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.

4440-104-0001—For local assistance, Department of Mental Health, to provide AB 3632 mental health services to special education pupils through a categorical program..... 52,000,000

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 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..... 66,000,000

Item Amount

Schedule:

(1) 98.01.001.000-2004–05 Cost for AB 3632 Mandates: services to handicapped students (Ch. 1747, Stats. 1984) (CSM-4282) and seriously emotionally disturbed pupils (Ch. 654, Stats. 1996) (97-TC-05)..... 33,000,000

(2) 98.01.002.000-2005–06 Cost for AB 3632 Mandates: services to handicapped students (Ch. 1747, Stats. 1984) (CSM-4282) and seriously emotionally disturbed pupils (Ch. 654, Stats. 1996) (97-TC-05)..... 33,000,000

Provisions:

1. The $66,000,000 appropriated in Schedules (1) and (2) shall be used to reimburse local government agencies for costs claimed for the 2004–05 and 2005–06 fiscal years for services to handicapped students (Ch. 1747, Stats. 1984) and seriously emotionally disturbed pupils (Ch. 654, Stats. 1996) state-mandated local programs. Reimbursement for claims shall only be made for claims that are still subject to audit by the Controller.
2. It is the intent of the Legislature that the funds appropriated in Schedules (1) and (2), as well as those appropriated within the State Department of Education for services to students enrolled in special education and requiring mental health assistance in order to benefit from the education services provided, be fully expended to address the needs in the 2004–05 and 2005–06 fiscal years.

4440-301-0001—For capital outlay, Department of Mental Health..... 947,000

Schedule:

(1) 55.40.280-Napa: Remodel Satellite Serving Kitchens and Dining Rooms—Preliminary plans..... 598,000

(2) 55.45.295-Patton: Remodel Satellite Serving Kitchens and Dining Rooms—Preliminary plans..... 349,000

Provisions:

1. Notwithstanding any other provision of law, the project funded in Schedule (1) of this item

Item Amount

shall be considered part of the Napa: Construct New Main Kitchen project funded in Item 4440-301-0660 of this act.

2. Notwithstanding any other provision of law, the project funded in Schedule (2) of this item shall be considered part of the Patton: Construct New Main Kitchen project funded in Item 4440-301-0660 of this act.

4440-301-0660—For capital outlay, Department of Mental Health, payable from the Public Buildings Construction Fund..... 41,682,000

Schedule:

(1) 55.40.280-Napa: Construct New Main Kitchen—Preliminary plans, working drawings, and construction..... 20,696,000

(2) 55.45.295-Patton: Construct New Main Kitchen—Preliminary plans, working drawings, and construction..... 20,986,000

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 all phases of the projects authorized by this item.

2. The State Department of Mental Health and State Public Works Board are 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.

3. The State Public Works Board shall not be deemed to be the 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 provision does not exempt the State Department of Mental Health from the requirements of the California Environmental Quality Act. This provision is declaratory of existing law.

Item Amount

4. Notwithstanding Section 1.80, funds appropriated in this item for working drawings shall be available for expenditure until June 30, 2008, and funds appropriated in this item for construction shall be available for expenditure until June 30, 2011. In addition, the balance of funds for construction that have not been allocated, through fund transfer or approval to bid, by the Department of Finance on or before June 30, 2009, shall revert as of that date.

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.

4440-490—Reappropriation, Department of Mental Health. 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 the appropriations:

0001—General Fund

(1) Item 4440-301-0001, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(1) 55.35.295-Metropolitan: Remodel Satellite Serving Kitchens—Construction

0660—Public Buildings Construction Fund

(1) Item 4440-301-0660, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(1) 55.35.295-Metropolitan: Construct New Kitchen and Remodel Satellite Serving Kitchens—Construction

(2) 55.45.270-Patton: Renovate Admission Suite and Fire Life Safety and Environmental Improvements and Seismic Retrofit, Phases II and III, EB Building—Construction

4440-491—Reappropriation, Department of Mental Health. The amount specified 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:

0001—General Fund

(1) $330,000 in Item 4440-011-0001, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005), for implementation of Medicare Part D.

Item	Amount
4700-001-0001—For support of Department of Community Services and Development.....	150,000
Schedule:	
(1) 47-Naturalization Services..... 150,000	
4700-001-0890—For support of Department of Community Services and Development, payable from the Federal Trust Fund.....	9,574,000
Schedule:	
(1) 20-Energy Programs..... 8,570,000	
(2) 40-Community Services..... 3,111,000	
(3) 50.01-Administration..... 3,900,000	
(4) 50.02-Distributed Administration..... −3,900,000	
(5) Reimbursements..... −2,107,000	
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 2005 (Ch. 38, Stats. 2005), 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.....	2,850,000
Schedule:	
(1) 47-Naturalization Services..... 2,850,000	
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 farmworkers..... 10 percent	
(c) Native American Indian programs..... 3.9 percent	

Item Amount

(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 scheduled in Item 4700-101-0890 may be transferred to Item 4700-001-0890 for the administration of the Low Income Home Energy Assistance Program, subject to approval of the Department of Finance.

3. Any unexpended federal funds from Item 4700-101-0890 of the Budget Act of 2005 (Ch. 38, Stats. 2005), shall be in augmentation of Item 4700-101-0890 of this act and are not subject to the provisions of Section 28.00. These funds shall be used for local assistance for the programs for which they were originally budgeted.

5160-001-0001—For support of Department of Rehabilitation..... 52,543,000

Schedule:

(1) 10-Vocational Rehabilitation Services..... 348,339,000

(2) 30-Support of Community Facilities..... 4,078,000

(3) 40.01-Administration..... 27,707,000

(4) 40.02-Distributed Administration..... −27,707,000

(6) Reimbursements..... −7,900,000

(7) Amount payable from the Vending Stand Fund (Item 5160-001-0600)..... −3,478,000

(8) Amount payable from the Federal Trust Fund (Item 5160-001-0890)..... −288,301,000

(9) Amount payable from the Mental Health Services Fund (Item 5160-001-3085)..... −195,000

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 ser-

Item Amount

vices through the Vocational Rehabilitation/Work Activity Program (VR/WAP) transition program.

2. The Department of Rehabilitation 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 State Department of Developmental Services. 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..... 3,478,000

5160-001-0890—For support of Department of Rehabilitation, for payment to Item 5160-001-0001, payable from the Federal Trust Fund..... 288,301,000

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.

5160-001-3085—For support of Department of Rehabilitation, for payment to Item 5160-001-0001, payable from the Mental Health Services Fund..... 195,000

Provisions:

1. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated for administration pursuant to

Item	Amount
subdivision (d) of Section 5892 of the Welfare and Institutions Code.	
5160-101-0890—For local assistance, Department of Rehabilitation, payable from the Federal Trust Fund.....	15,736,000
Schedule:	
(1) 30-Support of Community Facilities..... 15,736,000	
5170-001-0001—For support of State Independent Living Council.....	0
Schedule:	
(1) 10-State Council Services..... 481,000	
(2) Reimbursements..... −481,000	
5175-001-0001—For support of Department of Child Support Services.....	17,564,000
Schedule:	
(1) 10-Child Support Services..... 53,655,000	
(2) Reimbursements..... −123,000	
(3) Amount payable from the Federal Trust Fund (Item 5175-001-0890)..... −35,968,000	
5175-001-0890—For support of Department of Child Support Services, for payment to Item 5175-001-0001, payable from the Federal Trust Fund.....	35,968,000
5175-002-0001—For support of Department of Child Support Services.....	26,951,000
Schedule:	
(1) 10-Child Support Services..... 85,275,000	
(2) Amount payable from the Federal Trust Fund (Item 5175-002-0890)..... −58,324,000	
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 Legislature 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 adjust-	

Item Amount

ments for child support commissioners and family law facilitators pursuant to Section 17712 of the Family 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.

5175-002-0890—For support of Department of Child Support Services, for payment to Item 5175-002-0001, payable from the Federal Trust Fund..... 58,324,000

Provisions:

1. Provisions 1 and 2 of Item 5175-002-0001 also apply to this item.

5175-101-0001—For local assistance, Department of Child Support Services 510,504,000

Schedule:

(1) 10-Child Support Services 1,325,404,000
   (a) 10.01-Child SupportAdministration 1,100,073,000
   (b) 10.03-Child Support Automation 202,331,000
   (c) 10.04-Child Support Payments 23,000,000
(2) Amount payable from the Federal Trust Fund (Item 5175-101-0890) ..... −541,515,000
(3) Amount payable from the Child Support Collections Recovery Fund (Item 5175-101-8004) ..... −273,385,000

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 costs 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

Item Amount

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 , 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 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 chairpersons of the committees in each house that consider 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

Item Amount

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. Notwithstanding any other provision of law, upon request of 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 implementation of the California Child Support Automation System Project not to exceed $15,000,000 from Item 5175-339-0001. Project augmentations may be approved by the director not sooner than 30 days after written notification of 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 that whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine. The funds augmented pursuant to 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 or Reports or equivalent document or documents.
6. From the federal funds appropriated in Schedule (1)(b) 10.03-Child Support Automation, an amount not to exceed $132,000,000 shall be available for expenditure or encumbrance until June 30, 2008. The Department of Finance shall provide notification to the Joint Legisla-

Item Amount

tive Budget Committee of the amount of the carryover within 10 working days from the date the amount of the carryover is determined.

7. Of the funds appropriated in this item, up to $23,000,000 is available to the Department of Child Support Services to advance funds to offset the effect directly attributable to the creation of arrears resulting from the implementation of the State Disbursement Unit.
8. Of the amount appropriated in this item, $2,000,000 shall be available for enhancements to the two existing consortia automation systems to enable the receipt and recording of child support transitional arrears payments to perform system queries necessary to identify noncustodial parents affected by the Department of Child Support Services payment processing change. This funding shall not be expended until the Department of Finance approves the Advance Planning Document/Special Project Report and 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 Chairperson of the Joint Legislative Budget Committee, or his or her designee, imposes a lesser time.
9. From the funds appropriated in this item, up to $12,000,000 is provided for allocation by the Department of Child Support Services among local child support agencies to improve the overall performance of the Child Support program. The method of allocation shall be determined by the department in consultation with the local child support agencies. It is the intent of the Legislature that these additional funds be used by local child support agencies to support activities to improve the state's performance as determined by the federal and state performance measures. It is also the intent of the Legislature that this funding be used by local child support agencies to help them to meet or exceed their annual performance goals.

Item Amount

5175-101-0890—For local assistance, Department of Child Support Services, for payment to Item 5175-101-0001, payable from the Federal Trust Fund..... 541,515,000

Provisions:

1. Provisions 1, 5, and 6 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.
3. Notwithstanding Section 28.00 or any other provision of law, upon request of the Department of Child Support Services, the Department of Finance may increase or decrease the expenditure authority in this item to offset any increases or decreases in collections deposited in the Child Support Collections Recovery Fund and appropriated in Item 5175-101-8004. The Department of Finance shall provide notification of the adjustment to the Joint Legislative Budget Committee within 10 working days from the date of Department of Finance approval of the adjustment.
4. Of the amount appropriated in this item, $1,980,000 shall be available for enhancements to the California Child Support Automation System project to enable the receipt and recording of child support transitional arrears payments and to perform system queries necessary to identify noncustodial parents affected by the Department of Child Support Services payment processing change. This funding shall not be expended until the Department of Finance approves the Advance Planning Document/Special Project Report and 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 Chairperson of the Joint Legislative Budget Committee, or his or her designee, imposes a lesser time.

Item Amount

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..... 273,385,000

Provisions:

1. Notwithstanding any other provision of law, upon request by the Department of Child Support Services, the Director of Finance may increase or decrease this appropriation, for the purposes of Section 17702.5 of the Family Code. Adjustments to expenditure authority shall be consistent with those made pursuant to Provision 3 of Item 5175-101-0890. The Department of Finance shall provide notification of the adjustment to the Joint Legislative Budget Committee within 10 working days from the date of Department of Finance approval of the adjustment.

5175-399-0001—For local assistance and state operations, Department of Child Support Services and Franchise Tax Board, for costs associated with the implementation of the California Child Support Automation System Project..... 15,000,000

Provisions:

1. Subject to Provision 5 of Item 5175-101-0001 and Provision 9 of Item 1730-001-0001, and notwithstanding any other provision of law, funds appropriated in this item may be transferred to Items 1730-001-0001 and 5175-101-0001.
2. Funds appropriated in this item shall be available for expenditure until June 30, 2007. Any funds not transferred by June 30, 2007, shall revert to the General Fund.

5175-490—Reappropriation, Department of Child Support Services. The balances of the appropriations provided in the following citations are reappropriated and shall be available for encumbrance or expenditure until June 30, 2007, for unanticipated costs occurring during the 2006–07 fiscal year associated with the California Child Support Automation System project, and may be expended upon the written approval of the Department of Finance issued on or before that date:

0001—General Fund

(1) Item 5175-001-0001, Budget Act of 2004 (Ch. 208, Stats. 2004)

Item Amount

(2) Item 5175-001-0001, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)
(3) Item 5175-002-0001, Budget Act of 2004 (Ch. 208, Stats. 2004)
(4) Item 5175-002-0001, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)
(5) Item 5175-101-0001, Budget Act of 2004 (Ch. 208, Stats. 2004)
(6) Item 5175-101-0001, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

0890—Federal Trust Fund

(1) Item 5175-001-0890, Budget Act of 2004 (Ch. 208, Stats. 2004)
(2) Item 5175-001-0890, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)
(3) Item 5175-002-0890, Budget Act of 2004 (Ch. 208, Stats. 2004)
(4) Item 5175-002-0890, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)
(5) Item 5175-101-0890, Budget Act of 2004 (Ch. 208, Stats. 2004)
(6) Item 5175-101-0890, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

Provisions:

1. Notwithstanding Section 26.00 or any other provision of law, upon request of the Department of Child Support Services, the Department of Finance may transfer any funding reappropriated in this item to Items 5175-001-0001, 5175-002-0001, and 5175-101-0001 of Section 2.00 of this act.
2. Notwithstanding Section 26.00 or 28.00 or any other provision of law, upon request of the Department of Child Support Services, the Department of Finance may transfer any funding reappropriated in this item to Items 5175-001-0890, 5175-002-0890, and 5175-101-0890 of Section 2.00 of this act.
3. Notwithstanding any other provision of law, any funding reappropriated in this item may be transferred from the Department of Child Support Services to the Franchise Tax Board.
4. No expenditure or transfer authorized in this item may become effective sooner than 30 days after notice is provided in writing to the chairpersons of the fiscal committees of each house of the Legislature and the Chairperson of the

Item Amount

Joint Legislative Budget Committee, or no sooner than whatever lesser time as the chairperson of the joint committee, or his or her designee, may in each instance determine.

5180-001-0001—For support of Department of Social Services..... 88,889,000

Schedule:

(1) 16-Welfare Programs..... 64,579,000

(2) 25-Social Services and Licensing..... 146,826,000

(3) 35-Disability Evaluation and Other Services..... 250,336,000

(6) 60.01-Administration..... 38,823,000

(7) 60.02-Distributed Administration..... −38,823,000

(8) Reimbursements..... −24,783,000

(9) Amount payable from Foster Family Home and Small Family Home Insurance Fund (Item 5180-001-0131)..... −2,263,000

(10) Amount payable from the Federal Trust Fund (Item 5180-001-0890)..... −345,298,000

(11) Amount payable from the Mental Health Services Fund (Item 5180-001-3085)..... −508,000

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.
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

Item Amount

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 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, 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 the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house that considers appropriations.
7. The State Department of Social Services shall continue to convene periodic meetings throughout the year so that stakeholders may receive information and have the opportunity to provide input to the department regarding the quality assurance, program integrity, and program consistency efforts in the In-Home Supportive Services program (Article 7 (commencing with Section 12300) of Chapter 3 of Part 3 of Division 9 of the Welfare and Institutions Code). In addition, the department shall report during 2007 budget hearings on the impact of quality assurance regulations.

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..... 2,263,000

Provisions:

1. The Department of Finance is authorized to approve expenditures from the unexpended bal-

Item Amount

ance available from prior years' appropriations in the Foster Family Home and Small Family Home Insurance Fund during the 2006–07 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 2006–07 fiscal year, the department shall notify the Legislature. Upon notification the amount of the limitation for the 2006–07 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..... 22,200,000

5180-001-0271—For support of Department of Social Services, payable from the Certification Fund..... 1,376,000

5180-001-0279—For support of Department of Social Services, payable from the Child Health and Safety Fund..... 1,963,000

5180-001-0803—For support of Department of Social Services, payable from the State Children's Trust Fund..... 218,000

5180-001-0890—For support of Department of Social Services, for payment to Item 5180-001-0001, payable from the Federal Trust Fund..... 345,298,000

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. Provision 5 of Item 5180-001-0001 also applies to this item.

5180-001-3085—For support of Department of Social Services, for payment to Item 5180-001-0001, payable from the Mental Health Services Fund..... 508,000

Item Amount

Provisions:

1. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated for administration pursuant to subdivision (d) of Section 5892 of the Welfare and Institutions Code.

5180-011-0001—For transfer by the Controller to the Foster Family Home and Small Family Home Insurance Fund..... 1,267,000

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..... 97,000

5180-011-0890—For transfer by the Controller from the Federal Trust Fund to the Foster Family Home and Small Family Home Insurance Fund..... 996,000

Provisions:

1. Provision 1 of Item 5180-001-0131 also applies to this item.

5180-101-0001—For local assistance, Department of Social Services..... 2,697,590,000

Schedule:

(1) 16.30-CalWORKs..... 4,946,754,000
(2) 16.65-Other Assistance Payments..... 1,623,234,000
(3) Reimbursements..... −3,584,000
(4) Amount payable from the Emergency Food Assistance Program Fund (Item 5180-101-0122)..... −448,000
(5) Amount payable from the Employment Training Fund (Item 5180-101-0514)..... −20,000,000
(6) Amount payable from the Federal Trust Fund (Item 5180-101-0890)..... −3,833,619,000
(7) Amount payable from the Child Support Collections Recovery Fund (Item 5180-101-8004)..... −14,747,000

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 Department of Social Services that adds to the costs of any program is approved by the Department of Finance as to the availability of funds

Item Amount

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.

Item Amount

3. The Department of Finance may authorize the transfer of amounts from this item to Item 5180-001-0001 in order to fund the costs 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 2006–07 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.
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. 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.
7. Pursuant to the Electronic Benefit Transfer (EBT) Act (Chapter 3 (commencing with Section 10065) of Part 1 of Division 9 of the Wel-

Item Amount

fare and Institutions Code) and in accordance with the EBT System regulations (Manual of Policies and Procedures 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.

8. The Department of Finance is authorized to approve expenditures for the California Food Assistance Program in those amounts made necessary by changes in the Food Stamp Program Standard Utility Allowance, including those that result from midyear Standard Utility Allowance adjustments requested by the state. 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 authorization shall be increased by the amount of the excess unless and until otherwise provided by law.
9. Upon request of the Department of Finance, the Controller shall transfer funds between this item and Item 5180-153-0001 as needed to reflect the estimated expenditure amounts for each county that opts into the Title IV-E Child Welfare Waiver Demonstration Project pursuant to Section 18258 of the Welfare and Institutions Code. The Department of Finance shall report to the Legislature the amount to be transferred pursuant to this provision. The transfer shall be authorized at the time the report is made.
11. Upon request by the State Department of Social Services, the Department of Finance may authorize the transfer of funds in this item between Schedule (1) 16.30-CalWORKs and Schedule (2) 16.65-Other Assistance Payments to reflect caseload adjustments for the Kin-

Item Amount

GAP or Kin-GAP Plus programs. Any transfers pursuant to this provision shall be implemented no sooner than 30 days after written notification of the necessity therefor is provided to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the committees in each house of the Legislature that consider appropriations, unless the Chairperson of the Joint Legislative Budget Committee, or his or her designee, determines a lesser time.

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..... 448,000

5180-101-0514—For local assistance, Department of Social Services, for payment to Item 5180-101-0001, payable from the Employment Training Fund..... 20,000,000

Provisions:

1. Pursuant to Section 1611.5 of the Unemployment Insurance Code, funds appropriated in this item are available for CalWORKs welfare-to-work activities.

5180-101-0890—For local assistance, Department of Social Services, for payment to Item 5180-101-0001, payable from the Federal Trust Fund..... 3,833,619,000

Provisions:

1. Provisions 1, 4, 6, 7, 9, and 10 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 costs 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 Temporary Assistance for 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). 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

Item Amount

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 Child Care and Development Fund and/or TANF funds.

4. Upon request of the State 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 to offset any increases or decreases in collections deposited in the Child Support Collections Recovery Fund and appropriated in Item 5180-101-8004.
5. Of the amount appropriated in this item, $90,000,000 is available to assist counties in meeting the federal Temporary Assistance for Needy Families program work participation rate in a manner consistent with the goals of the CalWORKs program specified in Section 10540 of the Welfare and Institutions Code. Notwithstanding any other provision of law, these funds are eligible for expenditure until June 30, 2008.

5180-101-8004—For local assistance, Department of Social Services, for payment to Item 5180-101-0001, payable from the Child Support Collections Recovery Fund..... 14,747,000

Provisions:

1. Notwithstanding any other provision of law, upon request by the State 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 written notification 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 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..... 4,952,484,000

Item Amount

Schedule:

(1) 16.70-SSI/SSP..... 3,619,709,000
(2) 25.15-IHSS..... 3,942,605,000
(3) Reimbursements..... −2,609,830,000

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 $215,000,000 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 or programs 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 or programs 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.
3. The State Department of Social Services shall provide technical assistance to counties to ensure that they maximize the receipt of federal funds for the IHSS program, without compromising the quality of the services provided to IHSS recipients.
4. The Director of Finance may authorize the transfer of amounts from this item to Item 5180-001-0001 in order to fund increased costs due to workload associated with the retroactive reimbursement of Medi-Cal services for the IHSS program to comply with the Conlan v. Shewry court decision. The Department of Finance shall report to the Legislature the amount

Item Amount

to be transferred pursuant to this provision. The transfer shall be authorized at the time the report is made. By October 1, 2006, the State Department of Social Services shall develop an estimate of the county administrative costs to comply with this court decision. Funding for the increased cost of payments and county administration resulting from retroactive reimbursement in complying with this court decision shall be funded either through new resources under authorization of Provision 1 of this item, which references Provision 4 of Item 5180-101-0001, or through existing unspent resources available in other programs in this item through the transfer authority of Section 26.00.

5. The Director 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 or service payments in the IHSS program. The Department of Finance shall report to the Legislature the amount to be transferred pursuant to this provision. The transfer shall be authorized at the time the report is made.

5180-141-0001—For local assistance, Department of Social Services..... 437,339,000

Schedule:

(1) 16.75-County Administration and Automation Projects..... 1,055,060,000

(2) Reimbursements..... −57,397,000

(3) Amount payable from the Federal Trust Fund (Item 5180-141-0890)..... −560,324,000

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

Item Amount

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.
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.
7. It is the intent of the Legislature that testing of the interface between the Statewide Automated

Item Amount

Welfare System (SAWS) and the California Child Support Automation System be considered a high priority by the SAWS Consortia, county welfare departments, the State Department of Social Services, the Office of Systems Integration, the Department of Child Support Services, the Franchise Tax Board, and local child support agencies. These entities shall make every effort to complete the interface testing as soon as possible. Resources may be redirected for this purpose, if necessary.

8. Upon request of the Department of Finance, the Controller shall transfer funds between this item and Item 5180-153-0001 as needed to reflect the estimated expenditure amounts for each county that opts into the Title IV-E Child Welfare Waiver Demonstration Project pursuant to Section 18258 of the Welfare and Institutions Code. The Department of Finance shall report to the Legislature the amount to be transferred pursuant to this provision. The transfer shall be authorized at the time the report is made.

5180-141-0890—For local assistance, Department of Social Services, for payment to Item 5180-141-0001, payable from the Federal Trust Fund..... 560,324,000

Provisions:

1. Provisions 2, 3, 4, 6, 7, and 8 of Item 5180-141-0001 also apply to this item.

5180-151-0001—For local assistance, Department of Social Services..... 912,253,000

Schedule:

(1) 25.30-Children and Adult Services and Licensing..... 2,392,442,000
(2) 25.35-Special Programs..... 22,644,000
(3) Reimbursements..... −99,626,000
(4) Amount payable from the Child Health and Safety Fund (Item 5180-151-0279)..... −878,000
(5) Amount payable from the State Children's Trust Fund (Item 5180-151-0803)..... −1,600,000
(6) Amount payable from the Federal Trust Fund (Item 5180-151-0890)..... −1,399,979,000

Item	Amount
(7) Amount payable from the Child Welfare Services Program Improvement Fund (Item 5180-151-8023).....	−750,000

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 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. 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 State Department of Social Services that it intends to cease performing that function.
6. Of the amount appropriated in this item, $171,440,000 shall be provided to counties to fund additional child welfare services activities

Item Amount

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, and shall not be used 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 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.

7. The State 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.
8. Of the amount appropriated in this item, $2,500,000 shall be provided to counties to fund additional services for the Kinship Supportive Services Program and shall be allocated on a competitive basis to counties that demonstrate out-year savings in their grant application.

Item Amount

9. Upon request by the Department of Finance, the Controller shall transfer funds between this item and Item 5180-153-0001 as needed to reflect the estimated expenditure amounts for each county that opts into the Title IV-E Child Welfare Waiver Demonstration Project pursuant to Section 18258 of the Welfare and Institutions Code. The Department of Finance shall report to the Legislature the amount to be transferred pursuant to this provision. The transfer shall be authorized at the time the report is made.
10. Of the amount appropriated in this item, $98,000,000 shall be designated for needed outcome improvements identified in the county system improvement plans. The funds shall be allocated based on a methodology developed by the department, in consultation with the County Welfare Directors Association. Funds appropriated for child welfare services outcome improvements shall be flexible and may be spent on local priorities identified in the county's system improvement plan, including, but not limited to, reducing high worker caseloads, clerical or paraprofessional support, direct services to clients, such as mental health or substance abuse treatment, prevention, and early intervention services, such as differential response, permanency, and youth transition practice improvements, or any other investments to better serve children and families. It is the intent of the Legislature that these funds be linked to improved outcomes and provided to counties on an ongoing basis. 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.

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..... 878,000

5180-151-0803—For local assistance, Department of Social Services, payable from the State Children's Trust Fund..... 1,600,000

Item Amount

5180-151-0890—For local assistance, Department of Social Services, for payment to Item 5180-151-0001, payable from the Federal Trust Fund..... 1,399,979,000

Provisions:

1. Provisions 1, 3, 5, 6, 9, and 10 of Item 5180-151-0001 also apply to this item.
2. It is the intent of the Legislature that the Independent Living Program, Kinship Support Services, and Dependency Drug Courts be the highest priority uses of any additional federal Promoting Safe and Stable Families funding that becomes available for expenditure in the 2006−07 fiscal year, to the extent that expenditures of those funds for those programs are consistent with federal law.

5180-151-8023—For local assistance, Department of Social Services, payable from the Child Welfare Services Program Improvement Fund..... 750,000

Provisions:

1. Notwithstanding any other provision of law, upon request by the Department of Social Services, the Department of Finance may increase or decrease the expenditure authority in this item, for the purposes of Section 16524 of the Welfare and Institutions 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 Chairperson of the Joint Legislative Budget Committee, or his or her designee, imposes a lesser time.

5180-153-0001—For local assistance, Department of Social Services..... 10,000,000

Schedule:

(1) 26-Title IV-E Waiver..... 35,549,000
(2) Amount payable from the Federal Trust Fund (Item 5180-153-0890)..... −25,549,000

Provisions:

1. Upon request by the Department of Finance, the Controller shall transfer funds between this item and Items 5180-101-0001, 5180-141-0001, and 5180-151-0001 as needed to reflect the estimated expenditure amounts for each county that opts into the Title IV-E Child Wel-

Item Amount

fare Waiver Demonstration Project pursuant to Section 18258 of the Welfare and Institutions Code. In addition, funds appropriated in this item may also be transferred to Item 5180-151-0001 for the Child Welfare Services Outcome Improvement Project. The Department of Finance shall report to the Legislature the amount to be transferred pursuant to this provision. The transfer is authorized at the time the report is made.

5180-153-0890—For local assistance, Department of Social Services, for payment to Item 5180-153-0001, payable from the Federal Trust Fund..... 25,549,000

Provisions:

1. Upon request by the Department of Finance, the Controller shall transfer funds between this item and Items 5180-101-0890, 5180-141-0890, and 5180-151-0890 as needed to reflect the estimated expenditure amounts for each county that opts into the Title IV-E Child Welfare Waiver Demonstration Project pursuant to Section 18258 of the Welfare and Institutions Code. In addition, funds appropriated in this item may also be transferred to Item 5180-151-0890 for the Child Welfare Services Outcome Improvement Project. The Department of Finance shall report to the Legislature the amount to be transferred pursuant to this provision. The transfer shall be authorized at the time the report is made.

5180-402—The Director of Finance is authorized to approve transfers of $369,120,000 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 2 child care. The moneys transferred to the State Department of Education shall be used only for direct services to Stage 2 child care recipients, and the State 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 the CCDF, the State Department of Education shall certify that the transfer will not require

Item Amount

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, the State 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 for 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 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 $369,120,000. 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 $220,882,000 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, or (2) is consistent with Provision 4 of Item 5180-

Item Amount

101-0001. Any transfers pursuant to this paragraph shall require the respective legislative notification procedures set forth in Section 28.00 or Provision 4 of Item 5180-101-0001, whichever is applicable.

5180-491—Reappropriation, Department of Social Services. Notwithstanding any other provision of law, the balances of the 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, 2007:

0001—General Fund

(1) Item 5180-111-0001, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(2) Item 5180-141-0001, Budget Act of 2005 (Ch. 38, Stats. 2005)

(3) Item 5180-151-0001, Budget Act of 2005 (Ch. 38, Stats. 2005)

0890—Federal Trust Fund

(1) Item 5180-141-0890, Budget Act of 2005 (Ch. 38, Stats. 2005)

(2) Item 5180-151-0890, Budget Act of 2005 (Ch. 38, Stats. 2005)

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 notification in writing to the chairpersons of the fiscal committees of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee.

Item Amount

5180-492—Reappropriation, Department of Social Services. The balance of the appropriation provided in the following citation for the Case Management, Information and Payrolling System Independent Verification and Validation contract is reappropriated for encumbrance or expenditure until June 30, 2007:

0001—General Fund

(1) Item 5180-001-0001, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

5180-493—Reappropriation, Department of Social Services. The balances of the appropriations provided for in the following citations are reappropriated pursuant to Provision 1 and are available for encumbrance or expenditure until June 30, 2007:

0890—Federal Trust Fund

(1) Item 5180-101-0890, Budget Act of 2000 (Ch. 52, Stats. 2000)

(2) Item 5180-101-0890, Budget Act of 2001 (Ch. 106, Stats. 2001)

Provisions:

1. Funds for fraud recovery incentive payments earned by counties in accordance with subdivision (j) of Section 11486 of the Welfare and Institutions Code, but unexpended as of June 30, 2006, shall be reappropriated for transfer to and in augmentation of Item 5180-101-0890 of Section 2.00.

CORRECTIONS AND REHABILITATION

5225-001-0001—For support of the Department of Corrections and Rehabilitation..... 6,323,617,000

Schedule:

(1) 10-Corrections and Rehabilitation Administration..... 247,061,000

(2) 15-Corrections Standards Authority..... 6,612,000

(3) 20-Juvenile Operations..... 194,105,000

(4) 21-Juvenile Education, Vocations and Offender Programs..... 134,190,000

(5) 22-Juvenile Paroles..... 36,758,000

(6) 23-Juvenile Health care..... 78,487,000

(7) 25-Adult Corrections and Rehabilitation Operations..... 4,735,721,000

(8) 30-Parole Operations-Adult..... 669,058,000

(9) 35-Board of Parole Hearings..... 97,931,000

Item Amount

(10) 40-Community Partnerships..... 7,726,000
(11) 45-Education, Vocations and Offender Programs-Adult..... 273,496,000
(13) Reimbursements..... −84,696,000
(14) Amount payable from the Corrections Training Fund (Item 5225-001-0170)..... −2,671,000
(15) Amount payable from the Federal Trust Fund (Item 5225-001-0890)..... −6,516,000
(16) Amount payable from the Inmate Welfare Fund (Item 5225-001-0917)..... −63,645,000

Provisions:

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 Secretary of the Department of Corrections and Rehabilitation, 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 (7) or (8), or both, may be transferred to Item 5225-101-0001, Schedule (7), 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.
8. Not later than 60 days following enactment of this act, and subsequently on February 10 and upon release of the May Revision, the Secretary of the Department of Corrections and Rehabilitation shall submit to the Director of Fi-

Item Amount

nance the Post Assignment Schedule for each adult institution, reconciled to budgeted authority and consistent with approved programs, along with allotments consistent with the reconciled Post Assignment Schedule for each adult institution.

11. Not later than February 17, 2007, the Secretary of the Department of Corrections and Rehabilitation shall submit to the chairpersons and vice chairpersons of the committees in both houses of the Legislature that consider the state budget and to the Legislative Analyst's Office an operating budget for each of the correctional facilities under the control of the department. Specifically, the report shall include: (a) yearend expenditures by program for each institution in the 2005–06 fiscal year, (b) allotments and projected expenditures by program for each institution in the 2006–07 fiscal year, (c) the number of authorized and vacant positions, estimated overtime budget, estimated benefits budget, and operating expense and equipment budget for each institution, and (d) a list of all capital outlay projects occurring or projected to occur during the 2006–07 fiscal year.

14. Of the funds appropriated in Schedule (1), $1,000,000 shall be available for expenditure on a comprehensive study of the Department of Corrections and Rehabilitation's existing information technology resources and workload no sooner than 30 days after approval by the Chairperson of the Joint Legislative Budget Committee of a plan to conduct such a study.

15. Of the funds appropriated in this item, $55,969,000 is provided for the purpose of funding a 3.1-percent price increase for the Department of Corrections and Rehabilitation. Of that amount, the department shall provide a 3.1-percent increase on the variable costs and personal services amounts for public community correctional facilities.

16. The Department of Corrections and Rehabilitation shall report to the Joint Legislative Budget Committee on September 1, 2006, and March 1, 2007, regarding its efforts to reduce the hiring time for entry level peace officer classifications from point of application to point of eligi-

Item Amount

bility, as well as meet the increasing demands for the institutions statewide. The department shall provide information on its progress in reducing the overall selection process from 12 to 18 months to 6 months, and on its progress in providing approximately 3,600 correctional officers in the 2006–07 fiscal year through the Basic Correctional Officer Academy.

17. No later than September 1, 2006, the Secretary of the Department of Corrections and Rehabilitation shall submit to the chairpersons and vice chairperson of the committees in both houses of the Legislature that consider the state budget and to the Legislative Analyst's Office an implementation and evaluation plan for funding provided as part of Recidivism Reduction Strategies. For each program component of Recidivism Reduction Strategies, the department shall detail its projected timeline for program implementation, including, but not limited to, purchasing equipment and supplies, hiring staff, securing contracts, beginning participation by inmates and parolees, and reaching full operating capacity. For each program component of Recidivism Reduction Strategies, the plan shall also identify the specific measures by which the department plans to evaluate these programs, the baseline measurements for these programs, as well as identify projected implementation targets and targeted projected outcomes for September 2006, March 2007, and annually for five years that the department expects to achieve for each of these measures.
18. Of the funds appropriated in this item, $900,000 shall be used to contract with correctional program experts to complete comprehensive evaluations of all adult prison and parole programs designed to reduce recidivism, including education, rehabilitation and treatment, and parole programs, for both male and female inmates and parolees. This evaluation shall include an inventory of existing programs, including program capacity, as well as an assessment of whether each of these programs is likely to have a significant impact on recidivism for those participants. This evaluation shall also include an estimate of the number of inmates or

Item Amount

parolees not currently participating in these programs who would be likely to benefit from participation. The Department of Corrections and Rehabilitation shall submit to the chairpersons and vice chairpersons of the committees in both houses of the Legislature that consider the state budget and to the Legislative Analyst's Office a report detailing the findings of the evaluation by June 30, 2007.

22. Of the funds appropriated in this item, $281,626,000 is available for expenditure only for the purposes identified below. Any unexpended funds shall revert to the General Fund.
    (a) Basic Correctional Officer Academy Expansion: $54,503,000
    (b) Farrell v. Hickman, Healthcare Remedial Plan: $7,530,000
    (c) Farrell v. Hickman, Ward Safety and Welfare Remedial Plan: $42,934,000
    (d) Electronic In-Home Detention Restoration: $1,202,000
    (e) Medical Guarding and Transportation: $30,958,000
    (f) Records Staffing and Automation: $7,759,000
    (g) Electromechanical Security Door Operating and Locking System: $3,000,000
    (h) Equipment Replacement: $400,000
    (i) Private Community Correctional Facility Security Enhancements: $453,000
    (j) Recidivism Reduction Strategies: $52,761,000
    (k) Global Positioning System Monitoring Expansion: $5,134,000
    (*l*) Critical Special Repair Projects and Assessments: $11,000,000
    (m) Gang Management: $200,000
    (n) Restoration of Parole Hearings Appeals Unit: $640,000
    (o) Rutherford v. Schwarzenegger, Life Prisoner Parole Hearing Staffing: $6,646,000
    (p) Protective Vests: $4,079,000
    (q) Enterprise Information Services Corrective Action Plan: $2,249,000
    (r) Madrid v. Woodford, Compliance: $5,168,000

Item Amount

(s) Garrison Johnson v. California, Racial Integration: $4,829,000
(t) Victims and Witness Assistance at Parole Revocation Hearings: $1,430,000
(u) Farrell v. Hickman, Mental Health Remedial Plan Resources: $14,778,000
(v) Farrell v. Hickman, Consent Decree: $1,327,000
(w) Space Needs Related to Farrell v. Hickman: $12,469,000
(x) Substance Abuse Treatment Funding: $835,000
(y) Coleman v. Schwarzenegger, Court Order Compliance: $2,325,000
(z) Comprehensive Health Care Recruitment Staff: $3,928,000
(aa) Coleman v. Schwarzenegger, Psychiatrists Pay Enhancement: $3,089,000

23. Within the 2006–07 fiscal year, the Division of Juvenile Justice shall implement Behavior Treatment Programs in at least seven living units, enhanced Core Treatment Programs in at least 12 living units, and at least one reentry living unit. In order to demonstrate measurable outcomes, the Division of Juvenile Justice shall focus the implementation of Core Treatment Programs at one individual facility in the first fiscal year. No later than September 15, 2006, and March 15, 2007, the Division of Juvenile Justice shall report to the Joint Legislative Budget Committee on specific performance measures by which the Department of Corrections and Rehabilitation plans to evaluate these programs, the baseline measurements for these programs, as well as projected implementation targets and projected outcomes for March 2007, and September 2007, related to the implementation of the Farrell remedial plans. Performance measures should include both process and outcome measures consistent with a critical path for project implementation.

24. Funds appropriated to accommodate projected adult institutional and parolee population levels in excess of those that actually materialize, if any, shall revert to the General Fund.

Item Amount

5225-001-0170—For support of the Department of Corrections and Rehabilitation, for payment to Item 5225-001-0001, payable from the Corrections Training Fund..... 2,671,000

5225-001-0890—For support of the Department of Corrections and Rehabilitation, for payment to Item 5225-001-0001, payable from the Federal Trust Fund..... 6,516,000

5225-001-0917—For support of the Department of Corrections and Rehabilitation, for payment to Item 5225-001-0001, payable from the Inmate Welfare Fund..... 63,645,000

5225-002-0001—For support of the Department of Corrections and Rehabilitation..... 1,516,637,000

Schedule:

(1) 10-Corrections and Rehabilitation Administration..... 8,283,000

(2) 25.01-Adult Corrections and Rehabilitation Operations..... 65,256,000

(3) 25.02-Adult Corrections and rehabilitation Operations-Distributed..... −65,256,000

(4) 50-Correctional Health Care Services..... 1,410,447,000

(5) 97-Unallocated..... 100,000,000

(6) Reimbursements..... −2,093,000

Provisions:

1. On February 14, 2006, the United States District Court in the case of Plata v. Schwarzenegger (No. C01-1351 THE) suspended the exercise by the Secretary of the California Department of Corrections and Rehabilitation of all powers related to the administration, control, management, operation, and financing of the California prison medical health care system. The court ordered that all such powers vested in the Secretary of the California Department of Corrections and Rehabilitation were to be performed by a receiver appointed by the court commencing April 17, 2006, until further order of the court. The Director of Health Services is to administer this item to the extent directed by the receiver.

2. Notwithstanding any other provision of law, the amount available for expenditure in Schedule (5) is for the purpose of funding costs for the Department of Corrections and Rehabilita-

Item Amount

tion, including the operations of the Office of the California Prison Receivership, and any other state agency or department that is involved in the provision of health care to California inmates, including the costs of capital projects, resulting from actions by the receiver or the court in Plata v. Schwarzenegger. From any amount available in Schedule (5), the Director of Finance may authorize the transfer of funds from Schedule (5) for the purpose of augmenting the amount available for expenditure in any other schedule in this item, or any other appropriation in Section 2.00 to a department or agency that is involved in the provision of health care to California inmates. The Director of Finance shall notify the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the fiscal committees in each house of the Legislature no later than 10 days after the effective date of the transfer. The notification to the Legislature shall include information regarding the purpose of the expenditures and the expected outcome of those expenditures.

3. No later than March 1, 2007, the Department of Corrections and Rehabilitation shall submit a report to the Legislature that provides the guidelines for the goals and performance measures of the delivery of health care services and how the department will compare their performance to those measures to determine whether they are providing the appropriate level of care.
4. Notwithstanding any other provision of law, the Department of Corrections and Rehabilitation is not required to competitively bid for health services contracts in cases where contracting experience or history indicates that only one qualified bid will be received.
5. Notwithstanding Section 13324 of the Government Code or Section 32.00 of this act, no state employee shall be held personally liable for any expenditure or the creation of any indebtedness in excess of the amounts appropriated therefore as a result of complying with the directions of the Receiver or orders of the United States District court in Plata v. Schwarzenegger.

Item Amount

6. Of the amount appropriated in Schedule (4), $21,487,000 is for the purpose of complying with the Perez v. Hickman settlement agreement. Of this amount, $14,080,000 is appropriated for the purpose of establishing 124 positions, as well as equipment and contract costs, beginning on July 1, 2006. The remaining $7,407,000 appropriated for the purpose of establishing 202 positions later in the fiscal year shall not be expended until (a) the California Department of Corrections and Rehabilitation provides the Joint Legislative Budget Committee with a copy of the staffing study required under the Perez v. Hickman settlement agreement, and (b) the Department of Finance provides the Joint Legislative Budget Committee with a letter stating the extent to which the staffing levels authorized in this act are consistent with the findings of the staffing study. Within 60 days of the receipt of the study and letter, the Joint Legislative Budget Committee shall notify the California Department of Corrections and Rehabilitation and the Department of Finance whether it finds these expenditures for the positions are consistent with the staffing study. Any funds subject to this provision that are not expended shall revert to the General Fund.
7. On or before January 1, 2007, the Department of Corrections and Rehabilitation shall establish guidelines concerning the conditions under which inmates needing special medical care are provided with a physician consultation through telemedicine rather than an in-person visit at an outside medical facility. The guidelines should take into consideration factors including, but not limited to, whether (a) a telemedicine consultation is medically appropriate, (b) a medical specialist is available to conduct a telemedicine consultation in a timely manner, and (c) the inmate in need of medical specialty services is assigned to a prison that has received telemedicine resources as part of the Plata v. Schwarzenegger rollout. Based on these guidelines, by March 1, 2007, the department shall establish monthly performance targets for prisons with a telemedicine capability

Item Amount

regarding the total number and percentage of medical specialty consultations that are conducted by telemedicine rather than at community medical facilities, and provide a copy of the performance targets to the Joint Legislative Budget Committee. By June 30, 2007, the department shall provide a written report to the Joint Legislative Budget Committee on the extent to which the prisons achieved their performance targets. The report shall include any factors that may have prevented the department from meeting its performance targets, as well as the total estimated savings from using telemedicine.

8. The Department of Finance shall immediately notify the Joint Legislative Budget Committee and the fiscal committees in each house of the Legislature when expenditures pursuant to Provision 2 are occurring at a rate that would exhaust the level of funding in Schedule (5) prior to the end of the fiscal year.
9. Any funds in Schedule (5) that are not expended by June 30, 2007, shall revert to the General Fund.

