

AMENDED IN SENATE AUGUST 29, 2008
AMENDED IN SENATE AUGUST 11, 2008
AMENDED IN SENATE JULY 12, 2007
AMENDED IN SENATE JULY 2, 2007
AMENDED IN SENATE MAY 21, 2007
AMENDED IN ASSEMBLY MARCH 22, 2007

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 88

Introduced by Assembly Member Lieu Committee on Budget
(Principal coauthor: Senator Oropeza)

December 13, 2006

~~An act to add Section 6880 to the Public Resources Code, relating to oil and gas leases. An act to amend and supplement the Budget Act of 2008 by amending Items 0250-001-0159, 0650-001-0001, 0690-001-0001, 0690-001-0890, 0690-001-1014, 0690-002-0001, 0690-101-0890, 0690-102-0001, 0820-001-0001, 0840-001-0001, 0855-111-0367, 0950-001-0001, 1760-001-0666, 1880-001-0001, 1955-001-9730, 2640-101-0046, 2660-001-0042, 2660-104-6059, 2660-304-6059, 2660-492, 3790-001-0001, 3790-490, 3900-001-0044, 4260-101-0001, 4260-111-0001, 4260-111-0890, 4300-101-0001, 5180-101-0001, 5180-101-0890, 5180-111-0001, 5180-141-0001, 5180-141-0890, 5180-151-0001, 5180-151-0890, 5225-001-0001, 5225-002-0001, 5225-101-0001, 5225-301-0001, 5225-301-0660, 6110-001-0001, 6110-001-0890, 6110-101-0349, 6110-103-0001, 6110-104-0001, 6110-105-0001, 6110-107-0001, 6110-108-0001, 6110-111-0001, 6110-119-0001, 6110-122-0001, 6110-123-0890, 6110-124-0001, 6110-125-0001, 6110-126-0890, 6110-128-0001,~~

6110-130-0001, 6110-134-0890, 6110-136-0890, 6110-140-0001, 6110-150-0001, 6110-151-0001, 6110-156-0001, 6110-158-0001, 6110-161-0001, 6110-167-0001, 6110-181-0001, 6110-189-0001, 6110-190-0001, 6110-193-0001, 6110-196-0001, 6110-198-0001, 6110-201-0890, 6110-202-0001, 6110-203-0001, 6110-204-0001, 6110-209-0001, 6110-211-0001, 6110-224-0001, 6110-228-0001, 6110-232-0001, 6110-234-0001, 6110-240-0001, 6110-243-0001, 6110-244-0001, 6110-245-0001, 6110-246-0001, 6110-247-0001, 6110-248-0001, 6110-260-0001, 6110-265-0001, 6110-267-0001, 6110-488, 6440-001-0001, 6440-302-6041, 6440-304-6048, 6870-101-0001, 7980-001-0001, 7980-001-0890, 7980-101-0001, 7980-101-0890, 8380-001-0001, 8660-001-0042, 8660-001-0046, 8660-001-0412, 8660-001-0461, 8660-001-0462, 8860-001-0001, 8880-001-9737, and 9100-101-0001 of, by adding Items 0820-012-0378, 0820-495, 3790-001-1014, 3790-494, 6440-301-0660, 6610-301-0660, 8660-011-0470, 8660-011-0471, 8660-011-0483, 9210-105-0001, and 9350-104-6065 to, and by repealing Item 6110-135-0890 of, Section 2.00 of, and by amending Sections 4.07, 24.85, and 35.50 of, and by adding Section 35.20 to, that act, relating to the State Budget, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 88, as amended, ~~Lieu~~ *Committee on Budget. Oil and gas leases: damages. Budget Act of 2008.*

AB 1781, as proposed by *Conference Report No. 1 on July 17, 2008*, would make appropriations for the support of state government for the 2008–09 fiscal year.

This bill would amend and supplement the Budget Act of 2008 by revising items of appropriation for the Office of Planning and Research; the Office of Emergency Services; the Department of Justice; the Controller; the Treasurer; the Department of General Services; the State Personnel Board; the Department of Technology Services; the Department of Parks and Recreation; the State Air Resources Control Board; the State Department of Developmental Services; the State Department of Health Care Services; the State Department of Social Services; the Department of Corrections and Rehabilitation; the Student Aid Commission; the State Department of Education; the University of California; the California State University; the California Community

Colleges; the Department of Personnel Administration; the Public Utilities Commission; the Department of Finance; the Financial Information System for California; and local government financing.

The bill also would make technical, nonsubstantive changes to various items.

This bill would become operative only if AB 1781, as proposed by Conference Report No. 1 on July 17, 2008, is enacted on or before January 1, 2009.

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

Existing law regulates oil and gas leases on public lands.

~~This bill would preclude liability of a public entity for damages for any lost profits with respect to an oil and gas lease on land located in a coastal zone beyond the date of enactment of a valid initiative that invalidates the oil and gas lease.~~

~~The bill would specify that its provisions apply to contracts entered into before, on, or after its effective date, and to causes of action that accrued prior to its effective date, except as specified.~~

Vote: ~~majority~~^{2/3}. Appropriation: ~~no~~yes. Fiscal committee: yes. State-mandated local program: no.

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

1 SECTION 1. Item 0250-001-0159 of Section 2.00 of the Budget
2 Act of 2008 is amended to read:
3
4 0250-001-0159—For support of Judicial Branch, payable from
5 the Trial Court Improvement Fund..... 9,266,000
6 Provisions:
7 1. Notwithstanding any other provision of law, upon ap-
8 proval by the Administrative Director of the Courts,
9 the Controller shall increase this item up to
10 \$18,673,000 for recovery of costs for administrative
11 services provided to the trial courts by the Administra-
12 tive Office of the Courts.
13 2. Notwithstanding any other provision of law, upon ap-
14 proval by the Administrative Director of the Courts,
15 and notification to the Department of Finance, the
16 chairpersons of the committees in each house of the
17 Legislature that consider appropriations and the State

1 Budget, and the Chairperson of the Joint Legislative
 2 Budget Committee, the Controller shall additionally
 3 increase this item by an amount, or amounts, totaling
 4 no more than \$2,801,000 for recovery of costs for ad-
 5 ministrative services provided to the trial courts by
 6 the Administrative Office of the Courts. Any augmen-
 7 tation shall be authorized no sooner than 30 days after
 8 notification in writing to the chairpersons of the com-
 9 mittees in each house of the Legislature that consider
 10 appropriations, the chairpersons of the committees and
 11 appropriate subcommittees that consider the State
 12 Budget, and the Chairperson of the Joint Legislative
 13 Budget Committee, or not sooner than whatever lesser
 14 time the chairperson of the ~~Joint Committee~~ *joint*
 15 *committee* or his or her designee may determine.

16
 17 *SEC. 2. Item 0650-001-0001 of Section 2.00 of the Budget Act*
 18 *of 2008 is amended to read:*

19
 20 0650-001-0001—For support of Office of Planning and Re-
 21 search..... 2,512,000
 22 3,983,000

23 Schedule:

24 (1) 11-State Planning and Policy Develop-
 25 ment..... 4,486,000
 26 5,486,000
 27 (2) 21-California Volunteers..... 6,496,000
 28 6,967,000
 29 (3) Reimbursements..... -3,518,000
 30 (4) Amount payable from the Federal Trust
 31 Fund (Item 0650-001-0890)..... -2,942,000
 32 (5) Amount payable from the Central Ser-
 33 vice Cost Recovery Fund (Item 0650-
 34 001-9740)..... -2,010,000
 35

36 *SEC. 3. Item 0690-001-0001 of Section 2.00 of the Budget Act*
 37 *of 2008 is amended to read:*

38
 39 0690-001-0001—For support of Office of Emergency Ser-
 40 vices..... 35,098,000

1	Schedule:	
2	(1) 15-Mutual Aid Response.....	23,010,000
3	(2) 35-Plans and Preparedness.....	31,059,000
4		34,353,000
5	(3) 45-Disaster Assistance.....	27,830,000
6	(4) 55.01-Administration and Executive....	8,112,000
7	(5) 55.02-Distributed Administration and	
8	Executive.....	-8,112,000
9	(6) Reimbursements.....	-4,176,000
10	(7) Amount payable from the Unified Pro-	
11	gram Account (Item 0690-001-0028)....	-816,000
12	(8) Amount payable from the Nuclear	
13	Planning Assessment Special Account	
14	(Item 0690-001-0029).....	-1,175,000
15	(9) Amount payable from the Federal Trust	
16	Fund (Item 0690-001-0890).....	-36,861,000
17		-38,508,000
18	(10) Amount payable from the Antiterrorism	
19	Fund (Item 0690-015-3034).....	-103,000
20	(12) Amount payable from the Emergency	
21	Response Account (Item 0690-001-	
22	1014).....	-3,670,000
23		-5,317,000

- 24 Provisions:
- 25 1. Funds appropriated in this item may be reduced by the
 - 26 Director of Finance, after giving notice to the Chair-
 - 27 person of the Joint Legislative Budget Committee, by
 - 28 the amount of federal funds made available for the
 - 29 purposes of this item in excess of the federal funds
 - 30 scheduled in Item 0690-001-0890.
 - 31 2. The Office of Emergency Services shall charge tuition
 - 32 for all training offered through the California Special-
 - 33 ized Training Institute.
 - 34 3. Upon approval by the Department of Finance, the
 - 35 Controller shall transfer such funds as are necessary
 - 36 between this item and Item 0690-101-0890.
 - 37 4. Notwithstanding Section 8581.5 of the Government
 - 38 Code, the California Emergency Council shall not be
 - 39 required to publish a biennial report on the state of

1 emergency preparedness for catastrophic disasters, as
2 specified, during the 2008–09 fiscal year.

3
4 *SEC. 4. Item 0690-001-0890 of Section 2.00 of the Budget Act*
5 *of 2008 is amended to read:*

6
7 0690-001-0890—For support of Office of Emergency Services,
8 for payment to Item 0690-001-0001, payable from the
9 Federal Trust Fund..... 36,861,000
10 38,508,000

11 Provisions:

- 12 1. Any funds that may become available, in addition to
- 13 the funds appropriated in this item, for disaster re-
- 14 sponse and recovery may be allocated by the Depart-
- 15 ment of Finance subject to the conditions of Section
- 16 28.00, except that, notwithstanding subdivision (d) of
- 17 that section, the allocations may be made 30 days or
- 18 less after notification of the Legislature.
- 19 2. Notwithstanding any other provision of law, the funds
- 20 appropriated in this item may be expended without
- 21 regard to the fiscal year in which the application for
- 22 reimbursement was submitted to the Federal Emergen-
- 23 cy Management Agency.

24
25 *SEC. 5. Item 0690-001-1014 of Section 2.00 of the Budget Act*
26 *of 2008 is amended to read:*

27
28 0690-001-1014—For support of Office of Emergency Services,
29 for payment to Item 0690-001-0001, payable from the
30 Emergency Response Account..... 3,670,000
31 5,317,000

32
33 *SEC. 6. Item 0690-002-0001 of Section 2.00 of the Budget Act*
34 *of 2008 is amended to read:*

35
36 0690-002-0001—For support of Office of Emergency Ser-
37 vices..... 9,982,000
38 10,882,000

1	Schedule:	
2	(1) 50-Criminal Justice Projects.....	14,274,000
3		15,174,000
4	(2) 51-State Terrorism Threat Assessment	
5	Center.....	6,369,000
6	(3) Reimbursements.....	-20,000
7	(4) Amount payable from the Local Public	
8	Prosecutors and Public Defenders	
9	Training Fund (Item 0690-002-0241)....	-80,000
10	(5) Amount payable from the Victim-Wit-	
11	ness Assistance Fund (Item 0690-002-	
12	0425).....	-1,282,000
13	(6) Amount payable from the High Technol-	
14	ogy Theft Apprehension and Prosecu-	
15	tion Program Trust Fund (Item 0690-	
16	002-0597).....	-621,000
17	(7) Amount payable from the Federal Trust	
18	Fund (Item 0690-002-0890).....	-8,658,000

- 19 Provisions:
- 20 1. The funds appropriated in Schedule (2) shall be used
 - 21 to continue and expand funding for the State Terrorism
 - 22 Threat Assessment Center, which shall provide inves-
 - 23 tigative assistance to local and federal law enforcement
 - 24 agencies, provide intelligence gathering and data
 - 25 analysis, and create and maintain a statewide informa-
 - 26 tional database to analyze and distribute information
 - 27 related to terrorist activities. The Office of Emergency
 - 28 Services shall allocate funds to the Department of
 - 29 Justice for these purposes upon the request of the De-
 - 30 partment of Justice.
 - 31 2. It is the intent of the Legislature that the General Fund
 - 32 shall be reimbursed from future allocations of federal
 - 33 security-related funds that may be used for the purpos-
 - 34 es described in this item.

35
36 *SEC. 7. Item 0690-101-0890 of Section 2.00 of the Budget Act*
37 *of 2008 is amended to read:*

1	0690-101-0890—For local assistance, Office of Emergency	
2	Services, payable from the Federal Trust Fund.....	554,473,000
3		552,826,000
4	Schedule:	
5	(1) 35-Plans and Preparedness.....	19,747,000
6		18,100,000
7	(2) 45-Disaster Assistance.....	534,726,000
8	Provisions:	
9	1. Any federal funds that may become available in addition	
10	to the funds appropriated in this item for Program	
11	45-Disaster Assistance are exempt from Section 28.00.	

13 *SEC. 8. Item 0690-102-0001 of Section 2.00 of the Budget Act*
 14 *of 2008 is amended to read:*

16	0690-102-0001—For local assistance, Office of Emergency	
17	Services.....	38,794,000
18		48,794,000
19	Schedule:	
20	(1) 50.20-Victim Services.....	3,916,000
21	(2) 50.30-Public Safety.....	34,878,000
22		44,878,000
23	Provisions:	
24	1. Notwithstanding any other provision of law, the Office	
25	of Emergency Services may provide advance payment	
26	of up to 25 percent of grant funds awarded to commu-	
27	nity-based nonprofit organizations, cities, school dis-	
28	tricts, counties, and other units of local government	
29	that have demonstrated cashflow problems according	
30	to the criteria set forth by the Office of Emergency	
31	Services.	
32	2. To maximize the use of program funds and demon-	
33	strate the commitment of the grantees to program ob-	
34	jectives, the Office of Emergency Services shall re-	
35	quire all grantees of funds from the Gang Violence	
36	Suppression-Curfew Enforcement Strategy Program	
37	to provide local matching funds of at least 10 percent	
38	for the first and each subsequent year of operation.	
39	This match requirement applies to each agency that is	
40	to receive grant funds. An agency may meet its match	

- 1 requirements with an in-kind match, if approved by
2 the Office of Emergency Services.
- 3 3. Of the amount appropriated in Schedule (2), \$800,000
4 shall be provided for grants to counties, consistent
5 with the Central Coast Rural Crime Prevention Pro-
6 gram as established in Chapter 18 of the Statutes of
7 2003. The funds shall be distributed only to counties
8 for planning, or for implementation of the program in
9 those counties that have completed the planning pro-
10 cess, consistent with Chapter 18 of the Statutes of
11 2003. In no case shall a grant exceed \$300,000.
- 12 4. The Department of Finance shall include a special
13 display table in the Governor's Budget under the Of-
14 fice of Emergency Services that displays, by fund
15 source, component level detail for Program 50, Crimi-
16 nal Justice Projects. In addition, the Office of Emer-
17 gency Services, in consultation with the Department
18 of Finance, shall provide a report to the Joint Legisla-
19 tive Budget Committee by January 10 of each year
20 that provides a list of grantees, total funds awarded to
21 each grantee, and performance statistics to document
22 program outputs and outcomes in order to assess the
23 state's return on investment for each component of
24 Program 50 for each of the three years displayed in
25 the Governor's Budget.
- 26 5. Of the funding appropriated in Schedule (2),
27 ~~\$9,500,000~~ \$19,500,000 is for local assistance to sup-
28 port the California Multijurisdictional Metham-
29 phetamine Enforcement Teams (Cal-MMET) Pro-
30 grams. The Office of Emergency Services (OES) shall
31 establish and administer a competitive grant program
32 on a three-year cycle for eligible California counties
33 that have established, participate in, or that propose
34 to establish methamphetamine task forces for the pur-
35 pose of implementing a comprehensive strategy to re-
36 duce the incidences of methamphetamine trafficking
37 and manufacturing and, in particular, to target large-
38 scale methamphetamine trafficking and manufacturing
39 operations. Up to 3 percent of the funds appropriated
40 for this program may be transferred to Item 0690-002-

1 0001 for expenditure as necessary for OES to admin-
 2 ister the competitive grant program. Funding for the
 3 methamphetamine task force shall not supplant avail-
 4 able federal funding. The distribution of funds by OES
 5 shall be based on a competitive process whereby those
 6 counties receiving funds demonstrate the greatest need
 7 and the most reasonable solutions for addressing the
 8 local methamphetamine problem. No grant shall be
 9 greater than \$2,500,000, and no grant shall be less than
 10 \$200,000.