5225-003-0001—For support of Department of Corrections and Rehabilitation, for rental payments on lease-revenue bonds..... 245,806,000

Schedule:

(1) Base Rental and Fees..... 246,174,000
(2) Insurance..... 1,666,000
(3) Reimbursements..... −2,034,000

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.
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

5225-004-0001—For support of the Department of Corrections and Rehabilitation..... 530,000

Item		Amount
Schedule:		
(1) 15-Corrections Standards Authority	1,273,000	
(2) Reimbursements	−10,000	
(3) Amount payable from the Federal Trust Fund (Item 5225-004-0890)	−733,000	
5225-004-0890—For support of Department of Corrections and Rehabilitation, for payment to Item 5225-004-0001, payable from the Federal Trust Fund		733,000
5225-011-0001—For support of the Department of Corrections and Rehabilitation (Proposition 98)		52,859,000
Schedule:		
(1) 21-Juvenile Education, Vocations and Offender Programs	52,859,000	
5225-101-0001—For local assistance, Department of Corrections and Rehabilitation		279,617,000
Schedule:		
(1) 15-Corrections Standards Authority	202,250,000	
(2) 20-Juvenile Operations	78,000	
(3) 22-Juvenile Paroles	11,403,000	
(4) 25.15.010-Adult Corrections and Rehabilitation Operations—Transportation of Inmates	278,000	
(5) 25.15.020-Adult Corrections and Rehabilitation Operations—Return of Fugitives	2,593,000	
(6) 25.30-Adult Corrections and Rehabilitation Operations—County Charges	17,160,000	
(7) 30-Parole Operations—Adult	45,855,000	

Provisions:

1. The amount appropriated in Schedules (4), (5), (6), and (7) 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 1190 of the Penal Code), in accordance with Section 26749 of the Government Code. Claims filed by local jurisdictions shall be filed within six months

Item Amount

after the end of the month in which those transportation costs 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. 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 and Rehabilitation, 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

Item Amount

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 incurred. Claims filed by local jurisdictions may not include booking fees, may not recover detention costs in excess of $71.57 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 and Rehabilitation 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 and Rehabilitation 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 (7) of this item may be transferred to Schedule (7) or (8), or both, of Item 5225-001-0001, 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.

4. The amounts appropriated in Schedules (2) and (3) are provided for the following purposes:

(a) To pay the transportation costs of persons committed to the Department of Corrections and Rehabilitation 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 the Department of Corrections and Rehabilitation parolees who are detained on alleged pa-

Item Amount

role 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.

5. Of the amount appropriated in Schedule (3), $10,000,000 is for the Juvenile Justice Community Reentry Challenge Grant Program. Of the amount appropriated for this program, up to a total of 5 percent shall be transferred upon the approval of the Director of Finance to either Schedule (2) or (5), or both, of Item 5225-001-0001 for expenditure to administer this program, including technical assistance to counties and the development of an evaluation component.

5225-101-0170—For local assistance, Department of Corrections and Rehabilitation, Program 15-Corrections Standards Authority, payable from the Corrections Training Fund..... 19,465,000

1. Notwithstanding any other provision of law, any city, county, or city and county that desires to receive state aid pursuant to this provision shall make application to the Corrections Standards Authority for such aid. The initial application shall be accompanied by a certified copy of an ordinance adopted by the governing body providing that, while receiving any state aid pursuant to this provision, the city, county, or city and county will adhere to the standards for selection and training established by the authority. The application shall contain such information as the authority may require.
2. The authority shall annually allocate and the State Treasurer shall periodically pay from the Corrections Training Fund, at intervals specified by the authority, to each city, county, or city and county that has applied and qualified for aid pursuant to the provisions of this item an amount determined by the authority pursuant to standards set forth in its regulations. In no event shall any allocation be made to any city, county, or city and county that is not ad-

Item		Amount
hering to the selection and training standards established by the authority as applicable to such city, county, or city and county.		
5225-104-0890—For local assistance, Department of Corrections and Rehabilitation, payable from the Federal Trust Fund		34,950,000
Schedule:		
(1) 15.50.701-Juvenile Justice and Delinquency Prevention	7,065,000	
(2) 15.50.703-Community Delinquency Prevention Program	5,002,000	
(3) 15.50.705-Juvenile Accountability Incentive	21,769,000	
(4) 15.50.706-Juvenile Justice—Project Challenge	1,114,000	
Provisions:		
1. Notwithstanding any other provision of law, the Department of Corrections and Rehabilitation 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 Department of Corrections and Rehabilitation.		
5225-301-0001—For capital outlay, Department of Corrections and Rehabilitation		177,679,000
Schedule:		
(1.5) 60.26.006-Northern California Youth Correctional Center, Stockton: Core Treatment Facility—Study	3,000,000	
(2) 60.26.145-Northern California Youth Correctional Center, Stockton: Blast Chiller—Construction	1,252,000	
(3) 61.01.001-Statewide: Budget Packages and Advance Planning	1,250,000	
(4.5) 61.01.202-Statewide: Small Management Exercise Yards (MCSP, SOL, WSP,, RJD)—Construction	2,720,000	
(5) 61.03.023-California Correctional Center, Susanville: Wastewater Treatment Plant Modifications—Preliminary plans	1,567,000	

Item	Amount
(6) 61.06.029-Deuel Vocational Institution, Tracy: Groundwater Treatment/Non-Potable Water Distribution System—Construction.....	27,123,000
(7) 61.06.030-Deuel Vocational Institution, Tracy: New Wastewater Treatment Plant—Working drawings and construction.....	26,660,000
(8) 61.06.034-Deuel Vocational Institution, Tracy: New Electrical Power Substation—Preliminary plans, working drawings, and construction.....	2,475,000
(9) 61.07.029-Folsom State Prison, Represa: Convert Officer and Guards Building to Office Space—Preliminary plans.....	410,000
(11) 61.08.049-California Institution for Men, Chino: Solid Cell Fronts—Working drawings.....	645,000
(12) 61.09.038-CaliforniaMedicalFacility, Vacaville: Solid Cell Fronts—Working drawings.....	387,000
(13) 61.09.040-CaliforniaMedicalFacility, Vacaville: Intermediate Care Facility—Working drawings and construction.....	5,455,000
(13.5) 61.09.041-California Medical Facility, Vacaville: Intermediate Care Facility—Preliminary Plans.....	3,914,000
(14) 61.10.036-California Men's Colony, San Luis Obispo: High Mast Lighting—Construction.....	1,045,000
(15) 61.10.049-California Men's Colony, San Luis Obispo: Potable Water Distribution System Upgrade—Construction.....	33,563,000
(15.5) 61.13.015-California Institution for Women, Frontera: Acute/Intermediate Care Facility—Preliminary Plans.....	2,172,000
(16) 61.14.030-Minor Projects.....	12,500,000
(17) 61.16.023-Sierra Conservation Center, Jamestown: Filtration/Sedimentation Structure—Preliminary plans.....	151,000

Item		Amount
(17.1)	61.18.010-Mule Creek State Prison, Ione: Enhanced Outpatient Program, Treatment and Program Space—Preliminary plans.....	250,000
(17.2)	61.21.009-California State Prison—Los Angeles County, Los Angeles: Enhanced Outpatient Program, Treatment and Program Space—Preliminary Plans.....	250,000
(18)	61.22.006-Chuckawalla Valley State Prison, Blythe: Wastewater Treatment Plant Improvements—Preliminary plans.....	455,000
(19)	61.23.004-California State Prison, Corcoran, Corcoran: Wastewater Treatment Plant Improvements—Working drawings.....	264,000
(20)	61.30.004-Centinela State Prison, Imperial: Wastewater Treatment Plant Upgrades—Working drawings.....	548,000
(21)	61.33.003-High Desert State Prison/California Correctional Center, Susanville: Arsenic Removal from Potable Water Supply—Construction.....	8,414,000
(23)	61.35.010-Salinas Valley State Prison, Soledad: Intermediate Care Facility—Working drawings and construction.....	8,491,000
(24.5)	61.35.012-Salinas Valley State Prison, Soledad: Intermediate Care Facility—Preliminary Plans.....	7,905,000
(25)	61.39.003-Kern Valley State Prison, Kern: Arsenic Removal Water Treatment System—Construction.....	2,477,000
(26)	61.47.005-California State Prison, Sacramento, Represa: Acute Mental Health Facility—Preliminary Plans.....	14,972,000

Item	Amount
(27) 61.47.006-California State Prison, Sacramento, Represa: Intermediate Care Facility—Preliminary Plans.....	7,114,000
(28) 61.47.007-California State Prison, Sacramento, Represa: Enhanced Outpatient Program, Treatment and Program Space—Preliminary Plans.....	250,000

Provisions:

1. The funds appropriated in Schedule (3) are to be allocated by the Department of Corrections and Rehabilitation, 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 2007–08 or 2008–09 Budget Act, and for which cost estimates or preliminary plans can be developed prior to legislative hearings on the 2007–08 and 2008–09 Budget Acts, 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 these items 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 and Rehabilitation shall provide a 20-day notification to the Chairperson of the Joint Legislative Budget Committee, the chairpersons of the respective fiscal committee of each house of the Legislature, 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.

Item Amount

3. Funds appropriated in Schedule (16) include $5,000,000 in one-time funding for Division of Juvenile Justice facilities renovations to comply with the Farrell lawsuit.
4. Funds appropriated in Schedule (18) are to be utilized for rehabilitating the existing trickling filter technology pending approval of a wastewater discharge permit waiver. If no wastewater discharge permit waiver is issued to the department, pending Public Works Board approval, the funds are to be utilized towards a new wastewater treatment system capable of meeting the wastewater discharge requirements.

5225-301-0660—For capital outlay, Department of Corrections and Rehabilitation, payable from the Public Buildings Construction Fund..... 38,000,000

Schedule:

(1) 61.22.004-Chuckawalla Valley State Prison, Blythe: Heating, Ventilation, and Air-Conditioning System—Construction..... 38,000,000

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 construction of the project authorized by this item.
2. The State Public Works Board and the Department of Corrections and Rehabilitation 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 dur-

Item Amount

ing 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.

4. The Department of Corrections and Rehabilitation 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 10b (commencing with Section 15800) of Division 3 of Title 2 of the Government Code). This provision does not exempt the Department of Corrections and Rehabilitation from the requirements of the California Environmental Quality Act. This provision is declaratory of existing law.

5225-301-0751—For capital outlay, Department of Corrections and Rehabilitation, payable from 1990 Prison Construction Bond Fund..... 1,491,000

Schedule:

(1) 61.31.002-Pleasant Valley State Prison, Coalinga: Bar Screen, Prelift Station—Construction..... 1,491,000

5225-485—Reappropriation (Proposition 98), Department of Corrections and Rehabilitation. The sum of $224,000 is hereby reappropriated from the Proposition 98 Reversion Account, for the following purpose:

0001—General Fund

(1) $224,000 to the Department of Corrections and Rehabilitation to fund population increases in juvenile education in the 2005–06 fiscal year.

5225-490—Reappropriation, Department of Corrections and Rehabilitation. 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 expenditure or encumbrance as cited below:

Item Amount

0001—General Fund

(1) Item 5225-001-0001, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005).

(a) The balance of the funds appropriated for the support, development, implementation, and maintenance of the Parole Law Enforcement Automated Data System is reappropriated for that purpose and shall be available for expenditure or encumbrance until June 30, 2007.

(b) The balance of the funds appropriated for continued implementation of the Business Information System is reappropriated for that purpose and shall be available for expenditure or encumbrance until June 30, 2007.

(c) The balance of the funds appropriated for the purpose of the design and development of curricula for the training identified in the training needs assessment, and conducting staff training, is reappropriated for that purpose and shall be available for expenditure or encumbrance until June 30, 2007.

0890—Federal Trust Fund

(1) Item 5430-109-0890, Budget Act of 2001 (Ch. 106, Stats. 2001), for the purpose of constructing and expanding local corrections facilities, is reappropriated for that purpose and shall be available for expenditure or encumbrance until September 30, 2007.

5225-491—Reappropriation, Department of Corrections and Rehabilitation. 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:

0001—General Fund

(1) Item 5225-301-0001, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(3) 60.26.145-Northern California Youth Correctional Facility: Blast Chiller—Preliminary plans and working drawings

(8) 61.03.023-California Correctional Center, Susanville: Wastewater Treatment Plant Modifications—Acquisition

(2) Item 5240-301-0001, Budget Act of 2002 (Ch. 379, Stats. 2002)

Item Amount

(6) 61.15.027-California Rehabilitation Center, Norco: Potable Water System Improvements—Construction

(3) Item 5240-302-0001, Budget Act of 1998 (Ch. 324, Stats. 1998), as reappropriated by Item 5240-490, Budget Act of 1999 (Ch. 50, Stats. 1999), Item 5240-490, Budget Act of 2000 (Ch. 52, Stats. 2000), Item 5240-490, Budget Act of 2001 (Ch. 106, Stats. 2001), Item 5240-490, Budget Act of 2002 (Ch. 379, Stats. 2002), and Item 5240-492, Budget Act of 2003 (Ch. 157, Stats. 2003)

(1) 61.01.759-Statewide Habitat Conservation Plan

0660—Public Buildings Construction Fund

(1) Item 5225-301-0660, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(2) 61.04.040-California Correctional Institution, Tehachapi: Wastewater Treatment Plant Renovation—Working drawings and construction

(4) 61.35.007-Salinas Valley State Prison, Soledad: 64 Bed Mental Health Facility—Preliminary plans, working drawings, and construction

(2) Item 5240-301-0660, Budget Act of 2003 (Ch. 157, Stats. 2003)

(5) 61.47.002-California State Prison, Sacramento, Represa: Psychiatric Services Unit/Enhanced Outpatient Care, Phase II—Construction

5225-495—Reversion, Department of Corrections and Rehabilitation, Proposition 98. The following amount shall be reverted to the Proposition 98 Reversion Account by the State Controller within 60 days of enactment of this act:

0001—General Fund

(1) $224,000 from Item 5460-011-0001, Budget Act of 2004 (Ch. 208, Stats. 2004)

5225-496—Reversion, Department of Corrections and Rehabilitation. As of June 30, 2006, the unencumbered balances of the appropriations provided in the following citations shall revert to the fund balance from which the appropriation was made:

0001—General Fund

(1) Item 5225-301-0001, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

Item Amount

(2) 60.01.130-Statewide: Install Fire Protection Sprinkler System—Preliminary plans
(22) 61.39.003-Kern Valley State Prison, Kern: Arsenic Removal Water Treatment System—Construction

0660—Public Building Construction Fund
(1) Item 5225-301-0660, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)
(1) 61.22.004-Chuckawalla Valley State Prison, Blythe: Heating, Ventilation, and Air Conditioning System—Construction

0751—1990 Prison Construction Fund
(1) Item 5225-301-0751, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)
(1) 61.31.002-Pleasant Valley State Prison, Coalinga: Bar Screen, Prelift Station—Construction

EDUCATION

6110-001-0001—For support of Department of Education..... 48,902,000
Schedule:
(1) 10-Instruction..... 58,451,000
(2) 20-Instructional Support..... 100,127,000
(3) 30-Special Programs..... 55,985,000
(4) 40-Executive Management and Special Services..... 9,178,000
(5) 50-State Board of Education..... 0
(6) 42.01-Department Management and Special Services..... 31,810,000
(7) 42.02-Distributed Department Management and Special Services..... −31,810,000
(8) Reimbursements..... −18,163,000
(9) Amount payable from Federal Trust Fund (Item 6110-001-0890)..... −156,280,000
(10) Amount payable from Mental Health Services Fund (Item 6110-001-3085)..... −396,000
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 and shall be directed to meet the policy priorities of its members. Of the amount appropriated in

Item Amount

this schedule, $130,000 is allocated for statutory oversight of charter schools approved by the State Board of Education. 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 State Board of Education-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. 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.

   (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 regu-

Item Amount

lations of the California Victim Compensation and Government Claims Board.

4. The funds appropriated in this item may not be expended for any REACH program.
5. 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.
6. Of the funds appropriated in this item, $206,000 shall be available as matching funds for the 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.
7. Of the funds appropriated in this item, no less than $2,074,000 is available for support of Child Care Services, including state preschool.
8. Of the funds appropriated in this item: (a) $360,000 is for the purpose of providing the STAR Program and HSEE Program each with two staff members possessing psychometric and test development expertise; and (b) $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.
9. 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.
10. 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.

Item Amount

11. Of the funds appropriated in this item, $858,000, as subsequently adjusted for employee compensation, 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.
12. By October 31, 2006, the State Department of Education (SDE) 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, 2007, the SDE 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.
13. On or before April 15, 2007, 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 the SDE. The SDE shall make every effort to ensure that all districts have submitted the necessary information requested on the relevant reporting forms.
14. The State Department of Education 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, March 31, and May 31 of each year, regarding the amount of Proposition 98 savings estimated to be available for reversion by June 30 of that year.
15. Of the reimbursement funds appropriated in this item, $2,000,000 shall be available to the State Department of Education for nutrition education and physical activity promotion pursuant to an interagency agreement with the State Department of Health Services.

Item Amount

16. The report required by Section 60800 of the Education Code for the physical performance test is not required to be printed and mailed, but shall be compiled and reported electronically.
17. Reimbursement expenditures pursuant to this item resulting from the imposition by the State Department of Education (SDE) of a commercial copyright fee may not be expended sooner than 30 days after the SDE submits to the Department of Finance a legal opinion affirming the authority to impose such fees and the arguments supporting that position against any objections or legal challenges to the fee filed with the SDE. Any funds received pursuant to imposition of a commercial copyright fee may only be expended as necessary for outside counsel contingent on a certification of the Superintendent of Public Instruction that sufficient expertise is not available within departmental legal staff. The SDE shall not expend greater than $300,000 for such purposes without first notifying the Department of Finance of the necessity thereof, and upon receiving approval in writing.
18. Of the funds appropriated in this item, $2,625,000 is provided on a one-time basis for legal representation from the Attorney General's office in litigation related to the High School Exit Examination. The State Department of Education (SDE) shall provide a report to the Department of Finance and the Legislature detailing the expenditures of these funds and providing an update on any such litigation on November 1, 2006, and every four months thereafter, with the final report due on June 30, 2007. The office of the Attorney General shall provide the SDE any information, including budget and expenditure data, necessary for the SDE to complete its reports to the Department of Finance and the Legislature.
19. Notwithstanding Section 19080.3 of the Government Code, 3.0 positions are established for a two-year limited term expiring June 30, 2008, for the purpose of implementing the Mental Health Services Act.

Item Amount

21. Of the funds appropriated in this item, $940,000 and 1.0 position is to support state operations related to the development of a longitudinal database for the requirements of the federal No Child Left Behind Act of 2001 (P.L. 107-110).

22. (a) Notwithstanding any other provision of law, and in lieu of the amount that otherwise would have been appropriated for support of the State Department of Education pursuant to Section 8483.55 of the Education Code, of the funds appropriated in this item, $2,616,000 is available for support of the After School Education and Safety (ASES) Program.

(b) (1) Of the amount specified in (a), $300,000 shall be available for the first year of a five-year evaluation of the effectiveness of the before and after school programs. A preliminary report shall be submitted to the Administration and the Legislature by October 1, 2008, that shall provide baseline data, including, but not limited to, the following: (i) the participation rates of local educational agencies; (ii) the attendance rates of students; (iii) the number of sites participating in the program; and (iv) local partnerships.

(2) A final report shall be submitted to the Administration and the Legislature by October 1, 2011. The final report shall include, but not be limited to, the following: (i) updated data on the measures specified in paragraph (1); (ii) the prevalence and frequency of activities included in funded programs; (iii) changes in student academic performance as measured by the results of the California Standards Tests in English/language arts and mathematics; and (iv) improvement in the English language proficiency of participating students as measured by the results of the California English Language Development Test.

Item Amount

(c) Of the amount specified in (a), $95,000 shall be used to reimburse the Office of the Secretary for Education for a position to advise the Administration on before and after school issues.

23. Of the reimbursement funds appropriated in this item, $200,000 shall be available to the State Department of Education (SDE) to contract for assistance in developing an approved listing of food items that complies with the nutrition standards of Chapter 235 of the Statutes of 2005. In order to fund the development and maintenance of the approved product listing, the SDE shall collect a fee, as it deems appropriate, from vendors seeking to have their product reviewed for potential placement on the approved product listing.

24. Of the funds appropriated in this item, $159,000 shall only be available to support a $159,000 interagency agreement with the California Career Resource Network to provide continuing support for the operations of that organization.

25. Of the amount appropriated in this item, $139,000 from reimbursement funds may be expended for first year costs to administer the Education Technology K-12 Voucher Program pursuant to the Microsoft settlement. These funds shall not be expended until the court system has made a final judgment on the settlement and the funds are made available to the department.

26. Of the funds appropriated in this item, $934,000 is for dispute resolution services, including mediation and fair hearing services, provided through contract for the Special Education Program.

27. Of the funds appropriated in this item, $300,000 shall be provided to fund a new study of the Special Disabilities Adjustment pursuant to Chapter 854 of the Statutes of 1997. Notwithstanding any other provision of law, the State Department of Education may contract to perform the followup study.

This study shall examine the distribution of high-cost students among SELPAs and determine whether adjustments to reflect the distri-

Item Amount

bution of high-cost students are warranted. If adjustments are warranted, the study shall recommend a workable method for replacing the current incidence adjustment formula. Options considered by the study may include updating the current formula or developing a different type of adjustment. Whatever method is recommended, it must be constructed so that the department can update the adjustment factors on a periodic basis.

Before beginning the study, the State Department of Education shall, on or before August 1, 2006, convene a workgroup of representatives of SELPAs, the Department of Finance, and the Legislative Analyst to develop one or more new methods of calculating an adjustment. The workgroup shall make recommendations to the department about which option or options should be further explored and developed as part of the followup study. On or before November 1, 2007, the State Department of Education shall submit to the Legislature the results of this study.

28. Of the funds appropriated in this item, $174,000 is available to fund 2.0 positions, until December 31, 2007, to process reimbursement claims and to maintain records related to the California Fresh Start Pilot Program.
29. Of the funds appropriated in this item, $174,000 shall be allocated by the State Department of Education to the California State University, San Bernardino, Center for the Study of Correctional Education, for education monitoring of, and technical assistance for, the Department of Corrections and Rehabilitation, Division of Juvenile Facilities pursuant to Chapter 536 of the Statutes of 2001.
30. Of the funds appropriated in this item, $320,000 is for the purpose of funding an increase in salaries for administrative law judges related to an interagency agreement between the State Department of Education and the Office of Administrative Hearings for special education dispute resolution services.
31. Of the funds appropriated in this item, $1,400,000 is for the purpose of providing one-time funds to cover transition costs associated

Item Amount

with the resolution of additional, unanticipated cases by the Office of Administrative Hearings during the 2005–06 fiscal year. These funds shall be expended only after the development of an expenditure plan by the State Department of Education, which must be approved by the Department of Finance. The expenditure plan shall include all of the following:

(a) The number of cases estimated in the interagency agreement between the Office of Administrative Hearings and the State Department of Education for the 2005–06 fiscal year.

(b) The number of additional cases resolved by the Office of Administrative Hearings during the 2005–06 fiscal year.

(c) The average costs of additional cases resolved by the Office of Administrative Hearings during the 2005–06 fiscal year.

6110-001-0140—For support of the Department of Education, Program 20.10.055-Instructional Support, Environmental Education, payable from the California Environmental License Plate Fund..... 42,000

6110-001-0178—For support of the Department of Education, Program 20.30.003-Instructional Support, Schoolbus Driver Instructor Training, as provided in Section 40070 of the Education Code, payable from the Driver Training Penalty Assessment Fund..... 1,156,000

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..... 899,000

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..... 6,772,000

6110-001-0890—For support of Department of Education, for payment to Item 6110-001-0001, payable from the Federal Trust Fund..... 156,280,000

Provisions:

1. The funds appropriated in this item include federal Vocational Education Act funds for the 2005–06 fiscal year to be transferred to commu-

Item Amount

nity colleges by means of interagency agreements. These funds shall be used by community colleges for the administration of vocational education programs.

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 State Department of Education 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 4.0 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 2006–07 fiscal year, 1.0 education program consultant position shall support fiscal issues pertaining to charter schools.
7. (a) Of the funds appropriated in this item, $10,105,000 is from the Child Care and Development Block Grant Fund and is available for support of Child Care Services. Of this amount, $737,000 is for 6.0 positions within the SDE to address compli-

Item Amount

ance monitoring and overpayments, which may contribute to early detection of fraud. The State Department of Education (SDE) shall provide information to the Legislature and Department of Finance each year that quantifies provider-by-provider level data, including instances and amounts of overpayments and fraud, as documented by the SDE's compliance monitoring efforts for the prior fiscal year.

(b) As a condition of receiving the resources specified in subdivision (a) of this provision, every alternative payment agency 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 no later than April 15.

8. Of the funds appropriated in this item, $2,083,000 shall be used for administration of the Enhancing Education Through Technology Grant Program. Of this amount:

(a) $686,000 is available only for contracted technical support and evaluation services. $278,000 of this amount is available from one-time carryover funds.

9. Of the funds appropriated in this item, $9,206,000 is for dispute resolution services, including mediation and fair hearing services, provided through contract for the Special Education Program. The State Department of Education shall ensure that the following information is included in the quarterly reports that the contractor submits on the results of its dispute resolution services:

(a) The total number of cases won by each side.

Item	Amount
(b) The number of issues decided in favor of each side in split decisions.	
(c) How often schools and parents were represented by attorneys.	
(d) How many prehearing motions were filed by each side.	
(e) Which side won most of the prehearing motions.	
(f) How many parent requests for due process were dismissed for insufficiency.	
(g) How often pupils of color accessed the system.	
(h) How often non-English-speaking people used the system.	
(i) How long the hearings took.	
(j) How much of each hearing, on average, was consumed by the parent's presentation of his or her case.	
(k) How much of each hearing, on average, was consumed by the district's presentation of its case.	
(*l*) How many of the hearing requests were from parents.	
(m) How many of the hearing requests were from school districts.	
(n) How many witnesses school districts called on average.	
(o) How many witnesses parents called on average.	
(p) From which districts parent requests for due process came.	
(q) What issues, within special education, generated due process hearing requests during the quarter.	
(r) What disabilities generated due process hearing requests during the quarter.	
(s) What age groups (preschool, primary, junior high, high school) generated hearing requests during the quarter.	
(t) How many hearing decisions were appealed to court during the quarter.	
(u) How many cases were totally resolved in mediation by agreement.	
(v) How many cases were totally resolved in the mandatory resolution session.	
9.5. Quarterly reports required by Provision 9 and Section 56504.5 of the Education Code shall	

Item Amount

reflect year-to-date data and final year-end data.

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, 2006. 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, $243,000 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.
14. Of the funds appropriated in this item, not less than $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/Underperform-

Item Amount

ing Schools Program pursuant to Article 3 (commencing with Section 52053) of Chapter 6.1 of Part 28 of the Education Code.

15. Of the funds appropriated in this item, $419,000 shall be available pursuant to Chapter 1020 of the Statutes of 2002 for the development and implementation of corrective action plans and sanctions pursuant to federal law. The State Department of Education shall inform the Department of Finance and the Legislature by February 15, 2007, on the use of these funds and the status of these efforts.
16. 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 State Department of Education to contract for annual evaluations of program effectiveness.
17. Of the appropriated funds in this item, $668,000 is for the State Department of Education to continue developing a comprehensive strategy to address data reporting requirements associated with the federal No Child Left Behind Act of 2001 (P.L. 107-110), and to support 5.0 positions to assist with this task.
18. Of the funds appropriated in this item, $600,000 is provided for the final year of a three-year evaluation of the High Priority Schools Grant Program pursuant to Chapter 42 of the Statutes of 2002.
19. Of the funds appropriated in this item, $844,000 is to support state operations related to the development of a longitudinal database for the requirements of the federal No Child Left Behind Act of 2001 (P.L. 107-110).
20. 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 interac-

Item Amount

tive Web portal located on the State Department of Education's (SDE) Web site, which shall allow local educational agencies to submit, locate, and access locally translated parental documents and may include documents that the SDE is responsible for translating. The funding shall also be used to fund 1.0 position to manage the development and maintenance of the Internet clearinghouse site. The addition of an electronic clearinghouse for locally translated documents to the SDE'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.

21. Of the amount appropriated in this item, $832,000 ($600,000 reimbursements and $232,000 federal special education funds) shall be used to fund 6.0 positions and implement the provisions of Chapter 914 of the Statutes of 2004 for increased monitoring of nonpublic, nonsectarian schools.

23. Of the funds appropriated in this item, $443,000 is for 3.0 positions within the State Department of Education for increased monitoring associated with Chapter 493 of the Statutes of 2004.

24. Of the funds appropriated in this item, $2,000,000 from federal Title I funds shall be available for the State Department of Education to contract for the second year of a three-year independent evaluation to determine whether California has met the assessment requirements of the federal No Child Left Behind Act of 2001 (P.L. 107-110). The expenditure of these funds shall be consistent with the expenditure plan and request for proposal approved by the State Board of Education and the Department of Finance.

25. (a) Prior to expenditure of the funds pursuant to subdivision (b), the State Department of Education (SDE) shall build upon preexisting, high-quality translations available from school districts, county offices of education, and other entities that have translated relevant documents, including those identified by the advisory group to school

Item Amount

districts to help them comply with parental notification requirements under state and federal law.

(b) Of the funds appropriated in this item, $450,000 is available to the SDE for the cost of translating into languages other than English state prototype documents. The SDE shall be required to contract with appropriate translators or translator services to translate these documents. The SDE shall post all documents translated as a result of the appropriation referenced in this provision on its existing Internet-based electronic clearinghouse system of state and locally translated parental notification documents.

(c) The SDE shall convene a translations advisory group comprised of the following representatives: the Department of Finance, the SDE, the Legislative Analyst's Office, legislative staff, the Office of the Secretary for Education, relevant organizations, local educational agencies, and limited-English-speaking parents of children in the public K–12 educational system. The purposes of the advisory group shall be the following: (1) to assess and identify gaps in the types of documents being translated and the languages covered by translations, (2) to prioritize vital documents that should be translated, as well as languages of greatest need for translation, and (3) to provide feedback and input to the department, including procedures for translations, quality, dissemination, and outreach. The advisory group shall include no more than 10 individuals, with no more than one person from each state level entity.

26. Of the funds appropriated in this item, $3,199,000 shall be used to implement the Child Nutrition Information and Payment System.

27. Of the funds appropriated in this item, $2,295,000 shall be used for the administration of the 21st Century Community Learning Centers Program.

Item Amount

28. Of the funds appropriated in this item, $288,000 shall be used to fund 3.0 limited-term information technology positions to meet critical federal special education reporting requirements.
29. Of the funds appropriated in this item, $100,000 shall be made available to the Office of the Secretary for Education for state operation costs associated with federal and state accountability activities.
30. Of the funds appropriated in this item, $159,000 in federal Carl D. Perkins Vocational Technical Education Act funding shall only be available to support a $159,000 interagency agreement with the California Career Resource Network to provide continuing support for the operations of that organization.
31. Of the funds appropriated in this item, $400,000 is available from one-time carryover funds to support Clearinghouse for Multilingual Documents activities.
32. Of the funds appropriated in this item, $500,000 is to evaluate the effectiveness of the state's use of School Assistance Intervention Teams. By September 30, 2006, the Superintendent of Public Instruction shall develop, and the State Board of Education shall approve, guidelines for a request for proposal for an independent evaluation of the school assistance and intervention team (SAIT) process as described in Sections 52055.51 and 52055.650 of the Education Code. By March 1, 2007, the Superintendent of Public Instruction shall contract with an independent evaluator to prepare a comprehensive evaluation of the implementation, impact, costs, and benefits of the SAIT process for state-monitored schools. The results of the evaluation shall be disseminated to the Legislature, the Governor, and other interested parties no later than June 30, 2008. The evaluation shall include recommendations for necessary or desirable modifications to the program.
33. Of the amount appropriated in this item, $100,000 is available for an interagency agreement with the California Career Resource Network to develop career resource materials and

Item	Amount
information pursuant to Provision 1 of Item 6330-001-0001.	
34. Of the amount appropriated in this item, $98,000 is available from one-time funds for providing training and technical assistance to local educational agencies implementing local wellness policies.	
35. Of the amount appropriated in this item, $273,000 is available from one-time federal funds to support efforts that directly certify eligible pupils from public benefit programs for free and reduced-price school meal programs.	
36. Of the funds appropriated in this item, $654,000 is for the Statewide Longitudinal Data System Grant, of which $350,000 is available for an interagency agreement with the California School Information Services for programming costs to enhance the usability of the electronic transfer of student transcripts and $292,000 is available for an interagency agreement with the California Community Colleges Chancellor's Office for Phase 2 development of the CCCTRAN.	
37. Of the funds appropriated in this item, $75,000 is available on a one-time basis from federal Title II carryover funds through an interagency agreement with the Commission on Teacher Credentialing for the development of a language examination template and its application to several specific language examinations. After creating the template, the Filipino language shall be given priority for specific examination development, followed by the Hmong, Cantonese, Armenian, Khmer, Arabic, and Farsi languages, in that order, although test development may occur simultaneously.	
38. Of the funds appropriated in this item, $100,000 is available on a one-time basis from federal Title II carryover funds for a professional development conference for mathematics teachers. The conferences shall focus on improving mathematics teachers' instructional strategies and content knowledge of algebra. The conference shall involve the Mathematics Subject Matter Projects, the Mathematics Curriculum and Instruction Steering Committee, the California Mathematics Council, and West-	

Item	Amount
Ed. To assist in the conduct of the conference, the State Department of Education may contract for services.	
39. Of the funds appropriated in this item, $200,000 is available on a one-time basis from federal Title II carryover funds through an interagency agreement with the Commission on Teacher Credentialing for (a) reviewing the standards for special education teacher preparation programs and revising those programs to include outcome-based performance measures that can be tracked annually and (b) reviewing the requirements of Education Specialist credentials and recommending revisions that would better ensure that special education teacher candidates achieve teaching competence and are not required to engage in unproductive activities.	
40. Of the funds appropriated in this item, $450,000 is available on a one-time basis from federal Title II carryover funds to implement a No Child Left Behind monitoring, interventions, and sanctions program to oversee California's compliance with federal teacher quality standards. The State Department of Education shall conduct regional workshops, make site visits, and work with special education and alternative school programs to design and implement a multiple-subject high objective uniform state standards of evaluation process for secondary teachers who teach multiple subjects.	
41. Of the funds appropriated in this item, $500,000 is available on a one-time basis from federal Title II carryover funds to provide training to teachers who are preparing to take examinations leading to an authorization to teach English learners. This training shall be provided by the State Bilingual Teacher Training Program centers established by Article 4 (commencing with Section 52180) of Chapter 7 of Part 28 of the Education Code.	
42. Of the funds appropriated in this item, $500,000 is available on a one-time basis from federal Title II carryover funds through an interagency agreement with the Commission on Teacher Credentialing to implement the Teach-	

Item Amount

ing Performance Assessment pursuant to legislation enacted in the 2005-06 Regular Session.

43. Of the funds appropriated in this item, $686,000 is available on a one-time basis from federal Title II carryover funds for the State Department of Education to fund one Associate Governmental Program Analyst position and other costs associated with the development of the Teacher Database System. In addition, $252,000 is available for an interagency agreement with the Commission on Teacher Credentialing to support one Staff Information Systems Analyst, one Senior Information Systems Analyst, 0.5 Associate Governmental Program Analyst, and other costs associated with the development of the Teacher Database System.

44. Of the funds appropriated in this item, $1,000,000 is available on a one-time basis from federal Title II carryover funds for the State Department of Education, in consultation with the Commission on Teacher Credentialing, to contract for an external evaluation of teacher intern and induction programs, including the university intern program, district intern program, and California Beginning Teacher Support and Assessment program. On or before December 1, 2007, the report shall be submitted to the Legislature and the Governor. To the full extent possible, the State Department of Education and the commission shall make existing data available to the external evaluator conducting the study. The report, at a minimum, shall do all of the following:

(a) Determine whether local induction programs are meeting the objectives of paragraphs (1) to (10), inclusive, of subdivision (b) of Section 44279.1 of the Education Code and recommend improved means to ensure that these objectives are met in the future.

(b) Determine whether university and district intern programs are meeting the purposes specified in Section 44382 of the Education Code and recommend improved means to ensure that these purposes are met in the future.

Item Amount

(c) Recommend revisions to laws, regulations, and policies to eliminate duplicative requirements between teacher preparation, intern, and teacher induction programs and streamline and better coordinate support services for beginning teachers.

(d) Recommend revisions to the system to ensure that teacher credential candidates and interns achieve teaching competence and are not required to engage in unproductive activities.

(e) Recommend ways to ensure that beginning teachers receive direct assistance from experienced teachers.

(f) Recommend ways to ensure that beginning teachers receive assistance, as appropriate, to help them address the needs of special populations of students, especially English learners and special education students.

(g) Recommend state and regional administrative structures that will improve service to and support of beginning teachers.

45. Of the funds appropriated in this item, $1,232,000 is available on a one-time basis from federal Title II carryover funds for state-level professional development activities.

46. The State Department of Education shall allocate an amount not to exceed $127,000 in federal special education funding carryover from prior years to the California State University, San Bernardino, Center for the Study of Correctional Education, for education monitoring of, and technical assistance for, the Department of Corrections and Rehabilitation, Division of Juvenile Facilities, pursuant to Chapter 536 of the Statutes of 2001.

6110-001-3085—For support of Department of Education, for payment to Item 6110-001-0001, payable from the Mental Health Services Fund..... 396,000

Provisions:

1. The funds appropriated in this item are for the final year for three 2-year limited-term positions to develop and disseminate training for local educational agencies to identify and provide appropriate response and support to students with severe mental illness pursuant to Proposition 63.

Item Amount

6110-001-6044—For support of Department of Education, Program 20.30-Administrative Services to local educational agencies, payable from the 2004 State School Facilities Fund..... 2,516,000

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.

6110-002-0001—For support of the Department of Education, for rental payments on lease-revenue bonds..... 118,000

Schedule:

(1) Base Rental and Fees..... 115,000
(2) Insurance..... 3,000

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.
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

6110-003-0001—For support of Department of Education, Program 20.30.020-Instructional Support, Standardized Account Code Structure..... 1,089,000

Provisions:

1. The funds appropriated in this item shall be used only for the direct costs to administer the Standardized Account Code Structure program, to assist any school district or county office of education in financial distress or bankruptcy, to implement the provisions established by Chapter 52 of the Statutes of 2004, 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.... 34,483,000

Item Amount

Schedule:

(1) 10.60.040-Instruction..... 34,846,000

(a) 10.60.040.001-School for the Blind, Fremont..... 5,197,000

(b) 10.60.040.002-School for the Deaf, Fremont..... 15,967,000

(c) 10.60.040.003-School for the Deaf, Riverside..... 13,682,000

(2) Reimbursements..... −363,000

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.
2. Of the funds appropriated in Schedule (1), $117,000, on a one-time basis, shall be used to contract for a data resource specialist and system implementation assistance.

6110-006-0001—For support of Department of Education (Proposition 98), as allocated by the Department of Education to the State Special Schools..... 43,177,000

Schedule:

(1) 10.60.040-Instruction, State Special Schools..... 48,715,000

(a) 10.60.040.001-School for the Blind, Fremont..... 6,075,000

(b) 10.60.040.002-School for the Deaf, Fremont..... 16,807,000

(c) 10.60.040.003-School for the Deaf, Riverside..... 14,561,000

(d) 10.60.040.007-Diagnostic Centers..... 11,272,000

(2) Reimbursements..... −5,538,000

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

Item Amount

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.
3. Of the funds appropriated in Schedule (1)(c) of this item, $117,000 is provided for 1.0 teacher specialist position.
4. Of the funds appropriated in Schedule (1)(c) of this item, $285,000 is provided for 3.0 early childhood education teachers.
5. Of the funds appropriated in Schedule (1)(c) of this item, $47,000 is provided for a 0.5 visual performing arts position.

6110-007-0001—For support of Department of Education, Program 20.20.010-Instructional Materials Management and Distribution—Curriculum Frameworks and Instructional Materials..... 124,000

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..... 2,452,000

Schedule:

(1) 10.60.040-Instruction—State Special Schools..... 2,452,000

Item Amount

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..... 495,000

Provisions:

1. Funds appropriated in this item are for transfer by the Controller to the State Instructional Materials Fund, for allocation during the 2006–07 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.

6110-021-0001—For support, Department of Education, Program 30.20.005-Child Nutrition—Nutrition Education Projects..... 72,000

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

6110-101-0349—For local assistance, Department of Education, Program 20.90-Instructional Support, for allocation to the Fiscal Crisis and Management Assistance Team for the purpose of administering the California School Information Services (CSIS) Program, payable from the Educational Telecommunication Fund..... 23,046,000

Provisions:

1. Notwithstanding Section 10554 of the Education Code, the Controller shall transfer from the General Fund the actual amount certified by the Superintendent of Public Instruction as reductions made to apportionments in the 2005–06 fiscal year for repayments of prior year excess apportionments identified pursuant to audit or audit settlements identified as a result of audit investigations, or inquiries.

Item Amount

2. Of the funds appropriated in this item, $828,000 is to be provided to non-CSIS participating school districts for support of maintenance of individual student identifiers.
4. Of the funds appropriated in this item, $1,360,000 is available for second year costs of the existing cohort.
5. Of the amount appropriated in this item, $20,000,000 is available for expenditure by June 30, 2008, to provide funds to districts that have not previously received funding through CSIS. Funds will be allocated pursuant to Section 49084 of the Education Code for activities consistent with an implementation plan developed by CSIS, to be jointly approved by the Department of Education, the Department of Finance, and the Office of the Secretary for Education, in consultation with the Legislative Analyst's Office.

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

Provisions:

1. On or before June 1, 2007, 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 2006–07 fiscal year.

6110-102-0890—For local assistance, Department of Education, Program 20.60.038-Instructional Support, Learn and Serve America Program, payable from the Federal Trust Fund..... 2,619,000

Provisions:

1. The funds appropriated in this item include a one-time carryover of $820,000, available for the support of additional service learning activities during the 2006–07 fiscal year.

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..... 12,028,000

Item Amount

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, 2007, on the amount of funds expended for and the hours of related and supplemental instruction offered in the apprenticeship program during the 2005–06 fiscal 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 2005–06 and 2006–07 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, 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.

Item Amount

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, $929,000 is provided to increase the number of participants in the program.
7. An additional $6,227,000 in expenditures for this item has been deferred until the 2007–08 fiscal year.

6110-103-0890—For local assistance, Department of Education, Program 40.20.030.003-Robert C. Byrd Honors Scholarship Program, payable from the Federal Trust Fund..... 5,127,000

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..... 312,437,000

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..... 178,027,000

(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..... 43,001,000

Item	Amount
(3) 10.10.011.010-School Apportionments, for Supplemental Instruction, Low STAR-Grades 2–6 for the purposes of Sections 37252.6 and 37252.8 of the Education Code.....	16,454,000
(4) 10.10.011.011-School Apportionments, for Supplemental Instruction, Core Academic K–12 for the purposes of Section 37253 of the Education Code.....	74,955,000

Provisions:

1. Notwithstanding any other provision of law, for the 2006–07 fiscal year, the Superintendent of Public Instruction shall allocate a minimum of $8,337 for supplemental summer school programs in each school district for which the prior fiscal year enrollment was less than 500 and that, in the 2006–07 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 2006–07 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's or charter school's enrollment multiplied by 120 hours, multiplied by the hourly rate for the 2006–07 fiscal year.
3. Notwithstanding any other provision of law, the rate of reimbursement shall be $3.90 per hour of supplemental instruction.
4. Notwithstanding any other provision of law, if the funds in this item are insufficient to fund otherwise valid claims, the Superintendent of Public Instruction shall adjust the rates to conform to available funds.

Item Amount

5. Of the funds appropriated in this item, $21,006,000 is for the purpose of providing a cost-of-living adjustment of 5.92 percent.
6. The funding appropriated in this item shall be considered offsetting revenues within the meaning of subdivision (e) of Section 17556 of the Government Code for any reimbursable mandated cost claim for implementing Section 37252.2 of the Education Code. Local educational agencies accepting funding from this item shall reduce their estimated and actual mandated reimbursement claims by the amount of funding provided to them from this item.
7. Notwithstanding any other provision of law, an additional $90,117,000 in expenditures for this item has been deferred until the 2007–08 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..... 417,978,000

Schedule:

(1) 10.10.004-Instruction Program—School Apportionments, Regional Occupational Centers and Programs..... 425,295,000

(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 Fund in the State Treasury to Section A of the State School Fund for the 2006–07 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.

Item Amount

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 educational 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 educational services for participants in welfare-to-work activities under the CalWORKs program.
6. Of the funds appropriated in this item, $11,358,000 is provided for increases in average daily attendance at a rate of 2.70 percent. If growth funds are insufficient, the State Department of Education may adjust the per-pupil growth rates to conform to available funds. Additionally, $25,576,000 is for the purpose of providing a cost-of-living adjustment at a rate of 5.92 percent.
7. An additional $39,630,000 in expenditures for this item has been deferred until the 2007–08 fiscal year.