11
 12 *SEC. 9. Item 0820-001-0001 of Section 2.00 of the Budget Act*
 13 *of 2008 is amended to read:*

14			
15	0820-001-0001—For support of Department of Justice.....		332,325,000
16			364,325,000
17	Schedule:		
18	(1) 11.01-Directorate—Administration.....	94,900,000	
19	(2) 11.02-Distributed Directorate—Admin-		
20	istration.....	-94,900,000	
21	(3) 30-Civil Law.....	147,017,000	
22	(4) 40-Criminal Law.....	123,711,000	
23	(5) 45-Public Rights.....	92,352,000	
24	(6) 50-Law Enforcement.....	250,266,000	
25	(7) 60-California Justice Information Ser-		
26	vices.....	165,960,000	
27	(7.5) Unallocated Reduction.....	346,000	
28	(8) Reimbursements.....	-71,204,000	
29		-39,204,000	
30	(9) Amount payable from the Attorney		
31	General Antitrust Account (Item 0820-		
32	001-0012).....	-1,329,000	
33	(10) Amount payable from the Fingerprint		
34	Fees Account (Item 0820-001-		
35	0017).....	-69,123,000	
36	(11) Amount payable from the Firearm		
37	Safety Account (Item 0820-001-		
38	0032).....	-331,000	

1	(12) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 0820-001-0044).....	-24,840,000
2		
3		
4	(13) Amount payable from the Department of Justice Sexual Habitual Offender Fund (Item 0820-001-0142).....	-2,317,000
5		
6		
7	(14) Amount payable from the Travel Seller Fund (Item 0820-001-0158).....	-1,344,000
8		
9	(15) Amount payable from the Restitution Fund (Item 0820-001-0214).....	-339,000
10		
11	(16) Amount payable from the Sexual Predator Public Information Account (Item 0820-001-0256).....	-199,000
12		
13		
14	(17) Amount payable from the Indian Gaming Special Distribution Fund (Item 0820-001-0367).....	-15,225,000
15		
16		
17	(18) Amount payable from the False Claims Act Fund (Item 0820-001-0378).....	-10,533,000
18		
19	(19) Amount payable from the Dealers' Record of Sale Special Account (Item 0820-001-0460).....	-11,640,000
20		
21		
22	(20) Amount payable from the Department of Justice Child Abuse Fund (Item 0820-001-0566).....	-359,000
23		
24		
25	(21) Amount payable from the Gambling Control Fund (Item 0820-001-0567)....	-8,093,000
26		
27	(22) Amount payable from the Gambling Control Fines and Penalties Account (Item 0820-001-0569).....	-46,000
28		
29		
30	(23) Amount payable from the Federal Trust Fund (Item 0820-001-0890).....	-42,242,000
31		
32	(24) Amount payable from the Federal Asset Forfeiture Account, Special Deposit Fund (Item 0820-001-0942).....	-1,508,000
33		
34		
35	(25) Amount payable from the State Asset Forfeiture Account, Special Deposit Fund (Item 0820-011-0942).....	-578,000
36		
37		
38	(26) Amount payable from the Firearms Safety and Enforcement Special Fund (Item 0820-001-1008).....	-3,164,000
39		
40		

1	(27) Amount payable from the Missing Per-	
2	sons DNA Data Base Fund (Item 0820-	
3	001-3016).....	-4,638,000
4	(28) Amount payable from the Public Rights	
5	Law Enforcement Special Fund (Item	
6	0820-001-3053).....	-5,997,000
7	(29) Amount payable from the Ratepayer	
8	Relief Fund (Item 0820-001-3061).....	-7,198,000
9	(30) Amount payable from the DNA Iden-	
10	tification Fund (Item 0820-001-	
11	3086).....	-31,161,000
12	(31) Amount payable from the Unfair Com-	
13	petition Law Fund (Item 0820-001-	
14	3087).....	-3,565,000
15	(32) Amount payable from the Registry of	
16	Charitable Trusts Fund (Item 0820-001-	
17	3088).....	-2,898,000
18	(33) Amount payable from the Legal	
19	Services Revolving Fund (Item 0820-	
20	001-9731).....	-124,000,000
21	(34) Amount payable from the Central Ser-	
22	vice Cost Recovery Fund (Item 0820-	
23	001-9740).....	-3,456,000

24 Provisions:

- 25 1. The Attorney General shall submit to the Legislature,
- 26 the Department of Finance, and the Governor the
- 27 quarterly and annual reports that he or she submits to
- 28 the federal government on the activities of the Medi-
- 29 Cal Fraud Unit.
- 30 2. Notwithstanding any other provision of law, the De-
- 31 partment of Justice may purchase or lease vehicles of
- 32 any type or class that, in the judgment of the Attorney
- 33 General or his or her designee, are necessary to the
- 34 performance of the investigatory and enforcement re-
- 35 sponsibilities of the Department of Justice, from the
- 36 funds appropriated for that purpose in this item.
- 37 3. Of the amount included in Schedule (3), \$2,912,000
- 38 is available for costs related to the Lloyd's of London
- 39 (Stringfellow) litigation. Any funds not expended for

- 1 this specific purpose as of June 30, 2009, shall revert
2 immediately to the General Fund.
- 3 4. Of the funds appropriated in this item, \$16,763,000 is
4 available solely for the Correctional Law Section that
5 handles only workload related to Department of Cor-
6 rections and Rehabilitation cases.
- 7 5. Notwithstanding any other provision of law, of the
8 funds appropriated in Schedule (6), \$1,258,000 is
9 payable from the Dealers' Record of Sale Special
10 Account and may be used to update the Automated
11 Firearms Systems (AFS) database as part of the ongo-
12 ing project to redesign the Criminal Justice Information
13 System (CJIS). These funds may not be expended until
14 the office of the State Chief Information Officer ap-
15 proves a special project report for the CJIS project
16 following the completion of CJIS procurement. The
17 Department of Justice shall notify the Joint Legislative
18 Budget Committee that a special project report has
19 been approved within 30 days of the report's approval
20 by the office of the State Chief Information Officer,
21 and shall include with the notification a copy of the
22 approved special project report.
- 23 6. The Department of Justice may use funds appropriated
24 in Schedule (6) to fund the Gang Suppression Enforce-
25 ment Teams Program and the California Metham-
26 phetamine Strategy Program.
- 27 ~~7. Existing law authorizes the Department of Justice to~~
28 ~~broadly charge fees to recover expenditures for labo-~~
29 ~~ratory work conducted on behalf of another state or~~
30 ~~local agency. This item has been reduced by~~
31 ~~\$32,000,000 to reflect an increase in such fees to~~
32 ~~cover these expenditures in the budget year. The de-~~
33 ~~partment shall develop a fee schedule that (a) mitigates~~
34 ~~unusually high costs for complex investigations, (b)~~
35 ~~is commensurate with the costs to provide the service,~~
36 ~~and (c) generates approximately \$32,000,000 in addi-~~
37 ~~tional fee revenue. The department is authorized to~~
38 ~~request that the Controller transfer a portion of the~~
39 ~~sales tax revenue allocated to local governments to~~

1 pay outstanding bills not paid by local government
2 entities:

3
4 SEC. 10. Item 0820-012-0378 is added to Section 2.00 of the
5 Budget Act of 2008, to read:

6
7 0820-012-0378—For transfer by the Controller, upon order of
8 the Director of Finance, from the False Claims Act Fund,
9 to the General Fund..... (11,137,000)

10
11 SEC. 11. Item 0820-495 is added to Section 2.00 of the Budget
12 Act of 2008, to read:

13
14 0820-495—Reversion, Department of Justice. As of June 30,
15 2008, the balance specified below, of the appropriation
16 provided in the following citation shall revert to the balance
17 in the fund from which the appropriation was made:

18 0001—General Fund
19 (1) Item 0820-001-0001, Budget Act of 2007
20 (Chs. 171 and 172, Stats. 2007)..... 17,000,000

21
22 SEC. 12. Item 0840-001-0001 of Section 2.00 of the Budget
23 Act of 2008 is amended to read:

24
25 0840-001-0001—For support of the Controller..... 57,576,000
26 Schedule:
27 (1) 100000-Personal Services..... ~~103,978,000~~
28 107,138,000
29 (2) 300000-Operating Expenses and
30 Equipment..... ~~70,106,000~~
31 70,286,000
32 (3) Amount payable from various special
33 and nongovernmental cost funds (Sec-
34 tion 25.25)..... -13,500,000
35 (4) Reimbursements..... ~~-41,497,000~~
36 -44,837,000
37 (5) Amount payable from the Motor Vehicle
38 Fuel Account, Transportation Tax Fund
39 (Item 0840-001-0061)..... -4,095,000

1	(6) Amount payable from the Highway	
2	Users Tax Account, Transportation Tax	
3	Fund (Item 0840-001-0062).....	-1,162,000
4	(7) Amount payable from the Local Revenue	
5	Fund (Item 0840-001-0330).....	-591,000
6	(8) Amount payable from the Federal Trust	
7	Fund (Item 0840-001-0890).....	-1,410,000
8	(9) Amount payable from the Public Employees'	
9	Health Care Fund (Item 0840-	
10	001-0822).....	-199,000
11	(10) Amount payable from the State Penalty	
12	Fund (Item 0840-001-0903).....	-1,317,000
13	(11) Amount payable from the Unclaimed	
14	Property Fund (Item 0840-001-	
15	0970).....	-26,103,000
16	(12) Amount payable from various other	
17	unallocated nongovernmental cost funds	
18	(Retail Sales Tax Fund) (Item 0840-	
19	001-0988).....	-242,000
20	(13) Amount payable from the 2006 State	
21	School Facilities Fund (Item 0840-001-	
22	6057).....	-968,000
23	(13.5) Amount payable from the Central	
24	Service Cost Recovery Fund (Item	
25	0840-001-9740).....	-23,971,000
26	(14) Amount payable from other unallocated	
27	special funds (Item 0840-011-0494).....	-73,000
28	(15) Amount payable from unallocated bond	
29	funds (Item 0840-011-0797).....	-478,000
30	(16) Amount payable from various other	
31	unallocated nongovernmental cost funds	
32	(Item 0840-011-0988).....	-68,000
33	(17) Amount payable from the Public	
34	Transportation Account, State Transportation	
35	Fund (Section 25.50).....	-18,000
36	(18) Amount payable from the Highway	
37	Users Tax Account, Transportation Tax	
38	Fund (Section 25.50).....	-286,000

1	(19) Amount payable from the Motor Vehicle License Fee Account, Transportation Tax Fund (Section 25.50).....	-16,000
2		
3		
4	(20) Amount payable from the DMV Local Agency Collection Fund (Section 25.50).....	-2,000
5		
6		
7	(21) Amount payable from the Trial Court Trust Fund (Section 25.50).....	-164,000
8		
9	(22) Amount payable from the Timber Tax Fund (Section 25.50).....	-1,000
10		
11	(23) Amount payable from the Public Safety Account, Local Public Safety Fund (Section 25.50).....	-253,000
12		
13		
14	(24) Amount payable from the Local Revenue Fund (Section 25.50).....	-94,000
15		

16 Provisions:

- 17 1. The funding provided in Item 0840-001-0970 shall be
- 18 in lieu of the appropriation in Section 1564 of the Code
- 19 of Civil Procedure for all costs, expenses, or obligations
- 20 connected with the administration of the Un-
- 21 claimed Property Law, with the exception of payment
- 22 of owners' or holders' claims pursuant to Section 1540,
- 23 1542, 1560, or 1561 of the Code of Civil Procedure,
- 24 or of payment of the costs of compensating contractors
- 25 for locating and recovering unclaimed property due
- 26 the state.
- 27 2. Of the claims received for reimbursement of court-
- 28 ordered or voluntary desegregation programs pursuant
- 29 to Article 6 (commencing with Section 41540) of
- 30 Chapter 3.2 of Part 24 of Division 3 of Title 2 of the
- 31 Education Code, the Controller shall pay only those
- 32 claims that have been subjected to audit by school
- 33 districts in accordance with the Controller's procedures
- 34 manual for conducting audits of education desegregation
- 35 claims. Furthermore, the Controller shall pay only
- 36 those past-year actual claims for desegregation pro-
- 37 gram costs that are accompanied by all reports issued
- 38 by the auditing entity, unless the auditing entity was
- 39 the Controller.

- 1 3. The Controller may, with the concurrence of the Direc-
2 tor of Finance and the Chairperson of the Joint Legisla-
3 tive Budget Committee, bill affected state departments
4 for activities required by Section 20050 of the State
5 Administrative Manual, relating to the administration
6 of federal pass-through funds.
7 No billing may be sent to affected departments
8 sooner than 30 days after the Chairperson of the Joint
9 Legislative Budget Committee has been notified by
10 the Director of Finance that he or she concurs with the
11 amounts specified in the billings.
- 12 4. (a) Notwithstanding subdivision (b) of Section 1531
13 of the Code of Civil Procedure, the Controller
14 may publish notice in any manner that the Con-
15 troller determines reasonable, provided that (1)
16 none of the moneys used for this purpose is redi-
17 rected from funding for the Controller's audit ac-
18 tivities, (2) no photograph is used in the publica-
19 tion of notice, and (3) no elected official's name
20 is used in the publication of notice.
21 (b) No funds appropriated in this act may be expend-
22 ed by the Controller to provide general informa-
23 tion to the public, other than holders (as defined
24 in subdivision (e) of Section 1501 of the Code of
25 Civil Procedure) of unclaimed property, concern-
26 ing the unclaimed property program or possible
27 existence of unclaimed property held by the
28 Controller's office, except for informational an-
29 nouncements to the news media, through the ex-
30 change of information on electronic bulletin
31 boards, or no more than \$50,000 per year to in-
32 form the public about this program in activities
33 already organized by the Controller for other
34 purposes. This restriction does not apply to send-
35 ing individual notices to property owners (as re-
36 quired by the Code of Civil Procedure).
- 37 5. Of the moneys appropriated to the Controller in this
38 act, the Controller shall not expend more than
39 \$500,000 to conduct posteligibility fraud audits of the

- 1 Supplemental Security Income/State Supplementary
2 Payment Program.
- 3 6. The Commission on State Mandates shall provide, in
4 applicable parameters and guidelines, as follows:
- 5 (a) If a local agency or school district contracts with
6 an independent contractor for the preparation and
7 submission of reimbursement claims, the costs
8 reimbursable by the state for that purpose shall
9 not exceed the lesser of (1) 10 percent of the
10 amount of the claims prepared and submitted by
11 the independent contractor, or (2) the actual costs
12 that would necessarily have been incurred for that
13 purpose if performed by employees of the local
14 agency or school district.
- 15 (b) The maximum amount of reimbursement provided
16 in subdivision (a) may be exceeded only if the
17 local agency or school district establishes, by ap-
18 propriate documentation, that the preparation and
19 submission of these claims could not have been
20 accomplished without incurring the additional
21 costs claimed by the local agency or school dis-
22 trict.
- 23 7. The funds appropriated to the Controller in this item
24 may not be expended for any performance review or
25 performance audit except pursuant to specific statutory
26 authority. It is the intent of the Legislature that audits
27 conducted by the Controller, or under the direction of
28 the Controller, shall be fiscal audits that focus on
29 claims and disbursements, as provided for in Section
30 12410 of the Government Code. Any report, audit,
31 analysis, or evaluation issued by the Controller for the
32 2008–09 fiscal year shall cite the specific statutory or
33 constitutional provision authorizing the preparation
34 and release of the report, audit, analysis, or evaluation.
- 35 8. The Controller shall deliver his or her monthly report
36 on General Fund cash receipts and disbursements
37 within 10 days after the close of each month to the
38 Joint Legislative Budget Committee, the fiscal com-
39 mittees of the Legislature, the Department of Finance,

- 1 the Treasurer's office, and the Legislative Analyst's
2 Office.
- 3 9. For purposes of the review and payment of any claim
4 for reimbursement by local government submitted
5 pursuant to Section 54954.4 of the Government Code,
6 the Controller shall use the procedures that were in
7 effect at the time the claim was submitted.
- 8 10. Pursuant to subdivision (c) of Section 1564 of the Code
9 of Civil Procedure, the Controller shall transfer all
10 moneys in the Abandoned Property Account in excess
11 of \$50,000 to the General Fund no less frequently than
12 at the end of each month. This transfer shall include
13 unclaimed Proposition 103 insurance rebate moneys
14 pursuant to Section 1861.01 of the Insurance Code
15 and Section 1523 of the Code of Civil Procedure.
- 16 11. The Controller shall provide to the Department of Fi-
17 nance, the Chairperson of the Joint Legislative Budget
18 Committee, and the chairpersons of the fiscal commit-
19 tees of each house of the Legislature a report that
20 provides the following details by mandate: the level
21 of claims requested; the amount reduced by the initial
22 desk audit; the amount paid; the amount recouped;
23 and the results of a final audit and subsequent funding
24 adjustments. The report is due on June 30, 2009, and
25 will cover the fourth quarter of the 2007–08 fiscal year
26 and the first three quarters of the 2008–09 fiscal year.
- 27 12. To the extent authorized by existing law, the Controller
28 shall recoup the amount of any unallowable mandate
29 claim costs resulting from desk or field audits of such
30 claims.
- 31 13. The Controller's estimate of the state's liability for
32 postemployment benefits prepared to comply with
33 Governmental Accounting Standards Board (GASB)
34 Statement 45 shall include, in addition to all other
35 items required under the accounting statement: (a) an
36 identification and explanation of any significant differ-
37 ences in actuarial assumptions or methodology from
38 any relevant similar types of assumptions or method-
39 ology used by the Public Employees' Retirement
40 System to estimate state pension obligations; and (b)

- 1 alternative calculations of the state’s liability for other
2 postemployment benefits using different long-term
3 rates of investment return consistent with a hypotheti-
4 cal assumption that the state will begin to deposit 100
5 percent or a lesser percent, respectively, of its annual
6 required contribution under GASB Statement 45 to a
7 retiree health and dental benefits trust fund beginning
8 in the 2007–08 fiscal year. This provision shall not
9 obligate the state to change the practice of funding
10 health and dental benefits for annuitants currently re-
11 quired under state law.
- 12 14. The funds appropriated to the Controller in this item
13 may not be expended on additional actuarial valua-
14 tions, beyond the annual actuarial valuation, for other
15 postemployment benefits, prior to obtaining concur-
16 rence in writing from the Department of Finance. The
17 additional actuarial valuations shall only be performed
18 to the extent resources exist, or if funds are provided
19 by the requesting agency.
- 20 15. Notwithstanding any other provision of law, the Direc-
21 tor of Finance may authorize increases or decreases
22 in expenditures for this item to reflect the final lease
23 costs for the Cannery Business Park location and lease
24 costs associated with the federal injunction on the
25 Unclaimed Property Program of the Controller. The
26 Director of Finance may authorize expenditure adjust-
27 ments per this provision not sooner than 30 days after
28 notification in writing of the necessity therefor is pro-
29 vided to the chairpersons of the fiscal committees in
30 each house of the Legislature and the Chairperson of
31 the Joint Legislative Budget Committee, or not sooner
32 than whatever lesser time the chairperson of the joint
33 committee, or his or her designee, may in each instance
34 determine.
- 35 16. The Controller shall provide the Chairperson of the
36 Joint Legislative Budget Committee and the chairper-
37 sons of the fiscal committees in each house of the
38 Legislature a report on the Human Resources Manage-
39 ment System specifying the dollars expended on the
40 program in the previous fiscal year and over the life

- 1 of the program and any known savings that have oc-
2 curred in the prior fiscal year, to be submitted annually
3 but no later than August 30 of each year. The report
4 should compare the known savings with the most re-
5 cent estimate of projected savings and explain the
6 methodology by which the savings were calculated.
- 7 17. The Controller shall deliver yearend financial data as
8 specified by the Department of Finance, for the fiscal
9 year just ended, in hard copy and electronic format,
10 by October 15 of each year and periodically as request-
11 ed by the Department of Finance. This information is
12 necessary for the Department of Finance to determine
13 the proper beginning balance of the current fiscal year
14 for budgetary purposes. To ensure timely completion
15 of the yearend financial data, the Controller should
16 enforce provisions in Section 12461.2 of the Govern-
17 ment Code and emphasize in its regulation the deadline
18 the yearend financial statements are due from the op-
19 erating departments to the Controller.
- 20 18. Notwithstanding any other provision of law, the Con-
21 troller may not expend funds for system integration
22 vendor costs related to the Human Resources Manage-
23 ment System (HRMS), also known as the 21st Century
24 Project, after July 31, 2008, beyond the Design Phase
25 Payment Deliverables for the 21st Century Project as
26 set forth in Amendment 1 to Agreement No. 22191025,
27 until the office of the State Chief Information Officer
28 certifies the Controller has entered into a contract or
29 contract amendment with a system integration vendor
30 that is consistent with the most recently approved
31 Special Project Report for HRMS.
- 32 19. Funding for system integration vendor costs shall not
33 exceed the estimates in the most recently approved
34 Special Project Report for Human Resources Manage-
35 ment System (HRMS), also known as the 21st Century
36 Project, unless in the course of contract negotiations
37 the state and the vendor mutually agree that additional
38 functionality is necessary for the successful implemen-
39 tation of the HRMS and these changes are approved
40 by the office of the State Chief Information Officer.

1 However, a contract or contract amendment shall not
 2 be executed until 30 days after notification in writing
 3 to the Chairperson of the Joint Legislative Budget
 4 Committee and the chairpersons of the committees of
 5 each house of the Legislature that consider appropri-
 6 ations.

7 20. Notwithstanding the provisions of Item 9840, the De-
 8 partment of Finance may adjust the amounts authorized
 9 under Item 0840-001-0001 and Section 25.25, consis-
 10 tent with the funding schedule included in the most
 11 recently approved Special Project Report for the Hu-
 12 man Resources Management System, also known as
 13 the 21st Century Project. No adjustments shall be made
 14 pursuant to this provision prior to a 30-day notification
 15 in writing to the Chairperson of the Joint Legislative
 16 Budget Committee and the chairpersons of the com-
 17 mittees of each house of the Legislature that consider
 18 appropriations.

19
 20 *SEC. 13. Item 0855-111-0367 of Section 2.00 of the Budget*
 21 *Act of 2008 is amended to read:*

22
 23 0855-111-0367—For transfer by the Controller, upon order of
 24 the Director of Finance, from the Indian Gaming Special
 25 Distribution Fund, to the Indian Gaming Revenue Sharing
 26 Trust Fund..... (50,000,000)

27 Provisions:

- 28 1. The amount of any transfer ordered by the Director of
 29 Finance pursuant to this item shall be the minimum
 30 amount necessary to allow the Indian Gaming Revenue
 31 Sharing Trust Fund to distribute the quarterly payments
 32 described in Section 12012.90 of the Government
 33 Code and meet its other expenditure requirements.
 34 Any remaining portion of the amount authorized to be
 35 transferred pursuant to this item shall remain in the
 36 Indian Gaming Special Distribution Fund.
- 37 2. The Legislature finds and declares that the amount
 38 authorized in this item is expected to be sufficient to
 39 allow the Indian Gaming Revenue Sharing Trust Fund
 40 to distribute the quarterly payments described in Sec-

1 tion 12012.90 of the Government Code during the
 2 2008–09 fiscal year. Accordingly, the California
 3 Gambling Control Commission, acting for this purpose
 4 as the ~~State Gaming Agency~~ *state gaming agency* under
 5 various tribal-state compacts, shall not direct any
 6 funds to the Indian Gaming Revenue Sharing Trust
 7 Fund pursuant to Section 4.3.1(l) of the amended
 8 tribal-state compacts with the Morongo Band of Mis-
 9 sion Indians, the Pechanga Band of Luiseño Indians,
 10 the San Manuel Band of Mission Indians, and the
 11 Sycuan Band of the Kumeyaay Nation and similar
 12 sections of any compacts or amended compacts ratified
 13 by the Legislature in the 2008–09 fiscal year.

14 3. The Chairperson of the California Gambling Control
 15 Commission shall immediately submit a report to the
 16 Director of Finance, the Chairperson of the Joint
 17 Legislative Budget Committee, and the Legislative
 18 Analyst if he or she determines that the Indian Gaming
 19 Revenue Sharing Trust Fund will not have sufficient
 20 funds to distribute the quarterly payments described
 21 in Section 12012.90 of the Government Code during
 22 the 2008–09 fiscal year after consideration of the funds
 23 authorized for transfer by this item. No earlier than 15
 24 days after submission of that report, the California
 25 Gambling Control Commission may direct funds to
 26 the Indian Gaming Revenue Sharing Trust Fund,
 27 notwithstanding the requirements of Provision 2.
 28

29 *SEC. 14. Item 0950-001-0001 of Section 2.00 of the Budget*
 30 *Act of 2008 is amended to read:*

31		
32	0950-001-0001—For support of the Treasurer.....	4,667,000
33	Schedule:	
34	(1) 100000-Personal Services.....	20,878,000
35		21,467,000
36	(2) 300000-Operating Expenses and	
37	Equipment.....	6,351,000
38		6,381,000
39	(2.5) Unallocated Reduction.....	-506,000

1 (3) Reimbursements..... -19,967,000
 2 -20,586,000

3 (5) Amount payable from the Central Ser-
 4 vice Cost Recovery Fund (Item 0950-
 5 001-9740)..... -2,089,000

6 Provisions:

7 1. The Director of Finance may authorize a loan from
 8 the General Fund, in an amount not to exceed the level
 9 of reimbursements appropriated in Schedule (3) to the
 10 Treasurer’s office, provided that:

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

13 (b) The loan is short term, and shall be repaid within
 14 two months.

15 (c) Interest charges may be waived pursuant to subdivi-
 16 sion (e) of Section 16314 of the Government
 17 Code.

18 (d) The Director of Finance shall not approve the loan
 19 unless the approval is made in writing and filed
 20 with the Chairperson of the Joint Legislative
 21 Budget Committee and the chairpersons of the
 22 committees in each house of the Legislature that
 23 consider appropriations not later than 30 days
 24 prior to the effective date of the approval, or not
 25 sooner than whatever lesser time the chairperson
 26 of the joint committee, or his or her designee, may
 27 determine.

28 (e) At the end of the two-month term of the loan, the
 29 Treasurer’s office shall notify the Chairperson of
 30 the Joint Legislative Budget Committee whether
 31 the Treasurer’s office has repaid the loan pursuant
 32 to subdivision (b).

33
 34 *SEC. 15. Item 1760-001-0666 of Section 2.00 of the Budget*
 35 *Act of 2008 is amended to read:*

36
 37 1760-001-0666—For support of Department of General Services,
 38 payable from the Service Revolving Fund..... 501,882,000

1	Schedule:	
2	(1) Program support.....	1,083,442,000
3		1,085,822,000
4	(2) Distributed services.....	-11,145,000
5	(3) Reimbursements—Lease revenue.....	-43,000
6	(4) <i>Reimbursements—FI\$Cal</i>	-2,380,000
7	(5) Amount payable from the General Fund	
8	(Item 1760-001-0001).....	-9,833,000
9	(6) Amount payable from the General Fund	
10	(Item 1760-002-0001).....	-346,000
11	(7) Amount payable from the Property Ac-	
12	quisition Law Money Account (Item	
13	1760-001-0002).....	-3,247,000
14	(8) Amount payable from the Motor Vehicle	
15	Parking Facilities Moneys Account	
16	(Item 1760-001-0003).....	-2,404,000
17	(9) Amount payable from the State Emer-	
18	gency Telephone Number Account	
19	(Item 1760-001-0022).....	-2,471,000
20	(10) Amount payable from the State Motor	
21	Vehicle Insurance Account (Item 1760-	
22	001-0026).....	-6,066,000
23	(11) Amount payable from the Seismic Gas	
24	Valve Certification Fee Account (Item	
25	1760-001-0450).....	-75,000
26	(12) Amount payable from the Energy Re-	
27	sources Programs Account (Item 1760-	
28	001-0465).....	-1,659,000
29	(13) Amount payable from the Architecture	
30	Revolving Fund (Item 1760-001-	
31	0602).....	-43,632,000
32	(14) Amount payable from the State School	
33	Building Aid Fund (Item 1760-001-	
34	0739).....	-297,000
35	(15) Amount payable from the State School	
36	Deferred Maintenance Fund (Item	
37	1760-001-0961).....	-159,000
38	(16) Amount payable from the 2006 State	
39	School Facilities Fund (Item 1760-	
40	001-6057).....	-14,253,000

- 1 (17) Amount payable from the Motor Vehi-
- 2 cle Parking Facilities Moneys Account
- 3 (Item 1760-002-0003)..... -1,102,000
- 4 (18) Amount payable from the Service
- 5 Revolving Fund (Item 1760-002-
- 6 0666)..... -156,455,000
- 7 (19) Amount payable from the Service Re-
- 8 volving Fund (Item 1760-003-
- 9 0666)..... -14,498,000
- 10 (20) Amount payable from the Service
- 11 Revolving Fund (Item 1760-004-
- 12 0666)..... -313,875,000
- 13 Provisions:
- 14 1. Notwithstanding any other provision of law, revenues
- 15 from the sale of legislative bills and publications re-
- 16 ceived by the Legislative Bill Room shall be deposited
- 17 in the Service Revolving Fund.
- 18 2. Notwithstanding any other provision of law, if the
- 19 Director of General Services determines in writing
- 20 that there is insufficient cash in a special fund under
- 21 his or her authority to make one or more payments
- 22 currently due and payable, he or she may order the
- 23 transfer of moneys to that special fund in the amount
- 24 necessary to make payment or payments, as a loan
- 25 from the Service Revolving Fund. That loan shall be
- 26 subject to all of the following conditions:
- 27 (a) No loan shall be made that would interfere with
- 28 carrying out the object for which the Service Re-
- 29 volving Fund was created.
- 30 (b) The loan shall be repaid as soon as there are suf-
- 31 ficient moneys in the recipient fund to repay the
- 32 amount loaned, but no later than 18 months after
- 33 the date of the loan. The amount loaned shall not
- 34 exceed the amount that the fund or program is
- 35 authorized at the time of the loan to expend during
- 36 the 2008–09 fiscal year from the recipient fund
- 37 except as otherwise provided in Provisions 4, 5,
- 38 and 6.
- 39 (c) The terms and conditions of the loan are approved,
- 40 prior to the transfer of funds, by the Department

- 1 of Finance pursuant to appropriate fiscal stan-
2 dards.
- 3 3. The Director of General Services may augment this
4 item or any of Items 1760-001-0002, 1760-001-0003,
5 1760-001-0026, and 1760-001-0602, by up to an ag-
6 gregate of 10 percent in cases where (a) the Legislature
7 has approved funds for a customer for the purchase of
8 services or equipment through the Department of
9 General Services (DGS) and the corresponding expen-
10 diture authority has not been provided in this item or
11 (b) a local government entity or the federal government
12 has requested services from the DGS. Any augmenta-
13 tion that is deemed to be necessary on a permanent
14 basis shall be submitted for review as part of the nor-
15 mal budget development process. If the Director of
16 General Services augments this item or Item 1760-
17 001-0002, 1760-001-0003, 1760-001-0026, or 1760-
18 001-0602, the DGS shall notify the Department of Fi-
19 nance within 30 days after that augmentation is made
20 as to the amount, justification, and the program aug-
21 mented. Any augmentation made in accordance with
22 this provision shall not result in an increase in any rate
23 charged to other departments for services or the pur-
24 chase of goods without the prior written consent of
25 the Department of Finance. The Director of General
26 Services shall not use this provision to augment this
27 item or Item 1760-001-0002, 1760-001-0003, 1760-
28 001-0026, or 1760-001-0602 for costs that the Depart-
29 ment of General Services had knowledge of in time
30 to include in the May Revision.
- 31 4. If this item or Item 1760-001-0002, 1760-001-0003,
32 1760-001-0026, or 1760-001-0602 is augmented pur-
33 suant to Provision 3 by the maximum allowed under
34 that provision, the Director of Finance may further
35 augment the item or items in cases where (a) the Leg-
36 islature has approved funds for a customer for the
37 purchase of services or equipment through the Depart-
38 ment of General Services (DGS) and the corresponding
39 expenditure authority has not been provided in these
40 items, or (b) a local government entity or the federal

1 government has requested services from the DGS. Any
 2 augmentation that is deemed to be necessary on a
 3 permanent basis shall be submitted for review as part
 4 of the normal budget development process. The Direc-
 5 tor of Finance shall not use this provision to augment
 6 this item or Item 1760-001-0002, 1760-001-0003,
 7 1760-001-0026, or 1760-001-0602 for costs that the
 8 Departments of Finance or General Services had
 9 knowledge of in time to include in the May Revision.

10 5. The Director of General Services may augment this
 11 item and Items 1760-001-0003 and 1760-001-0026 to
 12 increase authorized expenditures by the Office of State
 13 Publishing, the Office of Risk and Insurance Manage-
 14 ment, the Office of Fleet Administration, the Office
 15 of Energy Management, and the Office of Public
 16 Safety Radio Services. The augmentation shall be for
 17 the specific purpose of enabling the Office of State
 18 Publishing, the Office of Risk and Insurance Manage-
 19 ment, the Office of Fleet Administration, the Energy
 20 Services Program, and the Office of Public Safety
 21 Radio Services to provide competitive services to their
 22 customers (including local government entities or the
 23 federal government) and may be made only if the of-
 24 fice has sufficient operating reserves available to fund
 25 the augmentation. If the Director of General Services
 26 proposes to augment either of the items in this provi-
 27 sion, the director shall notify the Department of Fi-
 28 nance, the chairpersons of the fiscal committees of
 29 each house of the Legislature, and the Chairperson of
 30 the Joint Legislative Budget Committee 30 days prior
 31 to making the augmentation, including the amount,
 32 justification, and the office augmented. Any augmen-
 33 tation that is deemed to be necessary on a permanent
 34 basis shall be submitted for review as part of the nor-
 35 mal budget development process.