Item Amount

6110-107-0001—For local assistance, Department of Education (Proposition 98), Program 10.10-County Offices of Education Fiscal Oversight..... 11,174,000

Schedule:

(1) 10.10.002-COE Oversight..... 5,268,000
(2) 10.10.005-FCMAT..... 3,354,000
(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..... 1,197,000

Provisions:

1. Funds appropriated in Schedule (1) are for the purposes provided in paragraph (1) of subdivision (a) of Section 29 of Chapter 1213 of the Statutes of 1991.
2. Funds appropriated in Schedule (1) may be used by county offices of education for activities including, but not limited to, conducting reviews, examinations, and audits of districts and providing at least annual written notifications regarding the fiscal solvency of districts under fiscal distress, pursuant to Section 42127.6 of the Education Code, or of districts with disapproved budgets, or qualified or negative certifications. Written notifications regarding review, examination, and audit results shall be provided at least annually to the district governing board, the Superintendent of Public Instruction, the Director of Finance, and the Office of the Secretary for Education.
3. Funds appropriated in this item shall be considered offsetting revenues within the meaning of subdivision (e) of Section 17556 of the Government Code for any reimbursable mandated cost claim for school district and county office of education fiscal accountability reporting. Local educational agencies accepting funding from this item shall reduce their estimated and actual mandate reimbursement claims by the amount of funding provided to them from this item.
4. Of the funds appropriated in Schedule (2):
   (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

Item Amount

with respect to these funds and 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 educational agencies to assist them in their decision-making 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 educational agencies and the public.

5. Of the funds appropriated in Schedule (3), $250,000 shall be available to the Fiscal Crisis and Management Assistance Team to pay for project management services for the California School Information Services (CSIS) Program. These funds shall be used to supplement and not supplant other CSIS funds available for project management services.

6. Funds appropriated in Schedule (4) are for the additional staff and resources needed for the Fiscal Crisis and Management Assistance Team to ensure that timely resolution of audit findings is achieved pursuant to the directives of Section 41344 of the Education Code.

7. Of the funds appropriated in Schedule (5):

(a) $150,000 shall be available for no more than a 25-percent state reimbursement to county offices of education for fiscal 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

Item Amount

or subsequent fiscal years, or districts with disapproved budgets.

(b) Up to $900,000 of the funds may be used to fully reimburse county office of education activities for extraordinary costs of audits, examinations, or reviews of any school district or charter school in cases where fraud, misappropriation of funds or other illegal fiscal practices require review by the county offices of education, pursuant to Section 2 of Chapter 620 of the Statutes of 2001 and Section 1 of Chapter 357 of the Statutes of 2005. The State Board of Education may request any county superintendent of schools to initiate such an audit, examination, or review for any charter school or all-charter district for which the board has oversight responsibility. Allocation of the funds shall be administered by the Fiscal Crisis and Management Assistance Team on a reimbursement basis. All reimbursements shall be subject to the approval of both the Department of Finance and the State Department of Education.

8. The amount appropriated in Schedule (5) shall remain available for expenditure for the 2006–07 and 2007–08 fiscal years. Any unexpended balance as of September 1, 2007, shall be available until July 30, 2008, for the following, in order of descending priority:

(a) Any review or audit jointly requested by the State Department of Education and the Department of Finance, to be conducted by a county superintendent of schools in cases where fraud, misappropriation of funds, or other illegal fiscal practices are suspected.

(b) Staff development pursuant to Provision 10.

(c) Regional assistance teams developed pursuant to Provision 4(b).

9. 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

Item Amount

any such revision sooner than 30 days after notification in writing of the necessity to the chairpersons of the committees in each house of the Legislature that consider 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.

10. Of the funds appropriated in Schedule (6):
    (a) $854,000 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. 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 the Fiscal Crisis and Management Assistance Team's responsibilities with respect to these funds.
    (b) $343,000 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 decision-making governance structures.
11. Notwithstanding any other provision of law, funds appropriated in Schedules (1), (2), (4), (5), and (6) 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 responsibilities shall be allocated by the 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, identify-

Item Amount

ing the local educational 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 State Department of Education and to the Department of Finance by October 1, 2006.

6110-108-0001—For local assistance, Department of Education (Proposition 98), for grades 9 to 12 school counselors..... 75,000,000

Provisions:

1. Of the funds appropriated in this item, $75,000,000 shall be available to grades 9 to 12, inclusive, to increase the number of counselors in schools.
2. The appropriation in this item is contingent upon the enactment of legislation during the 2005–06 Regular Session that supplements, not supplants, the number of school counselors that serve students in grades 9 to 12, inclusive, and that gives priority to serving students who have failed or are at risk of failing the California High School Exit Examination, or who risk not graduating due to insufficient credits.

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..... 549,841,000

Schedule:

(1) 10.10.006-Pupil Transportation.... 544,343,000
(2) 10.10.008-Small School District Bus Replacement..... 5,498,000

Provisions:

1. Of the funds appropriated in this item, $33,670,000 is for the purpose of providing a cost-of-living adjustment (COLA) at a rate of 5.92 percent.
2. An additional $52,583,000 in expenditures for this item has been deferred until the 2007–08 fiscal year.

Item Amount

6110-112-0890—For local assistance, Department of Education, Program 20.60.036-Public Charter Schools, payable from the Federal Trust Fund..... 23,869,000

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..... 91,545,000

Schedule:

(1) 20.70.030.005-Assessment Review and Reporting..... 2,313,000
(2) 20.70.030.006-STAR Program..... 65,433,000
(3) 20.70.030.007-English Language Development Assessment..... 10,056,000
(4) 20.70.030.008-High School Exit Examination..... 13,743,000
(5) 20.70.030.015-California High School Proficiency Examination.... 1,020,000
(6) 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 (commencing with Section 60810), and Chapter 9 (commencing with Section 60850) of Part 33 of the Education Code.
2. The funds appropriated in Schedule (2) are provided for approved contract and district apportionment costs for the development and administration of the California Standards Test, the national Norm-Referenced Test, the Standards-Based Test in Spanish, the California Alternate Performance Assessment, the Designated Primary Language Test, and the California Modified Assessment, as part of the STAR Program.
3. The funds appropriated in Schedule (3) 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 $9,813,000 is provided as incentive funding of $5 per pupil for district ap-

Item Amount

portionments 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 federal No Child Left Behind Act of 2001 (P.L. 107-110) regarding English language learners by the State Department of Education.

4. The funds appropriated in Schedule (4) 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. The State Board of Education shall annually establish the amount of funding to be apportioned to school districts for 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.

4.5. Of the funds appropriated in Schedule (4), $7,700,000 is for additional administrations of the High School Exit Examination. By April 5, 2007, the State Department of Education shall report to the Legislature on the number of pupils taking the exam during these additional administrations.

5. 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.

6. Funds provided to local educational agencies from Schedules (2), (3), and (4) shall first be used to offset any state-mandated reimbursable costs within the meaning of Section 17556 of the Government Code, 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 High School Exit Examination. Local educational agencies receiving funding from these schedules shall

Item Amount

reduce their estimated and actual mandated reimbursement claims by the amount of funding provided to them from these schedules.

8. The funds appropriated in Schedule (2) include one-time funds of $80,000 to develop a writing test for the new California Modified Assessment for the STAR Program.

6110-113-0890—For local assistance, Department of Education-Title VI Flexibility and Accountability, payable from the Federal Trust Fund..... 32,778,000

Schedule:

(1) 20.60.030.030-Instructional Support: Alternative Schools Accountability Model..... 775,000

(2) 20.70.030.005-Instructional Support: Assessment Review and Reporting..... 600,000

(3) 20.70.030.006-Instructional Support: STAR Program..... 8,565,000

(4) 20.70.030.007-Instructional Support: English Language Development Test..... 11,856,000

(5) 20.70.030.008-Instructional Support: High School Exit Examination..... 10,638,000

(6) 20.70.030.029-Instructional Support: High School Exit Examination: Evaluation of Instruction..... 344,000

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. The department shall report to the Department of Finance and the Legislature by February 15, 2007, on the status of this effort.

2. Funds appropriated in Schedule (3) are provided for approved contract and district apportionment costs for the development and administration of the California Standards Test, the national Norm-Referenced Test, the Standards-Based Test in Spanish, the California Modified Assessment, the California Alternate Performance Assessment, and the Designated Primary Language Test, as part of the STAR Program. District apportionments for the California Alter-

Item Amount

nate Performance Assessment shall be $5 per pupil.

3. The funds appropriated in Schedule (4) shall be available for approved contract costs for administration of the California English Language Development Test, consistent with the requirements of Chapter 7 (commencing with Section 60810) of Part 33 of the Education Code and Provision 3 of Item 6110-113-0001.
4. Funds appropriated in Schedule (5) are provided for approved contract and district apportionment costs related to the High School Exit Examination, to be used consistent with Provision 4 of Item 6110-113-0001.
5. Funds appropriated in Schedule (6) 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.
6. Funds appropriated in Schedule (2) are for providing local educational agencies information regarding federal requirements associated with assessments.
7. Funds provided to local educational agencies from Schedules (3), (4), and (5) shall first be used to offset any state-mandated reimbursable cost, within the meaning of subdivision (e) of Section 17556 of the Government Code, that otherwise may be claimed through the state mandates reimbursement process for the Standardized Testing and Reporting Program, the California English Language Development Test, the California High School Exit Examination, and the California Alternate Performance Assessment. Local educational agencies receiving funding from these schedules shall reduce their estimated and actual mandated reimbursement claims by the amount of funding provided to them from these schedules.
9. Of the funds appropriated in Schedule (4), $1,400,000 is available for the development, pursuant to legislation effective on or before January 1, 2007, of reading and writing assessments for English language learners in kindergarten and grade 1 to comply with the federal

Item Amount

No Child Left Behind Act of 2001 (P.L. 107-110) which requires assessments of English proficiency to include an assessment of student progress in attaining English reading and writing skills.

10. Of the funds appropriated in Schedule (4), $100,000 is available for a study of English learners and special education students who did not graduate because of California High School Exit Examination requirements. The study shall identify and consider intervention services provided to these students.

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..... 514,000

Provisions:

1. Of the funds appropriated by this item, $50,000 shall be available to support the California Association of Student Councils.

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..... 18,257,000

Provisions:

1. Of the funds appropriated in this item, $562,000 is to provide a cost-of-living adjustment at a rate of 5.92 percent.

6110-119-0890—For local assistance, Department of Education, for Program 10.30.060.002—Title I Program for Neglected and Delinquent Children, payable from the Federal Trust Fund..... 2,781,000

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.... 5,916,000

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)

Item Amount

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, $12,000 is to provide an adjustment for increases in average daily attendance at a rate of 0.21 percent. If growth funds are insufficient, the State Department of Education may adjust the per-pupil growth rate to conform to available funds. Additionally, $331,000 is to provide a cost-of-living adjustment at a rate of 5.92 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) 20.60.030.034-High Priority Schools Grant Program..... 243,209,000

(2) 20.60.030.036-Corrective Actions..... 6,000,000

Provisions:

1. (a) Funds appropriated in Schedule (1) are provided solely for the purpose of implementing 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. Of these funds, up to $201,000,000 shall be available to fund a second cohort of schools under the program, and $10,000,000 or whatever greater or lesser amount is necessary, shall be available to support schools working with school assistance and intervention teams or schools subject to state sanctions by the Superintendent of Public Instruction as part of the High Priority Schools Grant Program. The number of schools invited to participate in the second cohort shall not result in a need for more than $201,000,000 to fully fund planning and implementation grants for these schools in any given year of their participation in this program.

(b) Funds for a second cohort shall not be released until legislation is enacted authorizing that cohort and clarifying the criteria and timeframes for participating schools to

Item Amount

exit the program. Funds for sanctions shall be contingent upon legislation defining those sanctions and authorizing the allocation of funding for that purpose.

2. Pursuant to Chapter 1020 of the Statutes of 2002, the funds appropriated in Schedule (2) shall, upon approval by the State Board of Education, be available to support non-Title I schools working with school assistance and intervention teams or non-Title I schools subject to state or federal sanctions by the Superintendent of Public Instruction as part of the Immediate Intervention/Underperforming Schools Program or the federal No Child Left Behind Act of 2001 (P.L. 107-110).

6110-123-0890—For local assistance, Department of Education, payable from the Federal Trust Fund.... 26,925,000

Schedule:

(1) 20.60.030.035-Innovative Programs, Title V-ESEA..... 10,766,000

(2) 20.60.030.038-Comprehensive School Reform Program..... 16,159,000

Provisions:

1. The funds appropriated in Schedule (1) are available for local educational agencies and shall be used for innovative assistance programs pursuant to Section 5131 of Title V of Part A of the federal No Child Left Behind Act of 2001 (P.L. 107-110).

2. Of the funds appropriated in Schedule (2), $16,159,000 is provided in one-time carryover funds to support the Comprehensive School Reform Program.

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..... 49,186,000

Provisions:

1. An additional $4,294,000 in expenditures for this purpose has been deferred to the 2007–08 fiscal year.

2. Of the funds appropriated in this item, $2,989,000 is for the purpose of providing a cost-of-living adjustment at a rate of 5.92 percent.

Item Amount

6110-125-0001—For local assistance, Department of Education (Proposition 98)..... 61,137,000

Schedule:

(1) 10.40.030.004–Refugee Children School Grant Program..... 1,310,000

(2) 20.10.006–English Language Learners Program..... 61,137,000

(3) Reimbursements..... −1,310,000

Provisions:

1. Of the funds appropriated in this item, $3,417,000 is to provide a cost-of-living adjustment at a rate of 5.92 percent.
2. The appropriation of funds in Schedule (2) is authorized pursuant to Chapter 4 (commencing with Section 400) of Part 1 of the Education Code.

6110-125-0890—For local assistance, Department of Education..... 301,974,000

Schedule:

(1) 10.30.010-Title I, Migrant Education..... 153,526,000

(3) 20.10.004-Title III, Language Acquisition..... 148,448,000

Provisions:

1. Of the funds appropriated in Schedule (1), 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 funds appropriated in Schedule (1) include $29,200,000 in one-time carryover funds to support Migrant Education program activities.

6110-126-0890—For local assistance, Department of Education, Program 20.60.290-Instructional Support, Title I, Part B of the federal Elementary and Secondary Education Act (Reading First Program) payable from the Federal Trust Fund..... 158,937,000

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, $6,650,000 shall be available for Reading First's statewide and regional infrastructure, including its six Regional Technical Assistance Centers.

Item	Amount
5. By May 1, 2007, the State Department of Education shall provide the Legislature with all of the following: (a) the number of school districts receiving grants, (b) the number of K–3 teachers funded, (c) the number of K–12 special education teachers served, and (d) the average per-teacher grant amount.	
7. By May 1, 2007, the State Department of Education (SDE) shall provide the Legislature with the following: (a) the number and percentage of all K–12 special education teachers in Reading First schools receiving Reading First professional development for each year, 2001–02 through 2005–06, and (b) the number and percentage of all K–12 special education classes in Reading First schools that have appropriate reading materials purchased using the state's instructional materials program as set forth in Article 3 (commencing with Section 60240) of Chapter 2 of Part 33 of the Education Code.	
10. Of the funds appropriated in this item, $15,100,000 is carryover funds from prior years. Of this amount, approximately $3,000,000 shall be used to fund schools in districts that have not yet received Reading First funding. After all eligible new applicants have been funded, the remainder of carryover funding shall be used to fund new schools in currently funded districts	
11. After allocating carryover moneys and redirecting moneys to new schools from schools that have not demonstrated significant progress, if funding is insufficient to provide a minimum of $6,500 per classroom, per-classroom funding for fifth-year grantees shall be prorated downward.	
12. Significant progress, as used for determining whether a grant recipient shall continue to receive funding, shall be defined in legislation enacted during the 2005–06 Regular Session. The definition of significant progress, as specified in legislation, shall not discriminate against waivered classrooms.	
13. On or before January 1, 2007, the State Department of Education shall electronically report to the Legislature for each school, identified by cohort, the K–3 test scores, by grade, in the	

Item Amount

year prior to the school entering the program and in the most recently completed school year. These test data also shall be provided for eligible unfunded Reading First schools for the year prior to the implementation of Reading First and for the most recently completed school year. For each funded school, identified by cohort, the report also shall indicate (a) whether the school demonstrated significant progress, as defined in legislation, (b) the school's number of K–3 waivered classrooms, and (c) the school's number of K–3 non-waivered classrooms.

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..... 952,688,000

Schedule:

(1) 10.30.070.001-Article 2 (commencing with Section 54020) of Chapter 1 of Part 29 of the Education Code..... 952,688,000

Provisions:

2. Of the funds appropriated in this item, $29,343,000 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, $36,480,000 is to provide a cost-of-living adjustment at a rate of 5.92 percent.
3. Pursuant to paragraph (2) of subdivision (b) of Section 47634.1 of the Education Code, charter schools shall receive an in lieu Economic Impact Aid per-pupil funding rate equal to the statewide average Economic Impact Aid per-pupil rate. Funds shall be transferred, as needed, from this item to Item 6110-211-0001 to ensure that charter schools are provided the appropriate in lieu Economic Impact Aid per-pupil rate.
4. On or before January 1, 2007, the State Department of Education shall report to the Legislature and the administration on data specific to English learners and economically disadvantaged students, including data from the results

Item Amount

of the California Standards Tests, the California English Language Development Test, and the California High School Exit Examination.

6110-130-0001—For local assistance, Department of Education, Program 20.60.100-Advancement Via Individual Determination..... 9,035,000

Provisions:

1. Of the funds appropriated, $1,300,000 is available for administration of the Advancement Via Individual Determination (AVID) centers.

6110-136-0890—For local assistance, Department of Education, payable from the Federal Trust Fund..... 1,760,816,000

Schedule:

(1) 10.30.060-Title I-ESEA..... 1,680,283,000
(2) 10.30.065-McKinney-Vento Homeless Children Education..... 8,409,000
(3) 10.30.080-Title I-School Improvement..... 72,124,000

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 Schools 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), $10,000,000 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.
3. Of the funds appropriated in Schedule (3), up to $1,600,000 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 assigned to a high school. The State

Item Amount

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), up to $22,069,000 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 (3), $16,180,000 shall be available pursuant to Article 3.1 (commencing with Section 52055.57) of Chapter 6.1 of Part 28 of the Education Code, for Title I district accountability.
6. The funds appropriated in Schedule (1) include a one-time carryover from prior years of $3,500,000, available for the Even Start program.
7. The funds appropriated in Schedule (2) include a one-time carryover of $500,000 to support the existing McKinney-Vento Homeless Children Education program.
9. The funds appropriated in Schedule (1) include a one-time carryover of $24,300,000 to support the Title I Basic Program.
10. The funds appropriated in Schedule (3) include a one-time carryover of $22,275,000 to support the Title I School Improvement program.

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.... 56,728,000

Provisions:

1. The funds appropriated in this item shall be for allocation to local educational 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

Item Amount

funding based on the funds appropriated in this item. Prior to notifying local educational agencies of this percentage, the Superintendent of Public Instruction shall submit the calculation to the Department of Finance for verification.

3. Of the funds appropriated in this item, $25,000,000 is to provide professional development to address the needs of teachers of English learners pursuant to legislation to be enacted during the 2005–06 Regular Session that contains improvements to the Mathematics and Reading Professional Development Program, including, but not limited to, revisions to the criteria for providers to ensure that they have adequate experience and qualifications directly related to the needs of English learners.

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..... 1,616,000

6110-140-0001—For local assistance, Department of Education, (Proposition 98), Program 20-Instructional Support..... 5,094,000

Schedule:

(1) 20.80.001-Student Friendly Services..... 500,000

(2) 20.90.001.020-California School Information Services Administration..... 4,444,000

(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) for the Student Friendly Services program.
2. The funds appropriated in Schedule (2) shall be for allocation to the Fiscal Crisis and Management Assistance Team for costs associated with administration of the California School Information Services 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

Item Amount

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, the Governor, the Legislative Analyst's Office, and the Fiscal Crisis and Management Assistance Team for the duration of the program implementation. These reports shall include, but not be limited to, information on (a) CSIS capacity for additional district cohorts, (b) readiness of self-identified districts for participation in new CSIS cohort, (c) CSIS operations budget, and (d) CSIS readiness to implement additional phases of state reporting and records transfer.

4. Of the funds appropriated in Schedule (2), $545,000 is available on a three-year limited-term basis to support positions and administrative costs associated with the implementation plan developed pursuant to Provision 5 of Item 6110-101-0349.

6110-141-0001—For local assistance, State Department of Education (Proposition 98), Program 20.90.001.010-Instructional Support, California School Information Services..... 15,000,000

Provisions:

1. Of the funds appropriated in this item, $15,000,000 is for local educational agency (LEA) incentive grants to build their local capacity to participate in the California Longitudinal Pupil Achievement Data System. These funds will be distributed on a per pupil basis up to $2.50 per pupil to LEAs that do all of the following: (a) submit their Annual Statewide Student Identifier (SSID) Maintenance by dates specified by the State Department of Education; (b) include the SSID on all statewide assessment answer sheets; (c) resolve SSID anomalies to specified rates; and (d) meet any other data quality standards determined by the State Department of Education. LEAs receiving grant funds must also include the SSID on student academic records once they have the capacity to do so. The State Department of Eduction shall adopt policies to define speci-

Item Amount

fied rates and data quality standards that LEAs must meet to receive funding. LEAs are defined as county offices of education, school districts, charter schools, and the State Special Schools. The State Department of Education shall calculate the grant based on the certified enrollment count in the year that funding is provided. Small LEAs will enrollment of fewer than 1,000 pupils shall receive a minimum of $2,500 or 1,000 times the per pupil dollar amount provided to all other LEAs, whichever is less.

6110-144-0001—For local assistance, Department of Education (Proposition 98), Program 20.60.270-Administrator Training Program pursuant to Article 4.6 (commencing with Section 44510) of Chapter 3 of Part 25 of the Education Code..... 5,000,000

6110-150-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, Program 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..... 633,000

Provisions:

1. Of the amount appropriated in this item, $35,000 is to provide a cost-of-living adjustment at a rate of 5.92 percent.

6110-151-0001—For support of the Department of Education (Proposition 98), Program 10.30.050-American Indian Education Centers established pursuant to Article 6 (commencing with Section 33380) of Chapter 3 of Part 20 of the Education Code 4,343,000

Provisions:

1. Of the amount appropriated in this item, $243,000 is to provide a cost-of-living adjustment at a rate of 5.92 percent.

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

Item Amount

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..... 657,571,000

Schedule:

(1) 10.50.010.001-Adult Education.... 657,571,000

(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 possible, grant priority for services to immigrants facing the loss of federal benefits under the federal Personal Responsibility

Item Amount

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) 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 educational 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 provision of law, each local educational agency's individual cap for the average daily attendance of adult education and regional occupational centers and programs (ROC/Ps) shall not be increased as a result of the appropriations made by this section.
   (c) Funds may be claimed by local educational 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 educational agency has met the terms of the interagency agreement between the State Department of Education and the State Department of Social Services pursuant to Provision 2.
      (2) Each local educational agency has fully claimed its respective adult education or ROC/Ps average daily attendance cap for the current year.
      (3) Each local educational agency has claimed the maximum allowable funds available under the interagency agreement pursuant to Provision 2.

Item Amount

(d) Each local educational 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 1.80, and shall comply with the program requirements for adult education pursuant to Chapter 10 (commencing with Section 52500) of Part 28 of the Education Code, and ROC/Ps 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 the Education Code, respectively.

(e) Notwithstanding any other provision 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 educational 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 educational agencies in providing services to individuals who are eligible for or recipients of CalWORKs assistance. This information includes the extent to which local educational 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 Analyst in determining the specific data elements of the system and

Item Amount

shall meet all information technology reporting requirements of the Department of Finance.

(h) As a condition of receiving funds provided in Schedule (2) 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 item 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, 2006, to June 30, 2007, inclusive.

5. Of the funds appropriated in this item, $16,199,000 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, $39,318,000 is for the purpose of providing a cost-of-living adjustment at a rate of 5.92 percent.

6. An additional $45,896,000 in expenditures for this item has been deferred until the 2007–08 fiscal year.

6110-156-0890—For local assistance, Department of Education, Program 10.50.010.001-Adult Education, payable from the Federal Trust Fund..... 78,868,000

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, reimburse-

Item	Amount
ment of claims shall be distributed 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.	

Item Amount

(b) Notwithstanding any other provision of law, the State Department of Education shall annually submit to the Governor, Joint Legislative 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 (OMB), 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, 2007, 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 districts, 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

Item Amount

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 Legislature 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 State Department of Mental Health and State Department of Developmental Services clients are set at a level where these clients will continue to be eligible for adult education services in the 2006–07 fiscal year and beyond to the full extent authorized under federal law. The State Department of Education shall also consult with the State Department of Mental Health, State Department of Developmental Services, and Department of Finance for this purpose.
5. The funds appropriated in this item include a one-time carryover of $4,042,000, available for the support of additional adult education instructional activities and may be used by local providers to upgrade data collection and other software systems to ensure compliance with federal adult education reporting requirements as specified in Public Law 109-77.

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..... 16,369,000

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

Item Amount

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 educational agency (LEA) for reimbursement of services provided in the 2005–06 fiscal year for the Adults in Correctional Facilities program shall be limited to the amount received by the agency for services provided in the 2004–05 fiscal year. Funding shall be reduced or eliminated, as appropriate, for any LEA that reduces or eliminates services provided under this program in the 2005–06 fiscal year, as compared to the level of services provided in the 2004–05 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, $383,000 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, $664,000 is for the purpose of providing a cost-of-living adjustment at a rate of 4.23 percent.

6110-161-0001—For local assistance, Department of Education (Proposition 98), Program 10.60-Special Education Programs for Exceptional Children..... 3,140,640,000

Schedule:

(1) 10.60.050.003-Special education instruction..... 3,072,996,000

Item Amount

(2) 10.60.050.080-Early Education Program for Individuals with Exceptional Needs..... 82,039,000

(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 2006–07 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.
2. Of the funds appropriated in Schedule (1), $12,047,000, 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), $9,196,000, 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), $4,797,000, plus any COLA, shall be available for regional occupational centers and programs that serve pupils having disabilities, and $80,786,000, plus any COLA, shall be avail-

Item Amount

able for regionalized program specialist services, $2,285,000, 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), $3,000,000 is provided for extraordinary costs associated with single placements in nonpublic, nonsectarian schools, pursuant to Section 56836.21 of the Education Code. Pursuant to legislation, these funds shall also provide reimbursement for costs associated with pupils residing in licensed children's institutes.
6. Of the funds appropriated in Schedule (1), a total of $185,347,000, plus any COLA, is available to fund the costs of children placed in licensed children's institutions who attend nonpublic schools based on the funding formula authorized in Chapter 914 of the Statutes of 2004.
7. Funds available for infant units shall be allocated 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 2006–07 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.
9. Notwithstanding any other provision of law, state funds appropriated in Schedule (2) in excess of the amount necessary to fund the deficited entitlements pursuant to Section 56432 of the Education Code and Provision 10

Item Amount

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 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 2006–07 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), $169,000, 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.
13. 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.
14. Of the funds appropriated in Schedule (1), $29,478,000 shall be allocated to local educational agencies for the purposes of Project Workability I.

Item Amount

15. Of the funds appropriated in Schedule (1), $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.
16. Of the funds appropriated in Schedule (1), up to $1,117,000 shall be used for a personnel development program. This program shall include state-sponsored staff development for special education personnel to have the necessary content knowledge and skills to serve children with disabilities. This funding may include training and services targeting special education teachers and related service personnel that teach core academic or multiple subjects to meet the applicable special education requirements of the Individuals with Disabilities Education Improvement Act of 2004.
17. Of the funds appropriated in Schedule (1), up to $200,000 shall be used for research and training in cross-cultural assessments.
18. Of the amount specified in Schedule (1), $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 Chapter 493 of the Statutes of 2004.
19. Of the amount provided in Schedule (1), $179,715,000 is provided for a COLA at a rate of 5.92 percent.
20. Of the amount provided in Schedule (2), $4,585,000 is provided for a COLA at a rate of 5.92 percent.
21. Of the amount specified in Schedule (1), $12,800,000 shall be allocated to each SELPA based upon an equal amount per ADA and added to each SELPA's base funding as determined pursuant to Chapter 854 of the Statutes of 1997.
22. Of the amount appropriated in this item, $1,480,000 is 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, 2007, to the fiscal committees of both houses of the Legislature, the Department

Item Amount

of Finance, and the Legislative Analyst's Office on the planned use of the additional special education funds provided to the Ravenswood Elementary School District pursuant to this settlement. The report shall also provide the State Department of Education's best estimate of when this supplemental funding will no longer be required by the court. The State Department of Education shall comply with the requirements of Section 948 of the Government Code in any further request for funds to satisfy this settlement.

23. Of the funds appropriated in this item, $2,500,000 shall be allocated directly to special education local plan areas for a personnel development program that meets the highly qualified teacher requirements and ensures that all personnel necessary to carry out this part are appropriately and adequately prepared, subject to the requirements of paragraph (14) of subdivision (a) of Section 612 of the Individuals with Disabilities Education Act of 2004 (IDEA), and Section 2122 of the Elementary and Secondary Education Act of 1965. The local in-service programs shall include a parent training component and may include a staff training component, and may include a special education teacher component for special education service personnel and paraprofessionals, consistent with state certification and licensing requirements. 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.
24. Of the amount appropriated in Schedule (1), $50,610,000 shall be allocated to each SELPA based upon an equal amount per ADA and added to each SELPA's base funding as determined pursuant to Chapter 854 of the Statutes of 1997, consistent with subdivision (b) of Section 56836.158 of the Education Code.
25. Notwithstanding any other provision of law, state funds appropriated in Schedule (1) in excess of the amount necessary to fund the defined entitlement shall be to fulfill other short-

Item Amount

ages in entitlements budgeted in this schedule by the State Department of Education, upon Department of Finance approval, to any program funded under Schedule (1).

26. Of the amount appropriated in Schedule (1), $75,000,000 is for an equalization adjustment pursuant to legislation.

6110-161-0890—For local assistance, Department of Education, payable from the Federal Trust Fund, Program 10.60-Special Education Programs for Exceptional Children..... 1,151,367,000

Schedule:

(1) 10.60.050.012-LocalAgencyEntitlements, IDEA Special Education..... 975,221,000

(2) 10.60.050.013-State Agency Entitlements, IDEA Special Education..... 2,152,000

(3) 10.60.050.015-IDEA, Local Entitlements, Preschool Program..... 59,240,000

(4) 10.60.050.021-IDEA, State Level Activities..... 70,720,000

(5) 10.60.050.030-P.L. 99-457, Preschool Grant Program..... 39,161,000

(6) 10.60.050.031-IDEA, State Improvement Grant, Special Education..... 2,079,000

(7) 10.60.050.032-IDEA, Family Empowerment Centers..... 2,794,000

Provisions:

1. If the funds for Part B of the federal Individuals with Disabilities Education Act that are actually received by the state exceed $1,130,940,000, 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 5 percent of the amount received in excess of $1,130,940,000 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 Act that are actually received by the state are less than $1,130,940,000, the reduction shall be taken in other state level activities.

2. The funds appropriated in Schedule (2) shall be distributed to state-operated programs serving

Item Amount

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.

4. Of the funds appropriated in Schedule (4) 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 educational 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 educational 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 Family Empowerment Centers on Disabilities pursuant to Chapter 690 of the Statutes of 2001.
8. Notwithstanding the notification requirements listed in subdivision (d) of Section 26.00, the Department of Finance is authorized to approve intraschedule 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

Item Amount

pursuant to Chapter 7.2 (commencing with Section 56836) of Part 30 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 (4) $69,000,000 shall be used exclusively to support mental health services that are provided during the 2006–07 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. Each county office of education receiving these funds shall contract, on behalf of special education local planning areas in their county, with the county mental health agency to provide specified mental health services. This funding shall be considered offsetting revenues within the meaning of subdivision (e) of Section 17556 of the Government Code for any reimbursable mandated cost claim for provision of the mental health services provided in 2006–07. Amounts allocated to each county office of education shall reflect the share of the $69,000,000 in federal special education funds provided to that county in 2004–05 for mental health services provided pursuant to Chapter 26.5 (commencing with Section 7570) of Division 7 of the Government Code.

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..... 23,490,000

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.

Item Amount

2. The Department of Education shall not authorize new partnership academies without the approval of the Department of Finance and 30-day notification to the Joint Legislative Budget Committee.

6110-166-0890—For local assistance, Department of Education, Program 10.70-Vocational Education, payable from the Federal Trust Fund..... 141,177,000

Provisions:

1. The funds appropriated in this item include federal Vocational Education Act funds for the 2006–07 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 report, 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.
4. The funds appropriated in this item include a one-time carryover of $11,428,000. These funds shall be used during the 2006–07 academic year to support additional vocational education institutional activities, with first priority being given to supporting curriculum development and articulation of K–12 technical preparation programs with local community college economic development and vocational education programs in an effort to incorporate greater participation of K–12 students in sequenced, industry-driven coursework that leads to meaningful employment in today's high-tech, high demand, and emerging technology areas of industry employment.

Item Amount

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 Education Incentive Program established pursuant to Article 7.5 (commencing with Section 52460) of Chapter 9 of Part 28 of the Education Code..... 5,000,000

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, $10,000 is provided for increases in average daily attendance at a rate of 0.21 percent. Additionally, $279,000 is for the purpose of providing a cost-of-living adjustment at a rate of 5.92 percent.

6110-180-0890—For local assistance, Department of Education, Program 20.10.025-Educational Technology, payable from the Federal Trust Fund..... 34,025,000

Provisions:

1. Of the funds appropriated in this item, $16,662,000 is for allocation to school districts that are awarded formula grants pursuant to the federal Enhancing Education Through Technology Grant Program.
2. Of the funds appropriated in this item, $16,662,000 is available for competitive grants pursuant to Chapter 8.9 (commencing with Section 52295.10) of Part 28 of the Education

Item Amount

Code and the requirements of the federal Enhancing Education Through Technology Grant Program—including the eligibility criteria established in federal law to target local educational 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.

3. Of the funds appropriated in this item, $701,000 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.

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..... 17,020,000

Provisions:

2. Of the funds appropriated in this item, $951,000 is for the purpose of providing a cost-of-living adjustment (COLA) at a rate of 5.92 percent.

6110-181-0140—For local assistance, Department of Education, payable from the California Environmental License Plate Fund..... 360,000

Schedule:

(1) 20.10.055-Environmental Education..... 548,000

(2) Reimbursements..... −188,000

6110-182-0001—For local assistance, Department of Education (Proposition 98), Program 20.20.030-K–12 High Speed Network..... 4,000,000

Provisions:

2. Expenditure authority of up to $15,600,000 is provided for the K–12 High Speed Network.

3. Of the amount authorized for expenditure in Provision 2, $3,000,000 of unexpended cash reserves and $4,000,000 of unexpended funds set aside for equipment replacement from the fol-

Item Amount

lowing appropriations are available to continue management and operation of the network during the 2006–07 fiscal year: Item 6440-001-0001, Schedule (a), Provision 44 of Chapter 52, Statutes of 2000; Item 6440-001-0001, Schedule (1), Provision 24 of Chapter 106, Statutes of 2001; Item 6440-001-0001, Schedule (1), Provision 24 of Chapter 379, Statutes of 2002; Item 6440-001-0001, Schedule (1), Provision 22 of Chapter 157, Statutes of 2003; and Item 6110-182-0001, Chapter 208, Statutes of 2004.

4. Of the amount authorized for expenditure in Provision 2, $4,600,000 shall be funded by E-rate and California Teleconnect Fund moneys. The lead educational agency or the Corporation for Education Network Initiatives in California (CENIC), or both, shall submit quarterly reports to the Department of Finance and the Legislature on funds received from E-rate and the California Teleconnect Fund.
5. For the 2006–07 fiscal year, all major subcontracts of the K–12 High Speed Network program shall be excluded from both the eligible program costs on which indirect costs are charged and from the calculation of the indirect cost rate based on that year's data. For purposes of this provision, a major subcontract is defined as a subcontract for services in an amount in excess of $25,000.

6110-183-0890—For local assistance, Department of Education, Instructional Support—Safe and Drug Free Schools and Communities Act of 1994 (P.L. 103-382), payable from the Federal Trust Fund..... 34,125,000

Schedule:

(1) 20.10.045-Health and Physical Education, Drug Free Schools..... 34,125,000

Provisions:

1. Local educational agencies shall give priority in the expenditure of the funds appropriated in 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

Item Amount

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 educational agencies of this policy, and (b) incorporate the policy into the State Department of Education's compliance review procedures.

2. Of the funds appropriated in this item, $2,209,000 is a one-time carryover available to support the existing program.

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..... 269,900,000

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, 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 State Instructional Materials Fund pursuant to Article 3 (commencing with Section 60240) of Chapter 2 of Part 33 of Division 4 of Title 2 of the Education Code..... 403,519,000

Schedule:

(1) 20.20.020.005-InstructionalMaterials Block Grant..... 403,519,000

Provisions:

1. The funds in this item shall be allocated to school districts to purchase standards-aligned instructional materials.

3. Of the funds appropriated in this item, $22,553,000 is for the purpose of providing a cost-of-living adjustment (COLA) at a rate of 5.92 percent.

6110-190-0001—For local assistance, Department of Education (Proposition 98), Program 10.10-School Apportionments, Community Day Schools..... 49,295,000

Item Amount

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.
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, $2,780,000 is for the purpose of providing a cost-of-living adjustment (COLA) at a rate of 5.92 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 $4,751,000 in expenditures for this item has been deferred until the 2007–08 fiscal year.

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..... 31,389,000

Schedule:

(1) 20.60.070-Instructional Support: Bilingual Teacher Training Assistance Program..... 2,066,000

(2) 20.60.060-Instructional Support: Teacher Peer Review..... 28,935,000

(3) 20.60.110-Instructional Support: Improving School Effectiveness-Reader Services for Blind Teachers..... 388,000

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 Assis-

Item Amount

tance Program established by Article 4 (commencing with Section 52180) of Chapter 7 of Part 28 of the Education Code.

3. Of the funds appropriated in Schedule (1), $115,000 is for the purpose of providing a cost-of-living adjustment at a rate of 5.92 percent.
4. The funds appropriated in Schedule (2) shall be allocated in accordance with Article 4.5 (commencing with Section 44500) of Chapter 3 of Part 25 of the Education Code. If the funds are insufficient to fully fund growth in this program, the State Department of Education may adjust the per-participant rate to conform to available funds. Funds appropriated in Schedule (2) include $1,617,000 for the purpose of providing a cost-of-living adjustment at a rate of 5.92 percent.
5. 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.
6. Of the funds appropriated in Schedule (3), $22,000 is for the purpose of providing a cost-of-living adjustment at a rate of 5.92 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..... 25,821,000

Provisions:

1. The amount appropriated in this item includes $1,000,000 from a one-time carryover from prior years.

6110-195-0001—For local assistance, Department of Education (Proposition 98), Program 20.60.140-Staff Development: Teacher improvement, Teacher Incentives National Board Certification..... 12,535,000

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

Item Amount

are teaching in low-performing schools pursuant to Article 13 (commencing with Section 44395) of Chapter 2 of Part 25 of the Education Code.

2. Of the funds appropriated in this item, $5,000,000 shall provide up to $1,000 per teacher in fee support for teachers seeking National Board for Professional Teaching Standards certification. Priority shall be given to teachers in high priority schools. To the extent any federal funds available for the offset of fees for National Board for Professional Teaching Standards certification become unavailable or are insufficient to meet demand, the funds in this item may be used to provide up to $2,250 per teacher.

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..... 321,542,000

Schedule:

(1) 20.60.280-Improving Teacher Quality Local Grants..... 315,638,000

(2) 20.60.270- Administrator 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) shall be for the Administrator 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) shall be for transfer to the University of California, which shall use the funds for the Subject Matter Projects.

Item Amount

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..... 1,338,623,000

Schedule:

(1) 30.10.010-Special Program, Child Development, Preschool Education..... 347,349,000

(1.5) 30.10.020-Child Care Services..... 1,845,828,000

(a) 30.10.020.001-Special Program, Child Development, General Child Development Programs..... 692,054,000

(c) 30.10.020.004-Special Program, Child Development, Migrant Day Care..... 36,024,000

(d) 30.10.020.007-Special Program, Child Development, Alternative Payment Program..... 227,887,000

(e) 30.10.020.011-Special Program, Child Development, Alternative Payment Program—Stage 2.... 425,209,000

(f) 30.10.020.012-Special Program, Child Development, Alternative Payment Program—Stage 3 Setaside..... 334,140,000

Item Amount

(g) 30.10.020.008-Special Program, Child Development, Resource and Referral..... 17,557,000

(i) 30.10.020.015-Special Program, Child Development, Extended Day Care..... 31,517,000

(j) 30.10.020.096-Special Program, Child Development, Allowance for Handicapped..... 1,728,000

(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..... 65,568,000

(m) 30.10.020.911-Special Program, Child Development, Centralized Eligibility List..... 7,900,000

(n) 30.10.020.920-Special Program, Child Development, Local Planning Councils..... 5,994,000

(3) 30.10.020.908-Special Program, Child Development, Cost-of-Living Adjustments..... 80,250,000

(4) 30.10.020.909-Special Program, Child Development, Growth Adjustments..... 28,484,000

(5) Amount payable from the Federal Trust Fund (Item 6110-196-0890)..... −963,288,000

Provisions:

1. Notwithstanding Section 8278 of the Education Code, funds available for expenditure pursuant

Item Amount

to that section shall be expended in the 2006–07 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.

(b) $72,452,000 shall be available for CalWORKs Stage 2 child care.

(c) The Controller shall establish an account entitled Section 8278 Expenditures in 2005 in Item 6110-196-0001, Program 30.10.060. Any unexpended General Fund balances as of June 30, 2006, or subsequent abatements, from those amounts listed in Schedules (1), (1.5)(a), (1.5)(c), (1.5)(d), (1.5)(g), (1.5)(i), (1.5)(j), (1.5)(k), (1.5)(*l*), and (1.5)(n), 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. (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. When approved pursuant to Section 8447 of the Education Code, any changes to the market rate limits, adjustment factors or regions shall be utilized by the State Department of Education and the State Department of Social Services in various programs under the jurisdiction of either department.

(b) Notwithstanding any other provision of law, the funds appropriated in this item for the cost of licensed 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 per-

Item Amount

centile of the rates charged by providers offering the same type of child care for the same age child in that region.

5. Funds in Schedule (1.5)(*l*) shall be reserved for activities to improve the quality and availability of child care, pursuant to the following:
   (a) $1,990,000 is for the schoolage care and resource and referral earmark.
   (b) $11,221,000 is for the infant and toddler earmark and shall be used for increasing the supply of quality child care for infants and toddlers.
   (c) $5,233,000 in one-time federal funding is available for use in the 2006–07 fiscal year. Of that amount, $200,000 shall be used for Trustline registration workload (Chapter 3.35 (commencing with Section 1596.60) of Division 2 of the Health and Safety Code), $1,500,000 shall be used for health and safety training for both licensed and license-exempt child care providers, and $1,000,000 shall be used for the development of preschool learning standards. The remaining funds shall be used for child care and development quality expenditures identified by the State Department of Education and approved by the Department of Finance.
   (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 State Department of Social Services (DSS) for increased inspections of child care facilities; $1,000,000 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 licensed 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, expan-

Item Amount

sion, and/or construction of child care facilities.

(e) As required by federal law, the State Department of Education (SDE) 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 the Budget Act of 2004 (Ch. 208, Stats. 2004). This plan shall be submitted to the Department of Finance by February 15 of each year, and funds shall not be encumbered prior to approval of the plan by the Department of Finance. The SDE shall coordinate with the DSS, 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.

(f) The department shall establish an expenditure plan for the 2007–08 fiscal year that sets forth the proposed state and local activities to improve child care, including the reasons therefor, to be undertaken in the 2007–08 fiscal year. The plan 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 and no later than March 1, 2007.

(g) $15,000,000 from the General Fund shall be for child care worker recruitment and retention programs authorized by Chapter 547 of the Statutes of 2000.

6. (a) The State Department of Education (SDE) shall conduct monthly analyses of CalWORKs Stage 2 and Stage 3 caseloads and expenditures and adjust agency contract maximum reimbursement amounts and allocations as necessary to ensure funds are distributed proportionally to need. The SDE shall share monthly caseload analyses

Item Amount

with the State Department of Social Services (DSS).

(b) The SDE shall provide quarterly information regarding the sufficiency of funding for Stage 2 and Stage 3 to DSS. The SDE 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 30 and March 30 of each year, the SDE 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. 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 next two fiscal years 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 current fiscal year, to provide coordinated estimates in November of each year for each of the three stages of care for preparation of the Governor's Budget, and shall

Item Amount

utilize data from at least the first two quarters of the current fiscal year, and any additional monthly data as they become available for preparation of the May Revision. DSS shall share its assumptions and methodology with SDE in the preparation of the Governor's Budget.

(f) The SDE shall coordinate with the DSS to identify annual general subsidized child care program expenditures for TANF-eligible children. The SDE shall modify existing reporting forms as necessary to capture this data.

(g) The SDE shall provide to the DSS, 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.