36 6. Any augmentation made pursuant to Provisions 3 and
 37 4 shall be reported in writing to the chairpersons of
 38 the fiscal committees of each house of the Legislature
 39 and the Chairperson of the Joint Legislative Budget
 40 Committee within 30 days of the date the augmentation

- 1 is approved. This notification shall be provided in a
2 format consistent with normal budget change requests,
3 including identification of the amount of, and justifi-
4 cation for, the augmentation, and the program that has
5 been augmented. Copies of the notification shall be
6 provided to the Department of Finance.
- 7 7. Notwithstanding any other provision of law, the Direc-
8 tor of General Services or his or her designee, in lieu
9 of the Director of Finance, is authorized to approve
10 Budget Revision, Standard Form 26, subject to a copy
11 being provided to the Department of Finance.
- 12 8. Notwithstanding any other provision of law, due to
13 the inability to issue energy efficiency revenue bonds
14 pursuant to Chapter 2.7 (commencing with Section
15 15814.10) of Part 10b of Division 3 of Title 2 of the
16 Government Code, in order to repay the General Fund
17 for the cost of completing energy efficiency projects
18 on specified buildings, the Department of General
19 Services shall, within 10 fiscal years, recover an
20 amount sufficient to repay the costs associated with
21 completed energy efficiency projects plus 5-percent
22 interest, through utility rates charged to tenants. On
23 August 1 of each fiscal year beginning with the
24 2005–06 fiscal year, the Department of General Ser-
25 vices shall transfer that amount to the General Fund.
26 Once the General Fund has been fully repaid, the De-
27 partment of General Services shall adjust utility rates
28 for all tenants to accurately reflect the current rates.
- 29 9. The Director of Finance is authorized to increase this
30 item for purposes of funding tenant improvement
31 projects to facilitate the backfill of vacant space within
32 stand-alone Department of General Services (DGS)
33 bond-funded office buildings. This provision shall
34 only be used to augment expenditure authority for
35 DGS stand-alone individual rate office buildings where
36 a \$0.03 tenant improvement surcharge has been ap-
37 proved by the Department of Finance and is included
38 in the monthly rental rate. Department of Finance ap-
39 proval is contingent upon justification for the proposed
40 tenant improvement projects to be provided by the

1 DGS including an analysis of cost impacts and how
 2 the tenant improvements will improve the state’s uti-
 3 lization of the facility. Any augmentation made in ac-
 4 cordance with this provision shall not result in an in-
 5 crease in any rate charged to other departments for
 6 services without the prior written consent of the De-
 7 partment of Finance. Any augmentation made pursuant
 8 to this provision may be authorized not sooner than
 9 30 days after notification in writing to the chairpersons
 10 of the fiscal committees of each house of the Legisla-
 11 ture and the Chairperson of the Joint Legislative
 12 Budget Committee.

13 10. Notwithstanding subdivision (c) of Section 34 of
 14 Chapter 127 of the Statutes of 2000, the Department
 15 of General Services is authorized to pay Hearn Con-
 16 struction Company of Vacaville, California, up to
 17 \$498,000 for claims arising from the renovation of the
 18 Lincoln Theater in Yountville, California.

19
 20 *SEC. 16. Item 1880-001-0001 of Section 2.00 of the Budget*
 21 *Act of 2008 is amended to read:*

22

23	1880-001-0001—For support of State Personnel Board.....	1,936,000
24	Schedule:	
25	(1) 10-Merit System Administration.....	19,533,000
26		20,365,000
27	(2) 40-Local Government Services.....	2,937,000
28	(3) 50.01-Administration Services.....	4,042,298
29	(4) 50.02-Distributed Administration Ser-	
30	vices.....	-1,959,298
31	(5) Reimbursements.....	-19,232,000
32		-20,064,000
33	(6) Amount payable from the Central Ser-	
34	vice Cost Recovery Fund (Item 1880-	
35	001-9740).....	-3,385,000

36 Provisions:

37 1. Notwithstanding any other provision of law, the Direc-
 38 tor of Finance may authorize a loan from the General
 39 Fund, in an amount not to exceed 35 percent of reim-

- 1 each house of the Legislature and the Chairperson of
 2 the Joint Legislative Budget Committee, or not sooner
 3 than whatever lesser time the chairperson of the joint
 4 committee, or his or her designee, may in each instance
 5 determine.
- 6 2. Expenditure authority provided in this item to support
 7 data center infrastructure projects may not be utilized
 8 for items outside the approved project scope. In addition,
 9 the Department of Technology Services shall report to the office of the State Chief Information Officer
 10 actual expenditures associated with the projects when
 11 purchase agreements have been executed. Changes in
 12 project scope must receive approval using the established administrative and legislative reporting requirements.
 13
- 14 3. The Department of General Services, with the consent
 15 of the Department of Technology Services, may enter
 16 into a lease, lease-purchase agreement, or lease with
 17 an option to purchase for a build-to-suit facility to develop a data center in the central valley, subject to
 18 Department of Finance approval of the terms and
 19 conditions of the agreement. At least 30 days prior to
 20 entering into any agreement, the Department of General Services shall notify the chairpersons of the
 21 committees in each house of the Legislature that consider appropriations and the Joint Legislative Budget
 22 Committee of the terms and conditions of the agreement. This notification shall include an analysis of the
 23 associated rate impact to customer department invoices. If the Joint Legislative Budget Committee does not
 24 express any opposition, the Department of General Services may proceed with the agreement after 30 days
 25 from when the Department of General Services gave notice to the chairpersons.
 26
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35
 36 *SEC. 18. Item 2640-101-0046 of Section 2.00 of the Budget*
 37 *Act of 2008 is amended to read:*

1 2640-101-0046—For local assistance, State Transit Assistance,
 2 for allocation by the Controller pursuant to Section 99312
 3 of the Public Utilities Code, payable from the Public
 4 Transportation Account, State Transportation Fund..... 559,015,000
 5 306,434,000

6 Provisions:

7 1. Notwithstanding Sections 99313 and 99314 of the
 8 Public Utilities Code, not more than \$60,397 of the
 9 amount appropriated in this item shall be used to reim-
 10 burse the Controller for expenditures of administration
 11 of State Transit Assistance funds.
 12

13 *SEC. 19. Item 2660-001-0042 of Section 2.00 of the Budget*
 14 *Act of 2008 is amended to read:*
 15

16 2660-001-0042—For support of Department of Transporta-
 17 tion, payable from the State Highway Account, State
 18 Transportation Fund..... 2,545,975,000

19 Schedule:

- 20 (1) 10-Aeronautics..... 3,636,000
- 21 (2) 20.10-Highway Transportation—
 22 Capital Outlay Support..... 1,657,615,000
- 23 (3) 20.30-Highway Transportation— Local
 24 Assistance..... 43,964,000
- 25 (4) 20.40-Highway Transportation— Pro-
 26 gram Development..... 76,077,000
- 27 (5) 20.65-Highway Transportation— Le-
 28 gal..... 79,744,000
- 29 (6) 20.70-Highway Transportation— Op-
 30 erations..... 200,891,000
- 31 (7) 20.80-Highway Transportation—
 32 Maintenance..... 1,194,216,000
- 33 (8) 30-Mass Transportation..... 130,033,000
- 34 (9) 40-Transportation Planning..... 110,543,000
- 35 (10) 50.00-Administration..... 421,974,000
- 36 (11) 60.10-Equipment Service Program
 37 Costs..... 215,429,000
- 38 (11.5) 60.20-Distributed Equipment Ser-
 39 vice Program Costs..... -215,429,000
- 40 (12) Reimbursements..... -341,778,000

1	(13) Amount payable from the Aeronautics	
2	Account, State Transportation Fund	
3	(Item 2660-001-0041).....	-3,596,000
4	(14) Amount payable from the Bicycle	
5	Transportation Account, State Trans-	
6	portation Fund (Item 2660-001-	
7	0045).....	-10,000
8	(15) Amount payable from the Public	
9	Transportation Account, State	
10	Transportation Fund (Item 2660-001-	
11	0046).....	-149,775,000
12	(16) Amount payable from the Historic	
13	Property Maintenance Fund (Item 2660-	
14	001-0365).....	-1,590,000
15	(16.5) Amount payable from the Seismic	
16	Retrofit Bond Fund of 1996 (Section	
17	8879.3 of the Government Code).....	-5,331,000
18	(17) Amount payable from the Federal	
19	Trust Fund (Item 2660-001-0890)....	-524,280,000
20	(18) Amount payable from the Transporta-	
21	tion Financing Subaccount, State	
22	Highway Account, State Transportation	
23	Fund (Item 2660-001-6801).....	-784,000
24	(18.5) Amount payable from the Trans-	
25	portation Investment Fund (Item	
26	2660-002-3008).....	-236,007,000
27	(19) Amount payable from the State Route	
28	99 Account, Highway Safety, Traffic	
29	Reduction, Air Quality, and Port Secu-	
30	rity Fund of 2006 (Item 2660-004-	
31	6072).....	-4,487,000
32	(21) Amount payable from the Corridor	
33	Mobility Improvement Account,	
34	Highway Safety, Traffic Reduction,	
35	Air Quality, and Port Security Fund of	
36	2006 (Item 2660-004-6055).....	-23,190,000
37	(22) Amount payable from the Trade Corri-	
38	dors Improvement Fund (Item 2660-	
39	004-6056).....	-3,511,000

1	(23) Amount payable from the Transportation	
2	Facilities Account, Highway	
3	Safety, Traffic Reduction, Air Quality,	
4	and Port Security Fund of 2006 (Item	
5	2660-004-6058).....	-55,726,000
6	(24) Amount payable from the Public	
7	Transportation Modernization, Improve-	
8	ment, and Service Enhancement Ac-	
9	count, Highway Safety, Traffic Reduc-	
10	tion, Air Quality, and Port Security	
11	Fund of 2006 (Item 2660-004-6059)....	-1,303,000
12	(24.5) Amount payable from the State-Local	
13	Partnership Program Account, High-	
14	way Safety, Traffic Reduction, Air	
15	Quality, and Port Security Fund of	
16	2006 (Item 2660-004-6060).....	-496,000
17	(26) Amount payable from the Local Bridge	
18	Seismic Retrofit Account, Highway	
19	Safety, Traffic Reduction, Air Quality,	
20	and Port Security Fund of 2006 (Item	
21	2660-004-6062).....	-91,000
22	(27) Amount payable from the Highway-	
23	Railroad Crossing Safety Account,	
24	Highway Safety, Traffic Reduction, Air	
25	Quality, and Port Security Fund of 2006	
26	(Item 2660-004-6063).....	-621,000
27	(28) Amount payable from the Highway	
28	Safety, Rehabilitation, and Preserva-	
29	tion Account, Highway Safety, Traffic	
30	Reduction, Air Quality, and Port Secu-	
31	rity Fund of 2006 (Item 2660-004-	
32	6064).....	-20,142,000
33	Provisions:	
34	1. Notwithstanding any other provision of law, funds	
35	appropriated in this item from the State Highway Ac-	
36	count may be reduced and replaced by an equivalent	
37	amount of federal funds determined by the Department	
38	of Transportation to be available and necessary to	
39	comply with Section 8.50 and the most effective	
40	management of state transportation resources. Not	

- 1 more than 30 days after replacing the state funds with
 2 federal funds, the Director of Finance shall notify in
 3 writing the chairpersons of the committees in each
 4 house of the Legislature that consider appropriations
 5 and the Chairperson of the Joint Legislative Budget
 6 Committee of this action.
- 7 2. Notwithstanding any other provision of law, funding
 8 appropriated in this item may be transferred to Item
 9 2660-005-0042 to pay for any necessary insurance,
 10 debt service, and other financing-related expenditures
 11 for Department of Transportation-owned office
 12 buildings. Any transfer will require the prior approval
 13 of the Department of Finance.
- 14 3. The funds appropriated in Schedule (2) for external
 15 consultant and professional services related to project
 16 delivery (also known as 232 contracts) that are unen-
 17 cumbered or encumbered but unexpended related to
 18 work that will not be performed during the fiscal year
 19 shall revert to the fund from which they were appropri-
 20 ated.
- 21 4. Notwithstanding any other provision of law, funds
 22 appropriated in this item may be supplemented with
 23 federal funding appropriation authority and with prior
 24 fiscal year State Highway Account appropriation bal-
 25 ances at a level determined by the Department of
 26 Transportation as required to process claims utilizing
 27 federal advance construction through the plan of finan-
 28 cial adjustment process pursuant to Sections 11251
 29 and 16365 of the Government Code.
- 30 5. Notwithstanding any other provision of law, funds
 31 appropriated in Item 2660-001-0042, 50.00-Adminis-
 32 tration from the State Highway Account, may be re-
 33 duced and replaced by an equivalent amount of reim-
 34 bursements determined by the Department of Trans-
 35 portation to be available and necessary to comply with
 36 Section 28.50 and the most effective management of
 37 state transportation resources. The reimbursements
 38 may also be reduced and replaced by an equivalent
 39 amount of funds from the State Highway Account.
 40 Not more than 30 days after replacing the State High-

- 1 way Account funds with reimbursements and vice
2 versa, the Director of Finance shall notify in writing
3 the chairpersons of the committees in each house of
4 the Legislature that consider appropriations and the
5 Chairperson of the Joint Legislative Budget Committee
6 of this action.
- 7 6. Not more than \$1,400,000 appropriated in this item is
8 available for support of the Department of Transporta-
9 tion's Owner Controlled Insurance Program to admin-
10 ister insurance coverage for contractors on projects
11 with combined total costs not to exceed \$750,000,000.
- 12 7. Of the funds appropriated in this item, \$214,000,000
13 is for major maintenance contracts for the preservation
14 of highway pavement, and shall not be used to supplant
15 any other funding that would have been used for major
16 pavement maintenance.
- 17 8. Of the funds appropriated in Schedule (5), \$48,556,000
18 is for the payment of tort lawsuit claims and awards.
19 Any funds for that purpose that are unencumbered as
20 of April 1, 2009, may be transferred to Item 2660-302-
21 0042. Any transfer shall require the prior approval of
22 the Department of Finance.
- 23 9. Of the funds appropriated in this item, transfers shall
24 be available to Items 2660-004-6055, 2660-004-6056,
25 2660-004-6058, 2660-004-6059, 2660-004-6060,
26 2660-004-6062, 2660-004-6063, 2660-004-6064, and
27 2660-004-6072. The Department of Finance shall au-
28 thorize the transfer not sooner than 30 days after noti-
29 fication in writing to the chairpersons of the commit-
30 tees in each house of the Legislature that consider ap-
31 propriations and the Chairperson of the Joint Legisla-
32 tive Budget Committee.
- 33 10. Of the funds appropriated in Schedule (7), \$5,000,000
34 shall be used to implement a parolee employment
35 program to pick up and remove litter along state
36 highways. The Department of Transportation will
37 evaluate the effectiveness of the parolee program and
38 present its findings to the Joint Legislative ~~Budge~~
39 *Budget* Committee by July 1, 2010. The report shall
40 also include a summary and evaluation of the overall

- 1 litter program, including information and enforcement
- 2 activities, which the Department of Transportation
- 3 shall compile in coordination with the Department of
- 4 the California Highway Patrol.
- 5 11. Of the funds appropriated in Schedule (7), \$2,301,000
- 6 shall be used to purchase three Balsi Beam systems
- 7 and three barrier guard systems to increase worker
- 8 safety.
- 9 12. Of the funds appropriated in Schedule (7), \$809,000
- 10 shall be used for traffic control operations for the
- 11 opening of the first segment of the managed lanes
- 12 project on I-15 in San Diego County.

13
 14 *SEC. 20. Item 2660-104-6059 of Section 2.00 of the Budget*
 15 *Act of 2008 is amended to read:*

- 16
 17 2660-104-6059—For local assistance, Department of Transporta-
 18 tion, payable from the Public Transportation Moderniza-
 19 tion, Improvement, and Service Enhancement Account,
 20 Highway Safety, Traffic Reduction, Air Quality, and Port
 21 Security Fund of 2006..... 1,000
 22 Schedule:
 23 (1) 30-Mass Transportation..... 1,000
 24 Provisions:
 25 1. These funds shall be available for allocation by the
 26 California Transportation Commission until June 30,
 27 2010, and available for encumbrance and liquidation
 28 until June 30, 2014.
 29 2. Notwithstanding any other provision of law, funds
 30 appropriated in this item may be transferred to Item
 31 2660-304-6059. These transfers require the prior ap-
 32 proval of the Department of Finance.
 33 3. (a) Funds made available in this item for capital im-
 34 provements to the state’s intercity rail program,
 35 including the purchase of new rolling stock, are
 36 necessary to implement a specific provision of
 37 the Highway Safety, Traffic Reduction, Air
 38 Quality, and Port Security Bond Act of 2006, as
 39 that act was approved by the voters of the ~~state~~
 40 *State* of California.

- 1 (b) From the Highway Safety, Traffic Reduction, Air
- 2 Quality, and Port Security Bond Act of 2006,
- 3 paragraph (2) of subdivision (f) of Section
- 4 8879.23 of the Government Code makes funds
- 5 available, upon appropriation ~~of~~ by the Legisla-
- 6 ture, for intercity rail improvements “including
- 7 the procurement of additional intercity railcars
- 8 and locomotives.”
- 9 (c) It is the intent of the Legislature that funds appro-
- 10 priated for this purpose be spent prudently and
- 11 expeditiously to enhance the state’s intercity rail
- 12 service.
- 13 (d) It is further the intent of the Legislature that dur-
- 14 ing the 2008–09 fiscal year, and not later than
- 15 June 30, 2009, the Department of Transportation
- 16 shall release a Request for Proposal for the pro-
- 17 curement of rolling stock equipment as provided
- 18 for in paragraph (2) of subdivision (f) of Section
- 19 8879.23 of the Government Code.
- 20 (e) No later than January 1, 2009, the department
- 21 shall provide a report to the Joint Legislative
- 22 Budget Committee, describing the activities the
- 23 department has undertaken to allocate the funds
- 24 made available to it in this item.

25
 26 *SEC. 21. Item 2660-304-6059 of Section 2.00 of the Budget*
 27 *Act of 2008 is amended to read:*

28

29 2660-304-6059—For capital outlay, Department of Transporta-	
30 tion, payable from the Public Transportation, Moderniza-	
31 tion, Improvement, and Service Enhancement Account,	
32 Highway Safety, Traffic Reduction, Air Quality, and Port	
33 Security Fund of 2006.....	70,999,000
34 Schedule:	
35 (1) 30-Mass Transportation.....	70,999,000
36 Provisions:	
37 1. These funds shall be available for allocation by the	
38 California Transportation Commission until June 30,	
39 2010, and available for encumbrance and liquidation	
40 until June 30, 2014.	