7. Notwithstanding any other provision of law, the funds in Schedule (1.5)(f) are reserved exclusively for continuing child care for the following: (a) former CalWORKs families who are working, have left cash aid and have exhausted their two-year eligibility for transitional services in either Stage 1 or 2 pursuant to subdivision (c) of Section 8351 or Section 8353 of the Education Code, respectively, but still meet eligibility requirements for receipt of subsidized child care services; and (b) 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.

8. Nonfederal funds appropriated by 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.

Item Amount

9. Notwithstanding any other provision of law, administrative and support services allowances for the programs funded through Schedules (1.5)(d), (1.5)(e), and (1.5)(f) shall be limited to no more than 20 percent of the total contract amount.
10. Notwithstanding Section 26.00, the funds appropriated in Schedule (3), for child development cost-of-living adjustments, are for allocation among Schedules (1), (1.5)(a), (1.5)(c), (1.5)(d), (1.5)(g), (1.5)(i), (1.5)(j), and (1.5)(n). Funds shall not be allocated to programs prior to approval of a budget revision by the Department of Finance. After allocation of the COLA, the maximum standard reimbursement rate shall not exceed $32.89 per day for General Child Care programs and $20.30 per day for State Preschool Programs. Furthermore, the Migrant Child Care and 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.
11. Notwithstanding Section 26.00, the funds appropriated in Schedule (4), for child development growth adjustments, are for allocation among Schedules (1.5)(a), (1.5)(c), (1.5)(d), (1.5)(i), and (1.5)(j).

    Funds allocated to Schedules (1.5)(a), (1.5)(c), (1.5)(i), and (1.5)(j) shall be used by the State Department of Education to increase the standard reimbursement rate to the level specified in Provision 10. Funds shall not be allocated to programs prior to approval of a budget revision by the Department of Finance.
13. Notwithstanding any other provision of law, the federal funds in Schedule (1.5)(m) are appropriated exclusively for developing and maintaining a centralized eligibility list in each county pursuant to Section 8227 of the Education Code. By November 1 of each year, the State Department of Education shall provide a status report on implementing eligibility lists in each county, which shall include, but is not limited to, the cost of implementation and operation of the eligibility lists in each county, and

Item Amount

number of children and families on the list for each county.

14. Notwithstanding Section 8278.3 of the Education Code or any other provision of law, up to $5,000,000 of the Child Care Facilities Revolving Fund balance may be allocated for use on a one-time basis to allow facilities to perform necessary renovations and repairs to meet health and safety standards, to comply with the federal Americans with Disabilities Act of 1990 (42 U.S.C. Secs. 12101 et seq.), and to perform emergency repairs, that were the result of an unforeseen event and are necessary to maintain continued normal operation of the child care and development program. These funds shall be made available to school districts and contracting agencies that provide subsidized center-based services pursuant to the Child Care and Development Services Act, Chapter 2 (commencing with Section 8200) of Part 6 of the Education Code.
15. It is the intent of the Legislature to convene a workgroup consisting of representatives from the Department of Finance, the Legislature, and the State Department of Education. The workgroup shall consider the process for setting subsidized voucher rates for child care providers that do not serve nonsubsidized families.

6110-196-0890—For local assistance, Department of Education, payable from the Federal Trust Fund.... 963,288,000

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. Of the funds appropriated in this item, $369,120,000 is from the transfer of funds, pursuant to Item 5180-402, 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

Item Amount

and Development Block Grant if those transfers result in an increase to the federal quality requirements beyond the level currently budgeted for quality activities.

3. Of the funds appropriated in this item, $63,367,000 is available on a one-time basis for Stage 3 from federal Child Care and Development Block Grant funds appropriated prior to the 2006 federal fiscal year.

4. Of the funds appropriated in this item, $5,233,000 is available on a one-time basis for quality projects from federal Child Care and Development Block Grant funds appropriated prior to the 2006 federal fiscal year.

6110-197-0890—For local assistance, Department of Education, payable from the Federal Trust Fund, 21st Century Community Learning Centers Program..... 162,626,000

Schedule:

(1) 30.10.080-Special Program, Child Development, 21st Century Community Learning Centers Program..... 162,626,000

Provisions:

1. (a) Current recipients of 21st Century grants that are serving students in elementary, middle, or junior high schools shall have the option to: (1) continue operating under the 21st Century program, or (2) transfer to the After School Education and Safety (ASES) program. Notwithstanding any other provision of law, grantees that choose to transfer to the ASES shall maintain the grant level and per pupil rate they received in the prior year. It is the intent of the Legislature that as 21st Century grantees either transfer to the ASES program or as their grant period expires, priority for the funding of new grants shall be given to high school programs, consistent with legislation that becomes effective on or before January 1, 2007.

(b) The State Department of Education shall provide an annual report to the Legislature and Department of Finance by November 1 of each year that identifies by cohort for the previous fiscal year each high school

Item Amount

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. Of the amount appropriated in this item, $33,600,000 is carryover of one-time program savings from prior years.

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..... 56,133,000

Schedule:

(1) 20.60.220-Cal-SAFE Academic and Supportive Services..... 16,295,000

(2) 20.60.221-All Services for Nonconverting Pregnant Minors Programs..... 13,885,000

(3) 30.10.020-Cal-SAFE Child Care..... 25,953,000

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

Item Amount

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 Cal-SAFE program shall have priority for Cal-SAFE program funding for an amount up to the dollar amount provided under those provisions in the fiscal year prior to participation in the Cal-SAFE program, provided an application is submitted and approved.

2. The amounts appropriated in Schedules (1), (2), and (3) are based on estimates of the amounts required by existing programs for operation of Cal-SAFE programs in the current year. By October 31 of each year, the State Department of Education (SDE) shall submit to the Department of Finance current expenditure data for both the prior fiscal year and the current year showing each agency's allocation and supporting detail including average daily attendance and child care attendance and enrollment data. The SDE shall also provide estimates of average daily attendance and child care to be provided in the budget year.

3. Funds appropriated in Schedule (2) are available 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 SDE 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 which choose to retain their Pregnant Minors Program revenue limit rather than convert to the Cal-SAFE 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 Cal-SAFE revenue limit. Growth funding for

Item Amount

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, $3,137,000 is for the purpose of providing a cost-of-living adjustment at a rate of 5.92 percent.

6110-201-0001—For local assistance, Department of Education (Proposition 98)..... 1,017,000

Schedule:

(1) 30.20.010-Child Nutrition Programs..... 1,017,000

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 2006–07 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.

6110-201-0890—For local assistance, Department of Education, Program 30.20-Child Nutrition, payable from the Federal Trust Fund..... 1,627,085,000

Schedule:

(1) 30.20.010-Child Nutrition Programs..... 1,604,635,000

(2) 30.20.040-Summer Food Service Program..... 22,450,000

Provisions:

1. The amount appropriated in Schedule (1) includes $281,000 of one-time funds for expenditure to support efforts to directly certify eligible pupils from public benefit programs for free and reduced-price school meal programs.

6110-202-0001—For local assistance, Department of Education..... 11,636,000

Item Amount

Schedule:

(1) 30.20.010-Child Nutrition Programs..... 11,636,000

Provisions:

1. Funds appropriated in Schedule (1) 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, 2007, to be eligible for reimbursement.
2. Notwithstanding any other provision of law, except as provided in this provision, funds appropriated in Schedule (1) 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, $650,000 is for the purpose of providing a cost-of-living adjustment at a rate of 5.92 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, 49501, 49536, 49550, 49552, and 49559 of the Education Code..... 130,892,000

Schedule:

(1) 30.20.010-Child Nutrition Programs..... 131,234,000

(2) Reimbursements..... −342,000

Provisions:

1. Funds appropriated in Schedule (1) shall be allocated pursuant to Section 41311 of the Education Code. Claims for reimbursement of meals pursuant to this allocation shall be submitted by school districts on or before September 30, 2007, to be eligible for reimbursement.
2. Notwithstanding any other provision of law and except as otherwise provided in these provisions, funds designated for child nutrition programs in Schedule (1) of this item shall be allocated in accordance with Section 49536 of the Education Code; however, the allocation shall be based not on all meals served, but on the

Item Amount

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.

4. Of the funds appropriated in this item, $5,203,000 is for the purpose of providing a cost-of-living adjustment at a rate of 5.92 percent.
5. Of the funds appropriated in this item, $2,626,000 is for the purpose of providing a 3.08-percent growth adjustment due to an increase in the projected number of meals served.
6. Of the funds appropriated in this item, $37,800,000 is contingent upon approval of legislation during the 2005–06 Regular Session that increases the reimbursement rate.

6110-204-0001—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 for allocation to school districts to increase the number of pupils that pass the California High School Exit Examination..... 100,500,000

Provisions:

1. The funds appropriated in this item are available to assist eligible pupils, pursuant to Section 37254 of the Education Code, who are required to pass the California High School Exit Examination in order to receive a diploma in 2007 and 2008.
4. The Superintendent of Public Instruction shall apportion $500 per eligible pupil, to the extent that funds are available.
5. The funds in this item shall be allocated by the State Department of Education as specified in this item no later than October 1 of each fiscal year.
6. Any unused funds shall be prorated to all eligible class of 2008 students who failed one or both parts of the California High School Exit Examination.
7. Of the funds appropriated in this item, $30,000,000 is for the purposes of providing early intervention and planning for students in grades 7 to 12, inclusive, who are at risk of not passing the California High School Exit Exami-

Item Amount

nation, pursuant to legislation enacted during the 2005–06 Regular Session.

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, 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..... 46,000

Provisions:

1. Of the funds appropriated in this item, $3,000 is for the purpose of providing a cost-of-living adjustment at a rate of 5.92 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..... 95,085,000

Provisions:

1. Funds appropriated in this item are for the charter school categorical block grant. The State Department of Education shall calculate and distribute block grant funds pursuant to Chapter 359 of the Statutes of 2005.
2. The State Department of Education shall provide an estimate of average daily attendance expected to be claimed for this item for the 2007–08 fiscal year to the Department of Finance and the Legislative Analyst's Office by October 1, 2006, for use in developing the 2007–08 Governor's Budget. The State Department of Education shall provide an update of the estimate by March 31, 2007, for preparation of the May Revision.
3. An additional $5,947,000 in expenditures for this item has been deferred until the 2007–08 fiscal year.

Item Amount

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..... 93,540,000

Schedule:

(1) 10.10.950.002-Operations grants..... 93,540,000

Provisions:

1. The following provisions govern funds appropriated for the Year-Round School Grant Program (Article 3 (commencing with Section 42260) of Chapter 7 of Part 24 of the Education Code):

(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.

6110-228-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund for allocation by the Controller, School Safety..... 57,939,000

Schedule:

(1) 20.60.020.011-School Safety Block Grants..... 57,939,000

Provisions:

1. Of the funds appropriated in Schedule (1), $57,939,000 is available to fund block grants for middle and junior high schools and high schools that serve grades 8 to 12, inclusive, pursuant to Article 3.6 (commencing with Section 32228) and Article 3.8 (commencing with Section 32239.5) of Chapter 2 of Part 19 of the Education Code. An additional $38,720,000 in expenditures for this purpose has been deferred to the 2007–08 fiscal year.

Item Amount

2. Of the $38,720,000 deferred from this item, $1,000,000 shall be made available for county offices of education pursuant to Article 3.6 (commencing with Section 32228) of Chapter 2 of Part 19 of the Education Code.
3. Of the funds appropriated in this item, $5,402,000 is for the purpose of providing a cost-of-living adjustment at a rate of 5.92 percent.
4. The funds appropriated in this item shall be considered offsetting revenues within the meaning of subdivision (e) of Section 17556 of the Government Code for any reimbursable mandated cost claim for comprehensive school safety plans. Local educational agencies accepting funding from this item shall reduce their estimated and actual mandate reimbursement claims by the amount of funding provided to them from this item.

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 the Education Code.... 102,000,000

Provisions:

1. Schools participating in this program shall receive a per-pupil rate of $204 pursuant to Section 52086 of the Education Code, based on a cost-of-living adjustment at a rate of 5.92 percent.

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..... 1,763,462,000

Provisions:

1. Schools participating in Option One shall receive a per-pupil rate of $1,024. Schools participating in Option Two shall receive a per-pupil rate of $512. These rates are based on a cost-of-living adjustment at a rate of 5.92 percent.

6110-240-0001—For local assistance, Department of Education (Proposition 98)..... 2,954,000

Item Amount

Schedule:

(1) 10.80.030-Instruction: International Baccalaureate Diploma Program..... 1,231,000

(2) 20.70-Instructional Support: Assessments..... 1,723,000

Provisions:

1. The funds appropriated in Schedule (1) 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) 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, $165,000 is for the purpose of providing a cost-of-living adjustment at a rate of 5.92 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..... 2,926,000

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 examination fee reimbursements has been fully satisfied may be used on a one-time basis for preadvanced 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 2006–07 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.

Item	Amount
6110-243-0001—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 for the unscheduled Pupil Retention Block Grant pursuant to Article 2 of Chapter 3.2 (commencing with Section 41505) of the Education Code.....	93,687,000
Provisions:	
1. Of the funds appropriated in this item, $6,730,000 is for the purpose of providing a cost-of-living adjustment at a rate of 5.92 percent.	
6110-244-0001—For local assistance, Department of Education (Proposition 98), Program 20.60 for transfer by the Controller to Section A of the State School Fund, for allocation by the Superintendent of Public Instruction for the Teacher Credentialing Block Grant pursuant to Chapter 3.2 (commencing with Section 41520) of Part 24 of the Education Code.....	102,986,000
Provisions:	
1. 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.	
2. If funds are insufficient to service all second-year holders of preliminary teaching credentials, the State Department of Education shall prorate the funds to conform to the amount remaining in this item, consistent with Provision 1.	
4. Of the funds appropriated in this item, $5,581,000 is provided for a cost-of-living adjustment at a rate of 5.92 percent.	
5. Of the funds appropriated in this item, $9,555,000 is for the purpose of providing an adjustment for an increase in the number of eligible teachers.	

Item Amount

6110-245-0001—For local assistance, Department of Education (Proposition 98), Program 20.60 for transfer by the Controller to Section A of the State School Fund, for allocation by the Superintendent of Public Instruction for the Professional Development Block Grant, pursuant to Chapter 3.2 (commencing with Section 41530) of Part 24 of the Education Code..... 264,081,000

Provisions:

1. Of the funds appropriated in this item, $14,760,000 is for the purpose of providing a cost-of-living adjustment at a rate of 5.92 percent.

6110-246-0001—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 for the unscheduled Targeted Instructional Improvement Block Grant pursuant to Article 6 of Chapter 3.2 (commencing with Section 41540) of the Education Code..... 933,958,000

Provisions:

1. Of the funds appropriated in this item, $57,796,000 is for the purpose of providing a cost-of-living adjustment at a rate of 5.92 percent.
2. Notwithstanding any other provision of law, an additional $100,118,000 in expenditures for this item has been deferred until the 2007–08 fiscal year.

6110-247-0001—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 for the unscheduled School and Library Improvement Block Grant pursuant to Article 7 of Chapter 3.2 (commencing with Section 41570) of the Education Code..... 447,428,000

Provisions:

1. Of the funds appropriated in this item, $25,007,000 is for the purpose of providing a cost-of-living adjustment at a rate of 5.92 percent.

Item Amount

6110-248-0001—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 for the unscheduled School Safety Consolidated Competitive Grant pursuant to Article 3 (commencing with Section 41510) of Chapter 3.2 of Part 24 of the Education Code..... 17,351,000

Provisions:

1. Of the funds appropriated in this item, $970,000 is for the purpose of providing a cost-of-living adjustment at a rate of 5.92 percent.
2. The funds contained in this item shall first be used to offset any state-mandated reimbursable costs that may otherwise be claimed for the state mandates reimbursable process of implementing Chapter 996 of the Statutes of 1999. Local educational agencies accepting funding from this item shall reduce their estimated and actual mandate reimbursement claims by the amount of funding provided to them from this item.

6110-262-0001—For local assistance, Department of Education (Proposition 98), Teacher Retention and Recruitment..... 48,306,000

Provisions:

1. Funds in this item shall be used pursuant to legislation enacted during the 2005–06 Regular Session that improves the recruitment and retention of credentialed teachers.

6110-265-0001—For local assistance, Department of Education (Proposition 98), Program 20.15—Arts and Music Block Grant 75,000,000

Provisions:

1. The funds appropriated in this item shall be for the purpose of providing block grants to school districts, charter schools, and county offices of education to support standards-aligned art and music instruction in kindergarten and grades 1 to 12, inclusive. It is the intent of the Legislature that these funds supplement, and not supplant, existing resources for arts and music.
2. The State Department of Education shall allocate the funding to districts, charter schools, and county offices of education at an equal per pupil amount on the basis of a minimum of $3,000 for schoolsites with 10 or fewer stu-

Item Amount

dents and a minimum of $5,000 per schoolsite with more than 20 students.

3. The funds appropriated in this item may be used for hiring of additional staff, purchase of new materials, books, supplies, and equipment, and implementing or increasing staff development opportunities, as necessary to support standards-aligned arts and music instruction.

6110-266-0001—For local assistance, Department of Education (Proposition 98), Program 20.30.010—County Office of Education for Williams Audits..... 10,000,000

Provisions:

1. Funds appropriated in this item are for allocation to county offices of education for the purposes of site visits pursuant to Sections 1240 and 52056 of the Education Code.

6110-267-0001—For local assistance, Department of Education (Proposition 98), for Certificated Staff Mentoring Program..... 11,200,000

Provisions:

1. The funds appropriated in this item shall be allocated by the Superintendent of Public Instruction to school districts for the purpose of encouraging excellent, experienced teachers to teach in staff priority schools and to assist teacher interns during their induction and first years of teaching, pursuant to the enactment of legislation during the 2005–06 Regular Session.

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..... 133,588,000

Schedule:

(1) 98.01.003.677-Annual Parent Notification (Ch. 36, Stats. 1977, et al.) (CSM 4445, 4453, 4461, 4462, 4474, 4488, 97-TC-24, 99-TC-09, 00-TC-12)..... 5,488,000

(2) 98.01.009.894-Caregiver Affidavits (Ch. 98, Stats. 1994) (CSM 4497)..... 875,000

Item	Amount
(3) 98.01.016.193-Intradistrict Attendance (Ch. 161, Stats. 1993) (CSM 4454)	4,743,000
(4) 98.01.048.765-Mandate Reimbursement Process (Ch. 486, Stats. 1975) (CSM 4485)	13,788,000
(5) 98.01.049.801-GraduationRequirements (Ch. 498, Stats. 1983) (CSM 4435)	8,278,000
(6) 98.01.049.802-Notification of Truancy (Ch. 498, Stats. 1983) (CSM 4133)	8,518,000
(7) 98.01.049.803-Pupil Suspensions, Expulsions, Expulsion Appeals (Ch. 498, Stats. 1983, et al.) (CSM 4456, 4455, 4463)	3,404,000
(8) 98.01.078.192-Charter Schools (Ch. 781, Stats. 1992) (CSM 4437)	906,000
(9) 98.01.079.980-PERS Death Benefits (Ch. 799, Stats. 1980)	694,000
(10) 98.01.081.891-AIDS Prevention Instruction I and II (Ch. 818, Stats. 1991; Ch. 403, Stats. 1998) (CSM 4422; 99-TC-07, 00-TC-01)	2,624,000
(11) 98.01.096.175-Collective Bargaining (Ch. 961, Stats. 1975) (CSM 4425, 97-TC-08)	26,387,000
(12) 98.01.096.577-Pupil Health Screenings (Ch. 1208, Stats. 1976) (CSM 4440)	3,908,000
(13) 98.01.097.595-Physical Performance Tests (Ch. 975, Stats. 1995) (96-365-01)	1,963,000
(14) 98.01.101.184-Juvenile Court Notices II (Ch. 1011, Stats. 1984; Ch. 1423, Stats. 1984) (CSM 4475)	821,000
(15) 98.01.110.784-Removal of Chemicals (Ch. 1107, Stats. 1984) (CSM 4211, 4298)	456,000
(16) 98.01.111.789-Law Enforcement Agency Notifications (Ch. 1117, Stats. 1989) (CSM 4505, 4505-2)	1,615,000
(17) 98.01.117.677-Immunization Records (Ch. 1176, Stats. 1977) (SB 90-120)	3,588,000

Item	Amount
(18) 98.01.118.475-Habitual Truants (Ch. 1184, Stats. 1975) (CSM 4487, 4487-A).....	6,371,000
(19) 98.01.125.375-Expulsion Transcripts (Ch. 1253, Stats. 1975).....	9,000
(20) 98.01.130.689-Notification to Teachers of Public Expulsion (Ch. 1306, Stats. 1989) (CSM 4452)....	5,235,000
(21) 98.01.134.780-Scoliosis Screening (Ch. 1347, Stats. 1980) (CSM 4195).....	2,264,000
(22) 98.01.139.874-PERS Unused Sick Leave Credit (Ch. 1398, Stats. 1974).....	2,872,000
(23) 98.01.030.995-Pupil Residency Verification and Appeals (Ch. 309, Stats. 1995) (96-384-01).....	153,000
(24) 98.01.058.897-Criminal Background Checks (Ch. 558, Stats. 1997) (97-TC-16).....	2,569,000
(25) 98.01.083.194-School Bus Safety I and II (Ch. 624, Stats. 1992; Ch. 831, Stats. 1994; Ch. 739, Stats. 1997) (97-TC-22).....	0
(26) 98.01.046.576-Peace Officers Procedural Bill of Rights (Ch. 465, Stats. 1976) (CSM 4499).....	4,000
(27) 98.01.361.977-Financial and Compliance Audits (Ch. 36, Stats. 1977) (CSM 4498, 4498-A).....	353,000
(28) 98.01.064.097-Physical Education Reports (Ch. 640, Stats. 1997) (98-TC-08).....	2,000
(29) 98.01.112.096-Health Benefits for Survivors of Peace Officers and Firefighters (Ch. 1120, Stats. 1996) (97-TC-25).....	1,000
(30) 98.01.091.787-County Office of Education Fiscal Accountability Reporting (Ch. 917, Stats. 1987) (97-TC-20).....	288,000
(31) 98.01.010.081-School District Fiscal Accountability Reporting (Ch. 100, Stats. 1981) (97-TC-19).....	1,627,000
(32) 98.01.012.693-Law Enforcement Sexual Harassment Training (Ch. 126, Stats. 1993) (97-TC-07).....	0

Item	Amount
(33) 98.01.078.495-County Treasury Withdrawals (Ch. 784, Stats. 1995) (96-365-03).....	0
(34) 98.01.073.697-Comprehensive School Safety Plans (Ch. 736, Stats. 1997) (98-TC-01, 99-TC-10).....	3,237,000
(35) 98.01.032.578-Immunization Records—Hepatitis B (Ch. 325, Stats. 1978; Ch. 435, Stats. 1979 (98-TC-05).....	4,336,000
(36) 98.01.119.280-School District Reorganization (Ch. 1192, Stats. 1980; Ch. 1186, Stats. 1994) (98-TC-24).....	1,000
(37) 98.01.003.498-Charter Schools II (Ch. 34, Stats. 1998; Ch. 673, Stats. 1998) (99-TC-03).....	55,000
(38) 98.01.059.498-Criminal Background Checks II (Ch. 594, Stats. 1998; Ch. 840, Stats. 1998, Ch. 78, Stats. 1999) (00-TC-05).....	920,000
(39) 98.01.117.096-Grand Jury Proceedings (Ch. 1170, Stats. 1996, et al.) (98-TC-27).....	0
(40) 98.01.074.398-Pupil Promotion and Retention (Ch. 100, Stats. 1981, et al.) (98-TC-19).....	15,203,000
(41) 98.01.033.198-Teacher Incentive Program (Ch. 331, Stats. 1998) (99-TC-15).....	8,000
(42) 98.01.030.098-Differential Pay and Reemployment (Ch. 30, Stats. 1998) (99-TC-02).....	24,000

Provisions:

1. If the amount appropriated in this item is less than the amount required to fund eligible claims contained in this item and in Item 6870-295-0001, the State Controller shall prorate payments proportionately between these items.
2. Notwithstanding any other provision of law, the funds allocated for PERS Death Benefits (Ch. 799, Stats. 1980) and PERS Unused Sick Leave Credit (Ch. 1398, Stats. 1974) are for transfer to the Public Employees' Retirement System for reimbursement of costs incurred

Item Amount

pursuant to Chapter 1398 of the Statutes of 1974 or Chapter 799 of the Statutes of 1980.

3. Pursuant to Section 17581.5 of the Government Code, mandates included in the language of this provision are specifically identified by the Legislature for suspension during the 2006–07 fiscal year:
   (25) School Bus Safety I and II (Ch. 624, Stats. 1992; Ch. 831, Stats. 1994; Ch. 739, Stats. 1997) (97-TC-22).
   (32) 98.01.012.693-Law Enforcement Sexual Harassment Training (Ch. 126, Stats. 1993) (97-TC-07).
   (33) 98.01.078.495-County Treasury Withdrawals (Ch. 784, Stats. 1995) (96-365-03).
   (39) 98.01.117.096-Grand Jury Proceedings (Ch. 1170, Stats. 1996, et al.) (98-TC-27).
4. It is noted that additional funding is provided in Item 6110-485 in the event that funding provided in this item is insufficient to fully fund mandates claimed pursuant to this item.

6110-301-0660—For capital outlay, Department of Education, payable from the Public Buildings Construction Fund..... 33,825,000

Schedule:

California School for the Deaf, Riverside:

(1) 80.80.089-Kitchen and Dining Hall Renovation—Preliminary plans, working drawings, construction, and equipment..... 8,862,000

(2) 80.80.052-New Gymnasium and Pool Center—Preliminary plans, working drawings, construction, and equipment..... 24,963,000

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, construction, and equipping of the projects authorized by this item.
2. The State Department of Education and the State Public Works Board are authorized and directed to execute and deliver any and all leases, contracts, agreements, or other documents

Item Amount

necessary or advisable to consummate the sale of bonds or otherwise effectuate the financing of the scheduled projects.

3. The State Public Works Board shall not itself 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 State Department of Education from the requirements of the California Environmental Quality Act. This section is declarative of existing law.

4. Notwithstanding any other provision of law, the funds appropriated in this item shall be available for expenditure until June 30, 2010. In addition, the balance of funds appropriated for construction in this item that has not been allocated, through fund transfer or approval to bid, by the Department of Finance on or before June 30, 2008, shall revert as of the date to the fund from which the appropriation was made.

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 $226,040,000 is hereby reappropriated from the Proposition 98 Reversion Account, for the following purposes:

0001—General Fund

(1) $136,979,000 to the School Facilities Program for the purpose of funding the School Facilities

Item Amount

Emergency Repair Account as required by Chapter 899 of the Statutes of 2004.

(3) $39,000 to the Controller to pay for 1998–99 fiscal year reimbursable mandated cost claims relating to attendance accounting per Chapter 855 of the Statutes of 1997.

(4) $9,555,000 to the State Department of Education for the purpose of the Teacher Credentialing Block Grant pursuant to Article 4 (commencing with Section 4120) of Chapter 3.2 of Part 21 of the Education Code to fund an additional 2,600 beginning teachers in the 2005–06 budget year.

(8) $1,000,000 to the State Department of Education for the purpose of the Principal Training Program, pursuant to Article 4.6 (commencing with Section 44510) of Chapter 3 of Part 25 of the Education Code.

(10) $18,726,000 to the Controller to pay for prior-year state obligations for K–12 mandate claims and interest.

(11) $10,509,000 to fully implement in the 2005–06 fiscal year the adjustment for unified school districts pursuant to Chapter 355 of the Statutes of 2005 (S.B. 319). This appropriation is for the difference between fully funding Chapter 355 of the Statutes of 2005 and what statutes provide for the 2005–06 fiscal year.

(12) $30,000,000 for any costs of 2006–07 K–12 certified mandate claims beyond what is appropriated in Item 6110-295-0001, to be disbursed by the Controller.

(19) $15,000,000 to supply schools with garden supplies and equipment. The State Department of Education shall allocate a minimum of $500 to each school in the state that applies for funds. The balance of the funds shall be allocated to school districts on a per-pupil basis.

(20) Of the funds reappropriated in this item, $1,232,000 is available on a one-time basis to provide professional development to increase the effective integration of standards-aligned instructional materials in reading and mathematics and supplemental instructional materials designed to assist English learners.

(a) Priority for funding under this provision shall be for teachers who provide instruc-

Item Amount

tion to English learners. Allocation of the funds pursuant to (b) shall be on a first-come, first-served basis, consistent with this priority.

(b) Notwithstanding any other provision of law, the training shall consist of 40 hours of intensive instruction and 80 hours of followup instruction, coaching, or additional schoolsite assistance that shall address both core instructional materials and supplemental materials. Training shall be conducted by providers that have previously been approved by the State Board of Education pursuant to paragraph (1) of subdivision (a) of Section 99237 of the Education Code, and that have expertise in the instruction of English learners and supplemental instructional materials designed to assist English learners.

(c) Training on supplemental materials shall only be for those materials that have been previously approved by the State Board of Education, pursuant to Provision 2 of Item 6110-189-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004).

(d) The Superintendent of Public Instruction shall allocate to local educational agencies $2,500 per participating teacher to complete the 40 hours of training and 80 hours of followup instruction, coaching, or additional schoolsite assistance. The superintendent may allocate the funding based upon a statement of intent to participate from the local educational agency and in a manner that is consistent with subdivision (c) of Section 99237 of the Education Code.

(21) $3,000,000 shall be available to establish state-level teacher recruitment personnel teams to improve district teacher recruitment and retention pursuant to the enactment of legislation during the 2005–06 Regular Session..

Item Amount

6110-486—Reappropriation, Department of Education. Notwithstanding any other provision of law, $18,200,000, or the unexpended amount thereof, from Item 6110-485, Schedule (9), Budget Act of 2005 (Chs. 38 and 39, Stats. 2005), is reappropriated for the purposes specified and shall be available for encumbrance or expenditure until June 30, 2007 and liquidation until June 30, 2009.

6110-491—Reappropriation, Department of Education. 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, in those appropriations, and shall be available for encumbrance or expenditure until June 30, 2007:

(1) Item 6110-001-3085, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005). Of the funds appropriated in this item, $289,000 is made available for the 2006–07 fiscal year, for the purpose of fulfilling contracting services with local education agencies pursuant to the Mental Health Services Act (Proposition 63).

(2) Schedule (4) of Item 6110-485, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005). Funds appropriated in this item are made available for the 2006–07 fiscal year, subject to the provisions of the appropriation.

(3) Item 6110-161-0001, Budget Act of 2003 (Ch. 157, Stats. 2003). Balances available from this item are made available for allocation by the Superintendent of Public Instruction to special education local plan areas SELPAs to fully fund deficiencies related to average daily attendance funding in (1) Item 6110-161-0001 of the Budget Act of 2004 and (2) Item 6110-161-0001 of the Budget Act of 2005.

(4) Item 6110-107-0001, Budget Act of 2003 (Ch. 157, Stats. 2003). Any unexpected funds from Item 6110-107-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003) shall remain available to the County Office Fiscal Crisis and Management Assistance Team (FCMAT) for the following purposes:

(a) To provide an additional annual written status report for 2006 assessing the progress of the Oakland Unified School District in

Item Amount

implementing the improvement plan developed pursuant to Chapter 14 of the Statutes of 2003. The report shall be provided at a date agreed to by FCMAT and the Superintendent of Public Instruction.

(b) To provide an additional annual written status report for 2006 assessing the progress of the West Fresno Elementary School District in implementing the improvement plan developed pursuant to Chapter 1 of the Statutes of 2003. The report shall be provided at a date agreed to by FCMAT and the Superintendent of Public Instruction.

(c) To provide an additional annual written status report for 2006 assessing the progress of the Vallejo Unified School District in implementing the improvement plan developed pursuant to Chapter 53 of the Statutes of 2004. The report shall be provided at a date agreed to by FCMAT and the Superintendent of Public Instruction.

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 or expenditure until June 30, 2007:

Provisions:

1. Notwithstanding Section 8278 of the Education Code, $12,723,000 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 2004 (Ch. 208, Stats. 2004) shall be available only for expenditure for CalWORKs Stage 2 during the 2006–07 fiscal year.
2. $5,386,000 of the unliquidated federal fund balance appropriated in Item 6110-196-0890 as included in Schedule (1.5)(e) of Item 6110-196-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003), shall be available only for expenditure for CalWORKs Stage 2 during the 2006–07 fiscal year.
3. $4,045,000 of the unliquidated federal fund balance appropriated in Item 6110-196-0890 as included in Schedule (1.5)(f) of Item 6110-

Item	Amount
196-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003), shall be available only for expenditure for CalWORKs Stage 3 during the 2006–07 fiscal year.	
4. $8,295,000 of the unliquidated federal fund balance appropriated in Item 6110-196-0890 as included in Schedule (1.5)(e) of Item 6110-196-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004), shall be available only for expenditure for CalWORKs Stage 2 during the 2006–07 fiscal year.	
5. $5,081,000 of the unliquidated federal fund balance appropriated in Item 6110-196-0890 as included in Schedule (1.5)(f) of Item 6110-196-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004), shall be available only for expenditure for CalWORKs Stage 3 during the 2006–07 fiscal year.	
6. Notwithstanding Section 8278 of the Education Code, $266,000 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, Budget Act of 2003 (Ch. 157, Stats. 2003), shall be available only for expenditure for CalWORKs Stage 2 during the 2006–07 fiscal year.	
7. Notwithstanding Section 8278 of the Education Code, $2,099,000 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, Budget Act of 2003 (Ch. 157, Stats. 2003), shall be available only for expenditure for CalWORKs Stage 3 during the 2006–07 fiscal year.	
8. Notwithstanding Section 8278 of the Education Code, $2,144,000 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, Budget Act of 2004 (Ch. 208, Stats. 2004), shall be available only for expenditure for CalWORKs Stage 3 during the 2006–07 fiscal year.	
9. Notwithstanding Section 8278 of the Education Code, $42,948,000 of the remaining unallocated General Fund balance of the amount appropriated in Item 6110-196-0001, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005), with the ex-	

Item Amount

ception of Schedules (1.5)(e) and (1.5)(f) for CalWORKs child care programs, shall be available only for expenditure for CalWORKs Stage 3 during the 2006–07 fiscal year.

6110-495—Reversion, Department of Education, Proposition 98. The following amounts shall be reverted to the Proposition 98 Reversion Account by the Controller within 60 days of enactment of this act:

0001—General Fund

(1) $6,225,000 or whatever the greater or lesser amount reflects the unencumbered balance of the amount appropriated for child care and development programs in Item 6110-196-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004).

(2) $16,000,000 or whatever lesser or greater amount reflects the unexpended funds from Item 6110-234-0001 of the Budget Act of 2005 (Chs. 38 and 39, Stats. 2005).

(5) $213,000 or whatever greater or lesser amount reflects the unexpended funds from Schedules (2) and (3) of Item 6110-123-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004).

(8) $128,000 or whatever greater or lesser amount reflects the unexpended funds from Schedule (1) of Item 6110-151-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004).

(9) $725,000 or whatever greater or lesser amount reflects the unexpended funds from Item 6110-235-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004).

(10) $4,096,000 or whatever greater or lesser amount reflects the unexpended funds from Item 6110-212-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).

(13) $5,723,000 or whatever lesser or greater amount reflects the unexpended funds from Item 6110-196-0001 of the Budget Act of 2001 (Ch. 106, Stats. 2001).

(14) $2,750,000 or whatever lesser or greater amount reflects the unexpended funds from Schedule (2) for After School Programs from Item 6110-196-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).

(15) $9,299,000 or whatever lesser or greater amount reflects the unexpended funds from

Item	Amount
Item 6110-196-0001 of the Budget Act of 2002 (Ch. 376, Stats. 2002).	
(16) $10,646,000 or whatever lesser or greater amount reflects the unexpended funds from Item 6110-196-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).	
(17) $293,000 or whatever greater or lesser amount reflects the unencumbered balance of the amount appropriated for Specialized Secondary Programs in Item 6110-122-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004).	
(18) $1,066,000 or whatever greater or lesser amount reflects the unexpended funds from Item 6110-191-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004).	
(19) $870,000 or whatever greater or lesser amount reflects the unexpended funds from Item 6110-195-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004).	
(20) $8,000,000 or whatever greater or lesser amount reflects the unexpended funds from Item 6110-112-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).	
(21) $7,000,000 or whatever greater or lesser amount reflects the unexpended funds from Item 6110-112-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004).	
(22) $283,000 or whatever greater or lesser amount reflects the unexpended funds from Item 6110-181-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004).	
(23) $419,000 or whatever greater or lesser amount reflects the unexpended funds from Item 6110-181-0001 of the Budget Act of 2005 (Ch. 38, Stats. 2005).	
(25) $2,500,000 from Schedule (1) of Item 6110-203-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004).	
(26) $67,000 or whatever greater or lesser amount reflects the unexpended funds from Schedule (1) of Item 6110-240-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).	
(27) $88,000 or whatever greater or lesser amount reflects the unexpended funds from Item 6110-120-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).	

Item	Amount
(28) $1,000 or whatever greater or lesser amount reflects the unexpended funds from Item 6110-131-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).	
(29) $7,000 or whatever greater or lesser amount reflects the unexpended funds from Item 6110-151-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).	
(30) $69,000 or whatever greater or lesser amount reflects the unexpended funds from Item 6110-120-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004).	
(31) $472,000 or whatever greater or lesser amount reflects the unexpended funds from Schedule (5) of Item 6110-113-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).	
(32) $78,000 or whatever greater or lesser amount reflects the unexpended funds from Schedule (3) of Item 6110-113-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).	
(33) $136,000 or whatever greater or lesser amount reflects the unexpended funds from Schedule (1) of Item 6110-123-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).	
(34) $37,000 or whatever greater or lesser amount reflects the unexpended funds from Schedule (2) of Item 6110-123-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).	
(35) $35,000 or whatever greater or lesser amount reflects the unexpended funds from Schedule (3) of Item 6110-123-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).	
(36) $1,159,000 or whatever greater or lesser amount reflects the unexpended funds from Schedule (5) of Item 6110-113-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004).	
(37) $96,000 or whatever greater or lesser amount reflects the unexpended funds from Schedule (1) of Item 6110-123-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004).	
38. $327,000 or whatever greater or lesser amount reflects the unexpended funds from Schedule (1) of Item 6100-123-0001 of the Budget Act of 2005 (Chs. 38 and 39, Stats. 2005).	
39. $300,000 or whatever lesser or greater amount reflects the unexpended funds from Item 6110-	

Item Amount

137-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004).

40. $932,000 or whatever lesser or greater amount reflects the unexpended funds from Item 6110-137-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).
41. $3,736,256 or whatever lesser or greater amount reflects the unexpended funds from Schedule (16) of Item 6110-485 of the Budget Act of 2004 (Ch. 208, Stats. 2004).
42. $1,535,000 or whatever lesser or greater amount reflects the unexpended funds from Item 6110-195-0001 of the Budget Act of 2005 (Chs. 38 and 39, Stats. of 2005).
43. $2,989,000 or whatever lesser or greater amount reflects the unexpended funds from the Item 6110-198-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004).
44. $200,000 or whatever lesser or greater amount reflects the unexpended funds from Item 6110-161-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004).

6110-496—Reversion, Department of Education.

Provisions:

1. The Superintendent of 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 of Public Instruction certifies that the original purpose of the appropriation would not be accomplished by further expenditure.
2. The State 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 State Department of Education, the Director of Finance may 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.

Item	Amount
6120-011-0001—For support of California State Library, Division of Libraries, and California Library Services Board	11,100,000
Schedule:	
(1) 10-State Library Services	14,134,000
(2) 20-Library Development Services	4,214,000
(3) 30-Information Technology Services	1,183,000
(4) 40.01-Administration	1,783,000
(5) 40.02-Distributed Administration	−1,783,000
(6) Reimbursements	−1,599,000
(7) Amount payable from the Federal Trust Fund (Item 6120-011-0890)	−6,832,000
Provisions:	
1. Of the amount appropriated in Schedule (1), $76,000 is for repair and maintenance costs of the Library and Courts II Building.	
2. Of the amount appropriated in Schedule (1), $220,000 is for 2.0 information technology positions to meet the critical workload need for computer support and information security.	
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 State Law Library Special Account	548,000
Provisions:	
1. 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 State Law Library Special Account which is in addition to the revenue appropriated in 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 of the Legislature and the Chairperson of the Joint Legislative Budget Committee.	
6120-011-0890—For support of the California State Library, for payment to Item 6120-011-0001, payable from the Federal Trust Fund	6,832,000

Item	Amount
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.....	2,755,000
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.....	1,718,000
Provisions:	
1. Funds in this item are available for the administration of the California Cultural and Historical Endowment authorized by Chapter 157 of the Statutes of 2003.	
6120-012-0001—For support of the California State Library, for rental payments on lease-revenue bonds.....	2,454,000
Schedule:	
(1) Base Rental and Fees..... 2,469,000	
(2) Insurance..... 19,000	
(3) Reimbursements..... −34,000	
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.	
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.	
6120-013-0001—For support of California State Library, Program 10-State Library Services—Sutro Library Special Repairs Project.....	17,000
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.	

Item | Amount

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 Deaf and Disabled Telecommunications Program Administrative Committee Fund..... 552,000

Provisions:

1. The funds appropriated in this item shall be used to operate the Telephonic Reading for the Blind Program. Any federal funds received for this purpose shall offset the appropriation in this item. Any remaining funds in this item shall revert to the Deaf and Disabled Telecommunications Program Administrative Committee Fund.

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..... 21,342,000

Schedule:

(1) 20.30-Direct Loan and Interlibrary Loan Programs..... 18,616,000

(2) 20.50-California Library Services Act pursuant to Chapter 4 (commencing with Section 18700) of Part 11 of the Education Code..... 2,726,000

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..... 5,064,000

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..... 21,360,000

Provisions:

1. Notwithstanding any other provision of law, for the 2006−07 fiscal year, the date on or before which the fiscal officer of each public li-

Item Amount

brary shall report to the State Librarian the information specified in Section 18023 of the Education Code shall be December 1, 2006.

2. Notwithstanding any other provision of law, for the 2006−07 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, 2007.

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.

6125-001-0001—For support of the Education Audit Appeals Panel..... 1,311,000

Schedule:

(1) 10-Education Audit Appeals Panel..... 1,311,000

6255-001-0001—For support of California State Summer School for the Arts..... 1,481,000

Schedule:

(1) 10-California State Summer School for the Arts..... 1,481,000

6330-001-0001—For support of the California Career Resource Network..... 0

Schedule:

(1) 10-California Career Resource Network..... 418,000

(2) Reimbursements..... −418,000

Provisions:

1. The funds appropriated in this item shall be used specifically to (a) develop relevant career exploration tools and materials, (b) publish timely information on existing job labor markets and career opportunities, and (c) disseminate these materials to middle and high school counselors throughout the state.

6360-001-0001—For support of the Commission on Teacher Credentialing..... 227,000

Schedule:

(1) 10-Standards for Preparation and Licensing of Teachers..... 227,000

6360-001-0407—For support of the Commission on Teacher Credentialing, payable from the Teacher Credentials Fund..... 14,779,000

Item Amount

Schedule:

(1) 10-Standards for Preparation and Licensing of Teachers..... 15,806,000

(2) 10.40.010-Departmental Administration..... 4,337,000

(3) 10.40.020-Distributed Departmental Administration..... −4,337,000

(4) Reimbursements..... −1,027,000

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.
2. 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.
3. Of the funds appropriated in Schedule (1), $366,000 is for maintenance costs of the Teacher Credentialing Service Improvement Project.
4. 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.
5. The Commission on Teacher Credentialing (CTC) shall submit quarterly reports to the

Item Amount

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, (e) emergency permits, and (f) the percentage of renewals and new applications completed online. The report should also include information on the total number of each type of application and the hours of staff time utilized to process the different types of credentials. The quarterly reports shall commence on October 1, 2005, 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.

6. Four existing positions from the Professional Services Division shall be reclassified to establish three staff services analyst and four office technician positions in the Certifications, Assignments and Waivers Division until June 30, 2007, for the purpose of addressing the application backlog. Backlog is defined as applications received that have not been processed after 10 days. The Commission on Teacher Credentialing shall submit quarterly reports, in a format approved by the Office of the Secretary for Education in consultation with the Department of Finance, to the Legislature, Legislative Analyst's Office, the Office of the Secretary for Education, and the Department of Finance. The first quarterly report shall be due on October 1, 2006. The report shall include information on the total number of backlogged applications, the number and percent the backlog was reduced in each of the three months of that quarter, and an estimate of when the backlog will be fully addressed.

8. Of the reimbursement authority provided in Schedule (4), $75,000 is available on a one-time basis from federal Title II carryover funds through an interagency agreement with the State Department of Education for the develop-

Item Amount

ment of a language examination template and its application to several specific language examinations. After creating the template, the Filipino language shall be given priority for specific examination development, followed by the Hmong, Cantonese, Armenian, Khmer, Arabic, and Farsi languages, in that order, although test development may occur simultaneously.

9. Of the reimbursement authority provided in Schedule (4), $200,000 is available on a one-time basis from federal Title II carryover funds through an interagency agreement with the State Department of Education for (a) reviewing the standards for special education teacher preparation programs and revising those programs to include outcome-based performance measures that can be tracked annually, and (b) reviewing the requirements of Education Specialist credentials and recommending revisions that would better ensure that special education teacher candidates achieve teaching competence and are not required to engage in unproductive activities.

10. Of the reimbursement authority provided in Schedule (4), $252,000 is available on a one-time basis from federal Title II carryover funds through an interagency agreement with the State Department of Education to support 1.0 Staff Information Systems Analyst, 1.0 Senior Information Systems Analyst, 0.5 Associate Governmental Program Analysts, and other costs associated with the development of the Teacher Database System.

11. Of the reimbursement authority provided in Schedule (4), $500,000 is available on a one-time basis from federal Title II carryover funds through an interagency agreement with the State Department of Education to implement the Teaching Performance Assessment pursuant to legislation enacted in the 2005–06 Regular Session.

6360-001-0408—For support of the Commission on Teacher Credentialing, payable from the Test Development and Administration Account, Teacher Credentials Fund..... 4,628,000

Item Amount

Schedule:

(1) 10-Standards for Preparation and Licensing of Teachers..... 4,628,000

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.
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.

6360-101-0001—For local assistance, Commission on Teacher Credentialing (Proposition 98), Program 10, Standards for Preparation and Licensing of Teachers..... 41,114,000

Schedule:

(1) 10.20.001-Alternative Certification Program..... 31,723,000

(2) 10.20.002-California School Paraprofessional Teacher Training Program..... 9,083,000

(3) 10.10.001-Teacher Misassignment Monitoring..... 308,000

Item Amount

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. Of these funds, $6,800,000 is available to increase intern grants for school districts and county offices that agree to enhance internship programs and address the distribution of beginning teachers pursuant to the enactment of legislation during the 2005–06 Regular Session.
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 pursuant to Article 12 (commencing with Section 44390) of Chapter 2 of Part 25 of the Education Code. Of these funds, $2,500,000 is available to increase the per participant rate and to address participant waiting lists pursuant to the enactment of legislation during the 2005–06 Regular Session.
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.

6360-495—Reversion, California Commission on Teacher Credentialing. The following amounts shall revert to the Proposition 98 Reversion Account:

(1) $4,062,000 or whatever greater or lesser amount reflects the unexpended funds from Schedule (1) of Item 6360-101-0001, Budget Act of 2004 (Ch. 208, Stats. 2004).

(2) $1,525,000 or whatever greater or lesser amount reflects the unexpended funds from Schedule (2) of Item 6360-101-0001, Budget Act of 2004 (Ch. 208, Stats. 2004).

Item Amount

(3) $2,437,000 or whatever greater or lesser amount reflects the unexpended funds from Item 6360-485, Budget Act of 2004 (Ch. 208, Stats. 2004).

6420-001-0001—For support of California Postsecondary Education Commission..... 2,065,000

Schedule:

(1) 100000-Personal Services..... 1,881,000

(2) 300000-Operating Expenses and Equipment..... 624,000

(3) Reimbursements..... −3,000

(4) Amount payable from the Federal Trust Fund (Item 6420-001-0890)..... −437,000

6420-001-0890—For support of California Postsecondary Education Commission, for payment to Item 6420-001-0001, payable from the Federal Trust Fund..... 437,000

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..... 2,826,268,000

Schedule:

(1) Support..... 2,742,772,000

(2) Charles R. Drew Medical Program..... 8,738,000

(3) Acquired Immune Deficiency Syndrome (AIDS) Research..... 9,214,000

(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

Item Amount

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 funds 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 in Schedule (2) are expended solely for the support of the program identified in that schedule.
4. Of the funds 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 funds appropriated in Schedule (1), $2,762,129 is for payment of energy service contracts in connection with the issuance of Public Works Board Energy Efficiency Revenue Bonds.
7. Of the funds 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 funds 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 annual-

Item Amount

ly provide funds for that repayment purpose through the 2010–11 fiscal year.

9. Of the funds appropriated in Schedule (1), $1,609,000 is for the California State Summer School for Math and Science (COSMOS). The University of California shall report on the outcomes and effectiveness of COSMOS every five years, commencing April 1, 2011.
10. Of the funds appropriated in Schedule (1), $770,000 is for the Welfare Policy Research Project, pursuant to Article 9.7 (commencing with Section 11526) of Chapter 2 of Part 3 of the Welfare and Institutions Code.
11. Notwithstanding Section 3.00, for the term of the financing, the University of California may use funds appropriated in Schedule (1) for debt service 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. The university shall report to the Legislature by March 15, 2007, on the (a) amount of funds spent to support the UC-Mexico facility, including the specific use of these funds, (b) amount of funds spent to support UC-Mexico research and academic programs, and (c) different types of research conducted and programs operated at the UC-Mexico facility.
12. Of the funds provided in Schedule (1), $1,125,000 is appropriated for science and math resource centers to implement the Science and Math Teacher Initiative. The university shall report to the Legislature and the Governor by April 1, 2007, on its progress toward increasing the quality and supply of science and math teachers.
13. Of the funds appropriated in Schedule (1), $41,640,000 is to fund 5,149 additional state-supported full-time equivalent (FTE) students at the University of California, based on a marginal General Fund cost of $8,087 per additional student. As a result, the Legislature expects the University of California to enroll a total of 193,455 state-supported FTE students during the 2006–07 academic year. This enrollment target does not include nonresident stu-

Item	Amount
dents and students enrolled in non-state-supported summer programs. The University of California shall report to the Legislature by March 15, 2007, on whether it has met the 2006–07 enrollment goal. For purposes of this provision, enrollment totals shall only include state-supported students. If the University of California does not meet its total state-supported enrollment goal by at least 257 (FTE) students, the Director of Finance shall revert to the General Fund by April 1, 2007, the total amount of enrollment funding associated with the total share of the enrollment goal that was not met.	
14. Of the funds appropriated in Schedule (1), $480,000 shall be used to support 32 full-time equivalent students in the Program in Medical Education for the Latino Community (PRIME-LC). The primary purpose of this program is to train physicians specifically to serve in underrepresented communities. The University of California shall report to the Legislature by March 15, 2007, on (a) its progress in implementing the PRIME-LC program and (b) the use of the total funds provided for this program from both state and nonstate resources.	
15. Of the funds provided in Schedule (1), $860,000 is appropriated to fund the full cost of a minimum of 65 full-time-equivalent students in entry-level clinical nursing programs and entry-level master's degree programs in nursing, and $103,000 is to support an additional 20 master's degree level nursing students. This funding is intended as a supplement to marginal cost support provided within the University of California's enrollment growth funding, in recognition of the higher costs associated with master's degree level nursing programs. The university shall report to the Legislature and the Governor by May 1, 2007, on its progress toward meeting this enrollment goal.	
16. Of the funds appropriated in Schedule (1), $19,300,000 is appropriated for student academic preparation and education programs (SAPEP) and is to be matched with $12,000,000 from existing university resources, for a total of $31,300,000 for these	

Item Amount

programs. The University of California shall provide a plan to the Department of Finance and the fiscal committees of each house of the Legislature for expenditure of both state and university funds for SAPEP by September 1, 2006. It is the intent of the Legislature that the university report on the use of state and university funds provided for these programs, including detailed information on the outcomes and effectiveness of academic preparation programs consistent with the accountability framework developed by the University of California in April 2005. It is the intent of the Legislature that the report be submitted to the fiscal committees of each house of the Legislature no later than April 1, 2007.

17. 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.
18. 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.
19. Of the funds appropriated in Schedule (1), $18,000,000 is for substance abuse research at the Neurology Department of the University of California, San Francisco.
20. Of the funds appropriated in Schedule (1), $770,000 shall be used for lupus research at the University of California, San Francisco.
21. Of the funds appropriated in Schedule (1), $1,539,000 shall be used to expand spinal cord injury research.
22. Of the funds appropriated in Schedule (1), $3,848,000 is to fund the Medical Investigation of Neurodevelopmental Disorders (MIND) Institute, including $3,500,000 for a research grants program.
23. Of the funds appropriated in Schedule (1), $6,000,000 shall be used to support research on labor and employment and labor education throughout the University of California system. Of these funds, 60 percent shall be for labor re-

Item Amount

search, and 40 percent shall be for labor education.

24. Of the funds appropriated in Schedule (1), $1,000,000 is to fund research at the Institute for Experimental Research on Obesity and Diabetes.
25. It is the intent of the Legislature that the University of California report by January 15, 2007, on salary increases provided to employees for the 2006–07 academic year by employment classification, such as represented staff, nonrepresented staff, academics, and senior management, and that this report include the degree to which salary increases were consistent with the plan presented in the university's Board of Regents budget request in November 2005.
26. It is the intent of the Legislature that before changes are made to existing pension programs, the University of California report to the Legislature on how changes would affect employees by classification, such as represented staff, nonrepresented staff, academics, and senior management.
27. It is the intent of the Legislature that the University of California fundamentally reform its compensation policies and practices to more appropriately reflect its status as a public institution accountable to the State of California. It is the intent of the Legislature that the University of California submit an annual report by March 1 of each year through the 2010–11 fiscal year to the Joint Legislative Budget Committee, legislative fiscal subcommittees, and the Department of Finance on the university's progress in reforming its compensation policies and practices consistent with the recommendations of the April 2006 report of the Task Force on UC Compensation, Accountability, and Transparency, the Price Waterhouse-Coopers report, and the Bureau of State Audits' May 2, 2006, report. It is the intent of the Legislature that the fiscal subcommittees of both houses of the Legislature hold annual meetings to review this report. It is the intent of the Legislature that the report specifically include all of the following:

Item Amount

(a) Consistent with the task force's recommendation on reporting, annual reports provided to the Board of Regents on total compensation for specified university senior officials, including the president, provost, senior vice presidents, vice presidents and vice provosts, associate and assistant vice presidents, university auditor, university controller, principal officers of the Board of Regents, chancellors, vice chancellors, national laboratory directors and deputy directors, medical center CEOs, professional school deans, and the top five most highly compensated positions at the Office of the President and at each campus, medical center, and Department of Energy Laboratory. Total compensation information on employees not covered by this language is to be made available to the Legislature upon request. In its annual report of total compensation for senior officials, the university should use a standard reporting template, such as the template recommended in the April 2006 report of the task force, that lists all elements of total compensation, including base salary, benefits, and perquisites, and all other forms of compensation provided by the University of California that accrue to the individual.

(b) Plans and actions taken by the University of California to reform compensation policies and practices to ensure all of the following occurs:

(i) Clear and appropriate policies are in place to define compensation.

(ii) University compensation remains competitive.

(iii) It is clear with whom the authority lies for making compensation decisions.

(iv) Policies include specific guidance about when exceptions are appropriate, who may grant exceptions, and through which mechanisms exceptions may be granted, so that exceptions do not become the rule.

(v) Conflicts among existing policies are eliminated.

Item Amount

(vi) Mechanisms are in place to ensure compliance with newly reformed policies and to reliably impose consequences when policies are violated.

(c) Plans and actions taken by the University of California to update its human resources information system to ensure that campuses and the Office of the President are entering and capturing data in an accurate and systematically compatible manner that permits disclosure of compensation information in a full and timely way.

6440-001-0007—For support of University of California, payable from the Breast Cancer Research Account..... 12,776,000

Provisions:

1. Notwithstanding subdivision (a) of Section 1.80 of this act, the funds appropriated in this item shall be available for expenditure until June 30, 2009.

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..... 14,553,000

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 1.80 of this act, the funds appropriated in this item are available for expenditure until June 30, 2009.

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 Engineer-

Item Amount

ing 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.

6440-001-0890—For support of University of California, payable from the Federal Trust Fund 3,500,000

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. Sec. 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..... 473,000

Provisions:

1. Notwithstanding subdivision (a) of Section 1.80 of this act, the funds appropriated in this item shall be available for expenditure until June 30, 2009.

6440-001-3054—For support of University of California..... 235,000

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.

6440-002-0001—For support of University of California..... (55,000,000)

Provisions:

1. Notwithstanding Section 1.80 of this act, the funds appropriated in this item are not available for expenditure or encumbrance prior to July 1, 2007. Claims for these funds shall be submitted by the University of California on or after July 1, 2007, and before October 1, 2007.
2. No reserve may be established by the Controller for this appropriation before July 1, 2007.

Item Amount

6440-003-0001—For support of the University of California, for payments on lease-purchase bonds..... 158,327,000

Schedule:

(1) Rental, insurance, and administrative payments..... 159,823,000

(2) Reimbursements..... −1,496,000

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 needed to ensure debt requirements are met.
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

6440-004-0001—For support of University of California..... 24,000,000

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 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

Item Amount

shall also include an economic analysis detailing the cost benefit of the project.

3. $14,000,000 of the funds in this item are one time and shall decrease in subsequent years as enrollment increases in accordance with the plan submitted by the University of California.

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 pursuant to subdivision (c) of Section 92901 of the Education Code 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)

6440-301-6041—For capital outlay, University of California, payable from the 2004 Higher Education Capital Outlay Bond Fund..... 65,025,000

Schedule:

San Francisco Campus:

(1) 99.02.145-Medical Sciences Building Improvements, Phase 2—Construction..... 15,319,000

Santa Barbara Campus:

(2) 99.08.130-Education and Social Sciences Building—Construction..... 49,706,000

Provisions:

1. If savings are identified 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, those savings may be used for the following purposes: (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)

Item Amount

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 of each year, 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 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 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 rates until June 30, 2007.

6440-301-6048—For capital outlay, University of California, payable from the 2006 Higher Education Capital Outlay Bond Fund..... 160,290,000

Schedule:

Davis Campus:

(1) 99.03.350-Veterinary Medicine 3B—Preliminary plans..... 3,100,000

(1.3) 99.03.355-King Hall Renovation and Expansion—Preliminary plans, working drawings, and construction 17,925,000

Irvine Campus:

(2) 99.09.345-Biological Sciences Unit 3—Equipment..... 3,268,000

Item	Amount
(2.5) 99.09.360-Primary Electrical Improvements Step 3—Preliminary plans, working drawings, and construction	2,571,000
Merced Campus:	
(3) 99.11.045-Social Sciences and Management Building—Preliminary plans and working drawings	2,667,000
Riverside Campus:	
(4) 99.05.205-Student Academic Support Services Building—Construction	18,035,000
(5) 99.05.210-Culver Center for the Arts—Working drawings and construction	8,065,000
(6) 99.05.220-Boyce Hall and Webber Hall Renovations—Preliminary plans	900,000
San Diego Campus:	
(7) 99.06.355-Mayer Hall Addition and Renovation—Construction	13,126,000
(8) 99.06.385-Chilled Water and Electrical Distribution Improvements—Working drawings and construction	3,157,000
San Francisco Campus:	
(9) 99.02.145-Medical Science Building Improvements, Phase 2—Construction	16,379,000
(10) 99.02.150-Electrical Distribution Improvements, Phase 2—Preliminary plans	525,000
Santa Barbara Campus:	
(10.5) 99.08.130-Education and Social Sciences Building—Construction	24,616,000
(11) 99.08.135-Arts Building Seismic Correction and Renewal—Preliminary plans and working drawings	1,855,000
(12) 99.08.145-Davidson Library Addition and Renewal—Preliminary plans	1,250,000
(13) 99.08.150-Phelps Hall Renovation—Preliminary plans and working drawings	1,100,000

Item	Amount
(14) 99.08.155-Infrastructure Renewal, Phase 1—Preliminary plans.....	489,000
Santa Cruz Campus:	
(15) 99.07.165-McHenry Project—Working drawings and construction.....	6,821,000
(16) 99.07.175-Digital Arts Facility—Construction.....	19,751,000
(17) 99.07.180-Infrastructure Improvements, Phase 1—Working drawings and construction.....	7,833,000
(18) 99.07.185-Infrastructure Improvements, Phase 2—Preliminary plans.....	367,000
(19) 99.07.190-Biomedical Sciences Facility—Preliminary plans and working drawings.....	6,490,000

Provisions:

1. If savings are identified 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, those savings may be used for the following purposes: (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 of each year, 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 of each year, the University of California shall prepare a report showing (a) the identified savings by project

Item Amount

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 in 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 rates until June 30, 2007.

3. The appropriation made in this item for studies, preliminary plans, working drawings, or minor capital outlay shall be available for expenditure until December 31, 2007. In addition, the balance of every appropriation made in this item that contains funding for construction that has not been allocated, through fund transfer or approval to bid, by the Department of Finance on or before December 31, 2007, shall revert as of that date.

4. The funds appropriated in Schedule (0.5) shall provide funding for a new energy/nanotechnology research building to support the Lawrence Berkeley National Laboratory's research on the conversion of solar energy into a carbon-neutral form of energy. The funds appropriated shall be equally matched with private funding and federal funds.

6440-302-6048—For capital outlay, University of California, payable from the 2006 Higher Education Capital Outlay Bond Fund..... 179,665,000

Schedule:

Berkeley Campus:

(1) 99.01.250-Birge Hall Infrastructure Improvements—Preliminary plans, working drawings, and construction..... 10,350,000

Irvine Campus:

Item	Amount
(3) 99.09.355-Social and Behavioral Sciences Building—Construction	37,582,000
(5) 99.09.365-Humanities Building—Preliminary plans and working drawings	1,749,000
Los Angeles Campus:	
(6) 99.04.265-Life Sciences Replacement Building—Construction	38,576,000
Riverside Campus:	
(7) 99.05.215-Geology Building Renovations, Phase 2—Preliminary plans, working drawings, and construction	9,025,000
San Diego Campus:	
(8) 99.06.375-Structural and Materials Engineering Building—Preliminary plans, working drawings, and construction	75,057,000
Santa Barbara Campus:	
(9) 99.08.140-Electrical Infrastructure Renewal, Phase 2—Construction	6,328,000
Division of Agriculture and Natural Resources:	
(10) 99.10.060-Kearney REC Pressure Irrigation System—Preliminary plans, working drawings, and construction	998,000

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 in this item, in an amount not to exceed 10 percent of the amount

Item 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 in 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, in this respect, means 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 any other provision of law, the appropriation made in this item is available for encumbrance until December 31, 2008, except that the funds appropriated for construction only must be bid by December 31, 2007, and are available for expenditure until December 31, 2008, and that the funds appropriated for equipment purposes are available for encumbrance until December 31, 2009. 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 in 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 per-

Item Amount

form 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 expenditures for each project of the funds appropriated in this item to the Chairperson of the Joint Legislative Budget Committee, the chairpersons of the fiscal committees of each house of the Legislature, 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 (3), (4), and (5) may utilize design-build construction consistent with practices, policies, and procedures of the University of California.

6440-401—Identified savings in funds encumbered from Higher Education Capital Outlay Bond Funds of 1986, 1988, 1990, 1992, 1996, 1998, 2002, and 2004 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

Item Amount

the Higher Education Capital Outlay Bond Funds of 1996, 1998, 2002, and 2004 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, 2006, 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, 2007:

0001—General Fund

(1) Item 6440-001-0001 of Section 2.00 of the Budget Act of 2005 (Chs. 38 and 39, Stats. 2005).

Provisions:

1. Of the funds reappropriated in this item from Item 6440-001-0001 of Section 2.00 of the Budget Act of 2005 (Chs. 38 and 39, Stats. 2005), $15,000,000 shall be available for deferred maintenance, special repair projects, and the replacement of instructional equipment. As of June 30, 2006, 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, 2006, of Item 6440-001-0001 of Section 2.00 of the Budget Act of 2005 (Chs. 38 and 39, Stats. 2005), by September 30, 2006, and the expenditures made pursuant to this item by September 30, 2007.

6440-491—Reappropriation, University of California. 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 in those appropriations, unless otherwise specified:

Item Amount

0574—1998 Higher Education Capital Outlay Bond Fund

(1) Item 6440-302-0574, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

Los Angeles Campus:

(1) 99.04.265-Life Sciences Replacement Building—Construction

6028—2002 Higher Education Capital Outlay Bond Fund

(1) Item 6440-302-6028, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

Los Angeles Campus:

(1) 99.04.265-Life Sciences Replacement Building—Construction

6041—2004 Higher Education Capital Outlay Bond Fund

(1) Item 6440-301-6041, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

Riverside Campus:

(5) 99.05.200-Environmental Health and Safety Expansion—Preliminary plans and working drawings

Santa Cruz Campus:

(16) 99.07.175-Digital Arts Facility—Working drawings

(2) Item 6440-302-6041, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

Los Angeles Campus:

(5.5) 99.04.265-Life Sciences Replacement Building—Construction

Riverside Campus:

(6) 99.05.190-Materials and Science and Engineering Building—Construction

6440-495—Reversion, University of California. As of June 30, 2006, the unencumbered balances of the appropriations provided in the following citations shall revert to the fund from which the appropriations were made:

6041—2004 Higher Education Capital Outlay Bond Fund

(1) Item 6440-301-6041, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

Berkeley Campus:

(1) 99.01.225-Seismic Safety Corrections, Giannini Hall—Preliminary plans

San Francisco Campus:

Item Amount

(11) 99.02.145-Medical Sciences Building Improvements, Phase 2—Construction

(2) Item 6440-301-6041, Budget Act of 2004 (Ch. 208, Stats. 2004), as reappropriated by Item 6440-491, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

Santa Barbara Campus:

(17) 99.08.130-Education and Social Sciences Building—Construction

6600-001-0001—For support of Hastings College of the Law..... 10,924,000

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.

6610-001-0001—For support of the California State University..... 2,704,147,000

Schedule:

(1) Support..... 2,904,933,000

(3) Reimbursements..... −200,786,000

Provisions:

1. The appropriations made in this item are exempt from Section 31.00, 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 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.

Item Amount

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, $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.
6. Of the amount provided in Schedule (1), $1,365,000 is appropriated to enhance the capacity of science and math teacher credential programs to implement the Science and Math Teacher Initiative. Of this amount, $652,000 is one-time. The university shall report to the Legislature and the Governor by April 1, 2007, on its progress toward increasing the quality and supply of science and math teachers.

7.5. Of the amount appropriated in Schedule (1), $47,519,000 is to fund 8,306 additional state-supported full-time-equivalent students (FTES) at the California State University (CSU), based on a marginal General Fund cost of $5,597 per additional student. As a result, the Legislature expects CSU to enroll a total of 324,825 state-supported FTES during the 2006–07 academic year. This enrollment target does not include nonresident students and students enrolled in nonstate supported summer programs. The CSU shall provide a preliminary report to the Legislature by March 15, 2007, and a final report by May 1, 2007, on whether it has met the 2006–07 enrollment goal. For purposes of this provision, enrollment totals shall only include state-supported students. If CSU does not meet its total state-supported enrollment goal by at least 415 FTES, the Director of Finance shall revert to the General Fund by May 15, 2007, the total amount of enrollment funding associated with the total share of the enrollment goal that was not met.

8. Of the amount appropriated in Schedule (1), $560,000 is to support 280 full-time-equivalent

Item	Amount
students in entry-level master's degree programs in nursing, pursuant to Article 8 (commencing with Section 89270) of Chapter 2 of Part 55 of the Education Code. The funding is intended as a supplement to marginal cost support provided in the California State University's enrollment growth funding, in recognition of the higher costs associated with entry-level master's degree programs in nursing.	
9. Of the amount provided in Schedule (1), $1,720,000 is appropriated to fund the full cost of a minimum of 130 full-time equivalent (FTE) students in entry-level master's degree programs in nursing. The university shall report to the Legislature and the Governor by May 1, 2007, on its progress toward meeting this enrollment goal.	
10. Of the amount provided in Schedule (1), $52,000,000 is provided for student academic preparation and student support services programs. The university shall provide $45,000,000 and the state shall provide $7,000,000 to support the Early Academic Assessment Program, Campus-Based Outreach 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 to the fiscal committees of each house of the Legislature no later than March 15, 2007.	
12. Of the amount provided in Schedule (1), $371,000 is appropriated to support the addition of 35 full-time-equivalent students in baccalaureate degree programs in nursing in the 2006–07 academic year. The funding shall be used to support the full state cost of serving these students, at a rate of $10,588 per student. On or before May 1, 2007, the California State University shall report to the Legislature the number of additional full-time-equivalent students enrolled in these programs in the 2006–07 academic year, compared to the number enrolled in the 2005–06 academic year. In the event that the California State University enrolls fewer than the 35 additional students for which funding is provided, the funding asso-	

Item Amount

ciated with the enrollment shortfall shall revert to the General Fund. The Director of Finance shall make that reversion on or before May 15, 2007.

13. Of the amount provided in Schedule (1), $2,000,000 is appropriated on a one-time basis for startup costs associated with the expansion of nursing programs. Specifically, the Legislature intends that these funds be used to prepare for the enrollment in the 2007–08 academic year of 340 additional undergraduate full-time-equivalent nursing students above enrollment levels in the 2006–07 academic year. The Legislature intends that these additional nursing students be funded out of the California State University's enrollment funding for the 2007–08 academic year, with additional funding to be provided to recognize the higher costs imposed by nursing students.

6610-001-0890—For support of the California State University, payable from the Federal Trust Fund.... 39,000,000

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..... 3,121,000

Schedule:

(1)	Center for California Studies—Fellows Program.....	602,000
(2)	Center for California Studies—Other.....	37,000
(3)	Assembly Fellows.....	601,687
(4)	Senate Fellows.....	601,687
(5)	Executive Fellows.....	601,687
(6)	Judicial Fellows.....	422,939
(7)	LegiSchool Project.....	114,000

Item	Amount
(8) Sacramento Semester Internship Program..... 56,000	
(9) Unscheduled..... 84,000	
6610-002-6048—For support of the California State University, payable from the 2006 Higher Education Capital Outlay Bond Fund.....	50,000,000
6610-003-0001—For support of the California State University for payments on lease-purchase bonds.....	64,597,000
Schedule:	
(1) Rental, insurance, and administrative payments..... 64,857,000	
(2) Reimbursements..... −260,000	
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 needed to ensure debt requirements are met.	
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.	
6610-004-0001—For support of the California State University.....	112,000
Schedule:	
(1) Dues to Western Interstate Commission on Higher Education..... 112,000	
6610-301-6028—For capital outlay, California State University, payable from the 2002 Higher Education Capital Outlay Bond Fund.....	43,553,000
Schedule:	
(1) 06.52.109-Chico: Student Services Center—Construction..... 42,252,000	
(2) 06.51.008-California Maritime Academy: Acquisition..... 1,301,000	
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 prior to the appropriation reversion date: (a) to begin working drawings for a project for which preliminary	

Item Amount

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 correction 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 of 1990.

No later than March 1 of each year, 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 of each year, 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

6610-301-6041—For capital outlay, California State University, payable from the 2004 Higher Education Capital Outlay Bond Fund..... 3,320,000

Schedule:

(1) 06.73.096-Los Angeles: Corporation Yard and Public Safety—Preliminary plans and working drawings..... 787,000

(2) 06.83.002-Channel Islands: Infrastructure Improvements, Phases 1A and 1B—Preliminary plans and working drawings..... 2,533,000

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 prior to the appropriation reversion date: (a) to begin working drawings for a project for which preliminary

Item Amount

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 of 1990.

No later than March 1 of each year, 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 of each year, 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.

6610-301-6048—For capital outlay, California State University, payable from the 2006 Higher Education Capital Outlay Bond Fund..... 157,916,000

Schedule:

(1) 06.48.315-Systemwide: Minor Capital Outlay—Preliminary plans, working drawings and construction..... 25,000,000

(2) 06.64.082-East Bay (Hayward): Student Services Replacement Building—Construction..... 38,938,000

(3) 06.67.087-Humboldt: Behavioral and Social Sciences, Phase 1—Equipment..... 2,229,000

(4) 06.71.110-Long Beach: Peterson Hall 3 Replacement—Construction..... 82,696,000

(5) 06.74.007-Monterey Bay: Infrastructure Improvements—Equipment..... 257,000

Item	Amount
(6) 06.84.105-San Francisco: School of the Arts—Acquisition.....	6,930,000
(7) 06.96.116-San Luis Obispo: Center for Science—Preliminary plans.....	1,866,000

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 prior to the appropriation reversion date: (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 of 1990.

   No later than March 1 of each year, 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 of each year, 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.

2. The appropriation made by this item for studies, preliminary plans, working drawings or minor capital outlay shall be available for expenditure until December 31, 2007. In addition, the balance of every appropriation made in this item that contains funding for construction that has not been allocated, through fund transfer or

Item Amount

approval to bid, by the Department of Finance on or before December 31, 2007, shall revert as of that date.

6610-302-6041—For capital outlay, California State University, payable from the 2004 Higher Education Capital Outlay Bond Fund..... 1,979,000

Schedule:

(1) 06.50.065-Bakersfield: Nursing Renovation—Preliminary plans, working drawings and construction..... 1,979,000

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 from 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 in 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 the California State University to the Department of Finance: (a) the program elements related to project type, and (b) the functional description of

Item Amount

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 in 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 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 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 any other provision of law, the appropriation made in this item is available for encumbrance until December 31, 2008, except that the funds appropriated for construction only must be bid by December 31, 2007, and are available for expenditure until December 31, 2008. For the purposes of encumbrance, funds appropriated for construction

Item Amount

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.

6610-302-6048—For capital outlay, California State University, payable from the Higher Education Capital Outlay Bond Fund of 2006..... 76,127,000

Schedule:

(1) 06.51.009-Maritime Academy: Simulation Center—Equipment.... 3,618,000

(2) 06.64.080-East Bay (Hayward): Business and Technology Center—Equipment..... 1,544,000

(3) 06.68.123-San Marcos: Social and Behavioral Sciences Building—Preliminary plans..... 1,078,000

(4) 06.78.092-San Bernardino: Science Building Renovation and Addition, Phase II—Equipment..... 1,573,000

(5) 06.78.093-San Bernardino: College of Education—Equipment..... 2,438,000

(6) 06.82.086-Northridge: Performing Arts Center—Working drawings and construction..... 56,528,000

(7) 06.92.064-Stanislaus: Science II (Seismic)—Equipment..... 4,951,000

(8) 06.96.115-San Luis Obispo: Engineering/Architecture Renovation and Replacement, Phase II—Equipment..... 4,397,000

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.

Item Amount

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 from 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 in 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 the 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 in 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 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,

Item Amount

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 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 any other provision of law, the appropriation made by this item is available for encumbrance until December 31, 2008, except that the funds appropriated for construction only must be bid by December 31, 2007, and are available for expenditure until December 31, 2008, and that the funds appropriated for equipment purposes are available for encumbrance until December 31, 2009. 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 4.

6610-401—Identified savings in funds encumbered from Higher Education Capital Outlay Bond Funds of 1986, 1988, 1990, 1992, 1996, 1998, 2002, and 2004 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 appro-

Item Amount

priated 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 of 1990.

No later than November 1 of each year, 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 chairpersons of the fiscal committees of each house of the Legislature.

6610-402—In recognition of the transition of the deposit of fee revenue from the State General Fund to the CSU local trust funds, the CSU, with DOF approval, shall annually calculate a base funding adjustment that represents the amount necessary to maintain fiscal neutrality for the State General Fund.

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, 2006:

0001—General Fund

(1) Item 6610-001-0001, Budget Act of 2005 (Chs. 38/39, Stats. 2005)

Provisions:

1. Of the funds reappropriated in this item from Item 6610-001-0001, Budget Act of 2005 (Chs. 38/39, Stats. 2005), 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, 2006, the balance generated from systemwide

Item Amount

allocations in excess of $15,000,000 shall revert to the General Fund.

2. The California State University shall, by September 30, 2006, report to the Department of Finance and the Joint Legislative Budget Committee the amount of the balance as of June 30, 2006, of Item 6610-001-0001 of the Budget Act of 2005 (Chs. 38/39, Stats. 2005), and a proposed expenditure plan for that balance. The California State University shall report by September 30, 2007, on the expenditures made pursuant to this item.

6610-491—Reappropriation, California State University. 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, in those appropriations:

6028—2002 Higher Education Capital Outlay Bond Fund

(1) Item 6610-301-6028, Budget Act of 2003 (Ch. 157, Stats. 2003)

(2) 06.51.008-California Maritime Academy—Acquisition

6041—2004 Higher Education Capital Outlay Bond Fund

(1) Item 6610-302-6041, Budget Act of 2004 (Ch. 208, Stats. 2004)

(1) 06.50.064-Bakersfield: Math and Computer Science Building—Construction

(5) 06.62.095-Fullerton: College of Business and Economics Building—Construction

(9) 06.51.009-California Maritime Academy: Simulation Center—Construction

(11) 06.82.085-Northridge: Science I Replacement—Construction

(12) 06.98.108-Pomona: Science Renovation, Seismic—Construction

(16) 06.96.115-San Luis Obispo: Engineering/Architecture Renovation and Replacement, Phase II—Construction

(2) Item 6610-301-6041, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(1.5) 06.54.081-Dominguez Hills: Educational Resource Center Addition—Construction

(3) 06.71.107-Long Beach: Seismic Upgrade, Liberal Arts 2, 3, and 4—Construction

Item Amount

(3.5) 06.71.110-Long Beach: Peterson Hall 3 Replacement Building—Working drawings

(3) Item 6610-302-6041, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(15) 06.90.086-Sonoma: Music/Faculty Office Building—Construction

6610-496—Reversion, California State University. As of June 30, 2006, the unencumbered balances of the appropriations provided for in the following citations shall revert to the funds from which the appropriations were made:

6028—2002 Higher Education Capital Outlay Bond Fund

(1) Item 6610-302-6028, Budget Act of 2003 (Ch. 157, Stats. 2003)

(1) 06.52.109-Chico: Student Services Center—Construction

6041—2004 Higher Education Capital Outlay Bond Fund

(1) Item 6610-302-6041, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(1) 06.52.109-Chico: Student Services Center—Equipment

6870-001-0001—For support of Board of Governors of the California Community Colleges..... 9,472,000

Schedule:

(1) 10-Apportionments..... 855,000

(2) 20-Special Services and Operations..... 16,392,000

(3) 30.01-Administration..... 4,131,000

(4) 30.02-Administration—Distributed..... −4,131,000

(5) Reimbursements..... −7,775,000

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 a state agency, only if all of the following conditions are met:

(a) The person providing service under the contract provides full financial disclosure

Item Amount

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.

2. Of the amount appropriated in this item, $417,000 is appropriated for four positions to support workload associated with a district-specific accountability program. It is intended that the first report for the district-specific accountability system be provided in March 2007, reflecting outcomes from the 2005–06 fiscal year in context as specified in the enacted legislation.

6870-001-0909—For support of 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 Community College Fund for Instructional Improvement..... 13,000

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..... 12,000

6870-001-6028—For support of Board of Governors of the California Community Colleges, Program 20.40.010-Facilities Planning, payable from the 2002 Higher Education Capital Outlay Bond Fund..... 1,716,000

Item	Amount
6870-101-0001—For local assistance, Board of Governors of the California Community Colleges (Proposition 98)	3,772,712,000
Schedule:	
(1) 10.10.010-Apportionments	2,978,017,000
(2) 10.10.020-Basic Skills and Apprenticeship	48,339,000
(3) 10.10.030-Growth for Apportionments	107,508,000
(4) 20.10.005-Student Financial Aid Administration	52,593,000
(5) 20.10.020-Disabled Students	107,870,000
(6) 20.10.045-Special Services for CalWORKs Recipients	43,580,000
(7) 20.10.060-Foster Care Education Program	4,754,000
(8) 20.10.070-Matriculation	95,481,000
(9) 20.20.020-Academic Senate for the Community Colleges	467,000
(10) 20.20.041-Equal Employment Opportunity pursuant to Ch. 1169, Stats. 2002	1,747,000
(11) 20.20.050-Part-time Faculty Health Insurance	6,000,000
(12) 20.20.051-Part-time Faculty Compensation	50,828,000
(13) 20.20.055-Part-time Faculty Office Hours	11,172,000
(14) 20.30.011-Telecommunications and Technology Services	26,197,000
(15) 20.30.050-Economic Development	46,790,000
(16) 20.30.070-Transfer Education and Articulation	1,424,000
(17) 20.40.026-Physical Plant and Instructional Support	27,345,000
(18) 20.10.010-Extended Opportunity Programs and Services and Special Services	112,916,000
(19) 20.30.045-Fund for Student Success	6,158,000
(20) 20.70.010-Career Technical Education	20,000,000
(21) 20.80.010-Campus Childcare Tax Bailout	6,540,000
(22) 20.90.010-Baccalaureate Pilot Program	100,000

Item Amount

(23) 20.95.010-Nursing Program Support..... 16,886,000

Provisions:

1. The funds appropriated in Schedules (1), (2), (3), (4), (5), (6), (7), (8), (10), (11), (12), (13), $22,050,000 in Schedule (14), (15), (17), (18), and (21) are for transfer by the State Controller during the 2006–07 fiscal year to Section B of the State School Fund.
2. The funds appropriated in Schedule (1) for apportionments reflect the intent of the Legislature to defer $200,000,000 for apportionments to the 2007–08 fiscal year, pursuant to separate legislation enacted for the 2006–07 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 full-time-equivalent students (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. The funds appropriated in Schedule (1) for Apportionments include $31,409,000 to encourage district-level accountability efforts pursuant to Chapter 73 of the Statutes of 2005. It is intended that the first report for the district-specific accountability system be provided by March 31, 2007, reflecting outcomes from the 2005–06 fiscal year in context as specified in the enacted legislation. In addition, the Chancellor of the California Community Colleges shall provide preliminary data to the Department of Finance and the Legislative Analyst's Office by January 31, 2007.
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 of the California Community Colleges.
   (b) Up to $500,000 is to reimburse colleges for the costs of federal aid repayments related

Item Amount

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 of the California Community Colleges shall not reduce district workload obligations for a lack of a funded cost-of-living adjustment.

7. Notwithstanding any other provision of law, $33,110,000 of the funds appropriated in Schedule (2) for the Basic Skills and Apprenticeship Program is for allocation to community college districts in the 2006–07 fiscal year for the purposes of funding full-time-equivalent students (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 2006–07 fiscal year exceeds the level of total FTES funded for that district in the 2006–07 fiscal year. The Chancellor of the California Community Colleges shall develop criteria for allocating these funds.

8. Of the funds appropriated in Schedule (1) for Apportionments, $159,439,000 is for equalization pursuant to this provision, and shall be allocated pursuant to legislation enacted during the 2005–06 legislative session. These funds shall not be considered to be Program Improvement funds pursuant to Title 5 regulations.

8.5. Of the funds appropriated in Schedule (1) for Apportionments, $30,000,000 is available as supplemental funding for career and college preparation courses authorized pursuant to legislation enacted during the 2005–06 legislative session. The Board of Governors of the California Community Colleges shall adopt criteria and standards for both the identification of career and college preparation courses and eligibility of these courses for funding. The criteria and standards shall be based on recommendations from the Chancellor of the California Community Colleges, the statewide academic senate, and the statewide association of chief instructional officers. The chancellor shall for-

Item Amount

ward the recommended criteria and standards to the Governor, the Legislature, and the Director of the Finance.

9. Of the funds appropriated in Schedule (2) for the Basic Skills and Apprenticeship Program, any funds not required to meet the demand for the program funded under that schedule shall be made available on a one-time basis for enhancements to basic skills and immigrant education programs, including, but not limited to, curriculum development, course articulation, research, professional development, instructional equipment, counseling, and tutoring. Funds shall be allocated to districts on the basis of full-time-equivalent students in basic skills and immigrant education programs.

10. (a) Of the amount appropriated in Schedule (2) for the Basic Skills and Apprenticeship Program, up to $15,229,000 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.

11. Notwithstanding any other provision of law, funds appropriated in Schedule (3) for Growth for Apportionments shall only be allocated for growth in full-time-equivalent students

Item Amount

(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 of Governors of the California Community Colleges shall implement the criteria required by Provision 5(a) of Item 6870-101-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003) for the allocation of funds appropriated in Schedules (1) and (3), so as to ensure 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.

11.5. Of the amount appropriated in Schedule (3), $10,000,000 shall only be available for noncredit instruction to prepare students to pass the California High School Exit Exam (CAHSEE). First priority shall be to serve high school students from the class of 2006 who met all other graduation requirements except for passage of the CAHSEE. Remaining funds may be used to support other necessary noncredit courses for other students who not only did not pass the CAHSEE, but who did not complete other coursework necessary to meet high school graduation requirements. These funds are intended to supplement but not supplant existing funding for these purposes.

12. (a) Of the funds appropriated in Schedule (4) for Student Financial Aid Administration, not less than $9,923,000 is available to provide $0.91 per unit reimbursement to community college districts for the provision of board of governors (BOG) fee waiver awards pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code.

(b) Of the funds appropriated in Schedule (4), not less than $5,670,000 is available to provide reimbursement of 2 percent of total

Item Amount

waiver value to community college districts for the provision of BOG fee waiver awards pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code.

(c) (1) Of the amount appropriated in Schedule (4), $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 (CCC) 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 Web site 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 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.

Item	Amount
(2) Of the amount appropriated in Schedule (4), 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 personal assistance to these students 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, 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, 2007, on the use of the funds allocated pursuant to Provision 10(b), including the distribution of the	

Item Amount

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 that the Chancellor of the California Community Colleges report by September 1, 2006, pursuant to Provision 10(b)(5) of Item 6870-101-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004), on the impact of fee increases and outreach efforts on student headcount and FTES enrollment for the 2003 and 2004 academic years.

13. Of the funds appropriated in Schedule (18) for Extended Opportunity Programs and Services, $98,374,000 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. $14,542,000 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 to local programs on the basis of need for student services.

14. Of the funds appropriated in Schedule (19) for the Fund for Student Success, $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 fiscal year

Item	Amount
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 Sections 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 apportionment. Further, no community college state apportionment shall be made available for physical education classes, noncredit classes, nor other courses specified in Provision 9.	
15. (a) The funds appropriated in Schedule (5) for the Disabled Students Program 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 (5), $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 of the California Community Colleges.	
(c) Of the amount appropriated in Schedule (5) 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	

Item Amount

augmentations shall not supplant existing resources provided to the centers.

(d) Notwithstanding any other provision of law, of the funds appropriated in Schedule (5), $1,702,000 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 any portion of the 2006–07 fiscal year, remaining 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 2006–07 fiscal year, the Proposition 98 base funding levels for community colleges and DDS shall be adjusted accordingly.

(e) Of the funds appropriated in Schedule (5) for the Disabled Student Services, $9,600,000 shall be allocated to support high-cost sign language interpreter services and real-time captioning equipment or other communication accommodations for hearing-impaired students based on a 4 to 1 state to local district match.

16. The funds appropriated in Schedule (6), 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 Schedule (6) 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. For-

Item Amount

mer 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 of the California Community Colleges 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 (6), $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 vouchers at rates and with rules consistent with those applied to related programs operated by the State Department of Education in the 2006–07 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 pro-

Item Amount

grams 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 full-time-equivalent students (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 submit applications 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 Department of Finance and the Joint Legislative Budget Committee by November 15, 2006, 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 (6), by the fourth week following the end of the semester or quarter term commencing in January 2007, 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

Item Amount

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 Department of Finance and State Department of Social Services by November 15 of each year.

First priority for expenditures of any funds appropriated in Schedule (6) 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 the allocations, complete a cumulative report on the outcomes, activities, and cost-effectiveness of the program no later than November 15, 2006, 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.

Item Amount

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.

Of the funds appropriated in Schedule (6) for the Special Services for CalWORKs Recipients Program, no less than $8,000,000 is to provide direct workstudy wage reimbursement for students served under this program. $1,000,000 shall be available for campus job development and placement services.

17. Funds appropriated in Schedule (6) for the Special Services for CalWORKs Recipients Program 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 (P.L. 104-193) and may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.

18. (a) Funds provided in Schedule (7) for the Foster Care Education Program shall be allocated to provide foster and relative/kinship care education and training. Districts shall ensure that education and training required by Sections 1529.1 and 1529.2 of the Health and Safety Code and Section 16003 of the Welfare and Institutions Code receive priority. Districts may use any remaining funds for additional parenting skills and training.

(b) Funds provided in Schedule (7) shall be used for foster parent and relative/kinship care provider education training services consistent with the following criteria:

(1) The Chancellor of the California Community Colleges shall use these funds exclusively for foster parent and relative/kinship care provider education and training, as specified by the chancellor in consultation with an advisory committee that includes foster parents,

Item Amount

representatives of statewide foster parent organizations, parent and relative/kinship care providers, and representatives from the State Department of Social Services.

(2) Acceptance of funds under this program shall constitute agreement by the district to comply with such reporting requirements, guidelines, and other conditions for receipt of funding as the chancellor may establish.

(3) Each college plan for foster and relative/kinship care education programs shall include the provision of training to facilitate the development of foster family homes, small family homes, and relative/kinship homes to care for no more than six children who have special mental, emotional, developmental, or physical needs.

(4) The State Department of Social Services shall facilitate the participation of county welfare departments in the foster and relative/kinship care education program.

19. (a) Funds appropriated in Schedule (8) for the Matriculation Program 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 (8), an amount equal to $20,000,000 shall be allocated to community college districts on a one-to-one matching funds basis to 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.