- 1 2. Notwithstanding any other provision of law, funds
- 2 appropriated in this item may be transferred to Item
- 3 2660-104-6059 upon the prior approval of the Depart-
- 4 ment of Finance.
- 5 4. (a) Funds made available in this item for capital im-
- 6 provements to the state’s intercity rail program,
- 7 including the purchase of new rolling stock, are
- 8 necessary to implement a specific provision of
- 9 the Highway Safety, Traffic Reduction, Air
- 10 Quality, and Port Security Bond Act of 2006, as
- 11 that act was approved by the voters of California.
- 12 (b) From the Highway Safety, Traffic Reduction, Air
- 13 Quality, and Port Security Bond Act of 2006,
- 14 paragraph (2) of subdivision (f) of Section
- 15 8879.23 of the Government Code makes funds
- 16 available, upon appropriation ~~of~~ by the Legisla-
- 17 ture, for intercity rail improvements “including
- 18 the procurement of additional intercity railcars
- 19 and locomotives.”
- 20 (c) It is the intent of the Legislature that funds appro-
- 21 priated for this purpose be spent prudently and
- 22 expeditiously to enhance the state’s intercity rail
- 23 service.
- 24 (d) It is further the intent of the Legislature that dur-
- 25 ing the 2008–09 fiscal year, and not later than
- 26 June 30, 2009, the Department of Transportation
- 27 shall release a Request for Proposal for the pro-
- 28 curement of rolling stock equipment as provided
- 29 for in paragraph (2) of subdivision (f) of Section
- 30 8879.23 of the Government Code.
- 31 (e) No later than January 1, 2009, the department
- 32 shall provide a report to the Joint Legislative
- 33 Budget Committee, describing the activities the
- 34 department has undertaken to allocate the funds
- 35 made available to it in this item.

36
 37 *SEC. 22. Item 2660-492 of Section 2.00 of the Budget Act of*
 38 *2008 is amended to read:*

1 2660-492—Reappropriation, Department of Transportation.

2 The amounts specified in the following citations are reap-
3 propriated for the purposes provided for in the appropria-
4 tions and are available for encumbrance or expenditure
5 until June 30, 2009:

6 0042—State Highway Account, State Transportation Fund

7 (1) Item 2660-001-0042, Budget Act of 2001 (Ch. 106,
8 Stats. 2001), as reappropriated by Item 2660-492,
9 Budget Act of 2002 (Ch. 379, Stats. 2002), Budget
10 Act of 2003 (Ch. 157, Stats. 2003), Budget Act of
11 2004 (Ch. 208, Stats. 2004), Budget Act of 2005 (Chs.
12 38 and 39, Stats. 2005), Budget Act of 2006 (Chs. 47
13 and 48, Stats. 2006), Budget Act of 2007 (Chs. 171
14 and 172, Stats. 2007), 20.10-Highway Transporta-
15 tion—Capital Outlay Support, up to \$7,057,000 shall
16 be available for the Project Resourcing and Schedule
17 Management System.

18 (2) Item 2660-001-0042, Budget Act of 2006 (Chs. 47
19 and 48, Stats. 2006), Budget Act of 2007 (Chs. 171
20 and 172, Stats. 2007), 20.10-Highway Transporta-
21 tion—Capital Outlay Support, up to \$4,515,000 shall
22 be available for the Project Resourcing and Schedule
23 Management System.

24 (3) Item 2660-304-6059, Budget Act of 2007 (Chs. 171
25 and 172, Stats. 2007), up to \$186,999,000 shall be
26 available.

27 (4) Item 2660-104-6059, Budget Act of 2007 (Chs. 171
28 and 172, Stats. 2007), up to \$1,000 shall be available.

29 Provisions:

30 1. Notwithstanding any other provision of law, funds
31 appropriated in Schedule (1) or (2) may be increased
32 by up to \$5,000,000 upon approval of the Director of
33 Finance.

34 2. The funds available in Schedules (3) and (4) may be
35 available for allocation by the California Transporta-
36 tion Commission until June 30, 2010, and available
37 for encumbrance and liquidation until June 30, 2013.
38 Provision 3 of Item 2660-304-6059, Budget Act of
39 2007 (Chs. 171 and 172, Stats. 2007), and Provision
40 3 of Item 2660-104-6059, Budget Act of 2007 (Chs.

- 1 171 and 172, Stats. 2007), shall not apply to the reap-
- 2 appropriated funds.
- 3 3. Notwithstanding any other provision of law, funds
- 4 appropriated in Schedule (3) may be transferred to
- 5 Item 2660-104-6059 upon approval of the Department
- 6 of Finance.
- 7 4. Notwithstanding any other provision of law, funds
- 8 appropriated in Schedule (4) may be transferred to
- 9 Item 2660-304-6059 upon approval of the Department
- 10 of Finance.
- 11 5. (a) Funds made available in this item for capital im-
- 12 provements to the state’s intercity rail program,
- 13 including the purchase of new rolling stock, are
- 14 necessary to implement a specific provision of
- 15 the Highway Safety, Traffic Reduction, Air
- 16 Quality, and Port Security Bond Act of 2006, as
- 17 that act was approved by the voters of the State
- 18 of California.
- 19 (b) From the Highway Safety, Traffic Reduction, Air
- 20 Quality, and Port Security Bond Act of 2006,
- 21 paragraph (2) of subdivision (f) of Section
- 22 8879.23 of the Government Code makes funds
- 23 available, upon appropriation ~~of~~ by the Legisla-
- 24 ture, for intercity rail improvements “including
- 25 the procurement of additional intercity railcars
- 26 and locomotives.”
- 27 (c) It is the intent of the Legislature that funds appro-
- 28 priated for this purpose be spent prudently and
- 29 expeditiously to enhance the state’s intercity rail
- 30 service.
- 31 (d) It is further the intent of the Legislature that dur-
- 32 ing the 2008–09 fiscal year, and not later than
- 33 June 30, 2009, the Department of Transportation
- 34 shall release a Request for Proposal for the pro-
- 35 curement of rolling stock equipment as provided
- 36 for in paragraph (2) of subdivision (f) of Section
- 37 8879.23 of the Government Code.
- 38 (e) No later than January 1, 2009, the department
- 39 shall provide a report to the Joint Legislative
- 40 Budget Committee, describing the activities the

department has undertaken to allocate the funds made available to it in this item.

SEC. 23. Item 3790-001-0001 of Section 2.00 of the Budget Act of 2008 is amended to read:

3790-001-0001—For support of Department of Parks and Recreation.....	149,124,000
Schedule:	
(1) For support of the Department of Parks and Recreation.....	432,009,000
	435,009,000
(2) Reimbursements.....	-33,441,000
(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).....	-5,057,000
(4.5) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 3790-001-0044).....	-910,000
(5) Amount payable from the California Environmental License Plate Fund (Item 3790-001-0140).....	-3,023,000
(6) Amount payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund (Item 3790-001-0235).....	-10,098,000
(7) Amount payable from the Off-Highway Vehicle Trust Fund (Item 3790-001-0263).....	-64,243,000
(8) Amount payable from the State Parks and Recreation Fund (Item 3790-001-0392).....	-123,804,000
(9) Amount payable from the Winter Recreation Fund (Item 3790-001-0449).....	-353,000

1	(10) Amount payable from the Harbors and	
2	Watercraft Revolving Fund (Item 3790-	
3	001-0516).....	-2,168,000
4	(11) Amount payable from the Federal Trust	
5	Fund (Item 3790-001-0890).....	-6,335,000
6	(11.5) Amount payable from the Emergency	
7	Response Account (Item 3790-001-	
8	1014).....	-3,000,000
9	(12) Amount payable from the California	
10	Main Street Program Fund (Item 3790-	
11	001-3077).....	-175,000
12	(13) Amount payable from the California	
13	Clean Water, Clean Air, Safe Neighbor-	
14	hood Parks, and Coastal Protection	
15	Fund (Item 3790-001-6029).....	-4,555,000
16	(14) Amount payable from the Water Secu-	
17	rity, Clean Drinking Water, Coastal and	
18	Beach Protection Fund of 2002 (Item	
19	3790-001-6031).....	-435,000
20	(15) Amount payable from Safe Drinking	
21	Water, Water Quality and Supply,	
22	Flood Control, River and Coastal Pro-	
23	tection Fund of 2006 (Item 3790-001-	
24	6051).....	-12,020,000
25	(16) Amount payable from Safe Drinking	
26	Water, Water Quality and Supply,	
27	Flood Control, River and Coastal Pro-	
28	tection Fund of 2006 (Item 3790-002-	
29	6051).....	-12,268,000

30 Provisions:

31 1. Of the funds appropriated by this act from the General

32 Fund and special funds, other than the Off-Highway

33 Vehicle Trust Fund and bond funds, to the Department

34 of Parks and Recreation for local assistance grants to

35 local agencies, the department may allocate an amount

36 not to exceed 3.7 percent of each project’s allocation,

37 except to the extent otherwise restricted by law, to al-

38 low the department to administer its grants. Those

39 funds shall be available for encumbrance or expendi-

40 ture until June 30, 2014.

- 1 2. It is the intent of the Legislature that salaries, wages,
2 operating expenses, and positions associated with im-
3 plementing specific Department of Parks and Recre-
4 ation capital outlay projects continue to be funded
5 through capital outlay appropriations, and that these
6 funds should also be reflected in the department's state
7 operations budget in the Governor's Budget as a spe-
8 cial item of expense reflecting the funding provided
9 from the capital outlay appropriations.
- 10 3. Notwithstanding any other provision of law, the Direc-
11 tor of Finance may authorize a loan from the General
12 Fund, in an amount not to exceed 35 percent of reim-
13 bursements appropriated in this item to the Department
14 of Parks and Recreation, provided that:
 - 15 (a) The loan is to meet cash needs resulting from the
16 delay in receipt of reimbursements for services
17 provided.
 - 18 (b) The loan is for a short term and shall be repaid
19 by September 30, 2009.
 - 20 (c) Interest charges may be waived pursuant to subdivi-
21 sion (e) of Section 16314 of the Government
22 Code.
 - 23 (d) The Director of Finance may not approve the loan
24 unless the approval is made in writing and filed
25 with the Chairperson of the Joint Legislative
26 Budget Committee and the chairpersons of the
27 committees in each house of the Legislature that
28 consider appropriations not later than 30 days
29 prior to the effective date of the approval, or not
30 sooner than whatever lesser time that the chairper-
31 son of the joint committee, or his or her designee,
32 may determine.
- 33 4. The Department of Parks and Recreation is authorized
34 to enter into a contract for fee collection and other
35 services required by the department with a cooperative
36 association that has and will continue to fund state
37 employees on an ongoing basis.
- 38 5. Of the amount appropriated in this item, \$4,001,000
39 General Fund and \$1,000,000 Proposition 84 funds
40 shall be used for continued remediation and treatment

1 activities at Empire Mine State Historic Park. Upon
 2 approval and order of the Director of Finance, the
 3 Controller shall adjust the amount included in this item
 4 for remediation activities at Empire Mine based on
 5 the status or result of the mediation between the De-
 6 partment of Parks and Recreation and the Newmont
 7 Mining Company. Any adjustment for this purpose
 8 may be authorized no sooner than 30 days after written
 9 notification to the Chairperson of the Joint Legislative
 10 Budget Committee.

11
 12 *SEC. 24. Item 3790-001-1014 is added to Section 2.00 of the*
 13 *Budget Act of 2008, to read:*

14
 15 *3790-001-1014—For support of the Department of Parks and*
 16 *Recreation, for payment to Item 3790-001-0001, payable*
 17 *from the Emergency Response Account..... 3,000,000*
 18

19 *SEC. 25. Item 3790-490 of Section 2.00 of the Budget Act of*
 20 *2008 is amended to read:*

21
 22 3790-490—Reappropriation, Department of Parks and Recre-
 23 ation. Notwithstanding any other provision of law, the pe-
 24 riod to liquidate encumbrances in the following citations
 25 is extended to June 30, 2009:
 26 0005—Safe Neighborhood Parks, Clean Water, Clean Air,
 27 and Coastal Protection Bond Fund
 28 (1) Item 3790-102-0005, Budget Act of 2000 (Ch. 52,
 29 Stats. 2000), (a) 80.25-Recreational Grants, (5) Mur-
 30 ray-Hayden Grants
 31 (c) City of Richmond: Richmond Natatorium, to en-
 32 able seismic retrofit of the Natatorium
 33 (p) City of Los Angeles, Juntos Park: outdoor devel-
 34 opment at a recently acquired parcel to serve as
 35 a new park
 36 (x) City of Anaheim: Maxwell Park Expansion Pro-
 37 ject from 15 to 21 acres
 38 (ix) Santa Monica Mountains Conservancy: Arroyo
 39 Seco/Confluence Park

- 1 (vx) YMCA of San Diego County: Border View Ex-
- 2 expansion
- 3 (ey) Concerned Citizens of South Central Los Ange-
- 4 les: Acquisition and construction of Antes
- 5 Columbus Youth Center, soccer field and pocket
- 6 park, as amended by SB 1681, Section 12 of
- 7 Chapter 672 of the Statutes of 2000
- 8 (2) Item 3790-102-0005, Budget Act of 2000 (Ch. 52,
- 9 Stats. 2000), (a) 80.25-Recreational Grants, (6c) Soc-
- 10 cer and baseball fields
- 11 (r) City of Los Angeles, Boyle Heights Sports Center
- 12 for development of sports fields for both soccer
- 13 and baseball as amended by SB 1681, Section 12
- 14 of Chapter 672, Statutes of 2000
- 15 (3) Item 3790-102-0005, Budget Act of 2000 (Ch. 52,
- 16 Stats. 2000), (a) 80.25-Recreational Grants, (1) Com-
- 17 petitive grants (nonproject specific)
- 18 (c) Nonmotorized Trail Grants. This appropriation is
- 19 limited to a \$200,000 grant to the San Dieguito
- 20 River Park Joint Powers Authority.
- 21 (4) *Item 3790-103-0005, Budget Act of 2000 (Ch. 52,*
- 22 *Stats. 2000), Grants (per capita), County of San Diego*
- 23 *for the \$1,855,000 grant for the Otay Valley Regional*
- 24 *Park*

25
 26 *SEC. 26. Item 3790-494 is added to Section 2.00 of the Budget*
 27 *Act of 2008, to read:*

28
 29 *3790-494—Reappropriation, Department of Parks and Recre-*
 30 *ation. Notwithstanding any other provision of law, the pe-*
 31 *riod to liquidate encumbrances in the following citation is*
 32 *extended to June 30, 2009:*
 33 *6029—California Clean Water, Clean Air, Safe Neighbor-*
 34 *hood Parks, and Coastal Protection Fund*
 35 *(1) Subdivision (b) of Section 2 of Chapter 1126 of*
 36 *Statutes of 2002, for the \$333,333 grant to the City of*
 37 *San Jose for the development of Japantown.*

38
 39 *SEC. 27. Item 3900-001-0044 of Section 2.00 of the Budget*
 40 *Act of 2008 is amended to read:*

1	3900-001-0044—For support of State Air Resources Board,	
2	payable from the Motor Vehicle Account, State Transporta-	
3	tion Fund.....	105,261,000
4		111,261,000
5	Schedule:	
6	(1) 15-Mobile Source.....	552,652,000
7		558,652,000
8	(2) 25-Stationary Source.....	57,232,000
9	(3) 30.01-Program Direction and Support....	14,941,000
10	(4) 30.02-Distributed Program Direction	
11	and Support.....	-14,941,000
12	(5) Reimbursements.....	-5,460,000
13	(6) Amount payable from the General Fund	
14	(Item 3900-001-0001).....	-2,189,000
15	(7) Amount payable from the Air Pollu-	
16	tion Control Fund (Item 3900-001-	
17	0115).....	-164,758,000
18	(8) Amount payable from the Vehicle In-	
19	spection and Repair Fund (Item 3900-	
20	001-0421).....	-14,271,000
21	(9) Amount payable from the Air Toxics	
22	Inventory and Assessment Account	
23	(Item 3900-001-0434).....	-936,000
24	(10) Amount payable from the Federal	
25	Trust Fund (Item 3900-001-0890).....	-14,924,000
26	(11) Amount payable from the Non-Toxic	
27	Dry Cleaning Incentive Trust Fund	
28	(Item 3900-001-3070).....	-1,514,000
29	(12) Amount payable from the Air Quality	
30	Improvement Fund (Item 3900-001-	
31	3119).....	-50,440,000
32	(13) Amount payable from the California	
33	Ports Infrastructure, Security, and	
34	Air Quality Improvement Account,	
35	Highway Safety, Traffic Reduction,	
36	Air Quality, and Port Security Fund	
37	of 2006 (Item 3900-001-6054).....	-250,131,000
38	<i>Provisions:</i>	
39	1. <i>Of the funds appropriated pursuant to this item,</i>	
40	<i>\$6,000,000 shall be expended pursuant to Section</i>	

1	(8) Amount payable from the Federal	
2	Trust Fund (Item 4260-101-	
3	0890).....	-21,457,710,000
4		-21,232,085,000

5 Provisions:

- 6 1. The aggregate principal amount of disproportionate
- 7 share hospital general obligation debt that may be is-
- 8 sued in the 2008-09 fiscal year pursuant to subpara-
- 9 graph (A) of paragraph (2) of subdivision (f) of Section
- 10 14085.5 of the Welfare and Institutions Code shall be
- 11 \$0.
- 12 2. Notwithstanding any other provision of law, both the
- 13 federal and nonfederal shares of any moneys recovered
- 14 for previously paid health care services, provided
- 15 pursuant to Chapter 7 (commencing with Section
- 16 14000) of Part 3 of Division 9 of the Welfare and In-
- 17 stitutions Code, are hereby appropriated and shall be
- 18 expended as soon as practicable for medical care and
- 19 services as defined in the Welfare and Institutions
- 20 Code.
- 21 3. Notwithstanding any other provision of law, accounts
- 22 receivable for recoveries as described in Provision 2
- 23 shall have no effect upon the positive balance of the
- 24 General Fund or the Health Care Deposit Fund.
- 25 Notwithstanding any other provision of law, moneys
- 26 recovered as described in this item that are required
- 27 to be transferred from the Health Care Deposit Fund
- 28 to the General Fund shall be credited by the Controller
- 29 to the General Fund without regard to the appropriation
- 30 from which it was drawn.
- 31 4. Without regard to fiscal year, the General Fund shall
- 32 make one or more loans available not to exceed a cu-
- 33 mulative total of \$45,000,000 to be transferred as
- 34 needed to the Health Care Deposit Fund to meet cash
- 35 needs. The loans are subject to the repayment provi-
- 36 sions of Section 16351 of the Government Code. Any
- 37 additional loan requirement in excess of \$45,000,000
- 38 shall be processed in the manner prescribed by Section
- 39 16351 of the Government Code.

- 1 5. Notwithstanding any other provision of law, the State
2 Department of Health Care Services may give public
3 notice relative to proposing or amending any rule or
4 regulation that could result in increased costs in the
5 Medi-Cal program only after approval by the Depart-
6 ment of Finance. Additionally, any rule or regulation
7 adopted by the State Department of Health Care Ser-
8 vices and any communication that increases costs in
9 the Medi-Cal program shall be effective only after the
10 date upon which it is approved by the Department of
11 Finance.
- 12 6. Of the funds appropriated in this item, up to \$50,000
13 may be allocated for attorney's fees awarded pursuant
14 to state or federal law without prior notification to the
15 Legislature. Individual settlements authorized under
16 this language shall not exceed \$5,000. The semiannual
17 estimates of Medi-Cal expenditures due to the Legis-
18 lature in January and May shall reflect attorney's fees
19 paid 15 or more days prior to the transmittal of the
20 estimate. The semiannual estimates of Medi-Cal ex-
21 penditures provided to the Legislature in January and
22 May may constitute the notification required by this
23 provision.
- 24 7. Change orders to the medical or the dental fiscal inter-
25 mediary contract for amounts exceeding a total cost
26 of \$250,000 shall be approved by the Department of
27 Finance not sooner than 30 days after written notifica-
28 tion of the change order is provided to the chairpersons
29 of the fiscal and policy committees in each house of
30 the Legislature and to the Chairperson of the Joint
31 Legislative Budget Committee or not sooner than such
32 lesser time as the chairperson of the joint committee,
33 or his or her designee, may designate. The semiannual
34 estimates of Medi-Cal expenditures provided to the
35 Legislature in January and May may constitute the
36 notification required by this provision.
- 37 8. Recoveries of advances made to counties in prior years
38 pursuant to Section 14153 of the Welfare and Institu-
39 tions Code are reappropriated to the Health Care De-
40 posit Fund for reimbursement of those counties where

- 1 allowable costs exceeded the amounts advanced. Re-
 2 coveries in excess of the amounts required to fully re-
 3 imburse allowable costs shall be transferred to the
 4 General Fund. When a projected deficiency exists in
 5 the Medical Assistance Program, these funds, subject
 6 to notification to the Chairperson of the Joint Legisla-
 7 tive Budget Committee, are appropriated and shall be
 8 expended as soon as practicable for the state’s share
 9 of payments for medical care and services, county
 10 administration, and fiscal intermediary services.
- 11 9. The Department of Finance may transfer funds repre-
 12 senting all or any portion of any estimated savings that
 13 are a result of improvements in the Medi-Cal claims
 14 processing procedures from the Medi-Cal services
 15 budget or the support budget of the State Department
 16 of Health Care Services (Item 4260-001-0001) to the
 17 fiscal intermediary budget item for purposes of making
 18 improvements to the Medi-Cal claims system.
- 19 10. Notwithstanding any other provision of law, the De-
 20 partment of Finance may authorize the transfer of ex-
 21 penditure authority between Schedules (1), (2), (3),
 22 and (4) of this item and between this item and Items
 23 4260-102-0001, 4260-111-0001, 4260-113-0001, and
 24 4260-117-0001 in order to effectively administer the
 25 programs funded in these items. The Department of
 26 Finance shall notify the Legislature within 10 days of
 27 authorizing such a transfer unless prior notification of
 28 the transfer has been included in the Medi-Cal esti-
 29 mates submitted pursuant to Section 14100.5 of the
 30 Welfare and Institutions Code. The 10-day notification
 31 to the Legislature shall include the reasons for the
 32 transfer, the fiscal assumptions used in calculating the
 33 transfer amount, and any potential fiscal effects on the
 34 program from which funds are being transferred or for
 35 which funds are being reduced.
- 36 11. Notwithstanding any other provision of law and Sec-
 37 tion 26.00, the Department of Finance may authorize
 38 the transfer of expenditure authority from Schedule
 39 (3) to Schedule (1) for the purposes of implementing
 40 changes required by the federal Deficit Reduction Act

1 of 2005, which shall include, but not be limited to,
2 providing assistance to individuals in meeting these
3 verification rules and for county eligibility activities.
4 It is the intent of the Legislature that these transfers
5 be provided on a timely basis in order to ensure the
6 health and safety of Californians. The Department of
7 Finance shall notify the Legislature within 15 days of
8 authorizing that transfer unless prior notification of
9 the transfer has been included in the Medi-Cal esti-
10 mates submitted pursuant to Section 14100.5 of the
11 Welfare and Institutions Code.

12 12. If a federal grant that provides 75 percent federal finan-
13 cial participation to allow individuals in nursing homes
14 to voluntarily move into a community setting and still
15 receive the same amount of funding for services is
16 awarded to the State Department of Health Care Ser-
17 vices during the 2008–09 fiscal year, then, notwith-
18 standing any other provision of law, the department
19 may count expenditures from the appropriation made
20 to this item as state matching funds for that grant.

21 13. Of the funds appropriated in this item, up to
22 \$9,150,000 may be utilized to resolve the deferral issue
23 by the federal Centers for Medicare and Medicaid
24 Services (Deferral No. CA/2006/3/E/15/MAP) related
25 to the Fresno County Intergovernmental Transfer
26 transaction.

27 14. *The State Department of Health Care Services (DHCS)*
28 *shall, by January 10, 2009, provide the Legislature*
29 *with options to enhance the health care delivery system*
30 *under the Medi-Cal Program for adults with disabili-*
31 *ties or complex chronic conditions who are eligible*
32 *for full-scope Medi-Cal benefits without a share-of-*
33 *cost and who choose not to enroll in the Medi-Cal*
34 *Managed Care Program or who do not have this op-*
35 *tion available for enrollment in their community.*

36 *The options shall provide enrollees with the ability*
37 *to select a medical home that provides primary and*
38 *preventive care as well as comprehensive and coordi-*
39 *nated care management, and ensures that care is*

- 1 *provided in a timely and accessible manner in the least*
- 2 *restrictive and most appropriate setting.*
- 3 *Any options provided to the Legislature by the*
- 4 *DHCS shall, at a minimum, include the following*
- 5 *specific components:*
- 6 *(a) Description of the health care delivery system*
- 7 *(b) Method for determining eligibility and protocols*
- 8 *for enrollment for services*
- 9 *(c) Description of health care networks, or any*
- 10 *medical home or interdisciplinary care team to*
- 11 *be used for preventive and primary care services*
- 12 *and case management*
- 13 *(d) Description of access to out-of-network services,*
- 14 *where applicable*
- 15 *(e) Protocols for referral practices, including special-*
- 16 *ty care services, tertiary care services, durable*
- 17 *medical equipment and pharmaceuticals*
- 18 *(f) Protocols for communication access, including*
- 19 *provision of content through methods that are*
- 20 *understandable and usable by this population*
- 21 *(g) Description of benefit management oversight and*
- 22 *monitoring processes*
- 23 *(h) Referral processes to other publicly funded pro-*
- 24 *grams, including those administered by the State*
- 25 *Departments of Mental Health, Social Services,*
- 26 *Developmental Services, Public Health, and*
- 27 *Health Care Services*
- 28 *(i) Role of advisory groups, including stakeholders*
- 29 *who historically represent this population, profes-*
- 30 *sional organizations, community-based organiza-*
- 31 *tions, foundation consultants or applicable others,*
- 32 *in actively designing any components to potential*
- 33 *options*
- 34 *(j) Training for providers on disability competency*
- 35 *and clinical components*
- 36 *(k) Descriptions of any Medi-Cal eligible beneficiary*
- 37 *outreach, health care educational information,*
- 38 *or related methods for engagement in health care*
- 39 *awareness and participation*

(l) *Criteria and assumptions used to calculate any short-term and longer-term health care measurements and outcomes, as well as fiscal estimates, pertaining to any options.*

SEC. 29. *Item 4260-111-0001 of Section 2.00 of the Budget Act of 2008 is amended to read:*

4260-111-0001—For local assistance, Department of Health Care Services.....	208,191,000
	202,957,000

Schedule:

(1) 20.25-Children’s Medical Services.....	362,926,000
	352,614,000
(2) 20.35-Primary and Rural Health.....	50,389,000
(3) Reimbursements.....	-55,353,000
(4) Amount payable from the Childhood Lead Poisoning Prevention Fund (Item 4260-111-0080).....	-24,000
(5) Amount payable from the Physician Services Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-111-0233).....	-774,000
(6) Amount payable from the Unallocated Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-111-0236).....	-13,081,000
(7) Amount payable from the Federal Trust Fund (Item 4260-111-0890).....	-135,892,000
	-130,814,000

Provisions:

1. Program 20.25-Children’s Medical Services: Counties may retain 50 percent of total enrollment and assessment fees that are collected by the counties for the California Children’s Services Program. Fifty percent of the enrollment and assessment fee for each county shall be offset from the state’s match for that county.
2. Notwithstanding any other provision of law, the Department of Finance may authorize transfer of expenditure authority between this item and Items 4260-101-

1	(4) Reimbursements.....	-1,327,854,000
2		-1,308,405,000
3	(5) Amount payable from the Public	
4	Transportation Account, State Trans-	
5	portation Fund (Item 4300-101-	
6	0046).....	-138,275,000
7	(6) Amount payable from Developmental	
8	Disabilities Program Development Fund	
9	(Item 4300-101-0172).....	-1,147,000
10	(7) Amount payable from Federal Trust	
11	Fund (Item 4300-101-0890).....	-88,957,000
12	Provisions:	
13	1. Upon order of the Director of Finance, the Controller	
14	shall transfer such funds as are necessary between this	
15	item and Item 4300-003-0001. Within 10 working	
16	days after approval of a transfer as authorized by this	
17	provision, the Department of Finance shall notify the	
18	chairpersons of the fiscal committees in each house	
19	of the Legislature and the Chairperson of the Joint	
20	Legislative Budget Committee of the transfer, includ-	
21	ing the amount transferred, how the amount transferred	
22	was determined, and how the amount transferred will	
23	be utilized.	
24	2. A loan shall be made available from the General Fund	
25	to the State Department of Developmental Services	
26	not to exceed a cumulative total of \$160,000,000. The	
27	loan funds shall be transferred to this item as needed	
28	to meet cashflow needs due to delays in collecting re-	
29	imbursements from the Health Care Deposit Fund,	
30	and are subject to the repayment provisions of Section	
31	16351 of the Government Code.	
32	3. Upon order of the Director of Finance, the Controller	
33	shall transfer funds as are necessary between this item	
34	and Item 5160-001-0001 to provide for the transporta-	
35	tion costs to and from work activity programs of clients	
36	who are receiving vocational rehabilitation services	
37	through the Vocational Rehabilitation/Work Activity	
38	Program (VR/WAP) Transition Program.	
39	4. \$1,826,000 of the funds appropriated in this item may	
40	be used to augment service provider rates for the work	

- 1 needed to obtain information to secure federal partici-
2 pation under the Home and Community-Based Ser-
3 vices Waiver program. Eligible providers are those
4 service providers who are qualified providers under
5 Title XIX of the Social Security Act, are not currently
6 providing the required information, and are serving
7 individuals enrolled under the Home and Community-
8 Based Services Waiver program.
- 9 5. Notwithstanding Section 26.00, the Department of
10 Finance may authorize transfer of expenditure author-
11 ity between Schedules (1) and (2) in order to more
12 accurately reflect expenditures in the Early Interven-
13 tion federal grant program (Part C of the Individuals
14 with Disabilities Education Act).
- 15 6. It is the intent of the Legislature for the State Depart-
16 ment of Health Care Services and the State Department
17 of Developmental Services to collaboratively work
18 with stakeholders, including providers and diverse
19 constituency groups as deemed appropriate, regarding
20 the bundling of rates for the reimbursement of interme-
21 diate care facilities for the developmentally disabled,
22 including habilitative and nursing facilities. It is the
23 intent of the Legislature that any changes made by the
24 state shall be seamless to the providers of services af-
25 fected by the changes, as well as to the consumers and
26 their families that are provided services through the
27 Regional Center system. The integrity of the individual
28 program plan process described in the Lanterman De-
29 velopmental Disabilities Services Act (Division 4.5
30 (commencing with Section 4500) of the Welfare and
31 Institutions Code) shall be maintained throughout this
32 process and shall not be affected by any changes made
33 to implement the bundled rates.
- 34 7. Of the funds appropriated in Schedule (2), the amount
35 identified by the State Department of Developmental
36 Services for self-directed services shall be available
37 for encumbrance until June 30, 2010, and for liquida-
38 tion until June 30, 2011.
- 39 8. Upon the order of the Department of Finance, the
40 Controller shall transfer such funds as are necessary

1 between this item and Item 4300-103-0001 in order
2 to effectively administer the Self-Directed Services
3 Risk Pool Fund.

4 9. *It is the intent of the Legislature for the California
5 Children and Families Commission to utilize at least
6 \$5,000,000 in funds from any of its accounts for infor-
7 mation, services, and supports provided under the
8 Early Start Program as administered by the State
9 Department of Developmental Services. This language
10 is not intended to affect any contingencies or emergen-
11 cies of which the Department of Finance may choose
12 to notify the Legislature in the 2008–09 fiscal year.*

13
14 *SEC. 32. Item 5180-101-0001 of Section 2.00 of the Budget
15 Act of 2008 is amended to read:*

16
17 5180-101-0001—For local assistance, Department of Social
18 Services..... 3,211,838,000
19 2,808,386,000

20 Schedule:

21 (1) 16.30-CalWORKs..... 5,665,554,000
22 5,290,712,000
23 (2) 16.65-Other Assistance Payments.... 1,360,039,000
24 (3) Reimbursements..... -3,990,000
25 (4) Amount payable from the Emergency
26 Food Assistance Program Fund (Item
27 5180-101-0122)..... -449,000
28 (5) Amount payable from the Employment
29 Training Fund (Item 5180-101-
30 0514)..... -35,000,000
31 (6) Amount payable from the Federal
32 Trust Fund (Item 5180-101-
33 0890)..... -3,763,287,000
34 -3,791,897,000
35 (7) Amount payable from the Child Sup-
36 port Collections Recovery Fund (Item
37 5180-101-8004)..... -11,029,000

38 Provisions:

39 1. (a) No funds appropriated in this item shall be encum-
40 bered unless every rule or regulation adopted and

1 every all-county letter issued by the State Department
 2 ment of Social Services that adds to the costs of
 3 any program is approved by the Department of
 4 Finance as to the availability of funds before it
 5 becomes effective. In making the determination
 6 as to availability of funds to meet the expenditures
 7 of a rule, regulation, or all-county letter that would
 8 increase the costs of a program, the Department
 9 of Finance shall consider the amount of the pro-
 10 posed increase on an annualized basis, the effect
 11 the change would have on the expenditure limita-
 12 tions for the program set forth in this act, the ex-
 13 tent to which the rule, regulation, or all-county
 14 letter constitutes a deviation from the premises
 15 under which the expenditure limitations were
 16 prepared, and any additional factors relating to
 17 the fiscal integrity of the program or the state’s
 18 fiscal situation.

19 (b) Notwithstanding Sections 28.00 and 28.50, the
 20 availability of funds contained in this item for
 21 rules, regulations, or all-county letters that add to
 22 program costs funded from the General Fund in
 23 excess of \$500,000 on an annual basis, including
 24 those that are the result of a federal regulation but
 25 excluding those that are (1) specifically required
 26 as a result of the enactment of a federal or state
 27 law or (2) included in the appropriation made by
 28 this act, shall not be approved by the Department
 29 of Finance sooner than 30 days after notification
 30 in writing to the chairpersons of the committees
 31 in each house of the Legislature that consider ap-
 32 propriations and the Chairperson of the Joint
 33 Legislative Budget Committee, or such lesser time
 34 as the chairperson of the joint committee, or his
 35 or her designee, may in each instance determine.