20. The funds in Schedule (12) for the Part-time Faculty Compensation Program shall be allocated solely to increase compensation for part-time faculty from the amounts previously autho-

Item Amount

rized. Funds shall be distributed to districts based on the total actual full-time-equivalent students served in the previous fiscal year and include a small district factor as determined by the Chancellor of the California Community Colleges. These funds are to be used to assist districts in making part-time faculty salaries more comparable to full-time salaries for similar work, as determined through each district's local collective bargaining process. These funds shall not supplant the amount of resources each district used to compensate part-time faculty or be used to exceed parity of each part-time faculty employed by each district with regular full-time faculty at the same district, as certified by the chancellor. If a district achieves parity, its allocation may be used for any other educational purpose.

21. (a) $10,350,000 of the funds provided in Schedule (14) for the Telecommunications and Technology Services Program 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 of the California Community Colleges, 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.

Item Amount

(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 (14) shall be available for allocations to districts. It is the intent of the Legislature 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). These 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 (14), $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 of-

Item Amount

fice 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 of each year, for review and comment.

(d) Of the funds provided in Schedule (14), $2,000,000 is for ongoing support and expansion of the California Partnership for Achieving Student Success Program (Cal-PASS).

22. Of the funds provided in Schedule (15) for the Economic and Workforce Development Program:

(a) $22,830,000 is allocated for grants for regional business resources assistance and innovation network centers. Each grant awarded to a district for Centers for International Development shall contain sufficient funds, as determined by the Chancellor of the California Community Colleges, for the continued operation of Mexican International Trade Centers.

(b) $7,822,000 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) $3,609,000 is allocated for statewide network leadership, organizational development, coordination, information and support services, or other program purposes.

(d) $4,529,000 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.

(d1) $8,000,000 is allocated for the establishment of a Responsive Incumbent Worker Training Fund, which will serve to expand

Item	Amount
the delivery of performance improvement training to employers and incumbent workers in high-growth industries. Funds shall also be used to develop programs that integrate basic skills and career technical education curriculum in ways that provide students with seamless educational coursework that transitions students into high tech and high demand job sectors.	
(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) to (j), inclusive, 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.	
(f) Funds allocated by the Board of Governors of the California Community Colleges 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	

Item Amount

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.

(g) 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. As part of the annual report on the performance of the Economic Development Program, the chancellor shall provide disaggregated data detailing the funding 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 improvement training, credit and noncredit instruction, and job placements created as a result of each center and collaborative.

23. (a) The funds appropriated in Schedule (16) for the Transfer Education and Articulation Program are available to support transfer and articulation projects and common course numbering projects.

(b) Funding provided to community college districts from Schedule (16) is provided to directly offset any mandated costs claimed by community college districts pursuant to Chapter 737 of the Statutes of 2004.

24. (a) $13,673,000 of the funds appropriated in Schedule (17) is available for the following purposes:

(1) Scheduled maintenance and special repairs of facilities. The Chancellor of the California Community Colleges shall allocate funds to districts on the basis of actual reported full-time-equivalent students (FTES), and may establish a minimum allocation per district.

Item Amount

As a condition for 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 $1 a district expends from this appropriation for scheduled maintenance and special repairs, the recipient district shall provide $1 in matching funds.

(2) Hazardous substances abatement, cleanup, and repairs.

(3) Architectural barrier removal projects that meet the requirements of the federal Americans with Disabilities Act of 1990 and seismic 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.

(b) $13,672,000 of the funds appropriated in Schedule (17) is available for replacement of instructional equipment and library materials. 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 Chancellor of the California Community Colleges may waive all or a portion of the matching requirement based upon a review of a district's financial condition. The funds provided for instructional equipment and library materials shall not be used for personal services costs or operating expenses. The chancellor shall allocate funds to districts on the basis

Item Amount

of actual reported FTES and may establish a minimum allocation per district. The question of whether a district has complied with its resolution shall be reviewed under the annual audit of that district.

(c) The funds appropriated in Schedule (17) shall be available for expenditure until June 30, 2007.

25. 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 (5), (8), (10), and (18) 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.

26. The funds appropriated in Schedule (20) for the Career Technical Education Program are for the purpose of aligning career-technical education curriculum between K–12 and community colleges in targeted industry-driven programs offered through the Economic Development Program. Prior to the allocation of these funds, the Chancellor of the California Community Colleges shall submit a proposed expenditure plan for the funds contained in this item, and the rationale therefor, to the Department of Finance for review and approval by August 1, 2006.

Of the funds appropriated in Schedule (20), $2,500,000 is available for the development and enhancement of health-related career pathway programs in grades 7 to 12, inclusive, and for the articulation and alignment of health-related curriculum between schools with students in kindergarten and grades 1 to 12, inclusive, and the California Community Colleges. The California Community Colleges shall report to the Legislature and the Governor on the usage and efficacy of these funds on or before January 10, 2008.

27. The funds appropriated in Schedule (21) for the Campus Childcare Tax Bailout shall be allocated by the Chancellor of the California Commu-

Item Amount

nity Colleges 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.

28. The funds appropriated in Schedule (22) for the Baccalaureate Pilot Program shall be allocated by the chancellor to support up to two grants, not to exceed fifty thousand dollars ($50,000) each, to fund collaboratives formed for the purpose of offering baccalaureate degree programs on community college campuses pursuant to Section 78016.5 of the Education Code.

29. With regard to the funds appropriated in Schedule (23), Nursing Program Support, all of the following shall apply:

(a) $4,000,000 shall be used to provide support for nursing program enrollment and equipment needs consistent with paragraph (2) of subdivision (a) of Section 2 of Chapter 514 of the Statutes of 2001.

(b) $12,886,000 shall be used to provide additional support for nursing program enrollment, diagnostic and support services, preentry coursework, alternative program delivery model development, and equipment. Grant funding for nursing enrollment shall provide a marginal increase in funding in addition to the amount provided for each full-time-equivalent student for regular growth in apportionments.

(c) The Board of Governors of the California Community Colleges shall develop a request for applications (RFA) to allocate the funds appropriated in subdivision (b) to community college districts. Criteria for assessing each RFA shall include all of the following:

Item Amount

(1) The degree to which the funds provided would be used to increase student enrollment in nursing programs beyond the level of full-time-equivalent students served in the 2005–06 academic year.

(2) The district's level of attrition from nursing programs and the suitability of planned expenditures to address attrition levels.

(3) The degree to which funds provided would be used to support infrastructure or equipment needs with the intent of building capacity and increasing the number of nursing students served.

(4) For districts with attrition rates of 15 percent or more, new grant funding shall focus on attrition reduction. For districts with attrition rates below 15 percent, new grant funding shall focus on enrollment expansion.

(d) The Board of Governors shall release the RFA no sooner than 30 days after submitting it to the Legislature and the Department of Finance for review.

(e) On or before March 1 of each year, the Chancellor of the California Community Colleges shall provide the Legislature and the Department of Finance with a report on the allocation of funding. For each district receiving funding under this item, the report shall include all of the following: (1) the amount of funding received, (2) the number of nursing full-time-equivalent students served in the 2004–05 academic year, and the additional number of nursing full-time-equivalent students served with funding provided in this item in each subsequent year, (3) the district's attrition and completion rates in the 2004–05 academic year and subsequent years, (4) any equipment or infrastructure-related items acquired with the funds appropriated in this item, and (5) the number of new and existing faculty receiving annual stipend awards.

Item	Amount
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.....	18,000
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.....	63,960,000
Schedule:	
(1) Rental and administration..... 64,199,000	
(2) Reimbursements..... −239,000	
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 needed to ensure debt requirements are met.	
3. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.	
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) 20.10.060-Foster Parent Training..... 6,112,000	
(3) 20.30.030-Vocational Education.... 59,620,000	
(4) 20.40.010-Facilities Planning..... 349,000	
(5) 20.30.050-Economic Development..... 349,000	
(5.5) 20.30.011-Telecommunications and Technology Infrastructure..... 292,000	
(6) Reimbursements..... −74,722,000	

Item Amount

Provisions:

1. The funds appropriated in Schedules (1) and (3) of this item are for transfer by the State 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 that 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 Office of the Chancellor of the California Community Colleges describing 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.
3. The funds appropriated in Schedule (4) reflect an interagency agreement between the Chancellor of the California Community Colleges and the State Energy Resources Conservation and Development Commission for the purpose of developing an Interval Meter Pilot Program on selected community college campuses.
4. Of the funds appropriated in Schedule (5) for the Economic Development Program: (a) $177,000 shall be used for small business training consistent with an interagency agreement with the Employment Training Panel, and (b) $172,000 shall be used for job training activities consistent with an interagency agreement with the California Department of Transportation.
5. The funds appropriated in Schedule (5.5) shall be used to support Phase 2 of the CCCTRAN project.
6. Of the funds appropriated in Schedule (3), $2,879,000 is a one-time carryover available for the support of additional vocational education instructional activities. These funds shall be used during the 2006–07 academic year to support additional alignment and articulation of K–12 tech prep programs with local community college economic development programs in

Item Amount

an effort to incorporate greater participation of K–12 students in sequenced, industry-driven coursework that leads to meaningful employment in today's high-tech, high-demand, and emerging technology areas of industry employment.

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..... 4,004,000

Schedule:

(1) 98.01.000.184-Health Fees (Ch. 1, Stats. 1984, 2nd Ex. Sess.) (CSM-4206)..... 3,988,500

(2) 98.01.090.896-Sex Offenders: Disclosure Requirements (Ch. 908, Stats. 1996) (CSM-97-TC-15)..... 11,000

(3) 98.01.028.498-Law Enforcement Jurisdiction Agreements (Ch. 284, Stats. 1998) (CSM-98-TC-20)..... 4,500

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 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 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

Item Amount

written notification of the necessity therefor is provided to the chairpersons of the committees in each house of the Legislature that consider appropriations, and the Chairperson of the Joint Legislative Budget Committee or his or her designee.

3. In addition to funds provided in Schedules (1), (2), and (3), community colleges shall also receive a proportionate share of funding provided in Item 6110-295-0001 to fund the mandates in Schedules (1), (2), and (3) of this item consistent with Provision 1 of Item 6110-295-0001.

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..... 21,053,000

Schedule:

Contra Costa Community College District

Contra Costa College

(1) 40.13.106-Art Building Seismic Retrofit—Preliminary plans and working drawings..... 595,000

Rio Hondo Community College District

Rio Hondo College

(2) 40.43.106-Applied Technology Building Reconstruction—Construction and equipment..... 15,775,000

San Diego Community College District

San Diego District Office

(3) 40.47.001-Seismic Retrofit, District Headquarters Building—Construction..... 4,683,000

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..... 43,780,000

Schedule:

Desert Community College District

College of the Desert

(1) 40.10.113-Water and Sewer Infrastructure Replacement—Construction..... 3,104,000

San Bernardino Community College District

Item		Amount
San Bernardino Valley College		
(2) 40.46.215-North Hall Seismic Replacement—Preliminary plans and working drawings	1,694,000	
(3) 40.46.216-North Hall/Media Communications Seismic Replacement—Preliminary plans and working drawings	663,000	
(4) 40.46.217-Chemistry and Physical Science Seismic Replacement—Preliminary plans and working drawings	1,919,000	
San Luis Obispo County Community College District		
Cuesta College		
(4.5) 40.51.112-Theater Arts Building—Construction and equipment	24,392,000	
San Mateo County Community College District		
Skyline College		
(5) 40.52.310-Allied Health Vocational Training Center—Construction and equipment	12,008,000	
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		42,131,000
Schedule:		
Chaffey Community College District		
Chaffey College		
(1) 40.08.112-Health and Physical Science Building Renovation—Construction and equipment	11,587,000	
Citrus Community College District		
Citrus College		
(2) 40.09.123-Vocational Technology Building—Construction and equipment	15,431,000	
Contra Costa Community College District		
Los Medanos College		
(3) 40.13.315-Core Building Remodel—Construction and equipment	3,205,000	
Santa Barbara Community College District		
Santa Barbara City College		

Item		Amount
(4) 40.53.123-Drama/Music Building Modernization—Construction and equipment.....	11,908,000	
6870-301-6049—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 2006 California Community College Capital Outlay Bond Fund.....		39,733,000
Schedule:		
Allan Hancock Community College District		
Allan Hancock College		
(1) 40.02.118-One-Stop Student Services Center—Preliminary plans and working drawings.....	1,466,000	
Antelope Valley Community College District		
Antelope Valley College		
(2) 40.03.114-Theatre Arts Facility—Preliminary plans and working drawings.....	872,000	
Barstow Community College District		
Barstow College		
(3) 40.04.104-Performing Arts Center—Preliminary plans and working drawings.....	644,000	
Contra Costa Community College District		
Contra Costa College		
(4) 40.13.107-Physical/Biological Science Buildings Renovation—Preliminary plans and working drawings.....	734,000	
Los Medanos College		
(5) 40.13.316-Art Area Remodel—Preliminary plans and working drawings.....	209,000	
Los Angeles Community College District		
East Los Angeles College		
(6) 40.26.108-Multi-Media Classrooms—Preliminary plans and working drawings.....	1,330,000	
Los Rios Community College District		
American River College		
(7) 40.27.105-Fine Arts Instructional Space Expansion—Preliminary plans and working drawings.....	177,000	
Cosumnes River College		

Item	Amount
(8) 40.27.212-Science Building Instructional Expansion—Preliminary plans and working drawings	219,000
Sacramento City College	
(9) 40.27.312-Fine Arts Building Modernization—Preliminary plans and working drawings	123,000
Mt. San Jacinto Community College District	
Menifee Valley Center	
(10) 40.34.213-General Classroom Building—Preliminary plans and working drawings	925,000
Palo Verde Community College District	
Palo Verde College	
(11) 40.37.104-Fine and Performing Arts—Construction and equipment	20,827,000
Palomar Community College District	
Palomar College	
(12) 40.38.114-Multi-Disciplinary Building—Preliminary plans and working drawings	3,262,000
South Orange County Community College District	
Saddleback College	
(13) 40.45.217-Learning Resource Center Renovation—Preliminary plans and working drawings	1,156,000
San Bernardino Community College District	
Crafton Hills College	
(14) 40.46.106-Learning Resource/Technology Center—Preliminary plans and working drawings	1,039,000
San Francisco Community College District	
City College of San Francisco, Phelan Campus	
(16) 40.48.110-Classroom/Lab Complex for Theater, Music, Visual, and Media Arts—Preliminary plans	727,000
San Joaquin Delta Community College District	
San Joaquin Delta College	
(17) 40.49.108-Goleman Learning Resource Center Modernization—Preliminary plans and working drawings	959,000
Sequoias Community College District	

Item Amount

College of the Sequoias

(19) 40.56.115-Nursing and Allied Health Center—Preliminary plans and working drawings..... 721,000

West Valley-Mission Community College District

West Valley College

(20) 40.69.110-Science and Math Building Renovation—Preliminary plans and working drawings..... 1,677,000

Mission College

(21) 40.69.209-Main Building, Second Floor Reconstruction—Preliminary plans and working drawings..... 1,893,000

Feather River Community College District

Feather River College

(22) 40.73.105-Learning Resource Center and Technology Building—Preliminary plans and working drawings..... 773,000

Provisions:

1. Notwithstanding any other provision of law, these projects are available for encumbrance until December 31, 2007.

6870-303-0574—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..... 9,559,000

Schedule:

Mira Costa Community College District

Mira Costa College

(1) 40.31.111-Creative Arts Expansion—Preliminary plans, working drawings, construction, and equipment..... 9,559,000

Provisions:

1. 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 district to use nonstate funds to fund or augment these projects with the State Public Works Board approval.

Item Amount

2. 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 of the California Community Colleges 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.
3. Notwithstanding any other provision of law, the appropriation made in this item is available for encumbrance during the 2006–07 and 2007–08 fiscal years, except that the funds appropriated for equipment purposes are available for encumbrance until June 30, 2009. 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.

6870-303-6041—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..... 1,883,000

Schedule:

Southwestern Community College District
Southwestern College

(1) 40.63.107-Fire Loop Road—Preliminary plans, working drawings, and construction..... 1,883,000

Provisions:

1. 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 district to use nonstate

Item Amount

funds to fund or augment these projects with the State Public Works Board approval.

2. 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 of the California Community Colleges 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.

3. Notwithstanding any other provision of law, the appropriation made in this item is available for encumbrance during the 2006–07 and 2007–08 fiscal years, except that the funds appropriated for equipment purposes are available for encumbrance until June 30, 2009. 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.

6870-303-6049—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 2006 California Community College Capital Outlay Bond Fund..... 392,109,000

Schedule:

Butte-Glenn Community College District

Butte College

(1) 40.05.108-Instructional Arts Building—Preliminary plans, working drawings, construction, and equipment..... 12,660,000

Cabrillo Community College District

Cabrillo College

Item	Amount
(2) 40.06.112-Health Wellness Center—Preliminary plans, working drawings, construction, and equipment.....	11,675,000
Citrus Community College District	
Citrus College	
(3) 40.09.126-Student Services Building—Preliminary plans, working drawings, construction, and equipment.....	5,926,000
Grossmont-Cuyamaca Community College District	
Cuyamaca College	
(4) 40.19.118-Business/CIS Building—Preliminary plans, working drawings, construction, and equipment.....	12,903,000
Grossmont College	
(5) 40.19.210-Health Sciences Building—Preliminary plans, working drawings, construction, and equipment.....	15,696,000
Hartnell Community College District	
Hartnell East Campus	
(6) 40.20.103-Center for Applied Technology—Preliminary plans, working drawings, construction, and equipment.....	13,848,000
Kern Community College District	
Cerro Coso College	
(7) 40.22.215—Science Modernization—Preliminary plans, working drawings, and construction.....	2,780,000
Porterville College	
(8) 40.22.307-Wellness Center—Preliminary plans, working drawings, construction, and equipment.....	3,498,000
Los Angeles Community College District	
Los Angeles City College	
(9) 40.26.208-Franklin Hall Modernization—Preliminary plans, working drawings, construction, and equipment.....	7,767,000
Los Angeles Mission College	
(10) 40.26.413-Culinary Arts Center—Preliminary plans, working drawings, construction, and equipment.....	14,548,000

Item	Amount
Los Angeles Pierce College	
(11) 40.26.510-Physical Education Building Renovation—Preliminary plans, working drawings, construction, and equipment.....	9,033,000
Los Angeles Trade Tech College	
(12) 40.26.703-Renovate and Modernize Building A—Preliminary plans, working drawings, construction, and equipment.....	18,376,000
Los Angeles Valley College	
(13) 40.26.804-Child Development Center—Preliminary plans, working drawings, construction, and equipment.....	9,948,000
Los Rios Community College District	
Folsom Lake College	
(14) 40.27.505-Physical Education Space, Phase I—Preliminary plans, working drawings, and construction.....	6,008,000
Merced Community College District	
Merced College	
(15) 40.30.119-Allied Health Center—Preliminary plans, working drawings, and construction.....	11,449,000
Mt. San Antonio Community College District	
Mt. San Antonio College	
(16) 40.33.116-Design and Online Tech Center—Preliminary plans, working drawings, construction, and equipment.....	13,828,000
Napa Valley Community College District	
Napa Valley College	
(17) 40.35.104-Library/Learning Resource Center—Preliminary plans, working drawings, construction, and equipment.....	16,398,000
North Orange County Community College District	
Cypress College	
(18) 40.36.102-Humanities Building 1 Renovation—Preliminary plans, working drawings, and construction.....	19,037,000
Fullerton College	

Item	Amount
(19) 40.36.203-South Science Building Replacement—Preliminary plans, working drawings, and construction.....	31,725,000
Rio Hondo Community College District	
Rio Hondo College	
(20) 40.43.109-Physical Education Facilities—Preliminary plans, working drawings, construction, and equipment.....	21,763,000
Riverside Community College District	
Norco Campus	
(21) 40.44.308-Industrial Technology Facility, Phase III—Preliminary plans, working drawings, construction, and equipment.....	20,484,000
San Mateo County Community College District	
Canada College	
(22) 40.52.104-Facility Maintenance Center—Preliminary plans, working drawings, construction, and equipment.....	6,933,000
Skyline College	
(23) 40.52.309-Facility Maintenance Center—Preliminary plans, working drawings, and construction.....	4,639,000
Santa Clarita Community College District	
College of the Canyons	
(24) 40.54.115-UniversityCenter—Preliminary plans, working drawings, construction, and equipment.....	20,974,000
Chabot-Las Positas Community College District	
Chabot College	
(25) 40.62.115-Language Arts LearningSkillsModernization—Preliminary plans, working drawings, construction, and equipment.....	5,421,000
Southwestern Community College District	
Southwestern College	
(26) 40.63.108-Music Buildings 800/850 Remodel—Preliminary plans, working drawings, construction, and equipment.....	3,005,000
State Center Community College District	
Willow International Center	

Item	Amount
(27) 40.64.501-Academic Facilities, Phase II—Preliminary plans, working drawings, construction, and equipment	19,247,000
Ventura County Community College District	
Moorpark College	
(28) 40.65.113-Health Science Expansion/Replacement—Preliminary plans, working drawings, construction, and equipment	10,359,000
Oxnard College	
(29) 40.65.207-OCTV Auditorium—Preliminary plans, working drawings, construction, and equipment	7,511,000
West Hills Community College District	
West Hills College at Coalinga	
(30) 40.67.104-Wellness Center—Preliminary plans, working drawings, construction, and equipment	7,748,000
West Hills College at Lemoore	
(31) 40.67.206-Multi-Use Sports Complex—Preliminary plans, working drawings, construction, and equipment	14,967,000
West Kern Community College District	
Taft College	
(32) 40.68.104-Tech Arts Modernization—Preliminary plans, working drawings, and construction	4,430,000
Copper Mountain Community College District	
Copper Mountain College	
(33) 40.72.101-Remodel for Efficiency—Preliminary plans, working drawings, construction, and equipment	7,525,000

Provisions:

1. 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 non-state funds to fund or augment these projects with the approval of the State Public Works Board.

Item Amount

2. The community college districts shall complete each project identified without any change to its scope. The scope of a project, in this context, means 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.
3. Notwithstanding any other provision of law, the appropriation made in this item is available for encumbrance during the 2006–07 and 2007–08 fiscal years, except that the funds appropriated for equipment purposes are available for encumbrance until June 30, 2009. 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 $22,300,000 is reappropriated for local assistance from the Proposition 98 Reversion Account for the purpose of funding a one-time general purpose block grant for community colleges. These funds shall be allocated on the basis of full-time equivalent students, and shall be available for local priorities.

6870-490—Reappropriation, Board of Governors of the California Community Colleges. Notwithstanding any other provision of law, $300,000 of the appropriation provided for in the following citation is reappropriated for the purposes and subject to the limitations, unless otherwise specified, in that appropriation:

6028—2002 Higher Education Capital Outlay Bond Fund

(1) Item 6870-301-6028, Budget Act of 2002 (Ch. 379, Stats. 2002)

Mt. San Antonio Community College District

Item Amount

Mt. San Antonio College

(29) 40.33.111-Seismic Retrofit-Four Buildings—Construction

6870-491—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, in those appropriations:

6028—2002 Higher Education Capital Outlay Bond Fund

(1) Item 6870-301-6028, Budget Act of 2003 (Ch. 157, Stats. 2003), as reappropriated by Item 6870-490, Budget Act of 2004 (Ch. 208, Stats. 2004) and Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

Los Angeles Community College District

East Los Angeles College

(32) 40.26.107-Fine and Performing Arts Center—Construction and equipment

(2) Item 6870-301-6028, Budget Act of 2003 (Ch. 157, Stats. 2003)

Mt. San Antonio Community College District

Mt. San Antonio College

(48) 40.33.113-Remodel Classroom Buildings—Equipment

6041—2004 Higher Education Capital Outlay Bond Fund

(1) Item 6870-301-6041, Budget Act of 2004 (Ch. 208, Stats. 2004), as reappropriated by Item 6870-490, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

Chaffey Community College District

Chaffey College

(4) 40.08.112-Health/Physical Science Building Renovation—Working drawings

Los Angeles Community College District

Los Angeles Pierce College

(26) 40.26.505-Child Development Center—Construction and equipment

Palo Verde Community College District

Palo Verde College

(37) 40.37.103-Physical Education Complex—Construction and equipment

Rancho Santiago Community College District

Santiago Canyon College

(38) 40.41.201-Science Building—Construction

Item Amount

Santa Barbara Community College District
Santa Barbara City College
(53)40.53.122-High Technology Center—Working drawings
Copper Mountain Community College District
Copper Mountain College
(76)40.72.100-Multi-Use Sports Complex—Construction and equipment
(2) Item 6870-301-6041, Budget Act of 2004 (Ch. 208, Stats. 2004)
Mt. San Antonio Community College District
Mt. San Antonio College
(35)40.33.114-Agriculture Sciences Complex—Construction and equipment
(3) Item 6870-301-6041, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)
Citrus Community College District
Citrus College
(4) 40.09.123-Vocational Technology Building—Working drawings
Desert Community College District
College of the Desert
(5) 40.10.113-Water and Sewer Infrastructure Replacement—Working drawings
Contra Costa Community College District
Los Medanos College
(6) 40.13.315-Core Building Remodel—Working drawings
El Camino Community College District
El Camino College
(7) 40.14.110-Learning Resource Center Addition—Construction and equipment
Hartnell Community College District
Hartnell East Campus
(9) 40.20.102-Center for Assessment and Lifelong Learning—Construction and equipment
Long Beach Community College District
Long Beach City College, Pacific Coast Campus
(11)40.25.119-Library/Learning Resource Center—Construction and equipment
Long Beach City College Liberal Arts Campus
(12)40.25.201-Library/Learning Resource Center Renovation/Addition—Construction and equipment
Los Angeles Community College District

Item	Amount
Los Angeles Harbor College	
(14)40.26.303-Adaptive Physical Education and Physical Education Building Renovation—Construction and equipment	
(15)40.26.304-Child Development Center—Working drawings, construction, and equipment	
Palo Verde Community College District	
Palo Verde City College	
(26)40.37.104-Fine and Performing Arts—Working drawings	
Rio Hondo Community College District	
Rio Hondo College	
(29)40.43.106-Applied Technology Building Reconstruction—Working drawings	
(30)40.43.108-Learning Resource/High Technology Center—Construction and equipment	
San Francisco Community College District	
Phelan Campus	
(31)40.48.107-Joint Use Instructional Facility—Working drawings	
John Adams Center	
(32)40.48.201-John Adams Modernization—Construction	
San Luis Obispo County Community College District	
North County Center	
(34)40.51.202-Technology and Trades Complex—Construction and equipment	
San Mateo County Community College District	
Skyline College	
(37)40.52.310-Allied Health Vocational Training Center—Working drawings	
Santa Barbara Community College District	
Santa Barbara City College	
(39)40.53.123-Drama/Music Building Modernization—Working drawings	
Sonoma County Community College District	
Santa Rosa Jr. College	
(42)40.61.403-Plover Library Conversion—Construction	
Victor Valley Community College District	
Victor Valley College	
(48)40.66.116-Seismic Retrofit-Auxiliary Gym—Construction and equipment	

Item Amount

6870-492—Reappropriation, California Community Colleges, Proposition 98. The amount of $1,385,000 from Schedule (16) of Item 6870-101-0001 of the Budget Act of 2005 (Ch. 38, Stats. 2005), is hereby reappropriated and shall be available for encumbrance or expenditure until June 30, 2007, for the following purposes:

(1) $545,000 to conduct articulation work associated with the implementation of the California State University's Lower Division Transfer Project.

(2) $511,000 to develop common course identification numbers pursuant to Chapter 737 of the Statutes of 2004.

(3) $300,000 to create a transfer counselor Web site to serve as a data warehouse for all transfer requirements, deadlines, policies, and programs that can be accessed by all community college counselors.

(4) $29,000 to conduct a one-time Project Assist user needs assessment.

6870-493—Reappropriation, California Community Colleges, Proposition 98. The amount of $30,724,000 from Schedule (2) of Item 6870-101-0001 of the Budget Act of 2005, as set aside in Provision 6 of that item, is hereby reappropriated to the Board of Governors of the California Community Colleges and shall be available for encumbrance and expenditure until June 30, 2007, on a one-time basis for the following purposes:

(1) $750,000 for research and facilitation of statewide work by community college institutional representatives and experts to improve curriculum, instruction, student services, and program practices in the areas of basic skills, including English-as-a-second language and workforce preparation courses for newly legalized immigrants.

(2) $29,974,000 for allocation by the chancellor to community college districts for the enhancement of basic skills and immigrant education programs. The allocated funds may be expended, at local discretion, for research, curriculum development, professional development, articulation, assessment, counseling, tutoring, instructional materials, and other one-time purposes directly related to the enhancement of basic

Item Amount

skills and immigrant education programs. The allocated funds shall augment, and not supplant, current expenditures by districts on basic skills and immigrant education programs. The chancellor shall distribute funds on the basis of full-time equivalent students in basic skills and immigrant education programs and may establish a minimum allocation per district of up to $50,000.

6870-495—Reversion, California Community Colleges, Proposition 98. The following amounts shall be reverted to the Proposition 98 Reversion Account by the Controller within 60 days of enactment of this act:

(1) $14,194,000, or whatever greater or lesser amount represents the balance available due to higher property taxes and oil and mineral revenues received, as determined by the Chancellor of the California Community Colleges in conjunction with the Department of Finance, than estimated to be available at the time the 2005 Budget Act was approved, from Schedule (1), Apportionments, of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2005(Chs. 38 and 39, Stats. 2005)

(2) $85,000,000, or whatever greater or lesser amount represents the balance available from Schedule (3), Growth for Apportionments, of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2005 (Chs. 38 and 39, Stats. 2005) as determined by the Chancellor of the California Community Colleges in conjunction with the Department of Finance.

(3) $1,238,000, or whatever greater or lesser amount represents the balance available from a one-time property tax backfill as provided for in Item 6870-486 of Section 2.00 of the Budget Act of 2005 (Chs. 38 and 39, Stats. 2005).

(4) $5,739,000, or whatever greater or lesser amount represents the balance available from Schedule (3), Growth for Apportionments, of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2004 (Ch. 208, Stats. 2004).

6870-497—Reversion, Board of Governors of the California Community Colleges. As of June 30, 2006, the balances specified below of the appropriations provided for in the following citations shall revert

Item Amount

to the funds from which the appropriations were made:

0574—1998 Higher Education Capital Outlay Bond Fund

(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), Budget Act of 2003 (Ch. 157, Stats. 2003), and Budget Act of 2004 (Ch. 208, Stats. 2004)

San Diego Community College District

San Diego District Office

(53) 40.47.001-Seismic Retrofit, District Headquarters Building—Construction..... 3,503,000

6028—2002 Higher Education Capital Outlay Bond Fund

(1) Item 6870-301-6028, Budget Act of 2003 (Ch. 157, Stats. 2003), as reappropriated by Item 6870-490, Budget Act of 2004 (Ch. 208, Stats. 2004) and Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

Compton Community College District

Compton College

(10) 40.12.111-Performing Arts and Recreation Complex—Working drawings..... 409,000

Shasta-Tehama-Trinity Joint Community College District

Shasta College

(73) 40.57.103-Library Addition—Construction and equipment..... 6,919,000

(2) Item 6870-301-6028, Budget Act of 2003 (Ch. 157, Stats. 2003)

San Luis Obispo County Community College District

Cuesta College

(64) 40.51.112-Theater Arts Building—Construction and equipment..... 11,665,000

6041—2004 Higher Education Capital Outlay Bond Fund

(1) Item 6870-301-6041, Budget Act of 2004 (Ch. 208, Stats. 2004), as reappropriated by Item

Item Amount

6870-490, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)
Compton Community College District
Compton College
(6) 40.12.111-Performing Arts and Recreation Complex—Construction and equipment..... 12,362,000

7980-001-0784—For support of Student Aid Commission, payable from the Student Loan Operating Fund..... 15,379,000

Schedule:
(1) 15-Financial Aid Grants Program..... 13,848,000
(2) 50-California Loan Program..... 1,797,000
(3) 80.01-Administration and Support Services..... 3,302,000
(4) 80.02-Distributed Administration and Support Services..... −3,302,000
(5) Reimbursements..... −266,000

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. Of the funds appropriated in Schedule (1), $1,569,000 shall be available for expenditure to support enhancement of the Student Aid Commission's Grant Delivery System. Of this amount, $1,316,000 is one-time funding.
4. Of the funds appropriated in Schedule (1), $276,000 in one-time funding shall be available to support the production and administration of the Student Expenses and Resources Survey.
5. Of the funds appropriated in this item, $100,000 is to provide staff support and outreach associated with the implementation of the Public Interest Attorney Loan Repayment Program authorized pursuant to Item 7980-101-0001.
6. Of the funds appropriated in this item, $30,000 is to provide for one-half personnel years to implement a new State Facilities Nursing Assumption Program of Loans for Education, contin-

Item Amount

gent upon enactment of legislation during the 2005–06 Regular Session.

7980-101-0001—For local assistance, Student Aid Commission..... 846,838,000

Schedule:

(1) 15-Financial Aid Grants Program..... 881,991,000

(2) Reimbursements..... −22,570,000

(3) Amount payable from the Federal Trust Fund (Item 7980-101-0890)..... −12,583,000

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) Grants under Section 4709 of the Labor Code.

(c) 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.

(d) The purchase of loan assumptions under Article 5 (commencing with Section 69612) of Chapter 2 of Part 42 of the Education Code. The Student Aid Commission shall issue 8,000 new warrants.

(e) The purchase of loan assumptions under Article 5.5 (commencing with Section 69618) of Chapter 2 of Part 42 of the Education Code.

(f) New and renewal Cal Grant awards.

(g) The California Student Aid Commission shall report by April 1, 2007, on the State Nursing Assumption Program of Loans for Education, pursuant to the reporting requirements of Section 69616.8 of the Education Code.

(h) No more than 100 warrants shall be authorized for the National Guard Assumption Program of Loans for Education under Article 12.5 (commencing with Section 69750) of Chapter 2 of Part 42 of the Education

Item Amount

Code. It is the intent of the Legislature to provide no more than $200,000 in 2007–08 for the additional warrants.

2. If federal trust funds for the 2006–07 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 in 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 the level specified per subdivision (k) of Section 69432.7 of the Education Code as determined in consultation with the Department of Finance for the purpose of determining recipients for the 2006–07 award year.
4. Notwithstanding any other provision of law, the maximum award for:
   (a) New recipients attending private and independent institutions shall be $9,708;
   (b) All recipients receiving Cal Grant B access awards shall be $1,551;
   (c) All recipients receiving Cal Grant C tuition and fee awards shall be $2,592; and
   (d) 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 Article 5.5 (commencing with Section 69618) of Chapter 2 of Part 42 of the Education Code.

Item Amount

8. Pursuant to Chapter 403 of the Statutes of 2000 and notwithstanding any other law, the Director of Finance may authorize the augmentation, from the Special Fund for Economic Uncertainties established pursuant to Section 16418 of the Government Code, of the annual amount appropriated for the purposes of making Cal Grant awards pursuant to Chapter 1.7 (commencing with Section 69430) of Part 42 of the Education Code, as necessary to fully fund the number of awards required to be granted by that chapter. No augmentation may be authorized under this provision sooner than 30 days after the Director of Finance provides written notice of the proposed augmentation to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the committees in each house that consider appropriations, nor sooner than whatever lesser time those persons, or their designees, may in each instance determine.
9. The Student Aid Commission shall issue 100 new State Nursing Assumption Program of Loans for Education (SNAPLE) warrants pursuant to Article 5.6 (commencing with Section 69616) of Chapter 2 of Part 42 of the Education Code.
10. The Student Aid Commission shall issue 100 new warrants for the Public Interest Attorney Loan Repayment Program, pursuant to Article 12 (commencing with Section 69740) of Chapter 2 of Part 42 of the Education Code.
12. The Student Aid Commission is authorized to issue 40 new warrants for a newly established State Facilities Nursing Assumption Program of Loans for Education, contingent upon enactment of legislation during the 2005–06 Regular Session.

7980-101-0890—For local assistance, Student Aid Commission, for payment to Item 7980-101-0001, payable from the Federal Trust Fund..... 12,583,000

7980-495—Reversion, Student Aid Commission. The unencumbered balance as of June 30, 2006, 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

Item Amount

(1) Item 7980-101-0001, Budget Act of 2005 (Chs. 38/39, Stats. 2005)

LABOR AND WORKFORCE DEVELOPMENT AGENCY

7100-001-0001—For support of Employment Development Department, for payment to Item 7100-001-0870..... 24,509,000

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..... 13,934,000

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..... 75,777,000

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 Director 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 2006–07 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.
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 $3,000,000 to make interest payments on an Unemployment Fund loan secured to pay Unemployment Insurance (UI) benefits. The EDD will notify the

Item Amount

Department of Finance by October 1, 2006, 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..... 58,221,000

Provisions:

1. Upon order of the Director of Finance, funds disencumbered from Employment Training Fund training contracts during the 2006–07 fiscal year that have not reverted as of July 1, 2006, may be appropriated in augmentation of this item.
2. 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.

7100-001-0588—For support of Employment Development Department, for payment to Item 7100-001-0870, payable from the Unemployment Compensation Disability Fund..... 212,067,000

Provisions:

1. The Employment Development Department shall submit on October 1, 2006, and April 20, 2007, 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 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

Item Amount

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.

2. The Department of Finance is authorized to approve expenditures in those amounts made necessary by changes in either workload or payments, 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 2006–07 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 156,010,000

Schedule:

(1) 61.35-WIA Administration and Program Services 24,520,000
(2) 61.40-WIA Growth Industries 3,809,000
(3) 61.50-WIA Industries with a Statewide Need 14,200,000
(4) 61.60-WIA Removing Barriers for Special Needs Populations 17,434,000
(5) 61.70-WIA Rapid Response Activities 45,696,000
(5.5) 61.80-WIA Special Grants 5,351,000
(6) 62.10-National Emergency Grant Program 45,000,000

Provisions:

1. Provision 1 of Item 7100-001-0588 also applies to Schedules (1) and (5) of this item.

1.5. For Schedules (2), (3), and (4), the Employment Development Department (EDD) shall submit on October 1, 2006, and April 20, 2007, to the Department of Finance for its review and approval an estimate of expenditures for both the current and budget fiscal years, including

Item Amount

the assumptions and calculations underlying the EDD's projections for expenditures from these schedules. To the extent the EDD identifies unspent or receives unanticipated additional federal WIA 15-percent discretionary funds, the Department of Finance may increase expenditure authority for Schedules (2) to (4), inclusive, if the additional funding is consistent with the expenditure plan for WIA discretionary funds in this item and meets the four requirements set forth in subdivision (b) of Section 28.00. Any such augmentation exceeding $250,000 may be authorized not sooner than 30 days after written notification is provided to the chairpersons of the committees in each house of the Legislature that consider the State Budget, and the Chairperson of the Joint Legislative Budget Committee, or sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may in each instance determine.

1.7. For Schedules (2), (3), and (4), in the event that the Employment Development Department is notified of a reduction in Federal Workforce Investment Act (WIA) 15-percent discretionary funds, the Department of Finance may decrease expenditure authority for Schedules (2) to (4), inclusive. Any such decrease that exceeds $250,000 may be authorized not sooner than 30 days after notification in writing is provided to the chairpersons of the committees 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.

2. 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 Legisla-

Item Amount

ture, and the Chairperson of the Joint Legislative Budget Committee within 30 days of the date of the transfer.

3. Notwithstanding any other provision of law, the Secretary of Labor and Workforce Development is authorized to transfer funds between categories (Schedules (1) to (4), 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.

7100-001-0870—For support of Employment Development Department, payable from the Unemployment Administration Fund-Federal..... 570,791,000

Schedule:

(1) 10-Employment and Employment Related Services..... 215,461,000
(2) 21-Tax Collections and Benefit Payments..... 636,657,000
(3) 22-California Unemployment Insurance Appeals Board..... 74,384,000
(4) 30.01-General Administration..... 54,747,000
(5) 30.02-Distributed General Administration..... −51,194,000
(6) 50-Employment Training Panel..... 53,319,000
(7) Reimbursements..... −27,171,000
(8) Amount payable from the General Fund (Item 7100-001-0001)..... −24,509,000
(9) Amount payable from the Employment Development Department Benefit Audit Fund (Item 7100-001-0184)..... −13,934,000
(10) Amount payable from the Employment Development Contingent Fund (Item 7100-001-0185)..... −75,777,000
(11) Amount payable from the Employment Training Fund (Item 7100-001-0514)..... −58,221,000
(12) Amount payable from the Unemployment Compensation Disability Fund (Item 7100-001-0588)..... −212,067,000

Item Amount

(13) Amount payable from the School Employees Fund (Item 7100-001-0908)..... −904,000

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. No later than September 13, 2007, the Secretary for Labor and Workforce Development shall report to the Director of Finance and the Joint Legislative Budget Committee on the progress of the Underground Economy Enforcement program and shall provide justification for its continuance.

7100-001-0908—For support of Employment Development Department, for payment to Item 7100-001-0870, payable from the School Employees Fund.... 904,000

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 2006–07 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.
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..... (4,898,000)

Provisions:

1. The unencumbered balance in the Employment Development Department Benefit Audit Fund as of June 30, 2007, shall be transferred to the General Fund.

Item Amount

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..... (10,486,000)

Provisions:

1. Notwithstanding any other provision of law, the 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, 2007.

7100-011-0890—For support of Employment Development Department, payable from the Federal Trust Fund, for transfer to the Unemployment Administration Fund—Federal..... (570,791,000)

7100-021-0890—For support of Employment Development Department, payable from the Federal Trust Fund, for transfer to the Consolidated Work Program Fund..... (156,010,000)

7100-101-0001—For local assistance, Employment Development Department..... 5,700,000

7100-101-0588—For local assistance, Employment Development Department, for Program 21—Tax collections and benefit payments, payable from the Unemployment Compensation Disability Fund..... 3,935,050,000

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 2006–07 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.
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..... 334,753,000

Item Amount

Provisions:

1. Provision 1 of Item 7100-001-0588 also applies to this item.
2. Notwithstanding any other provision of law, any Local Workforce Investment Area (LWIA) that has been adversely impacted by the exclusion of mass layoff data for agriculture, fishing, hunting, forestry, and government in the WIA Dislocated Worker allocation formula shall receive an augmentation of WIA 25 percent Rapid Response funding to backfill for the funding lost in the 2006–07 fiscal year, based on the same methodology applied by the Employment Development Department (EDD) in the 2005–06 fiscal year. Any LWIA receiving this augmentation must conform to both federal and state regulations and definitions and report to the EDD on the use of these funds and the clients served.

7100-101-0871—For local assistance, Employment Development Department, for Program 21—Tax collections and benefit payments, payable from the Unemployment Fund—Federal..... 5,258,494,000

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..... (334,753,000)

7100-101-0908—For local assistance, Employment Development Department, for Program 21—Tax collections and benefit payments, payable from the School Employees Fund..... 97,219,000

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 2006–07

Item Amount

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.

7100-111-0890—For local assistance, Employment Development Department, payable from the Federal Trust Fund, for transfer to the Unemployment Fund—Federal..... (5,258,494,000)

7100-311-0690—For capital outlay, Employment Development Department. To prevent the loss of funds in the Employment Development Department Building Fund, the unencumbered balances of the funds deposited in the Employment Development Department Building Fund shall be transferred to the Federal Unemployment Fund.

Provisions:

1. The Employment Development Department shall report to the Legislature by September 1, 2007, 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..... 3,965,000

Schedule:

(1) 10-California Workforce Investment Program..... 4,830,000
(2) Reimbursements..... −865,000

Provisions:

1. The Secretary of the Labor and Workforce Development Agency, 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..... 4,898,000

Schedule:

(1) 10-Board Administration..... 2,102,000

Item		Amount
(2) 20-General Counsel Administration	2,796,000	
(3) 30.01-Administration Services	253,000	
(4) 30.02-Distributed Administration Services	−253,000	
7350-001-0001—For support of Department of Industrial Relations		65,603,000
Schedule:		
(1) 10-Self-Insurance Plans	3,591,000	
(2) 20-Mediation/Conciliation	2,237,000	
(3) 30-Division of Workers' Compensation	157,726,000	
(4) 36-Commission on Health and Safety and Workers' Compensation	3,068,000	
(5) 40-Division of Occupational Safety and Health	88,966,000	
(6) 50-Division of Labor Standards Enforcement	46,354,000	
(7) 60-Division of Apprenticeship Standards	10,156,000	
(8) 70-Division of Labor Statistics and Research	3,884,000	
(9) 80-Claims, Wages, and Contingencies	1,182,000	
(10) 94.01-Administration	27,271,000	
(11) 94.02-Distributed Administration	−27,271,000	
(13) Reimbursements	−3,632,000	
(14) Amount payable from the Farmworkers Remedial Account (Item 7350-001-0023)	−102,000	
(15) Amount payable from the Cal-OSHA Targeted Inspection and Consultation Fund (Item 7350-001-0096)	−15,180,000	
(16) Amount payable from the Workers' Compensation Managed Care Fund (Item 7350-001-0132)	−347,000	
(17) Amount payable from the Industrial Relations Construction Industry Enforcement Fund (Item 7350-001-0216)	−53,000	
(18) Amount payable from the Workers' Compensation Administration Revolving Fund (Item 7350-001-0223)	−157,165,000	

Item	Amount
(19) Amount payable from the Asbestos Consultant Certification Account (Item 7350-001-0368)....	−324,000
(20) Amount payable from the Asbestos Training Approval Account (Item 7350-001-0369).....	−114,000
(21) Amount payable from the Self-Insurance Plans Fund (Item 7350-001-0396).....	−3,549,000
(22) Amount payable from the Elevator Safety Account (Item 7350-001-0452).....	−14,121,000
(23) Amount payable from the Pressure Vessel Inspection Account (Item 7350-001-0453).....	−4,333,000
(24) Amount payable from the Garment Manufacturers Special Account (Item 7350-001-0481).....	−500,000
(25) Amount payable from the Uninsured Employers' Account, Uninsured Employers Fund (Item 7350-001-0571).....	−674,000
(26) Amount payable from the Employment Training Fund (Item 7350-001-0514).....	−3,032,000
(27) Amount payable from the Federal Trust Fund (Item 7350-001-0890).....	−31,468,000
(28) Amount payable from the Industrial Relations Unpaid Wage Fund (Item 7350-001-0913).....	−3,034,000
(29) Amount payable from the Industrial Relations Unpaid Wage Fund (Section 96.6 of the Labor Code).....	−500,000
(30) Amount payable from the Electrician Certification Fund (Item 7350-001-3002).....	−2,717,000
(31) Amount payable from the Permanent Amusement Ride Safety Inspection Fund (Item 7350-001-3003).....	−1,035,000
(32) Amount payable from the Garment Industry Regulations Fund (Item 7350-001-3004).....	−3,376,000

Item	Amount
(33) Amount payable from the Apprenticeship Training Contribution Fund (Item 7350-001-3022).....	−4,307,000
(34) Amount payable from the Workers' Occupational Safety and Health Education Fund (Item 7350-001-3030).....	−1,222,000
(35) Amount payable from the Workers' Compensation Return-to-Work Fund (Item 7350-001-3031).....	−500,000
(36) Amount payable from the Car Wash Worker Restitution Fund (Item 7350-001-3071).....	−80,000
(37) Amount payable from the Car Wash Worker Fund (Item 7350-001-3072).....	−160,000
(38) Amount payable from the Worker Safety Bilingual Investigative Support, Enforcement and Training Account (Item 7350-001-8024).....	−36,000

Provisions:

1. The Secretary of Labor and Workforce Development shall report to the Director of Finance and the Joint Legislative Budget Committee on the progress of the Underground Economy Enforcement and shall provide justification for its continuance by September 13, 2007.
2. Of the funds provided in Schedule (6), $1,500,000 shall be expended solely to reduce wage claim hearing back logs in Labor Commissioner offices and to increase field enforcement by the Bureau of Field Enforcement in construction, agriculture, garment manufacturing, janitorial, and restaurant employment.
   (a) All new enforcement funding shall be divided equally between urban and rural efforts, to the degree practicable.
   (b) No new enforcement funding funded by this augmentation shall be used to supplant funding previously intended by the Division of Labor Standards Enforcement to support field enforcement activities for the 2006–07 fiscal year.
   (c) The Department of Industrial Relations shall provide the Legislature with a descrip-

Item Amount

tion of its efforts to reduce back logs and to improve minimum wage and overtime enforcement undertaken with this augmentation, as well as an assessment of whether a continued special focus on minimum wage and overtime law compliance is warranted. This report shall be provided no later than April 1, 2007.

3. Notwithstanding any other provisions of the Labor Code, $150 of each annual licensing fee of $500 collected pursuant to paragraph (4) of subdivision (a) of Section 1684 of the Labor Code shall be deposited into the Farmworker Remedial Account in the 2006–07 fiscal year, and $350 of each annual licensing fee of $500 collected pursuant to paragraph (4) of subdivision (a) of Section 1684 of the Labor Code shall be credited to the General Fund in the 2006–07 fiscal year for use by the Department of Industrial Relations in enforcing laws related to farm labor contractors.

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

Provisions:

1. Upon approval by the Department of Finance and notification to the chairpersons for the fiscal committees of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee, the Department of Industrial Relations may augment this item for the payment of valid claims against and up to the fund balance.

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..... 15,180,000

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..... 347,000

Item	Amount
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.....	53,000
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.....	157,165,000

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.
   (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

Item Amount

to this provision shall be credited to the Workers' Compensation Administration Revolving Fund upon receipt of sufficient revenues.

3. Of the amount appropriated in this item, $971,000 shall be available only upon approval by the Department of Personnel Administration and/or State Personnel Board of a classification change to the Workers' Compensation professional class series.

7350-001-0368—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Asbestos Consultant Certification Account..... 324,000

7350-001-0369—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Asbestos Training Approval Account..... 114,000

7350-001-0396—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Self-Insurance Plans Fund..... 3,549,000

7350-001-0452—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Elevator Safety Account..... 14,121,000

7350-001-0453—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Pressure Vessel Account..... 4,333,000

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..... 500,000

Provisions:

1. Upon approval by the Department of Finance and notification to the chairpersons for the fiscal committees of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee, the Department of Industrial Relations may augment this item for the payment of valid claims against and up to the fund balance.

7350-001-0514—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Employment Training Fund..... 3,032,000

Item Amount

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, $3,032,000 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.

7350-001-0571—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Uninsured Employers Fund..... 674,000

Provisions:

1. Notwithstanding any other provision of law, the amount available for expenditure in this appropriation may be used for Underground Economy Enforcement.

7350-001-0890—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Federal Trust Fund..... 31,468,000

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..... 3,034,000

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 and the Division of Occupational Safety and Health to administer the following: (a) the Targeted Industries Partnership Program to increase enforcement and compliance in the agricultural, garment, and restaurant industries, and (b) the Economic and Employment Enforcement Coalition (Underground Economy Program).
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..... 2,717,000

Item	Amount
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	1,035,000
7350-001-3004—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Garment Industry Regulations Fund	3,376,000
7350-001-3022—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Apprenticeship Training Contribution Fund	4,307,000
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	1,222,000
7350-001-3031—For support of the Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Workers' Compensation Return-to-Work Fund	500,000
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
Provisions:	
1. Upon approval by the Department of Finance and notification to the chairpersons for the fiscal committees of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee, the Department of Industrial Relations may augment this item for the payment of valid claims against and up to the fund balance.	
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
7350-001-8024—For support of Department of Industrial Relations, for payment to Item 7350-001-0001, payable from the Worker Safety Bilingual Investigative Support, Enforcement, and Training Account	36,000
Provisions:	
1. Notwithstanding any other provision of law, upon approval of the Director of Finance, this item may be augmented if revenues become available.	

Item	Amount
7350-011-0222—For transfer by the Controller from the Workplace Health and Safety Revolving Fund to the General Fund.....	(507,000)
7350-011-0913—For transfer by the Controller, upon order of the Director of Finance, from the Industrial Relations Unpaid Wage Fund to the General Fund.....	(1,000)

Provisions:

1. Notwithstanding any other provision of law, the State Controller shall transfer to the General Fund the unencumbered balance, less six months of expenditures, as determined by the Director of Finance, in the Industrial Relations Unpaid Wage Fund as of June 30, 2007.
2. The Department of Industrial Relations shall provide an estimate of the transfer amount to the Department of Finance no later than April 15, 2007.

7350-490—Reappropriation, Department of Industrial Relations. Up to $8,831,000 of the appropriation provided in Item 7350-001-0223, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005), is reappropriated and shall be available for encumbrance or expenditure until June 30, 2007.

GENERAL GOVERNMENT

8120-001-0268—For support of Commission on Peace Officer Standards and Training, payable from the Peace Officers' Training Fund.....	14,410,000

Schedule:

(1) 10-Standards.....	5,203,000
(2) 20-Training.....	30,333,000
(3) 30-Peace Officer Training.....	118,000
(4) 40.01-Administration.....	5,772,000
(5) 40.02-Distributed Administration.....	−5,772,000
(6) Reimbursements.....	−1,259,000
(7) Amount payable from the Peace Officers' Training Fund (Item 8120-011-0268).....	−18,429,000
(8) Amount payable from the Peace Officers' Training Fund (Item 8120-012-0268).....	−1,556,000

Item	Amount
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.....	18,429,000
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.	
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.....	21,382,000
Provisions:	
1. Funds may be transferred between this item and Item 8120-011-0268 to meet the needs of local training programs.	
8120-102-0268—For local assistance, Commission on Peace Officer Standards and Training, Program 30, payable from the Peace Officers' Training Fund.....	444,000

Item Amount

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 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.

8140-001-0001—For support of State Public Defender..... 11,333,000

Schedule:

(1) 10-State Public Defender..... 11,333,000

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..... 3,500,000

Provisions:

1. This item is for payment to counties for costs of homicide trials pursuant to Sections 15200 to 15204, 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

Item Amount

less; (b) for investigators, an hourly rate 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.

3. All counties that apply for a grant pursuant to this item shall provide the Controller's office and the Department of Finance a written summary of any amounts that they received pursuant to this item in a previous fiscal year that were not expended as of June 30, 2007. This summary shall detail the amount of unexpended funds by the fiscal year in which they were received. The summary also shall include a description of the purposes for which the county proposes to use the unexpended funds. Applicant counties shall provide this written summary to the Controller's office and the Department of Finance no later than June 30, 2007. To ensure compliance with this requirement, the Controller's office shall notify counties of this requirement when they submit their applications for funding.

8260-001-0001—For support of California Arts Council..... 1,144,000

Schedule:

(1) 90-California Arts Council..... 3,285,000

(2) Reimbursements..... −197,000

(3) Amount payable from the Graphic Design License Plate Account (Item 8260-001-0078)..... −979,000

(4) Amount payable from the Federal Trust Fund (Item 8260-001-0890)..... −965,000

8260-001-0078—For support of California Arts Council, for payment to Item 8260-001-0001, payable from the Graphic Design License Plate Account..... 979,000

8260-001-0890—For support of California Arts Council, for payment to Item 8260-001-0001, payable from the Federal Trust Fund..... 965,000

8260-101-0078—For local assistance, California Arts Council, payable from the Graphic Design License Plate Account..... 1,825,000

Item		Amount
Provisions:		
1. The funds appropriated in this item are to be expended for the purposes identified in Chapter 393, Statutes of 2004.		
8320-001-0001—For support of Public Employment Relations Board		5,555,000
Schedule:		
(1) 11-Public Employment Relations	5,567,000	
(2) Reimbursements	−12,000	
8380-001-0001—For support of Department of Personnel Administration		10,294,000
Schedule:		
(1) 10-Classification and Compensation	5,316,000	
(2) 20-Labor Relations	3,921,000	
(3) 25-Legal	7,706,000	
(4) 40.01-Administration	4,190,000	
(5) 40.02-Distributed Administration	−4,190,000	
(6) 54-Benefits Administration	22,574,000	
(7) Reimbursements	−16,192,000	
(8) Amount payable from the Flexelect Benefit Fund (Item 8380-001-0821)	−1,319,000	
(9) Amount payable from the Deferred Compensation Plan Fund (Item 8380-001-0915)	−11,712,000	
Provisions:		
1. The Department of Personnel Administration may use funds appropriated in this item to complete comprehensive salary surveys that include private and public employers, geographical data, and total compensation. The department shall provide to the appropriate fiscal and policy committees of each house of the Legislature and the Legislative Analyst, within 30 days of completion, each completed salary survey report.		
2. Of the funds appropriated in this item, $640,000 shall be used for the reform of information technology classification and selection structures.		
8380-001-0821—For support of Department of Personnel Administration, for payment to Item 8380-001-0001, payable from the Flexelect Benefit Fund		1,319,000

Item Amount

8380-001-0915—For support of Department of Personnel Administration, for payment to Item 8380-001-0001, payable from the Deferred Compensation Plan Fund..... 11,712,000

8380-004-0001—For support of Department of Personnel Administration, Program 54-Benefits Administration..... 23,305,000

8380-490—Reappropriation, Department of Personnel Administration. Notwithstanding any other provision of law, as of June 30, 2006, 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 or expenditure until June 30, 2007:

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), Budget Act of 2004 (Ch. 208, Stats. 2004) and Budget Act of 2005 (Chs.38 and 39, Stats. 2005)

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..... 2,916,000

Schedule:

(1) 10-Board of Chiropractic Examiners..... 2,959,000

(2) Reimbursements..... −43,000

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..... 1,591,000

Schedule:

(1) 10.01-Support..... 698,000

(2) 10.02-Training..... 893,000

Provisions:

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

Item Amount

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

8550-001-0191—For support of California Horse Racing Board, payable from the Fair and Exposition Fund..... 8,685,000

Schedule:

(1) 10-California Horse Racing Board..... 10,108,000

(2) Amount payable from the Racetrack Security Account, Special Deposit Fund (Item 8550-001-0942)..... −1,423,000

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..... 1,423,000

Provisions:

1. Of the amount appropriated in this item, $851,000 shall not be expended until the California Horse Racing Board reports to the Joint Legislative Budget Committee 30 days prior to the date of proposed expenditure, with a comprehensive plan that details its equine drug testing program. The plan shall include details for routine in-competition drug testing, out-of-competition drug testing, a current comparison of the number of postrace samples per race collected in California with those collected in other states, a comparison of the types, technologies, and relative costs of drug testing in other states with that performed by the Maddy Lab, a current comparison of out-of-competition testing programs, including amount spent per race and number of samples per race, in other states, with that proposed for California, a comparison of California's funding sources for testing that details among other things, whether those funding sources are public or private, with those of five to seven other major horse racing states, including Kentucky, Maryland, New York, and Florida, and a full description of the Maddy Lab's other funding sources, in addition to California Horse Racing Board funds.

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, 2007		(2,000,000)
8570-001-0001—For support of Department of Food and Agriculture		76,457,000
Schedule:		
(1) 11-Agricultural Plant and Animal, Pest and Disease Prevention	107,877,000	
(2) 21-Marketing, Commodities, and Agricultural Services	24,303,000	
(3) 31-Assistance to Fairs and County Agricultural Activities	3,092,000	
(4) 41.01-Executive, Management, and Administrative Services	14,873,000	
(5) 41.02-Distributed Executive, Management, and Administrative Services	−13,772,000	
(7) Reimbursements	−9,619,000	
(8) Amount payable from the Department of Agriculture Account, Department of Agriculture Fund (Item 8570-001-0111)	−15,733,000	
(9) Amount payable from the Fair and Exposition Fund (Item 8570-001-0191)	−3,552,000	
(10) Amount payable from the Harbors and Watercraft Revolving Fund (Item 8570-001-0516)	−1,275,000	
(11) Amount payable from the Agriculture Building Fund (Item 8570-001-0601)	−1,471,000	
(12) Amount payable from the Federal Trust Fund (Item 8570-001-0890)	−27,254,000	
(12.5) Amount payable from the Antiterrorism Fund (Item 8570-011-0112)	−551,000	
(13) Amount payable from the Agricultural Pest Control Research Account (Item 8570-011-0112)	−5,000	
(14) Amount payable from the Satellite Wagering Account (Item 8570-012-0192)	−456,000	

Item Amount

Provisions:

1. Funding appropriated in Schedules (1) and (2) allocated for the purpose of designing, developing, or implementing any information technology or data management system shall not be encumbered or expended until the Feasibility Study Reports (FSR) for these projects are approved by the Department of Finance. If the amount approved in the FSR is less than the amount appropriated, the Department of Food and Agriculture shall only spend the amount approved in the FSR, and any remaining funds shall be reverted.
2. Notwithstanding any other provision of law, $380,000 of the amount appropriated in Schedule (1) shall be available for expenditure until June 30, 2008, and shall be used for the purpose of a one-year private vehicle inspection project at the Needles Inspection Station.
3. Notwithstanding any other provision of law, $2,500,000 of the amount appropriated in Schedule (1) shall be made available for use by the Department of Food and Agriculture for the Weed Management Area Program.
4. On or before January 10, 2011, the Department of Food and Agriculture shall submit to the Department of Finance and the Joint Legislative Budget Committee, a report identifying the workload levels for positions supporting the information technology projects that are part of the Emerging Threats budget augmentation.

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..... 15,733,000

Provisions:

1. In addition to the amounts appropriated in this item, and notwithstanding any other provision of law, of the funds appropriated pursuant to subdivision (c) of Section 224 of the Food and Agricultural Code, up to $2,800,000 shall be made available for use by the Department of Food and Agriculture for emergency detection and eradication activities of agricultural plant or animal pests or diseases. The Director of Finance may authorize an augmentation of up to $2,800,000 to this item upon request of the

Item Amount

Secretary of Food and Agriculture. The Director of Finance shall not authorize any augmentation unless all of the following criteria apply: (a) no other program funds are available to be used to detect or eradicate such pest or disease; (b) the pest or disease is not considered established in California and the pest or disease infests or infects plants or animals of commercial or noncommercial agriculture, ornamental horticulture, or habitat of significance; (c) if not detected and eradicated, the pest or disease poses a significant risk to commercial agricultural production and would pose a threat to the economy of California. An authorization of an augmentation shall become effective no sooner than 30 days after the director files written notification thereof with the Chairperson of the Joint Legislative Budget Committee, or no sooner than any lesser time the chairperson of the joint committee or his or her designee may in each instance determine. Each notification shall include the basis by which the request meets the above criteria. At the end of the 2006–07 fiscal year, any unencumbered balance of these funds appropriated for emergency detection and eradication activities of agricultural plant or animal pests or diseases shall be available for the 2007–08 fiscal year. At the end of the 2007–08 fiscal year, any unencumbered balance of these funds appropriated for emergency detection and eradication activities of agricultural plant or animal pests or diseases shall be available for transfer to local assistance for payment to counties during the 2008–09 fiscal year, as provided in subdivision (c) of Section 224 of the Food and Agricultural Code.

2. Any increases in the amount transferred from the Motor Vehicle Fuel Account Transportation Tax Fund to the Department of Agriculture Account, Department of Agriculture Fund shall be held in reserve up to the amount needed to fund the activities pursuant to Provision 1.
3. The Secretary of Food and Agriculture shall furnish quarterly reports on all expenditures from all fund sources for emergency detection and eradication activities relating to agricultur-

Item Amount

al plant or animal pests or diseases as defined by (b) and (c) of the criteria in Provision 1 of this item to the Director of Finance and the Chairperson of the Joint Legislative Budget Committee. The report shall specify the amount expended by fund, the activities performed, the pest or disease, the location where the pest was detected, the location where the eradication efforts were performed, and the animal or plant affected for each emergency detection or eradication.

4. Funds appropriated in this item are in lieu of the appropriation provided by subdivisions (a) and (b) of Section 224 of the Food and Agricultural Code.
5. 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 Director of Finance may authorize an augmentation of $179,000 to this item upon request of the Secretary of Food and Agriculture.
6. 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.

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..... 3,552,000

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..... 1,275,000

8570-001-0601—For support of Department of Food and Agriculture, for payment to Item 8570-001-0001, payable from the Agriculture Building Fund..... 1,471,000

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..... 27,254,000

Item Amount

8570-001-3034—For support of Department of Food and Agriculture, for payment to Item 8570-001-0001, payable from the Antiterrorism Fund..... 551,000

8570-002-0001—For support of Department of Food and Agriculture, for sterile Medfly release program..... 8,081,000

Schedule:

(1) 11-Agricultural Plant and Animal, Pest and Disease Prevention..... 8,081,000

8570-003-0001—For support of Department of Food and Agriculture, for rental payments on lease-revenue bonds..... 1,605,000

Schedule:

(1) Base Rental and Fees..... 1,621,000
(2) Insurance..... 11,000
(3) Reimbursements..... −27,000

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.
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

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 Food and 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.
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

Item	Amount
8570-003-0601—For support of Department of Food and Agriculture, for rental payments on lease-revenue bonds, payable from the Agriculture Building Fund	225,000
Schedule:	
(1) Base Rental 223,000	
(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.	
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.	
8570-004-0001—For transfer by the Controller to the Pierce's Disease Management Account	4,341,000
Provisions:	
1. Of the funds appropriated in this item, $4,341,000 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.	
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	15,300,000

Item Amount

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..... 456,000

8570-101-0001—For local assistance, Department of Food and Agriculture..... 8,283,000

Schedule:

(1) 11-Agricultural Plant and Animal, Pest and Disease Prevention..... 8,283,000

(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

Provisions:

1. 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 consistency, authority, accountability, oversight, efficacy, safety, timeliness, and overall program costs.

2. Funds provided in this item for high-risk pest exclusion shall be expended pursuant to Section 2282.5 of the Food and Agricultural Code.

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

Item Amount

contributions, payable from the Fair and Exposition 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.

8570-102-0001—For local assistance, Department of Food and Agriculture..... 760,000

Provisions:

1. The funds appropriated in this item are to be expended for the purposes identified in Chapter 631 of the Statutes of 2004.

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.

8570-401—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 program, 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

Item Amount

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, 2, and 5 of Item 8570-001-0111, 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 resulting 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 inter-

Item Amount

im financing or long-term financing, including bond agreements.

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 2005 (Chs. 38 and 39, Stats. 2005)

(1) 90.18.001-Relocation: Yermo Agricultural Inspection Station—Acquisition, preliminary plans, and construction

0660—Public Buildings Construction Fund

(1) Item 8570-301-0660, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(1) 90.18.001-Relocation: Yermo Agricultural Inspection Station—Construction

8620-001-0001—For support of Fair Political Practices Commission..... 2,788,000

Schedule:

(1) 10.10-Local enforcement..... 1,128,000

(2) 10.20-Legal, technical assistance and state enforcement..... 1,660,000

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..... 2,602,000

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)

(2) 20-Franchise Tax Board..... 1,604,000

For transfer by the State Controller to Item 1730-001-0001 as follows:

(3) 30-Political Reform Audit..... (1,604,000)

(3) 30-Department of Justice..... 216,000

For transfer by the State Controller to Item 0820-001-0001 as follows:

Item Amount

(7) 40-Criminal Law.... (78,000)
(9) 50-Law Enforcement..... (138,000)
(4) 40-Fair Political Practices Commission..... (3,691,000)
(5) Reimbursements..... −8,000
For transfer by the State Controller to Item 0890-001-0001

Provisions:

1. The Controller shall transfer funds as specified above, including any allocations made by the Department of Finance, on January 1, 2007.

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..... 2,970,000

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..... 2,719,000

8660-001-0412—For support of Public Utilities Commission, for payment to Item 8660-001-0462, payable from the Transportation Rate Fund..... 2,377,000

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..... 9,292,000

8660-001-0462—For support of Public Utilities Commission, payable from the Public Utilities Commission Utilities Reimbursement Account..... 74,778,000

Schedule:

(1) 10-Regulation of Utilities..... 108,830,000
(2) 15-Universal Service Telephone Programs..... 895,408,000
(3) 20-Regulation of Transportation.... 17,358,000
(4) 30.01-Administration..... 20,925,000
(5) 30.02-Distributed Administration..... −20,925,000
(6) Reimbursements..... −8,858,000
(6.5) Reimbursement to the Office of Ratepayer Advocates..... −3,880,000
(7) Amount payable from the State Highway Account, State Transportation Fund (Item 8660-001-0042)..... −2,970,000

Item	Amount
(8) Amount payable from the Public Transportation Account, State Transportation Fund (Item 8660-001-0046).....	−2,719,000
(9) Amount payable from the Transportation Rate Fund (Item 8660-001-0412).....	−2,377,000
(10) Amount payable from the Public Utilities Commission Transportation Reimbursement Account (Item 8660-001-0461).....	−9,292,000
(11) Amount payable from California High-Cost Fund-A Administrative Committee Fund (Item 8660-001-0464).....	−58,791,000
(12) Amount payable from California High-Cost Fund-B Administrative Committee Fund (Item 8660-001-0470).....	−435,135,000
(13) Amount payable from Universal Lifeline Telephone Service Trust Administrative Committee Fund (Item 8660-001-0471).....	−289,764,000
(14) Amount payable from Deaf and Disabled Telecommunications Program Administrative Committee Fund (Item 8660-001-0483).....	−69,267,000
(15) Amount payable from Payphone Service Providers Committee Fund (Item 8660-001-0491).....	−499,000
(16) Amount payable from California Teleconnect Fund Administrative Committee Fund (Item 8660-001-0493).....	−26,829,000
(16.5) Amount payable from the California Teleconnect and Administrative Committee Fund (Item 8660-002-0493).....	−15,123,000
(17) Amount payable from the Federal Trust Fund (Item 8660-001-0890).....	−1,139,000
(18) Amount payable from the Public Utilities Commission Ratepayer Advocate Account (Item 8660-001-3089).....	−20,175,000

Item Amount

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.
2. Of the amount appropriated in this item, up to a total of $2,000,000 may be spent for contracts with media experts to design and produce a public education campaign to implement the Public Utilities Commission's March 2006 decision regarding a Telecommunications Consumers' Bill of Rights. No expenditure in excess of $1,000,000 for this purpose shall be made without the written approval of the Director of Finance, and the director's approval 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 fiscal committees of each house of the Legislature. The director's notification shall identify how funds already spent are being used, the specific purpose of the proposed additional expenditure, the specific message to be communicated to consumers, and the specific types of actions that the media campaign will seek to encourage among telecommunications consumers.

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..... 58,791,000

Provisions:

1. Of the amount appropriated in this item, up to $350,000 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..... 435,135,000

Provisions:

1. Of the amount appropriated in this item, up to $1,865,000 shall be used by the Public Utilities Commission to fund administrative and

Item Amount

staffing costs for the California High-Cost Fund-B Administrative Committee Program.

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..... 289,764,000

Provisions:

1. Of the amount appropriated in this item, up to $1,135,000 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..... 69,267,000

Provisions:

1. Of the amount appropriated in this item, up to $720,000 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..... 499,000

Provisions:

1. Of the amount appropriated in this item, up to $259,000 shall be used by the Public Utilities Commission to fund administrative and staffing costs for the Payphone Service Providers Committee Program.

8660-001-0493—For support of Public Utilities Commission, for payment to Item 8660-001-0462, payable from the California Teleconnect Fund Administrative Committee Fund..... 26,829,000

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 California Teleconnect Fund Administrative Committee Program.
2. No expenditure shall be made from the appropriation in this item, other than for staffing and

Item Amount

administrative costs, after December 31, 2006, or in excess of $13,415,000 prior to that date, without the written approval of the Director of Finance. The director's approval 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 fiscal committees of each house of the Legislature. The director's notification shall identify the actions that the Public Utilities Commission has taken to bring the Teleconnect Program into full compliance with Section 884.5 of the Public Utilities Code.

8660-001-0890—For support of Public Utilities Commission, for payment to Item 8660-001-0462, payable from the Federal Trust Fund..... 1,139,000

8660-001-3089—For support of the Public Utilities Commission, for payment to Item 8660-001-0462, payable from the Public Utilities Commission Ratepayer Advocate Account..... 20,175,000

8660-002-0493—For support of Public Utilities Commission, for payment to Item 8660-001-0462, payable from the California Teleconnect Fund Administrative Committee Fund..... 15,123,000

Provisions:

1. The amount appropriated in this item shall be used to pay carrier claims from prior fiscal years.

8660-003-0412—For support of Public Utilities Commission for rental payments on lease-revenue bonds, payable from the Transportation Rate Fund..... 151,000

Schedule:

(1) Base Rental..... 151,000
(2) Insurance..... 2,000
(3) Reimbursements..... −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.
2. This item may contain adjustments pursuant to Control Section 4.30 that are not currently reflected. Any adjustments to this item shall be

Item	Amount
reported to the Joint Legislative Budget Committee pursuant to Control Section 4.30.	
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.....	560,000
Schedule:	
(1) Base Rental and Fees..... 557,000	
(2) Insurance..... 8,000	
(3) Reimbursements..... −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 may be needed to ensure debt requirements are met.	
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.	
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.....	4,366,000
Schedule:	
(1) Base Rental and Fees..... 4,349,000	
(2) Insurance..... 58,000	
(3) Reimbursements..... −41,000	
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 may be needed to ensure debt requirements are met.	
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.	

Item Amount

8660-011-0462—For transfer by the Controller from the Public Utilities Commission Utilities Reimbursement Account to the Public Utilities Commission Ratepayer Advocate Account, as prescribed by subdivision (f) of Section 309.5 of the Public Utilities Code..... (20,175,000)

Provisions:

1. The Director of Finance may adjust the amounts transferred by this item pursuant to statewide budget adjustments made pursuant to authorities contained in this act.

8660-490—Reappropriation, Public Utilities Commission. The balance specified below of the appropriation provided in the following citation is reappropriated for the purposes provided for in that appropriation and shall be available for encumbrance or expenditure through June 30, 2008.

0461—Public Utilities Commission Transportation Reimbursement Account

(1) Item 8660-001-0461, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005), for purposes of the rail safety task force ($100,000).

8660-491—Reappropriation, Public Utilities Commission. Of the combined balances of the appropriation provided for in the following citations, $2,000,000 is reappropriated for the purposes provided for in Chapter 531 of the Statutes of 2003 and is available for encumbrance or expenditure until June 30, 2008:

0493—California Teleconnect Fund Administrative Committee Fund

(1) Item 8660-001-0493, Budget Act of 2003 (Ch. 157, Stats. 2003)

(2) Item 8660-001-0493, Budget Act of 2004 (Ch. 208, Stats. 2004)

8690-001-0217—For support of Seismic Safety Commission, payable from the Insurance Fund..... 1,069,000

Schedule:

(1) 10-Seismic Safety Commission..... 1,144,000

(2) Reimbursements..... −75,000

8770-001-0462—For support of Electricity Oversight Board, payable from the Public Utilities Commission Utilities Reimbursement Account..... 3,385,000

Schedule:

(1) 30-Administration..... 3,903,000

Item		Amount
(2) Amount payable from the Energy Resources Programs Account (Item 8770-001-0465).....	−518,000	
8770-001-0465—For support of Electricity Oversight Board, for payment to Item 8770-001-0462, payable from the Energy Resources Programs Account.....		518,000
8780-001-0001—For support of Milton Marks "Little Hoover" Commission on California State Government Organization and Economy.....		981,000
Schedule:		
(1) 10-Milton Marks Commission on California State Government Organization and Economy.....	983,000	
(2) Reimbursements.....	−2,000	
8820-001-0001—For support of Commission on the Status of Women.....		436,000
Schedule:		
(1) 10-Administration, Legislation, Research and Information.....	438,000	
(2) Reimbursements.....	−2,000	
8830-001-0001—For support of California Law Revision Commission.....		691,000
Schedule:		
(1) 10-Law Revision Commission.....	706,000	
(2) Reimbursements.....	−15,000	
8840-001-0001—For support of the California Commission on Uniform State Laws.....		149,000
8855-001-0001—For support of Bureau of State Audits, for transfer to the State Audit Fund.....		14,219,000
Schedule:		
(1) 10-State Auditor.....	14,219,000	
8860-001-0001—For support of Department of Finance.....		34,197,000
Schedule:		
(1) 10-Annual Financial Plan.....	19,856,000	
(2) 20-Program and Information System Assessments.....	13,574,000	
(3) 30-Supportive Data.....	14,299,000	
(4) 40.01-Administration.....	5,679,000	
(5) 40.02-Distributed Administration.....	−5,679,000	
(6) Reimbursements.....	−13,532,000	
Provisions:		
1. The funds appropriated in this item for CALSTARS shall be transferred by the Controller, upon order of the Director of Finance, or made		

Item Amount

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.
3. Notwithstanding any other provision of law, the Director of Finance may authorize a loan from the General Fund to the Department of Finance for the purpose of meeting operational cashflow obligations for the 2006–07 fiscal year. The loan shall not exceed the estimated amount of uncollected reimbursements for the final quarter of the fiscal year.
4. From the funds appropriated in Schedule (3) for the purpose of evaluating and continuing development and enhancement of the Governor's Budget Presentation System (GBPS), the following provisions apply:
   (a) From time to time, but no later than December 1, 2006, the Department of Finance shall update the Legislature on anticipated changes to the GBPS. In addition, the Department of Finance shall (1) no later than the approximate same time the Governor's Budget is formally presented in electronic or any other Web-based form, provide printed and bound hard copies of the Governor's Budget and Governor's Budget Summary as follows: to the Legislative Analyst Office—45 copies, the Office of the Legislative Counsel—six copies, offices of the Members of the Legislature—120 copies, and the fiscal committees of the Legislature—60 copies, and (2) no later than four weeks after the Governor's Budget is formally presented in electronic or any other Web-based form, 135 printed and bound hard copies of the Governor's Budget and Governor's Budget Summary shall be provided as follows: two copies to the State Library, to ensure that the State Librarian

Item Amount

maintains at least one public copy and one for the permanent research collections, and 133 copies: one copy to each depository public library in the state. Additional copies, either bound or unbound, shall be available for purchase by the public based on the cost of producing the documents requested. Whenever the Department of Finance submits to the Legislature changes to the Governor's Budget or to the Budget Bill, these requests shall be provided in hard copy form to the Legislature including the appropriate staff of the fiscal committees and the Legislative Analyst's Office. Whenever the Department of Finance releases a document summarizing changes proposed for the Governor's Budget or to the Budget Bill, the Department of Finance shall provide the summaries in hard copy form to the Legislature including the appropriate staff of the fiscal committees and the Legislative Analyst's Office.

(b) Notwithstanding any other provision of law, the Department of Finance may amend its existing contract with the Web-development firm to augment and continue consulting services until June 30, 2007, for the purpose of providing continuity of services.

8860-490—Reappropriation, Department of Finance. The unencumbered balance of the appropriation provided in the following citation is reappropriated for the purpose provided for in the appropriation and shall be available for encumbrance or expenditure as cited below through June 30, 2007.

0001—General Fund

(1) Item 8860-001-0001, Budget Act of 2005 (Ch. 38, Stats. 2005). The balance of the $1,749,000 appropriated in Schedule (3) of this item is reappropriated for the purpose of completing the chart of accounts and procurement acquisition assistance activities for the Budget Information System (BIS).

8885-001-0001—For support of Commission on State Mandates..... 1,629,000

Item Amount

Schedule:

(1) 10-Commission on State Mandates..... 1,629,000

Provisions:

1. In the case where the Commission on State Mandates receives one or more county applications for a finding of significant financial distress pursuant to Section 17000.6 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.
2. The Commission on State Mandates shall, on or before September 15, 2006, and annually thereafter, submit to the Director of Finance a report identifying the workload levels and any backlog for the staff of the commission.

8885-295-0001—For local assistance 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 for claims for costs incurred in the 2005–06 fiscal year..... 106,880,000

Schedule:

(0.5) For payment of the following mandate claims for the 2005–06 fiscal year..... 90,280,000

(a) Crime Victim Rights (Ch. 411, Stats. 1995) (CSM-96-358-01)

(b) Threats Against Peace Officers (Ch. 1249, Stats. 1992, and Ch. 666, Stats. 1995) (CSM-96-365-02)

(c) Custody of Minors-Child Abduction and Recovery (Ch. 1399, Stats. 1976; Ch. 162, Stats. 1992; and Ch. 988, Stats. 1996) (CSM-4237)

(d) Stolen Vehicle Notification (Ch. 337, Stats. 1990) (CSM-4403)

Item	Amount
(e) Absentee Ballots (Ch. 77, Stats. 1978) (CSM-3713)	
(f) Permanent Absent Voters (Ch. 1422, Stats. 1982) (CSM-4358)	
(g) Voter Registration Procedures (Ch. 704, Stats. 1975) (04-LM-04)	
(h) Absentee Ballots-Tabulation by Precinct (Ch. 697, Stats. 1999) (00-TC-08)	
(i) Brendon Maguire Act (Ch. 391, Stats. 1988) (CSM-4357)	
(j) Medi-Cal Beneficiary Death Notices (Chs. 102 and 1163, Stats. 1981) (CSM-4032)	
(k) Pacific Beach Safety (Ch. 961, Stats. 1992) (CSM-4432)	
(*l*) Perinatal Services (Ch. 1603, Stats. 1990) (CSM-4397)	
(m) AIDS/Search Warrant (Ch. 1088, Stats. 1988) (CSM-4392)	
(n) Mentally Retarded Defendants Representation (Ch. 1253, Stats. 1980) (04-LM-12)	
(o) Judicial Proceedings (Ch. 644, Stats. 1980) (CSM-4366)	
(p) Conservatorship: Developmentally Disabled Adults (Ch. 1304, Stats. 1980) (04-LM-13)	
(q) Developmentally Disabled Attorneys' Services (Ch. 694, Stats. 1975) (04-LM-03)	
(r) Coroners Costs (Ch. 498, Stats. 1977) (04-LM-07)	
(s) Not Guilty by Reason of Insanity (Ch. 1114, Stats. 1979) (CSM-2753)	
(t) Mentally Disordered Offenders' Extended Commitments Proceedings (Ch. 435, Stats. 1991) (98-TC-09)	
(u) Sexually Violent Predators (Chs. 762 and 763, Stats. 1995) (CSM-4509)	
(v) Mentally Disordered Sex Offenders' Recommitments (Ch. 1036, Stats. 1978) (04-LM-09)	
(w) Domestic Violence Treatment Services (Ch. 183, Stats. 1992) (CSM-96-281-01)	
(x) Police Officer's Cancer Presumption (Ch. 1171, Stats. 1989) (CSM-4416)	
(y) Firefighter's Cancer Presumption (Ch. 1568, Stats. 1982) (CSM-4081)	
(z) Domestic Violence Arrest Policies (Ch. 246, Stats. 1995) (CSM-96-362-02)	

Item	Amount
(aa) Animal Adoption (Ch. 752, Stats. 1998) (98-TC-11)	
(bb) Unitary Countywide Tax Rates (Ch. 921, Stats. 1987) (CSM-4355 and CSM-4317)	
(cc) Senior Citizens Property Tax Deferral (Ch. 1242, Stats. 1977) (CSM-4359)	
(dd) Allocation of Property Tax Revenues (Ch. 697, Stats. 1992) (CSM-4448)	
(ee) Photographic Record of Evidence (Ch. 875, Stats. 1985) (98-TC-07)	
(ff) Rape Victim Counseling (Ch. 999, Stats. 1991) (CSM-4426)	
(gg) Health Benefits for Survivors of Peace Officers and Firefighters (Ch. 1120, Stats. 1996) (97-TC-25)	
(hh) Postmortem Examinations (Ch. 284, Stats. 2000) (01-TC-18)	
(ii) False Reports of Police Misconduct (Ch. 590, Stats. 1995) (00-TC-26)	
(0.6) For payment of the mandate claims for the 2005–06 fiscal year for the Peace Officers' Procedural Bill of Rights (Ch. 675, Stats. 1990) (CSM-4499).....	16,600,000
(1) For mandate claims for the cost of mandates implemented in the 2006–07 fiscal year, including those listed for information purposes in the schedule below, to be funded in the 2007–08 fiscal year.....	0
(a) Crime Victim Rights (Ch. 411, Stats. 1995) (CSM-96-358-01)	
(b) Threats Against Peace Officers (Ch. 1249, Stats. 1992 and Ch. 666, Stats. 1995) (CSM-96-365-02)	
(c) Custody of Minors-Child Abduction and Recovery (Ch. 1399, Stats. 1976; Ch. 162, Stats. 1992; and Ch. 988, Stats. 1996) (CSM-4237)	
(d) Stolen Vehicle Notification (Ch. 337, Stats. 1990) (CSM-4403)	
(e) Absentee Ballots (Ch. 77, Stats. 1978) (CSM-3713)	
(f) Permanent Absent Voters (Ch. 1422, Stats. 1982) (CSM-4358)	

Item	Amount
(g) Voter Registration Procedures (Ch. 704, Stats. 1975) (04-LM-04)	
(h) Absentee Ballots-Tabulation by Precinct (Ch. 697, Stats. 1999) (00-TC-08)	
(i) Brendon Maguire Act (Ch. 391, Stats. 1988) (CSM-4357)	
(j) Medi-Cal Beneficiary Death Notices (Chs. 102 and 1163, Stats. 1981) (CSM-4032)	
(k) Pacific Beach Safety (Ch. 961, Stats. 1992) (CSM-4432)	
(*l*) Perinatal Services (Ch. 1603, Stats. 1990)(CSM-4397)	
(m) AIDS/Search Warrant (Ch. 1088, Stats. 1988) (CSM-4392)	
(n) Mentally Retarded Defendants Representation (Ch. 1253, Stats. 1980) (04-LM-12)	
(o) Judicial Proceedings (Ch. 644, Stats. 1980) (CSM-4366)	
(p) Conservatorship: Developmentally Disabled Adults (Ch. 1304, Stats. 1980) (04-LM-13)	
(q) Developmentally Disabled Attorneys' Services (Ch. 694, Stats. 1975) (04-LM-03)	
(r) Coroners Costs (Ch. 498, Stats. 1977) (04-LM-07)	
(s) Not Guilty by Reason of Insanity (Ch. 1114, Stats. 1979) (CSM-2753)	
(t) Mentally Disordered Offenders' Extended Commitments Proceedings (Ch. 435, Stats. 1991) (98-TC-09)	
(u) Sexually Violent Predators (Chs. 762 and 763, Stats. 1995) (CSM-4509)	
(v) Mentally Disordered Sex Offenders' Recommitments (Ch. 1036, Stats. 1978) (04-LM-09)	
(w) Domestic Violence Treatment Services (Ch. 183, Stats. 1992) (CSM-96-281-01)	
(x) Police Officer's Cancer Presumption (Ch. 1171, Stats. 1989) (CSM-4416)	
(y) Firefighter's Cancer Presumption (Ch. 1568, Stats. 1982) (CSM-4081)	
(z) Domestic Violence Arrest Policies (Ch. 246, Stats. 1995) (CSM-96-362-02)	
(aa) Animal Adoption (Ch. 752, Stats. 1998) (98-TC-11)	
(bb) Unitary Countywide Tax Rates (Ch. 921, Stats. 1987) (CSM-4355 and CSM-4317)	

Item	Amount
(cc) Senior Citizens Property Tax Deferral (Ch. 1242, Stats. 1977) (CSM-4359)	
(dd) Allocation of Property Tax Revenues (Ch. 697, Stats. 1992) (CSM-4448)	
(ee) Photographic Record of Evidence (Ch. 875, Stats. 1985) (98-TC-07)	
(ff) Rape Victim Counseling (Ch. 999, Stats. 1991) (CSM-4426)	
(gg) Health Benefits for Survivors of Peace Officers and Firefighters (Ch. 1120, Stats. 1996) (97-TC-25)	
(hh) Postmortem Examinations (Ch. 284, Stats. 2000) (01-TC-18)	
(ii) False Reports of Police Misconduct (Ch. 590, Stats. 1995) (00-TC-26)	
(3) Pursuant to the provisions of Section 17581 of the Government Code, the mandates identified in the following schedule are specifically identified by the Legislature for suspension during the 2006–07 fiscal year.....	0
(a) Grand Jury Proceedings (Ch. 1170, Stats. 1996) (98-TC-27)	
(b) Sex Crime Confidentiality (Ch. 502, Stats. 1992, Ch. 36, Stats. 1994, 1st Ex. Sess.) (98-TC-21)	
(c) Deaf Teletype Equipment (Ch. 1032, Stats. 1980) (04-LM-11)	
(d) Sex Offenders: Disclosure by Law Enforcement Officers (Chs. 908 and 909, Stats. 1996) (97-TC-15)	
(e) Missing Persons Report (Ch. 1456, Stats. 1988, and Ch. 59, Stats. 1993) (CSM-4255, CSM-4484, and CSM-4368)	
(f) Handicapped Voter Access Information (Ch. 494, Stats. 1979) (CSM-4363)	
(g) Substandard Housing (Ch. 238, Stats. 1974) (CSM-4303)	
(h) Adult Felony Restitution (Ch. 1123, Stats. 1977) (04-LM-08)	
(i) Very High Fire Hazard Severity Zones (Ch. 1188, Stats. 1992) (97-TC-13)	
(j) Local Coastal Plans (Ch. 1330, Stats. 1976) (CSM-4431)	
(k) SIDS Training for Firefighters (Ch. 1111, Stats. 1989) (CSM-4412)	

Item Amount

(*l*) SIDS Contacts by Local Health Officers (Ch. 268, Stats. 1991) (CSM-4424)
(m) SIDS Autopsies (Ch. 955, Stats. 1989) (CSM-4393)
(n) Inmate AIDS Testing (Ch. 1597, Stats. 1988) (CSM-4369)
(o) SIDS Notices (Ch. 453, Stats. 1974) (04-LM-01)
(p) Guardianship/Conservatorship Filings (Ch. 1357, Stats. 1976) (04-LM-15)
(q) Victims' Statements-Minors (Ch. 332, Stats. 1981) (04-LM-14)
(r) Extended Commitment, Youth Authority (Ch. 267, Stats. 1998) (98-TC-13)
(s) Prisoner Parental Rights (Ch. 820, Stats. 1991) (CSM-4427)
(t) Structural and wildland firefighter safety clothing and equipment (8 Cal. Code Regs. 3401 to 3410, incl.) (CSM-4261-4281)
(u) Personal Alarm Devices (8 Cal. Code Regs. 3401(c)) (CSM-4087)
(v) Law Enforcement Sexual Harassment Training (Ch. 126, Stats. 1993) (97-TC-07)
(w) Elder Abuse, Law Enforcement Training (Ch. 444, Stats. 1997) (98-TC-12)
(x) Redevelopment Agencies Tax Disbursement Reporting (Ch. 39, Stats. 1998) (99-TC-06)
(y) Mandate Reimbursement Process (Ch. 486, Stats. 1975) (CSM-4204, CSM-4485)
(z) Filipino Employee Surveys (Ch. 845, Stats. 1978) (CSM-2142)
(aa) Domestic Violence Information (Ch. 1609, Stats. 1984) (CSM-4222)
(bb) Pocket Masks (Ch. 1334, Stats. 1987) (CSM-4291)

Provisions:

1. The mandate identified in the following schedule is specifically identified by the Legislature for deferral of payment for costs incurred during the 2006–07 fiscal year:
   (a) Peace Officers' Procedural Bill of Rights POBOR (Ch. 675, Stats. 1990) (CSM-4499)
2. Allocations of funds provided in this item to the appropriate local entities shall be made by the Controller in accordance with the provi-

Item Amount

sions 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. The funds appropriated in this item shall be allocated only for the payment of claims as required by Chapter 4 (commencing with Section 17550) of Part 7 of Division 4 of Title 2 of the Government Code, and that payment shall be made pursuant to Article 5 (commencing with Section 17615) of that chapter. Notwithstanding any other provision of law, interest shall be paid from funds appropriated in this item only to the extent, and in the amount, authorized by Section 17561.5 of the Government Code.