36 2. Notwithstanding Chapter 1 (commencing with Section
 37 18000) of Part 6 of Division 9 of the Welfare and In-
 38 stitutions Code, a loan not to exceed \$500,000,000
 39 shall be made available from the General Fund, from
 40 funds not otherwise appropriated, to cover the federal

- 1 share of costs of a program or programs when the
2 federal funds have not been received by this state prior
3 to the usual time for transmitting that federal share to
4 the counties of this state. This loan from the General
5 Fund shall be repaid when the federal share of costs
6 for the program or programs becomes available.
- 7 3. The Department of Finance may authorize the transfer
8 of amounts from this item to Item 5180-001-0001 in
9 order to fund the costs of the administrative hearing
10 process associated with changes in aid payments in
11 the CalWORKs program.
- 12 4. (a) The Department of Finance is authorized to ap-
13 prove expenditures in those amounts made neces-
14 sary by changes in either caseload or payments,
15 or any rule or regulation adopted and any all-
16 county letter issued as a result of the enactment
17 of a federal or state law, the adoption of a federal
18 regulation, or the following of a court decision,
19 during the 2008–09 fiscal year that are within or
20 in excess of amounts appropriated in this act for
21 that year.
- 22 (b) If the Department of Finance determines that the
23 estimate of expenditures will exceed the expendi-
24 tures authorized for this item, the department shall
25 so report to the Legislature. At the time the report
26 is made, the amount of the appropriation made in
27 this item shall be increased by the amount of the
28 excess unless and until otherwise provided by
29 law.
- 30 5. Nonfederal funds appropriated in this item which have
31 been budgeted to meet the state’s Temporary Assis-
32 tance for Needy Families maintenance-of-effort require-
33 ment established pursuant to the federal Personal Re-
34 sponsibility and Work Opportunity Reconciliation Act
35 of 1996 (P.L. 104-193) may not be expended in any
36 way that would cause their disqualification as a feder-
37 ally allowable maintenance-of-effort expenditure.
- 38 6. In the event of declared disaster and upon county re-
39 quest, the State Department of Social Services may
40 act in the place of any county and assume direct respon-

1 sibility for the administration of eligibility and grant
2 determination. Upon recommendation of the Director
3 of Social Services, the Department of Finance may
4 authorize the transfer of funds from this item and 5180-
5 101-0890, to Items 5180-001-0001 and 5180-001-
6 0890, for this purpose.

7 7. Pursuant to the Electronic Benefit Transfer (EBT) Act
8 (Chapter 3 (commencing with Section 10065) of Part
9 1 of Division 9 of the Welfare and Institutions Code)
10 and in accordance with the EBT System regulations
11 (Manual of Policies and Procedures Section 16-
12 401.15), in the event a county fails to reimburse the
13 EBT contractor for settlement of EBT transactions
14 made against the county’s cash assistance programs,
15 the state is required to pay the contractor. The State
16 Department of Social Services may use funds from
17 this item to reimburse the EBT contractor for settle-
18 ment on behalf of the county. The county shall be re-
19 quired to reimburse the department for county’s settle-
20 ment via direct payment or administrative offset.

21 8. The Department of Finance is authorized to approve
22 expenditures for the California Food Assistance Pro-
23 gram in those amounts made necessary by changes in
24 the Food Stamp Program Standard Utility Allowance,
25 including those that result from midyear Standard
26 Utility Allowance adjustments requested by the state.
27 If the Department of Finance determines that the esti-
28 mate of expenditures will exceed the expenditures
29 authorized for this item, the department shall so report
30 to the Legislature. At the time the report is made, the
31 amount of the appropriation made by this item shall
32 be increased by the amount of the excess unless and
33 until otherwise provided by law.

34 9. Upon request of the Department of Finance, the Con-
35 troller shall transfer funds between this item and Item
36 5180-153-0001 as needed to reflect the estimated ex-
37 penditure amounts for each county that opts into the
38 Title IV-E Child Welfare Waiver Demonstration Pro-
39 ject pursuant to Section 18260 of the Welfare and In-
40 stitutions Code. The Department of Finance shall re-

1 port to the Legislature the amount to be transferred
2 pursuant to this provision. The transfer shall be autho-
3 rized at the time the report is made.

4 10. The Department of Finance shall increase this item up
5 to \$20,613,000 to the extent that unspent county per-
6 formance and fraud recovery incentive funds available
7 as of June 30, 2008, are less than \$20,613,000. The
8 increase shall be made not sooner than 30 days after
9 written notification of the increase is given to the
10 chairpersons of the fiscal committees of each house
11 of the Legislature and the Chairperson of the Joint
12 Legislative Budget Committee, or not sooner than
13 whatever lesser time the chairperson of the joint
14 committee may determine.

15 11. Notwithstanding any other provision of law, upon re-
16 quest of the Department of Social Services, the Depart-
17 ment of Finance may increase the expenditure author-
18 ity in this item for the ~~propose~~ purpose of funding a
19 supplemental payment to foster parents and families
20 receiving adoption assistance payments for children
21 served by both regional centers and child welfare
22 agencies pursuant to Section 11464 of the Welfare and
23 Institutions Code, as amended by Chapter 177 of the
24 Statutes of 2007.

25
26 *SEC. 33. Item 5180-101-0890 of Section 2.00 of the Budget*
27 *Act of 2008 is amended to read:*

29	5180-101-0890—For local assistance, Department of Social	
30	Services, for payment to Item 5180-101-0001, payable	
31	from the Federal Trust Fund.....	3,763,287,000
32		3,791,897,000

- 33 Provisions:
- 34 1. Provisions 1, 4, 6, 7, 9, 10, and 11 of Item 5180-101-
 - 35 0001 also apply to this item.
 - 36 2. The Director of Finance may authorize the transfer of
 - 37 amounts from this item to Item 5180-001-0890 in order
 - 38 to fund the costs of the administrative hearing process
 - 39 associated with changes in aid payments in the Cal-
 - 40 WORKs program.

- 1 3. For the purpose of broadening access to federal Child
- 2 and Adult Care Food Program benefits for low-income
- 3 children in proprietary child care centers, the State
- 4 Department of Social Services may transfer up to
- 5 \$10,000,000 of the funds appropriated in this item for
- 6 Program 16.30—CalWORKs, from the Temporary
- 7 Assistance for Needy Families (TANF) block grant to
- 8 the Social Services Block Grant (Title XX) pursuant
- 9 to authorization in the federal Personal Responsibility
- 10 and Work Opportunity Reconciliation Act of 1996
- 11 (P.L. 104-193). The Title XX funds shall be pooled
- 12 with TANF funds appropriated in this item for Cal-
- 13 WORKs Child Care. This transfer shall occur only if
- 14 the Director of Finance approves the pooling of Title
- 15 XX funds with Child Care and Development Fund or
- 16 TANF funds, or both.
- 17 4. Upon request of the State Department of Social Ser-
- 18 vices, the Director of Finance may increase or decrease
- 19 the expenditure authority in this item to offset any in-
- 20 creases or decreases in collections deposited in the
- 21 Child Support Collections Recovery Fund and appro-
- 22 priated in Item 5180-101-8004. The Department of
- 23 Finance shall provide notification of the adjustment
- 24 to the Joint Legislative Budget Committee within 10
- 25 working days from the date of Department of Finance
- 26 approval of the adjustment.

27
 28 *SEC. 34. Item 5180-111-0001 of Section 2.00 of the Budget*
 29 *Act of 2008 is amended to read:*

30
 31 5180-111-0001—For local assistance, Department of Social

32 Services.....	5,568,028,000
33	5,562,733,000
34 Schedule:	
35 (1) 16.70-SSI/SSP.....	3,751,938,000
36	3,751,938,000
37 (2) 25.15-IHSS.....	5,343,020,000
38	5,330,297,000
39 (3) 25.20-Recipient Supplementary Pay-	
40 ment.....	44,176,000

1 (4) Reimbursements..... -3,571,106,000
 2 -3,563,678,000

3 Provisions:

- 4 1. Provisions 1 and 4 of Item 5180-101-0001 also apply
 5 to this item.
 6 2. Notwithstanding Chapter 1 (commencing with Section
 7 18000) of Part 6 of Division 9 of the Welfare and In-
 8 stitutions Code, a loan not to exceed \$240,000,000
 9 shall be made available from the General Fund from
 10 funds not otherwise appropriated, to cover the federal
 11 share or reimbursable share, or both, of costs of a
 12 program or programs when the federal funds or reim-
 13 bursements (from the Health Care Deposit Fund or
 14 counties) have not been received by this state prior to
 15 the usual time for transmitting payments for the federal
 16 or reimbursable share of costs for this state. That loan
 17 from the General Fund shall be repaid when the federal
 18 share of costs for the program or programs becomes
 19 available, or in the case of reimbursements, subject to
 20 Section 16351 of the Government Code. County reim-
 21 bursements also shall be subject to Section 16314 of
 22 the Government Code, which specifies the rate of in-
 23 terest. The department may offset a county’s share of
 24 cost of the In-Home Supportive Services (IHSS) pro-
 25 gram against local assistance payments made to the
 26 county if the county fails to reimburse its share of cost
 27 of the IHSS program to the state.
 28 3. The State Department of Social Services shall provide
 29 technical assistance to counties to ensure that they
 30 maximize the receipt of federal funds for the In-Home
 31 Supportive Services (IHSS) program, without compro-
 32 mising the quality of the services provided to IHSS
 33 recipients.
 34 4. The Director of Finance may authorize the transfer of
 35 amounts from this item to Item 5180-001-0001 in order
 36 to fund increased costs due to workload associated
 37 with the retroactive reimbursement of Medi-Cal ser-
 38 vices for the In-Home Supportive Services program
 39 to comply with the Conlan v. Shewry court decision.
 40 The Department of Finance shall report to the Legisla-

1 ture the amount to be transferred pursuant to this pro-
 2 vision and the number of positions to be established
 3 by the State Department of Social Services. The
 4 transfer shall be authorized at the time the report is
 5 made. The State Department of Social Services shall
 6 review the workload associated with the Conlan v.
 7 Shewry decision during the 2008–09 fiscal year and
 8 may administratively establish positions as the work-
 9 load requires.

10 5. The Director of Finance may authorize the transfer of
 11 amounts from this item to Item 5180-001-0001 in order
 12 to fund the cost of the administrative hearing process
 13 associated with changes in aid or service payments in
 14 the In-Home Supportive Services program. The De-
 15 partment of Finance shall report to the Legislature the
 16 amount to be transferred pursuant to this provision.
 17 The transfer shall be authorized at the time the report
 18 is made.

19
 20 *SEC. 35. Item 5180-141-0001 of Section 2.00 of the Budget*
 21 *Act of 2008 is amended to read:*

22

23 5180-141-0001—For local assistance, Department of Social	
24 Services.....	482,751,000
25	480,516,000
26 Schedule:	
27 (1) 16.75-County Administration and	
28 Automation Projects.....	1,215,750,000
29	1,194,774,000
30 (2) Reimbursements.....	-59,427,000
31 (3) Amount payable from the Federal	
32 Trust Fund (Item 5180-141-0890).....	-673,572,000
33	-654,831,000

34 Provisions:

35 1. Notwithstanding Chapter 1 (commencing with Section
 36 18000) of Part 6 of Division 9 of the Welfare and In-
 37 stitutions Code, a loan not to exceed \$127,000,000
 38 shall be made available from the General Fund, from
 39 funds not otherwise appropriated, to cover the federal
 40 share of costs of a program when the federal funds

- 1 have not been received by this state prior to the usual
2 time for transmitting that federal share to the counties
3 of this state. This loan from the General Fund shall be
4 repaid when the federal share of costs for the program
5 or programs becomes available.
- 6 2. In the event of declared disaster and upon county re-
7 quest, the State Department of Social Services may
8 act in the place of any county and assume direct respon-
9 sibility for the administration of eligibility and grant
10 determination. Upon recommendation of the Director
11 of Social Services, the Department of Finance may
12 authorize the transfer of funds from Items 5180-141-
13 0001 and 5180-141-0890, to Items 5180-001-0001
14 and 5180-001-0890, for this purpose.
- 15 3. Provision 1 of Item 5180-101-0001 also applies to this
16 item.
- 17 4. Pursuant to public assistance caseload estimates reflect-
18 ed in the annual Governor’s Budget, the Department
19 of Finance may approve expenditures in those amounts
20 made necessary by changes in caseload that are in ex-
21 cess of amounts appropriated in this act. If the Depart-
22 ment of Finance determines that the estimate of expen-
23 ditures will exceed the expenditures authorized for
24 this item, the department shall so report to the Legisla-
25 ture. At the time the report is made, the amount of the
26 appropriation made by this item shall be increased by
27 the amount of the excess unless and until otherwise
28 provided by law.
- 29 5. Nonfederal funds appropriated in this item which have
30 been budgeted to meet the state’s Temporary Assis-
31 tance for Needy Families maintenance-of-effort require-
32 ment established pursuant to the federal Personal Re-
33 sponsibility and Work Opportunity Reconciliation Act
34 of 1996 (P.L. 104-193) may not be expended in any
35 way that would cause their disqualification as a feder-
36 ally allowable maintenance-of-effort expenditure.
- 37 6. Section 11.00 shall apply to contracts entered into for
38 the development and implementation of the Consor-
39 tium IV, Interim Statewide Automated Welfare Sys-
40 tem, Los Angeles Eligibility, Automated Determina-

1 tion, Evaluation, and Reporting, and Welfare Client
 2 Data Systems consortia of the Statewide Automated
 3 Welfare System.
 4 7. Upon request of the Department of Finance, the Con-
 5 troller shall transfer funds between this item and Item
 6 5180-153-0001 as needed to reflect the estimated ex-
 7 penditure amounts for each county that opts into the
 8 Title IV-E Child Welfare Waiver Demonstration Pro-
 9 ject pursuant to Section 18260 of the Welfare and In-
 10 stitutions Code. The Department of Finance shall re-
 11 port to the Legislature the amount to be transferred
 12 pursuant to this provision. The transfer shall be autho-
 13 rized at the time the report is made.

14
 15 *SEC. 36. Item 5180-141-0890 of Section 2.00 of the Budget*
 16 *Act of 2008 is amended to read:*

17
 18 5180-141-0890—For local assistance, Department of Social
 19 Services, for payment to Item 5180-141-0001, payable
 20 from the Federal Trust Fund..... 673,572,000
 21 654,831,000

22 Provisions:
 23 1. Provisions 2, 3, 4, 6, and 7 of Item 5180-141-0001
 24 also apply to this item.

25
 26 *SEC. 37. Item 5180-151-0001 of Section 2.00 of the Budget*
 27 *Act of 2008 is amended to read:*

28
 29 5180-151-0001—For local assistance, Department of Social
 30 Services..... 757,135,000
 31 Schedule:
 32 (1) 25.30-Children and Adult Services
 33 and Licensing..... 2,173,290,000
 34 2,151,082,000
 35 (2) 25.35-Special Programs..... 22,682,000
 36 (3) Reimbursements..... -143,894,000
 37 (4) Amount payable from the Child Health
 38 and Safety Fund (Item 5180-151-
 39 0279)..... -1,264,000

- 1 (5) Amount payable from the State Chil-
- 2 dren’s Trust Fund (Item 5180-151-
- 3 0803)..... -3,755,000
- 4 (6) Amount payable from the Federal
- 5 Trust Fund (Item 5180-151-
- 6 0890)..... ~~-1,285,924,000~~
- 7 *-1,263,716,000*
- 8 (7) Amount payable from the Child Welfare
- 9 Services Program Improvement Fund
- 10 (Item 5180-151-8023)..... -4,000,000
- 11 Provisions:
- 12 1. Provision 1 of Item 5180-101-0001 also applies to this
- 13 item.
- 14 2. Notwithstanding Chapter 1 (commencing with Section
- 15 18000) of Part 6 of Division 9 of the Welfare and In-
- 16 stitutions Code, a loan not to exceed \$50,000,000 shall
- 17 be made available from the General Fund from funds
- 18 not otherwise appropriated, to cover the federal share
- 19 of costs of a program when the federal funds have not
- 20 been received by this state prior to the usual time for
- 21 transmitting that federal share to the counties of this
- 22 state. That loan from the General Fund shall be repaid
- 23 when the federal share of costs for the program be-
- 24 comes available.
- 25 3. The Department of Finance may authorize the estab-
- 26 lishment of positions and transfer of amounts from
- 27 this item to Item 5180-001-0001, in order to allow the
- 28 state to perform the facilities evaluation function of
- 29 Community Care Licensing in the event the counties
- 30 fail to perform that function.
- 31 4. Nonfederal funds appropriated in this item which have
- 32 been budgeted to meet the state’s Temporary Assis-
- 33 tance for Needy Families maintenance-of-effort require-
- 34 ment established pursuant to the federal Personal Re-
- 35 sponsibility and Work Opportunity Reconciliation Act
- 36 of 1996 (P.L. 104-193) may not be expended in any
- 37 way that would cause their disqualification as a feder-
- 38 ally allowable maintenance-of-effort expenditure.
- 39 5. The Department of Finance may authorize the estab-
- 40 lishment of positions and transfer of amounts from

1 this item to Item 5180-001-0001, in order to allow the
 2 state to perform the adoptions function in the event
 3 that a county notifies the State Department of Social
 4 Services that it intends to cease performing that func-
 5 tion.