3. The State Controller shall offset payments made from the appropriation in this item and in Item 8885-299-0001 to recoup the amount of any unallowable mandate claim costs determined by desk or field audits of such claims. The estimated amount of General Fund savings from prior year adjustments due to these offsets is at least $44,000,000.

8885-295-0042—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 State Controller..... 0

Schedule:

(1) 98.01.064-Airport Land Use Commission/Plans (Ch. 644, Stats. 1994) (CSM-4507)..... 0

Provisions:

1. 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

Item Amount

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. 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 2006–07 fiscal year:

(1) Airport Land Use Commission/Plans (Ch. 644, Stats. 1994) (CSM-4507)

8885-295-0044—For local assistance, Department of Motor Vehicles, payable from the Motor Vehicle Account, State Transportation Fund, 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..... 1,551,000

Schedule:

(1) 98.00.146.089-Administrative License Suspension, Per Se (Ch. 1460, Stats. 1989) (98-TC-16)..... 1,551,000

Provisions:

1. 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.

Item Amount

8885-295-0106—For local assistance, Department of Pesticide Regulation, payable from the Department of Pesticide Regulation Fund 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..... 162,000

Schedule:

(1) 98.01.120.089-Pesticide Use Reports (Ch. 1200, Stats. 1989) (CSM-4420)..... 162,000

Provisions:

1. 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.

8885-299-0001—For local assistance 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..... 83,000,000

Schedule:

(1) For payment of mandate claims filed prior to July 1, 2004..... 83,000,000

Provisions:

1. 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 subdivi-

Item	Amount
sion (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. The funds appropriated in this item shall be allocated only for the payment of claims as required by Chapter 4 (commencing with Section 17550) of Part 7 of Division 4 of Title 2 of the Government Code, that shall be made pursuant to Article 5 (commencing with Section 17615) of that chapter. Notwithstanding any other provision of law, interest shall be paid from funds appropriated in this item only to the extent, and in the amount, authorized by Section 17561.5 of the Government Code.	
8910-001-0001—For support of Office of Administrative Law	2,428,000
Schedule:	
(1) 10-Regulatory Oversight 2,726,000	
(2) Reimbursements ..... −298,000	
8940-001-0001—For support of Military Department	38,698,000
Schedule:	
(1) 10-Army National Guard 63,232,000	
(2) 20-Air National Guard 19,853,000	
(3) 30.01-Office of the Adjutant General 9,437,000	
(4) 30.02-Distributed Office of the Adjutant General ..... −9,437,000	
(5) 35-Military Support to Civil Authority 10,050,000	
(6) 40-Military Retirement 3,169,000	
(7) 50-California Cadet Corps 436,000	
(8) 55-California State Military Reserve 455,000	
(9) 65-California National Guard Youth Programs 17,294,000	
(11) Reimbursements ..... −10,979,000	
(12) Amount payable from the Armory Discretionary Improvement Account (Item 8940-001-0485) ..... −146,000	
(13) Amount payable from the Federal Trust Fund (Item 8940-001-0890) ..... −64,666,000	
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 ab-	

Item Amount

sence of the expenditure, or of this appropriation, would be available to the Adjutant General of the State 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.

3. On or before April 10, 2007, the Military Department shall provide to the Legislature a report on the findings of the Internal Control Office. This information shall include, at a minimum, the following:
(a) identified control deficiencies based on the initial risk analysis, (b) any improvements made to date, and (c) a work plan for addressing the remaining deficiencies as well as the criteria for prioritizing the subject and scope of ongoing internal reviews.

5. Of the amount appropriated in Schedule (3), up to $20,000 shall be expended for a comprehensive direct communications initiative to reach each California National Guard service member and his or her family. This initiative shall include, but not be limited to, quarterly mailings of eligibility information and applications for California Military Family Relief Fund funds to service members and families of deployed service members.

8940-001-0485—For support of Military Department, for payment to Item 8940-001-0001, payable from the Armory Discretionary Improvement Account.... 146,000

8940-001-0890—For support of Military Department, for payment to Item 8940-001-0001, payable from the Federal Trust Fund..... 64,666,000

8940-101-0001—For local assistance of Military Department..... 60,000

Schedule:

(1) 30.01-Office of the Adjutant General..... 60,000

Provisions:

1. Funds appropriated in this item are for benefit payments related to the California National Guard Surviving Spouses and Children Relief Act of 2004 pursuant to Section 850 of the Military and Veterans Code.

Item Amount

8940-101-8022—For local assistance of Military Department, payable from the California Military Family Relief Fund..... 250,000

Schedule:

(1) 30.01-Office of the Adjutant General..... 250,000

Provisions:

1. Funds appropriated in this item are for benefit payments related to the California Military Family Relief Fund pursuant to Article 1.5 (commencing with Section 18705) of Chapter 3 of Part 10.2 of Division 2 of the Revenue and Taxation Code.

8940-301-0001—For capital outlay, Military Department..... 4,444,000

Schedule:

(1) 70.22.015-Consolidated Headquarters Complex: Acquisition..... 1,000,000

(2) 70.68.035-Camp San Luis Obispo: Consolidated Dining Hall—Construction and equipment..... 528,000

(2.5) 70.85.010 Roseville: Armory Additions and Renovations—Construction..... 2,525,000

(3) 70.90.004-Minor Projects..... 391,000

Provisions:

1. Notwithstanding any other statute of law, and subject to approval by the State Public Works Board, the funds provided in Schedule (1) shall be used to acquire a purchase option to reserve, for no less than two years, the right to purchase up to 30 acres of land in the Mather Field area of Sacramento County. The Military Department shall transfer sufficient funds to the Architecture Revolving Fund to allow for the performance of all tasks necessary prior to seeking approval for this purchase option. These tasks include, but are not limited to, due diligence, environmental review, appraisals, and contract negotiations.

2. Funding provided in Schedule (2) will be matched by $8,724,000 federal funds. These federal funds do not flow through the Treasury of the State of California because they are paid by the Department of Defense directly to the United States Army Corps of Engineers for the purpose of management and execution of the

Item Amount

project. Thus, the federal contribution to this project will not be reflected in the Budget Act.

3. Funding provided in Schedule (3) will be matched by $1,177,000 federal funds. These federal funds do not flow through the Treasury of the State of California because they are paid by the Department of Defense directly to the United States Army Corps of Engineers for the purpose of management and execution of these projects. Thus, the federal contribution to this project will not be reflected in the Budget Act.

4. Funding provided in Schedule (2.5) will be matched by $881,000 federal funds. These federal funds do not flow through the Treasury of the State of California because they are paid by the Department of Defense directly to the United States Army Corps of Engineers for the purpose of management and execution of these projects. Thus, the federal contribution to this project will not be reflected in the Budget Act.

8940-491—Reappropriation, Military Department. 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:

0001—General Fund

(1) Item 8940-301-0001, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)

(2) 70.90.004-Minor Projects

8955-001-0001—For support of Department of Veterans Affairs..... 9,781,000

Schedule:

(1)	10-Farm and Home Loans to Veterans.....	1,900,000
(2)	20-Veterans Claims and Rights.....	2,854,000
(3)	30-Care of Sick and Disabled Veterans.....	7,475,000
(4)	50.01-General Administration.....	8,823,000
(5)	50.02-Distributed General Administration.....	−8,823,000
(6)	Reimbursements.....	−432,000
(7)	Amount payable from the Veterans Service Office Fund (Item 8955-001-0083).....	−50,000

Item Amount

(8) Amount payable from the Veterans' Farm and Home Building Fund of 1943 (Item 8955-001-0592)..... −1,900,000

(9) Amount payable from the Federal Trust Fund (Item 8955-001-0890)..... −66,000

Provisions:

1. Of the funds appropriated in this item, $2,117,000 is for the realignment of 25 positions from the Farm and Home Program to other programs supported by Schedule (4). No later than January 10, 2007, the Department of Veterans Affairs shall submit to the Department of Finance and the Joint Legislative Budget Committee a workload justification and budget change proposal to support the ongoing need for these 25 positions and funding.
2. The Department of Veterans Affairs shall, in consultation with the Department of Finance, provide a report to the Legislature by January 10, 2007, on the status of its efforts to identify and correct deficiencies in fiscal controls as well as inconsistencies in budget documents. The report shall include a summary of its findings and steps taken to ensure that appropriate processes are in place to produce accurate budget documents that support effective fiscal oversight.
3. Of the funds appropriated in this item, $50,000 shall be used to provide federal benefits eligibility training and outreach materials to veterans service organizations.

8955-001-0083—For support of Department of Veterans Affairs, for payment to Item 8955-001-0001, payable from the Veterans Service Office Fund..... 50,000

Provisions:

1. Notwithstanding Section 699.5 of the Military and Veterans Code, the Department of Veterans Affairs is authorized to contract, through a competitive process, with a veteran service organization to provide outreach services.

8955-001-0238—For support of Department of Veterans Affairs, Veterans Cemetery Perpetual Maintenance Fund..... 53,000

Schedule:

(1) 20-Veterans Claims and Rights..... 53,000

Item		Amount
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		1,900,000
8955-001-0701—For support of Department of Veterans Affairs, payable from the Veterans' Home Fund		248,000
8955-001-0890—For support of Department of Veterans Affairs, for payment to Item 8955-001-0001, payable from the Federal Trust Fund		66,000
8955-017-0001—For support of Department of Veterans Affairs, for implementation of the Health Insurance Portability and Accountability and Accountancy Act		125,000
Schedule:		
(1) 30-Care of Sick and Disabled Veterans	125,000	
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		2,600,000
Schedule:		
(1) 20-Veterans Claims and Rights	3,438,000	
(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		554,000
8960-001-0001—For support of Veterans' Home of California—Yountville		44,389,000
Schedule:		
(1) 30-Care of Sick and Disabled Veterans	78,695,000	
(2) Reimbursements	−18,837,000	
(3) Amount payable from the Federal Trust Fund (Item 8960-001-0890)	−15,469,000	
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) 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.		

Item Amount

(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 chairpersons of the committees in each house of the Legislature that consider 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 of Finance 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.

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.

4. Of the amount appropriated in Schedule (1), up to $115,000 shall be used to restore the Yountville Veterans' Home's no-cost nonprescription drug benefit to the level provided in the 2004–05 fiscal year. It is the intent of the Legislature that this benefit shall be consistent with that provided at the Chula Vista and Barstow Veterans' Homes.

Item Amount

8960-001-0890—For support of Veterans Home of California—Yountville, for payment to Item 8960-001-0001, payable from the Federal Trust Fund..... 15,469,000

8960-301-0001—For capital outlay, Department of Veterans Affairs, Veterans' Home of California—Yountville..... 500,000

Schedule:

(1) 80.20.495-Yountville Comprehensive Infrastructure Planning Study..... 500,000

8960-301-0660—For capital outlay, Veterans' Home of California—Yountville, payable from the Public Buildings Construction Fund..... 9,341,000

Schedule:

(1) 80.20.440-Remodel Member Services Building—Preliminary plans, working drawings, and construction..... 9,341,000

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 all phases of the project authorized by this item.
2. The issuance of bonds or notes under this item is contingent upon a commitment from the federal government to pay for the federal matching share of the cost of the project.
3. The Department of Veterans Affairs and State Public Works Board are 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 project.
4. The State Public Works Board shall not be deemed to be the 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 Department of Veterans Affairs from the requirements of the California Envi-

Item Amount

ronmental Quality Act. This section is intended to be declarative of existing law.

5. Notwithstanding Section 1.80, funds appropriated in this item for working drawings shall be available for expenditure until June 30, 2008, and funds appropriated in this item for construction shall be available for expenditure until June 30, 2010. In addition, the balance of funds for construction that have not been allocated, through fund transfer or approval to bid, by the Department of Finance on or before June 30, 2008, shall revert as of that date.

8965-001-0001—For support of the Veterans Home of California at Barstow..... 9,914,000

Schedule:

(1) 30-Care of Sick and Disabled Veterans..... 13,776,000

(2) Reimbursements..... −1,677,000

(3) Amount payable from the Federal Trust Fund (Item 8965-001-0890)..... −2,185,000

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) to the Veterans Home of California, provided that the following conditions are met:

   (a) The loan is to meet cash needs resulting from the delay in receipt of reimbursements for medical services provided.

   (b) The loan is for a short term, to be repaid within six months.

   (c) Interest charges may be waived pursuant to subdivision (e) of Section 16314 of the Government Code.

   (d) Approval by the Director of Finance shall be in writing and filed with the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house of the Legislature 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.

Item Amount

2. At the end of the six-month term of the loan, the Department of Finance 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 at Barstow, for payments to Item 8965-001-0001, payable from the Federal Trust Fund..... 2,185,000

8965-003-0001—For support of the Veterans Home of California at Barstow, for rental payments on lease-revenue bonds..... 1,338,000

Schedule:

(1) Base Rental and Fees..... 1,208,000

(2) Insurance..... 130,000

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.

2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

8966-001-0001—For support of the Veterans' Home of California-Chula Vista..... 11,692,000

Schedule:

(1) 30-Care of Sick and Disabled Veterans..... 23,952,000

(2) Reimbursements..... −6,368,000

(3) Amount payable from the Federal Trust Fund (Item 8966-001-0890)..... −5,892,000

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), to the Veterans' Home of California, provided that all of the following conditions are satisfied:

Item Amount

(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 chairpersons of the committees in each house of the Legislature that consider appropriations not later than 30 days prior to the effective date of the approval, unless the chairperson of the joint committee or his or her designee permits a lesser time.

2. At the end of the six-month term of the loan, the Department of Finance shall notify the Chairperson of the Joint Legislative Budget Committee whether the Veterans Home of California has repaid the loan made pursuant to 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 at Chula Vista, for payment to Item 8966-001-0001, payable from the Federal Trust Fund..... 5,892,000

8966-003-0001—For support of the Veterans' Home of California at Chula Vista, for rental payments on lease-revenue bonds..... 1,410,000

Schedule:
(1) Base Rental and Fees..... 1,389,000
(2) Insurance..... 21,000

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.
2. This item may contain adjustments pursuant to Section 4.30 that are not currently reflected.

Item Amount

Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

9100-101-0001—For local assistance, Tax Relief..... 679,083,000

Schedule:

(1) 10-Senior Citizens' Property Tax Assistance..... 38,212,000

(2) 20-Senior Citizens' Property Tax Deferral Program..... 14,900,000

(3) 30-Senior Citizen Renters' Tax Assistance..... 143,825,000

(4) 50-Homeowners' Property Tax Relief..... 442,540,000

(5) 60-Subventions for Open Space.... 39,606,000

Provisions:

1. Schedule (2) is for property tax postponement and assistance to claimants in accordance with the Senior Citizens Property Tax Assistance 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.
2. Schedule (3) is for property tax assistance to renter claimants in accordance with the Senior Citizens Property Tax Assistance 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).
3. 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 of Article XIII of the California Constitution and the appropriation for the same purposes contained in Section 16100 or 16120 of the Government Code.
4. Schedule (5) is for providing reimbursement to local taxing authorities for revenue lost by reason of the assessment of open-space lands un-

Item Amount

der 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.

5. 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 of 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 committee, or his or her designee, may in each instance determine.
6. Schedule (1) is for property tax assistance to homeowner claimants in accordance with the Senior Citizens Property Tax Assistance Law (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).

9100-495—Reversion, Tax Relief. As of June 30, 2006, the unencumbered balance of 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) Chapter 24 of the Statutes of 2004

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 as determined by the Director of Finance 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, 2008.

Item Amount

These funds shall be used to supplement and not supplant existing services.

9210-103-0001—For local assistance, Local Government Financing..... 1,648,000

Provisions:

1. For disaster relief associated with reimbursement to local taxing authorities for property tax revenue losses, pursuant to Chapters 622, 623, and 624, Statutes of 2005.

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 Securitization 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.

9619-399-0001—For transfer to the Deficit Reduction Reserve Account..... 1,000,000,000

Provisions:

1. The funds in the Deficit Reduction Reserve Account shall be used for payment of General Fund debt related to obligations due in the 2007–08 fiscal year.

Item Amount

9620-001-0001—For payment of interest on General Fund loans, upon order of the Director of Finance, for any General Fund loan..... 20,000,000

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 consistent 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 2006–07 fiscal year from loans made previously..... 30,299,000

Item Amount

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 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..... 24,000,000

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..... 700,000

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

Item Amount

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

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 22820, 22879, 22881, 22883, and 22953 of the Government Code, which cost is not chargeable to any other appropriation..... 1,019,368,000

Schedule:

(1) Health benefit premiums..... 952,353,000

(2) Dental care premiums..... 67,015,000

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 22844 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 2006–07 fiscal year, shall not be enrolled in a basic health benefits plan during the 2006–07 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

Item Amount

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 $394 for a single enrollee, $738 for an enrollee and one dependent, and $933 for an enrollee and two or more dependents.

9650-495—Reversion, Health and Dental Benefits for Annuitants. As of June 30, 2006, the unencumbered balance of the appropriation in Item 9650-001-0001, Budget Act of 2004 (Ch. 208, Stats. 2004), shall revert to the fund balance from which the appropriation was made.

9670-001-0001—For equity claims before the California Victim Compensation and Government Claims Board and for settlements and judgments in cases in 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 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 ex-

Item Amount

ceeding 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's, department's, board's, bureau's, 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 commission 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..... 299,104,000

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 compensation increases and increases in benefits related thereto of employees 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,

Item Amount

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.

4. Of the funds appropriated in this item, $15,000,000 shall be available for allocation by the Director of Finance following submittal of a plan from the Department of Personnel Administration to address recruitment and retention issues in employee compensation for represented and excluded employees. The Director of Finance shall not allocate these funds sooner than 30 days after notification to the chairpersons of the committees and appropriate subcommittees in each house of the Legislature that consider the State Budget, the Chairperson of the Joint Legislative Budget Committee, and the Legislative Analyst's Office explaining the purposes for and the manner in which the funds are to be allocated, describing the problem that the funds aim to address, and identifying the departments to which the funds will be allocated. Any and all notifications pursuant to this provision shall be submitted no later than October 1, 2006. If less than $15,000,000 is allocated by the Director of Finance pursuant to this provision, the amount not allocated shall be reverted by the Controller to the General Fund on June 30, 2007.

9800-001-0494—For Augmentation for Employee Compensation, payable from other unallocated special funds..... 164,734,000

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 compensation increases and increases in benefits related thereto of employees whose compensation, or portion thereof, is chargeable to special funds, to be allocated by executive order by the Department of Finance to the several

Item Amount

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.

3. Notwithstanding any other provision of law, upon approval of the Department of Finance, expenditure authority may be transferred between Items 9800-001-0494 and 9800-001-0988 as necessary to fund costs for 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.

4. Of the funds appropriated in the item, $10,000,000 shall be available for allocation by the Director of Finance following submittal of a plan from the Department of Personnel Administration to address recruitment and retention issues in employee compensation for represented and excluded employees. The Director of Finance shall not allocate these funds sooner than 30 days after notification to the chairpersons of the committees and subcommittees in each house of the Legislature that consider the State Budget, the Chairperson of the Joint Legislative Budget Committee, and the Legislative Analyst's Office explaining the purposes for and manner in which the funds are to be allocated, describing the problem that the funds aim to address, and identifying the departments to which the funds will be allocated. Any and all notifications pursuant to this provision shall be submitted no later than October 1, 2006. If less than $10,000,000 is allocated by the Director of Finance pursuant to this provision, the amount not allocated shall be reverted by the Controller to the appropriate funds on June 30, 2007.

9800-001-0988—For Augmentation for Employee Compensation, payable from other unallocated nongovernmental cost funds..... 37,482,000

Item Amount

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.
3. Notwithstanding any other provision of law, upon approval of the Department of Finance, expenditure authority may be transferred between Items 9800-001-0494 and 9800-001-0988 as necessary to fund costs for 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.
4. Of the funds appropriated in this item, $5,000,000 shall be available for allocation by the Director of Finance following submittal of a plan from the Department of Personnel Administration to address recruitment and retention issues in employee compensation for represented and excluded employees. The Director of Finance shall not allocate these funds sooner than 30 days after notification to the chairpersons of the committees and subcommittees in each house of the Legislature that consider the State Budget, the Chairperson of the Joint Legislative Budget Committee, and the Legislative Analyst's Office explaining the purposes for and manner in which the funds are to be allocated, describing the problem that the funds aim to address, and identifying the departments to

Item Amount

which the funds will be allocated. Any and all notifications pursuant to this provision shall be submitted no later than October 1, 2006. If less than $5,000,000 is allocated by the Director of Finance pursuant to this provision, the amount not allocated shall be reverted by the Controller to the appropriate funds on June 30, 2007.

9840-001-0001—For Augmentation for Contingencies or Emergencies..... 49,000,000

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 2006–07 fiscal year under an existing program that is funded by that item of appropriation, but 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, nor may any funds appropriated in augmentation of this item be allocated, 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) start-up 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.

Item Amount

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 2006–07 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 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

Item Amount

from any state agency, department, board, commission, or other state entity to fund a contingency or emergency through a supplemental appropriations bill augmenting this item.

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) 30 percent of the amount scheduled on that line for those appropriations made by this act that are $4,000,000 or less.
   (b) 20 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.
9. The Director of Finance shall submit any requests for supplemental appropriations in augmentation of this item to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the fiscal committees in each house of the Legislature. Requests shall include the information and determinations required by Provision 4 excluding subdivision (c), and a determination that requests meet the requirements of Provision 2.

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, 8, and 9 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 upon 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

Item Amount

Provisions:

1. Provisions 1, 2, 3, 4, 5, 6, 7, 8, and 9 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 are 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 upon 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 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

Item Amount

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 2007–08 or 2008–09 Governor's Budget or 2008–09 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, 2006, 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 State 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 Section 2.00, 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 2006–07," submitted by the Governor to the Legislature at the 2006 portion of the 2005–06 Regular Session, the uniform accounting system prescribed by the Department of Finance under the pro-

visions of Section 13300 and following of the Government Code, 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 22871 and 22881, and subdivision (b) of Section 22883, 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 22871 and 22881, and subdivision (b) of Section 22883, 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, 22871, and 22881, and subdivision (b) of Section 22883, 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, 22871, and 22881, and subdivision (b) of Section 22883, 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 2006–07 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	16.997%
Miscellaneous, Second Tier	16.778%
State Industrial	17.861%
State Safety	19.294%
Highway Patrol	31.463%
Peace Officer/Firefighter	24.505%

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 2006–07 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. 3.65. (a) To the extent legislation is enacted during the 2006–07 fiscal year to increase the state minimum wage, the Director of Finance may increase General Fund support and local assistance appropriations by up to $10,255,000 for the following departments:

(1) Department of Forestry.
(2) Department of Parks and Recreation.
(3) California Conservation Corps.
(4) Department of Aging.
(5) Department of Social Services.
(6) Department of Developmental Services.

(b) Notwithstanding Section 28.50, reimbursement authority for the departments listed in subdivision (a) may also be increased for the purposes of paying costs associated with a minimum wage increase.

(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. 4.01. (a) Notwithstanding any other provision of law, the Director of Finance shall reduce items of appropriation in this act to reflect savings achieved pursuant to the Alternate Retirement Program (Chapter 214 of the Statutes of 2004). These reductions shall not apply to the University of California, California State University, the Legislature, or the judicial branch.

(b) Notwithstanding any other provision of law, the Director of Finance shall reduce items of appropriation in this act to reflect savings achieved through reforms in employee compensation, subject to memoranda of understanding negotiated with bargaining units and ratified by the Legislature. These reductions shall apply to all agencies and departments whose employees are subject to collective bargaining agreements negotiated by the Department of Personnel Administration or are excluded employees as defined in Section 3527 of the Government Code.

(c) The Director of Finance shall report to the Chairperson of the Joint Legislative Budget Committee and the chairpersons 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 reductions by department and agency.

(d) Nothing within this section shall be interpreted to confer any authority upon the Director of Finance to modify or eliminate any other provision of existing law.

SEC. 4.05. (a) The Director of Finance, in consultation with agency secretaries and other cabinet members, shall reduce General Fund appropriations in the 2006–07 fiscal year by a total of $100,000,000 on a one-time basis. 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. This amount is in addition to the $100,000,000 of General Fund reductions in the 2006–07 fiscal year intended by the Legislature as expressed in Section 4.05 of the Budget Act of 2005 (Chapter 39 of the Statutes of 2005).

(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; the Legislative Counsel Bureau; 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, unless the savings identified would not negatively impact program needs as provided for in this act or current law.

(c) General Fund savings from appropriations other than those in this act may be credited towards the overall savings in subdivision (a). Savings from funds other than the General Fund that would otherwise revert to the General Fund in the 2006–07 fiscal year may also be credited towards the total savings specified in subdivision (a).

(d) 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.

(e) Not later than February 15, 2007, the Director of Finance shall report to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee of each house of the Legislature that consider appropriations the amount of reductions made in each item of appropriation pursuant to this section. The report shall include the following: each specific reduction by department, agency, and program; whether the reduction is one-time or ongoing; a description of programmatic effects; the number and description of positions affected; and any other description necessary to fully disclose the reduction's impact.

(f) 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) of this section or Section 4.05 of the Budget Act of 2005 (Chapter 39 of the Statutes of 2005) 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) of this section or Section 4.05 of the Budget Act of 2005 (Chapter 39 of the Statutes of 2005) by more than 5 percent.

SEC. 4.11. All new positions approved in this act shall be established effective July 1, 2006, 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. Notwithstanding any other provision of law, the employer's contributions to the Public Employees' Contingency Reserve Fund, as required by Section 22885 of the Government Code, shall be 0.270 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 2006–07 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. 4.75. The Director of Finance may adjust any item of appropriation for departmental support in this act for the purpose of reimbursing the Department of General Services for centralized costs billed through the statewide surcharge specified in Section 4.60 of Chapter 208 of the Statutes of 2004.

SEC. 4.80. 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.

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 Architecture 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 Committee on Budget 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. 5.40. (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 0540 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.

(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, the Director of Finance may, pursuant to a request by an affected agency specified in subdivision (a) seeking the transfer, 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 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. The notification to the Legislature shall specify the justification for the transfer.

SEC. 5.45. (a) The Department of Finance shall provide information to the Legislature on resources bond funds for the CALFED program contained in the base budget at the time the Governor's Budget is submitted to the Legislature. Information provided should include the amount of bond funds, the source of bond funds, and the activities and positions supported by the funds.

(b) The Department of Finance shall annually submit budget change proposals to the Legislature for CALFED-related local assistance and capital outlay expenditures supported by resources bond funds.

SEC. 6.00. No more than $100,000 of the funds appropriated for support purposes under Section 1.80 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. 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 2005–06 fiscal year and ongoing or new costs for the 2006–07 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.

(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 2006–07 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.

(c) Any expenditure of federal Temporary Assistance for Needy Families (TANF) block grant funds in excess of the amounts specified and appropriated in this act are subject to the notification procedures and requirements set forth in Section 28.00, or Provision 4 of Item 5180-101-0001, or Item 5180-403, of Section 2.00, whichever is applicable. The notification and other requirements of Section 28.00 also shall apply to any proposed substitution of TANF block grant funds for other state or federal funds.

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 Chairper-

son 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 appropriation 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. 8.53. It is the intent of the Legislature that reductions to federal funds appropriated in the Budget Bill enacted for each fiscal year, resulting from federal audits, be communicated to the Legislature in a timely manner. Therefore, notwithstanding any other provision of law, an agency, department, or other state entity receiving a final federal audit or deferral letter shall provide a copy of it to the Chairperson of the Joint Legislative Budget Committee within 30 days.

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 2006. 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 2006–07 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 chairpersons of the budget committees 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.

(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 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 chairpersons of the budget committees 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 ex-

cept that this 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. 12.00. For the purposes of Article XIII B of the California Constitution, there is hereby established a state "appropriations limit" of seventy-two billion three hundred four million dollars ($72,304,000,000) for the 2006–07 fiscal year.

Any judicial action or proceeding to attack, review, set aside, void, or annul the "appropriations limit" for the 2006–07 fiscal year shall be commenced within 45 days of the effective date of this act.

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 2006–07 Final Change Book for the 2006–07 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 2006–07 fiscal year are $41,294,823,000 or 44.5 percent of total General Fund revenues and transfers subject to the state appropriations limit. General Fund revenues appropriated for school districts are $37,140,347,000 or 40 per-

cent of total General Fund revenues and transfers subject to the state appropriations limit. General Fund revenues appropriated for community college districts are $4,040,676,000 or 4.4 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 $113,800,000 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 Senate Bill 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 2006–07 fiscal year. Notwithstanding any other provision of law, for the 2006–07 fiscal year, local educational 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.

(b) The education programs that are eligible for the flexibility provided in subdivision (a) included the following items: Items 6110-111-0001, 6110-122-0001, 6110-124-0001, 6110-150-0001, 6110-167-0001, 6110-181-0001, 6110-193-0001, 6110-203-0001, 6110-209-0001, and 6110-224-0001 of Section 2.00.

(c) 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 from each of Items 6110-111-0001, 6110-122-0001, 6110-124-0001, 6110-167-0001, 6110-181-0001, 6110-193-0001, 6110-203-0001, 6110-209-0001, and 6110-224-0001 may be expended by that recipient for programs in Items 6110-119-0001 and 6110-128-0001, so that the total expended does not exceed 115 percent of the state funding for the programs in Items 6110-119-0001 and 6110-128-0001 for the 2006–07 fiscal year.

(d) As a condition of receiving the funds provided for the programs identified in subdivision (b), local educational agencies shall report to the State Department of Education by October 15, 2007, 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, chairpersons and vice chairpersons of the fiscal committees of each house of the Leg-

islature for education of the Legislature and the Department of Finance, by February 1, 2008.

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 Cal-SAFE program, Item 6110-198-0001. The Department of Finance shall notify the Joint Legislative Budget Committee of any transfers made under this section. The items between which the Controller may transfer funds pursuant to this section are the following: Items 6110-104-0001, 6110-190-0001, 6110-195-0001, 6110-198-0001, 6110-211-0001, 6110-232-0001, and 6110-234-0001 of Section 2.00.

SEC. 13.00. (a) Notwithstanding any other provision of law, expenditures under Item 0160-001-0001 of Section 2.00 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, 2007, of the appropriations made by Items 0160-001-0001 and 8840-001-0001 of Section 2.00 are reappropriated and shall be available for encumbrance until June 30, 2008, 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 moneys that are received as payment for the sale of services or personal property by the agency that have not been taken into consideration in the schedule of Item 0160-001-0001 or are in excess of the amount so taken into consideration are to be credited to that item and are 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 redesignation, 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 2006–07 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 2006–07 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 2006–07 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, 2007, on all loans initiated or repayments made pursuant to subdivision (a) or (b) within the preceding fiscal year 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. 17.00. The Budget Act of 2006 includes $66,897,000 ($15,849,000 from the General Fund, $46,353,000 from federal funds, $1,104,000 from special funds, and $3,591,000 from reimbursements) 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 1996 activities. These funds are allocated to the following entities:

California Health and Human Services Agency
General Fund.....3,051,000
Reimbursements.....629,000
Public Employees' Retirement System
Special Funds.....223,000
Office of Statewide Health Planning and Development
Special Funds.....102,000
Department of Aging
General Fund.....12,000
Reimbursements.....12,000
Department of Alcohol and Drug Programs
General Fund.....832,000
Reimbursements.....961,000
Department of Health Services
General Fund.....9,729,000
Special Funds.....524,000
Federal Funds.....46,307,000
Managed Risk Medical Insurance Board
General Fund.....25,000
Special Funds.....30,000
Federal Funds.....46,000

Department of Developmental Services
General Fund.....975,000
Reimbursements.....887,000
Department of Mental Health
General Fund.....1,100,000
Reimbursements.....1,102,000
Department of Personnel Administration
Special Funds.....225,000
Department of Veterans Affairs
General Fund.....125,000

SEC. 24.00. For the 2006–07 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 $1,106,000 received by the Driver Training Penalty Assessment Fund for the 2006–07 fiscal year shall be available for the purposes of Item 6110-001-0178 of Section 2.00. 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 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; $9,800,000 to the Corrections Training 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. 24.55. (a) For the purposes of this section, "educational institutions" means the University of California (UC), upon the approval of its Board of Regents, the California State University (CSU), the California

Community Colleges (CCC), and the State Department of Education (SDE), or their designees, as part of their participation on the Board of the Corporation for Education Network Initiatives in California (CENIC).

(b) To expend General Fund, student fee revenue, or any other moneys for the California Research and Education Network (CalREN) or the K–12 High Speed Network (HSN), state educational institutions shall do all of the following:

(1) Ensure that any interest earned on state moneys is used for operating CalREN serving the UC, CSU, CCC, and K–12 segments. Any segment-specific cash reserves held by CENIC for an individual segment shall be held separately and accrue interest to that segment.

(2) Ensure that any assets purchased primarily with state moneys are transferred to the state if CENIC no longer manages CalREN.

(3) Approve an agreement that designates specific levels of service to be provided by CalREN and HSN to all public education segments.

(4) Establish fee payment schedules that neither result in significant prepayments nor require additional administrative costs to implement. If the Board of CENIC determines that certain prepayments are necessary, individual segments may prepay to avoid additional costs to themselves.

(5) Ensure that CENIC reports to the Legislature and the Governor, not later than December 1, 2006, the following minimum information:

(A) For the 2005–06 fiscal year, revenues from each public education segment and from other sources whose annual revenues are $100,000 or more, and expenditures of $100,000 or more by major category.

(B) A financial accounting of all primarily state-funded assets associate with CalREN and HSN.

(C) A copy of the 2006–07 service level agreement approved by the Board of CENIC.

(D) A list of all prepayments made in the 2005–06 fiscal year and in the first quarter of the 2006–07 fiscal year, and a detailed explanation of the savings resulting from each prepayment.

(E) A list of all in-state private educational institutions and out-of-state educational institutions that have used CalREN and the fee amounts they have been charged.

(F) A detailed revised budget for CalREN and HSN for the 2006–07 fiscal year.

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 $13,543,000 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 Government Code Section 12432. 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 2006–07 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 2006–07 fiscal year.

SEC. 25.50. Notwithstanding any other provision of law, an amount not to exceed $776,000 is hereby appropriated from various funds to the Controller as specified below for reimbursement of costs for the procurement, development, and implementation of a new Apportionment Payment System:

0046	Public Transportation Account	$ 10,000
0062	Highway Users Tax Account	275,000
0064	Motor Vehicle License Fee Account	21,000
0330	Local Revenue Fund	94,000
0877	DMV Local Agency Collection Fund	2,000
0932	Trial Court Trust Fund	152,000
0965	Timber Tax Fund	1,000
0969	Public Safety Account	221,000
	Total, All Funds	$776,000

The Controller shall assess these funds for the costs of the Apportionment Payment System because apportionment payments in excess of $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 Controller for the Apportionment Payment System for the 2006–07 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 instances 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 2006–07 fiscal year, the Director of Finance shall furnish the chairpersons of the committees in each house of the Legislature that consider appropriations and the State 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 chairpersons of the committees in

each house of the Legislature that consider 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 chairpersons of the committees in each house of the Legislature that consider 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 2006–07 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 2006–07 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) $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 therefor is provided to the chairpersons of the committees in each house of the Legislature that consider 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. 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, 2007.

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 2006–07 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 2006–07 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 fiscal 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, 2007, 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, 2007.

(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 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, 2006.

(d) It is the intent of the Legislature that all positions administratively established pursuant to this section that are intended by the administration to be ongoing be submitted to the Legislature for approval through the regular budget process as soon as possible. All positions administratively established pursuant to this section during the 2006–07 fiscal year shall terminate on June 30, 2007, except for those positions that have been (1) approved by the Legislature as part of the regular budget process for the 2007–08 fiscal year as new positions, or (2) approved by the Department of Finance after the 2007–08 Governor's Budget submission to the Legislature and subsequently reported to the Legislature prior to July 1, 2007. The positions identified in (2) above may be reestablished by the Department of Finance during the 2007–08 fiscal year, provided that these positions are shown in the Governor's Budget for the 2008–09 fiscal year as submitted to the Legislature, and provided that these positions do not result in the re-establishment of positions deleted by the Legislature through the budget process for the 2007–08 fiscal year. The Department of Finance will notify the Legislature within 30 days of the re-establishment of positions approved in the 2007–08 fiscal year pursuant to (2) above.

(e) Money appropriated in the 2006–07 fiscal year may be expended for increases in salary ranges or any other employee compensation action only if appropriated for that purpose, or if 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 2007–08 fiscal year. If the Department of Finance determines that supplemental funding will be required, the department may certify only if it notifies in writing, at least 30 days before, 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.

(b) 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. Notwithstanding the foregoing or any other provision of law, a person may not be held personally liable for the amount of any indebtedness created by an expenditure in excess of an appropriation made by this act if all of the following occur: (1) the expenditure is in response to increases in enrollment, population, or caseload by the State Department of Social Services, the Department of Corrections and Rehabilitation, the State Department of Developmental Services, the State Department of Mental Health, or the State Department of Health Services; (2) that expenditure is incurred no sooner than 30 days after the Director of Finance notifies in writing of the necessity therefor the Chairperson of the Joint Legislative Budget Committee; and (3) if the chairperson does not advise in response that the expenditure shall not occur. The director's notification shall include a certification of any amounts required by enrollment, population, or caseload, rather than management decisions or policy changes.

(c) Neither subdivision (a) nor (b) applies 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. (a) Notwithstanding any other provision of law, the Department of Finance may periodically reduce items of appropriation in this act for the 2006–07 fiscal year for savings tied to the California Strategic Sourcing Initiative. The Director of Finance shall report quarterly to the Chairperson of the Joint Legislative Budget Committee on payments made to the contractor hired for the California Strategic Sourcing Initiative and at least 30 days prior to reducing any item of appropriation. The quarterly report and notice on reducing appropriations shall include, but is not limited to, the following: (1) identifying which department received the savings; (2) identifying when and how the savings were achieved; (3) identifying the types of goods and services as to

which savings were achieved; and (4) describing the methodology used to calculate the savings. The report shall also include all savings summary reports provided by the Department of General Services to the Department of Finance.

(b) Any joint partnership contracts in support of the California Strategic Sourcing Initiative shall be executed no sooner than 30 days after written notification has been provided to the Joint Legislative Budget Committee.

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. 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 2006–07 fiscal year pursuant to this act, as passed by the Legislature, is $103,114,800,000.

(c) For purposes of subdivision (b) of Section 20 of Article XVI of the California Constitution, General Fund revenues shall be defined as revenues and transfers, excluding any proceeds from Economic Recovery Bonds, as estimated in the enacted State Budget.

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 2006–07 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, 2006. 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
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
Career Resource Network, California	6330
Child Support Services, Department of	5175
Chiropractic Examiners, Board of	8500
Citizens' Compensation Commission, California	8385
Coachella Valley Mountains Conservancy	3850

Department	Organization Code
Coastal Commission, California	3720
Coastal Conservancy, State	3760
Colorado River Board of California	3460
Community Colleges, Board of Governors of the California	6870
Community Services and Development, Department of	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
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
Corrections and Rehabilitation, Department of	5225
Councils. See subject (e.g., Arts, etc.)	
"D"	
Debt and Investment Advisory Commission, California	0956
Debt Limit Allocation Committee, California	0959
Deficit Reduction Reserve	9619
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

Department	Organization Code
Employee Compensation, Augmentation for....	9800
Employment Development Department.....	7100
Energy Resources Conservation and Development Commission.....	3360
Environmental Health Hazard Assessment, Office of.....	3980
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 Facilities Financing Authority, California.....	0977
Health and Human Services, Secretary for California.....	0530
Health and Dental Benefits for Annuitants.....	9650
Health Services, Department of.....	4260
High-Speed Rail Authority.....	2665
Highway Patrol, Department of the California.....	2720

Department	Organization Code
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
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
Judicial Branch	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

Department	Organization Code
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"	
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
Public Defender, State.....	8140
Public Employees' Retirement System.....	1900
Public Employment Relations Board.....	8320
Public Utilities Commission.....	8660
"R"	
Real Estate, Department of.....	2320
Real Estate Appraisers, Office of.....	2310
Rehabilitation, Department of.....	5160
Resources, Secretary for.....	0540

Department	Organization Code
"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
Secretary of State	0890
Seismic Safety Commission	8690
Senate	0110
Senior Legislature, California	4185
Sierra Nevada Conservancy	3855
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
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
Technology Services, Department of	1955
Toxic Substances Control, Department of	3960
Traffic Safety, Office of	2700
Transportation, Department of	2660
Transportation Commission, California	2600
Transportation Programs, Special	2640

Department	Organization Code
Treasurer, State	0950
"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	1870
"W"	
Water Resources, Department of	3860
Water Resources Control Board, State	3940
Wildlife Conservation Board	3640
Workforce Investment Board, California	7120

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
1.80 Availability of Appropriations
2.00 Items of Appropriation
3.00 Defines Purposes of Appropriations
3.50 Benefit Charges Against Salaries and Wages
3.60 Contribution to Public Employees' Retirement Benefits
3.65 Minimum Wage Increase
4.01 Employee Compensation Savings
4.05 Unallocated General Fund Reductions
4.11 Establishing New Positions
4.20 Contribution to Public Employees' Contingency Reserve Fund
4.30 Lease-Revenue Payment Adjustments
4.75 Statewide Surcharges
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
5.40 CALFED Bay-Delta Program
5.45 CALFED Bond Fund Information
6.00 Project Alterations Limits
8.00 Anti-Terrorism Federal Reimbursements
8.50 Federal Funds Receipts
8.51 Federal Funds Accounts
8.52 Federal Reimbursements
8.53 Notice of Federal Audits
9.20 Administrative Costs Associated With the Acquisition of Property
9.30 Federal Levy of State Funds
9.45 Proposition 40-Reporting Requirements
9.50 Minor Capital Outlay Projects
11.00 EDP/Information Technology Reporting Requirements
11.10 Reporting of Statewide Software License Agreements
11.11 Privacy of Information in Pay Stubs
12.00 State Appropriations Limit (SAL)
12.30 Special Fund for Economic Uncertainties
12.32 Proposition 98 Funding Guarantee
12.40 Mega-Item Flexibility
12.60 Categorical Contingency Transfer Authority for Deficiencies

13.00 Legislative Counsel Bureau
14.00 Special Fund Loans Between Boards of the Department of Consumer Affairs
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
24.55 California Research and Education Network
24.60 Report of Lottery Funds Received
24.70 Local Educational Agency Fiscal Accountability
25.25 21st Century Project
25.50 SCO Apportionment Payment System Assessments
26.00 Intraschedule Transfers
28.00 Program Change Notification
28.50 Agency Reimbursement Payments
29.00 Personnel-Year Estimates of Governor's Budget, May Revision and Final Change Book
30.00 Continuous Appropriations
31.00 Budget Act Administrative Procedures for Salaries and Wages
32.00 Prohibits Excess Expenditures
33.00 Item Veto Severability
33.50 Strategic Sourcing
34.00 Constitutional Severability
35.50 Estimated General Fund Revenue pursuant to Assembly Constitutional Amendment 5 of the 2003–04 Fifth Extraordinary Session
36.00 Provides that the Budget Act is for Usual and Current Expenses
37.00 Urgency Clause
99.00 Alphabetical Organization Index
99.50 Numerical Control Section Index

O