6 6. (a) Of the amount appropriated in this item,
 7 \$57,836,000 shall be provided to counties to fund
 8 additional child welfare services activities and
 9 shall be allocated based on child welfare services
 10 caseload and county unit costs. However, no
 11 county shall receive less than \$100,000. These
 12 funds shall be expressly targeted for emergency
 13 response, family reunification, family mainte-
 14 nance, and permanent placement services and
 15 shall be used to supplement, and shall not be used
 16 to supplant, child welfare services funds. A
 17 county is not required to provide a match of the
 18 funds received pursuant to this provision if the
 19 county appropriates the required full match for
 20 the county’s child welfare services program exclu-
 21 sive of the funds received pursuant to this provi-
 22 sion. These funds are available only to counties
 23 that have certified that they are fully utilizing the
 24 Child Welfare Services/Case Management System
 25 (CWS/CMS) or have entered into an agreed-upon
 26 plan with the State Department of Social Services
 27 outlining the steps that will be taken to achieve
 28 full utilization. The department shall reallocate
 29 any funds that counties choose not to accept under
 30 this provision, to other counties based on the allo-
 31 cation formula specified in this provision.

32 (b) The department, in collaboration with the County
 33 Welfare Directors Association and representatives
 34 from labor groups representing social workers,
 35 shall develop the definition of full utilization of
 36 the CWS/CMS, the method for measuring full
 37 utilization, the process for the state and counties
 38 to work together to move counties toward full
 39 utilization, and measurements of progress toward
 40 full utilization.

1	(5) 21-Juvenile Education, Vocations, and	
2	Offender Programs.....	5,529,000
3	(6) 22-Juvenile Paroles.....	34,098,000
4	(7) 23-Juvenile Health Care.....	112,786,000
5	(8) 25-Adult Corrections and Rehabilita-	
6	tion Operations.....	4,718,297,000
7		4,899,465,000
8	(9) 30-Parole Operations—Adult.....	752,323,000
9		803,281,000
10	(10) 35-Board of Parole Hearings.....	105,982,000
11	(11) 40-Community Partnerships.....	15,145,000
12		15,030,000
13	(12) 45-Education, Vocations, and Offender	
14	Programs—Adult.....	551,181,005
15		548,331,000
16	(13) Reimbursements.....	-126,998,000
17	(14) Amount payable from the Corrections	
18	Training Fund (Item 5225-001-0170)....	-2,608,000
19	(15) Amount payable from the Federal Trust	
20	Fund (Item 5225-001-0890).....	-7,332,000
21	(16) Amount payable from the Inmate	
22	Welfare Fund (Item 5225-001-	
23	0917).....	-65,075,000
24	Provisions:	
25	1. Any funds recovered as a result of audits of locally	
26	operated return-to-custody centers shall revert to the	
27	General Fund.	
28	2. When contracting with counties for vacant jail beds	
29	for any inmate under the jurisdiction of the Secretary	
30	of the Department of Corrections and Rehabilitation,	
31	the department shall not reimburse counties more than	
32	the average amount it costs the state to provide the	
33	same services in comparable state institutions. This	
34	restriction shall not apply to any existing contract, but	
35	shall apply to the extension or renewal of that contract.	
36	In addition, the total operational cost of incarcerating	
37	state inmates in leased county jail beds (which includes	
38	state costs, but is exclusive of one-time and capital	
39	outlay costs) shall not exceed the department’s average	
40	cost for operating comparable institutions.	

- 1 3. Notwithstanding any other provision of law, but sub-
2 ject to providing 30 days' prior notification to the Joint
3 Legislative Budget Committee, funds appropriated in
4 Schedule (8) or (9), or both, may be transferred to Item
5 5225-101-0001, Schedule (7), upon order of the Direc-
6 tor of Finance, to provide funds for the reimbursement
7 of counties for the cost of holding parole violators in
8 local jail.
- 9 4. Not later than 60 days following enactment of this act,
10 and subsequently on February 10 and upon release of
11 the May Revision, the Secretary of the Department of
12 Corrections and Rehabilitation shall submit to the Di-
13 rector of Finance the Post Assignment Schedule for
14 each adult institution, reconciled to budgeted authority
15 and consistent with approved programs, along with
16 allotments consistent with the reconciled Post Assign-
17 ment Schedule for each adult institution.
- 18 5. Not later than February 17, 2009, the Secretary of the
19 Department of Corrections and Rehabilitation shall
20 submit to the chairpersons and vice chairpersons of
21 the committees in both houses of the Legislature that
22 consider the State Budget and to the Legislative Ana-
23 lyst's Office an operating budget for each of the cor-
24 rectional facilities under the control of the department.
25 Specifically, the report shall include: (a) year-end ex-
26 penditures by program for each institution in the
27 2007-08 fiscal year, (b) allotments and projected ex-
28 penditures by program for each institution in the
29 2008-09 fiscal year, (c) the number of authorized and
30 vacant positions, estimated overtime budget, estimated
31 benefits budget, and operating expense and equipment
32 budget for each institution, and (d) a list of all capital
33 outlay projects occurring or projected to occur during
34 the 2008-09 fiscal year.
- 35 6. Funds appropriated to accommodate projected adult
36 institutional and parolee population levels in excess
37 of those that actually materialize, if any, shall revert
38 to the General Fund.
- 39 7. Of the amount appropriated in this item, \$87,341,000
40 is available for the Consolidated Information Technol-

1 ogy Infrastructure Project. Upon determination of the
2 project costs that can be financed using GS \$mart, any
3 balance in excess of the amounts needed for 2008–09
4 payments shall revert to the General Fund upon order
5 of the Director of Finance. Up to \$45,856,000 may be
6 reverted.

7 8. The Director of Finance may augment this item by up
8 to \$15,000,000 upon approval of a Feasibility Study
9 Report or a Special Project Report by the office of the
10 State Chief Information Officer that identifies a gap
11 and a need for an information technology solution
12 between the development of the Strategic Offender
13 Management System, the Disability and Effective
14 Communication System, and the requirements of the
15 Armstrong v. Schwarzenegger court orders. Any aug-
16 mentation shall be authorized no sooner than 30 days
17 after notification in writing to the Chairperson of the
18 Joint Legislative Budget Committee, or not sooner
19 than whatever lesser time the chairperson of the joint
20 committee or his or her designee may determine.

21 9. Notwithstanding any other provision of law, upon or-
22 der of the Director of Finance, funds appropriated in
23 Schedules (8) and (12) may be transferred between
24 each other for the sole purpose of reconciling expendi-
25 tures in the Division of Adult Institutions with expen-
26 ditures in the Division of Adult Education, Vocation,
27 and Offender Programs in order to comply with the
28 April 3, 2007, court order, in the case of Valdivia v.
29 Schwarzenegger. Transfers between Schedules (8) and
30 (12) shall occur no sooner than 30 days after notifica-
31 tion to the Joint Legislative Budget Committee of ac-
32 tual utilization of In-Custody Treatment Program beds
33 by parole region and how this utilization necessitates
34 the transfer of funds.

35 10. The Department of Corrections and Rehabilitation
36 (DCR) shall continue its efforts in consultation with
37 legislative staff and the Department of Finance to
38 create a more accurate and transparent population
39 budget request for caseload-related funding. In partic-
40 ular, DCR shall identify appropriate funding formulas

1 to use to estimate staffing levels and funding associat-
2 ed with changes in the projected inmate population.
3 These formulas shall be presented to the Legislature
4 no later than January 10, 2009, so as to be considered
5 during budget deliberations. If approved, these formu-
6 las shall be incorporated into DCR's budget request
7 the following year.

- 8 11. Of the amount appropriated in Schedule (1),
9 \$3,270,000 is for contract costs to provide employees
10 of the Department of Corrections and Rehabilitation
11 with tuberculosis testing and Hepatitis B vaccinations.
12 Any funds not expended for this purpose by June 30,
13 2009, shall revert to the General Fund. The Department
14 of Corrections and Rehabilitation shall report actual
15 contract expenditures to the Department of Finance.
- 16 12. The process to award local jail bond funding, autho-
17 rized pursuant to Chapter 7 of the Statutes of 2007,
18 shall be finalized by the Corrections Standard Author-
19 ity prior to the activation of the Northern California
20 Reentry Facility.
- 21 13. The Department of Corrections and Rehabilitation
22 shall establish and implement a system for ensuring
23 consistent reporting of the utilization of funding pro-
24 vided in this item for aftercare rehabilitation services.
25 This information shall be reported to the Legislature
26 in the Governor's 2009–10 January budget proposal.
- 27 14. (a) The funds appropriated in this item are restricted
28 for use by the Department of Corrections and
29 Rehabilitation for the specific programmatic and
30 operational purposes specified in the Supplemen-
31 tal Report of the Budget Act of 2008. The depart-
32 ment shall provide two reports identifying its
33 progress toward expending these funds during the
34 2008–09 fiscal year to the fiscal committees of
35 both houses of the Legislature beginning on Octo-
36 ber 1, 2008. The first report shall be due February
37 1, 2009, and shall separately detail the activities
38 of the first two quarters of the 2008–09 fiscal year.
39 The second report shall be due May 1, 2009, and
40 shall display the activities for the third quarter of

1 the 2008–09 fiscal year. The funds identified in
 2 the Supplemental Report of the Budget Act of
 3 2008 shall be utilized for the purposes specified,
 4 and any unspent funds shall revert to the General
 5 Fund.

6 (b) In situations where fluctuations in population re-
 7 sult in lower expenditure levels as identified in
 8 the department’s population budget change pro-
 9 posals, these savings shall be captured in the
 10 population funding estimates and may be used to
 11 offset other population-related expenditure increas-
 12 es.

13 (c) After providing a 30-day notification period to
 14 the Joint Legislative Budget Committee, the de-
 15 partment may expend funds identified in the
 16 Supplemental Report of the Budget Act of 2008
 17 on other identified needs.
 18

19 *SEC. 40. Item 5225-002-0001 of Section 2.00 of the Budget*
 20 *Act of 2008 is amended to read:*

21

22	5225-002-0001—For support of Department of Corrections	
23	and Rehabilitation.....	2,293,414,000
24		2,324,590,000
25	Schedule:	
26	(1) 10-Corrections and Rehabilitation Ad-	
27	ministration.....	8,314,000
28	(2) 25-Adult Corrections and Rehabilita-	
29	tion operations.....	285,922,000
30	(3) 50.10-Medical Services—Adult.....	1,302,213,000
31		1,329,096,000
32	(4) 50.20-Dental Services—Adult.....	110,689,000
33		115,144,000
34	(5) 50.30-Mental Health Services—	
35	Adult.....	311,820,000
36		311,658,000
37	(6) 50.40-Ancillary Health Care Ser-	
38	vices—Adult.....	215,839,000
39	(7) 50.50-Dental and Mental Health Ser-	
40	vices Administration—Adult.....	60,818,000

- 1 (8) Reimbursements..... -2,201,000
- 2 Provisions:
- 3 1. On February 14, 2006, the United States District Court
- 4 in the case of Plata v. Schwarzenegger (No. C01-1351
- 5 THE) suspended the exercise by the Secretary of the
- 6 Department of Corrections and Rehabilitation of all
- 7 powers related to the administration, control, manage-
- 8 ment, operation, and financing of the California prison
- 9 medical health care system. The court ordered that all
- 10 such powers vested in the Secretary of the Department
- 11 of Corrections and Rehabilitation were to be performed
- 12 by a Receiver appointed by the court commencing
- 13 April 17, 2006, until further order of the court. The
- 14 Director of the Division of Correctional Health Care
- 15 Services of the Department of Corrections and Reha-
- 16 bilitation is to administer this item to the extent direct-
- 17 ed by the Receiver.
- 18 2. Notwithstanding any other provision of law, the De-
- 19 partment of Corrections and Rehabilitation is not re-
- 20 quired to competitively bid for health services con-
- 21 tracts in cases where contracting experience or history
- 22 indicates that only one qualified bid will be received.
- 23 3. Notwithstanding Section 13324 of the Government
- 24 Code or Section 32.00 of this act, no state employee
- 25 shall be held personally liable for any expenditure or
- 26 the creation of any indebtedness in excess of the
- 27 amounts appropriated therefor as a result of complying
- 28 with the directions of the Receiver or orders of the
- 29 United States District Court in Plata v. Schwarzeneg-
- 30 ger.
- 31 4. The amounts appropriated in Schedules (3) and (6)
- 32 are available for expenditure by the Receiver appointed
- 33 by the Plata v. Schwarzenegger court to carry out its
- 34 mission to deliver constitutionally adequate medical
- 35 care to inmates.
- 36 5. The amounts appropriated in Schedules (4), (5), and
- 37 (7) are available for expenditure by the Department
- 38 of Corrections and Rehabilitation to provide mental
- 39 health and dental services only.

- 1 6. Of the funds appropriated for the Receiver in Sched-
2 ules (2), (3), and (6), \$253,807,000 is available for
3 expenditure only for the purposes identified below and
4 any unexpended funds shall revert to the General Fund:
5 (a) Health Care Access Units: \$110,020,000
6 (b) Health Care Guarding and Transportation:
7 \$89,328,000
8 (c) Central Fill Pharmacy: \$8,621,000
9 (d) Pharmaceuticals and Medical Supplies:
10 \$45,838,000
- 11 7. (a) The funds appropriated in this item are restricted
12 for use by the Department of Corrections and re-
13 habilitation for the specific programmatic and
14 operational purposes specified in the Supplemental
15 Report of the Budget Act of 2008. The depart-
16 ment shall provide two reports identifying its
17 progress toward expending these funds during the
18 2008–09 fiscal year to the fiscal committees of
19 both houses of the Legislature beginning on Octo-
20 ber 1, 2008. The first report shall be due February
21 1, 2009, and shall separately detail the activities
22 of the first two quarters of the 2008–09 fiscal year.
23 The second report shall be due May 1, 2009, and
24 shall display the activities for the third quarter of
25 the 2008–09 fiscal year. The funds identified in
26 the Supplemental Report of the Budget Act of
27 2008 shall be utilized for the purposes specified,
28 and any unspent funds shall revert to the General
29 Fund.
- 30 (b) In situations where fluctuations in population re-
31 sult in lower expenditure levels as identified in
32 the department’s population budget change pro-
33 posals, these savings shall be captured in the
34 population funding estimates and may be used to
35 offset other population-related expenditure increas-
36 es.
- 37 (c) After providing a 30-day notification period to
38 the Joint Legislative Budget Committee, the de-
39 partment may expend funds identified in the

Supplemental Report of the Budget Act of 2008
on other identified needs.

- 8. The Department of Corrections and Rehabilitation is required to submit a Budget Change Proposal to request funding to support positions authorized in the Mental Health Staffing Workload Study.

SEC. 41. Item 5225-101-0001 of Section 2.00 of the Budget Act of 2008 is amended to read:

5225-101-0001—For local assistance, Department of Corrections and Rehabilitation.....	64,217,000
	216,059,000

Schedule:

(1) 15-Corrections Standards Authority....	30,265,000
	182,107,000
(2) 20-Juvenile Operations.....	78,000
(3) 22-Juvenile Paroles.....	1,403,000
(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.....	16,480,000
(7) 30-Parole Operations—Adult.....	13,120,000

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 11190 of the Penal Code), in accordance with Section 26749 of the Government Code. Claims filed by local jurisdictions shall be filed within six months after the end of the month

1 in which those transportation costs are incurred.
 2 Expenditures shall be charged to either the fiscal
 3 year in which the claim is received by the Con-
 4 troller or the fiscal year in which the warrant is
 5 issued by the Controller. Claims filed by local
 6 jurisdictions directly with the Controller may be
 7 paid by the Controller.

8 (b) To pay the expenses of returning fugitives from
 9 justice from outside the state, in accordance with
 10 Sections 1389, 1549, and 1557 of the Penal Code.
 11 Claims filed by local jurisdictions shall be filed
 12 within six months after the end of the month in
 13 which expenses are incurred. Expenditures shall
 14 be charged to either the fiscal year in which the
 15 claim is received by the Controller or the fiscal
 16 year in which the warrant is issued by the Con-
 17 troller, and any restitution received by the state
 18 for those expenses shall be credited to the appro-
 19 priation of the year in which the Controller’s re-
 20 ceipt is issued. Claims filed by local jurisdictions
 21 directly with the Controller may be paid by the
 22 Controller.

23 (c) To pay county charges, payable under Sections
 24 4700.1, 4750 to 4755, inclusive, and 6005 of the
 25 Penal Code. Claims shall be filed by local juris-
 26 dictions within six months after the end of the
 27 month in which a service is performed by the
 28 coroner, a hearing is held on the return of a writ
 29 of habeas corpus, the district attorney declines to
 30 prosecute a case referred by the Department of
 31 Corrections and Rehabilitation, a judgment is
 32 rendered for a court hearing or trial, an appeal
 33 ruling is rendered for the trial judgment, or an
 34 activity is performed as permitted by these sec-
 35 tions. Expenditures shall be charged to either the
 36 fiscal year in which the claim is received by the
 37 Controller or the fiscal year in which the warrant
 38 is issued by the Controller. Claims filed by local
 39 jurisdictions directly with the Controller may be
 40 paid by the Controller.

- 1 (d) To reimburse counties for the cost of detaining
2 state parolees pursuant to Section 4016.5 of the
3 Penal Code. Claims shall be filed by local juris-
4 dictions within six months after the end of the
5 month in which the costs are incurred. Claims
6 filed by local jurisdictions may not include
7 booking fees, may not recover detention costs in
8 excess of \$77.17 per day, and shall be limited to
9 the detention costs for those days on which
10 parolees are held subject only to a Department of
11 Corrections and Rehabilitation request pursuant
12 to subdivision (b) of Section 4016.5 of the Penal
13 Code. Expenditures shall be charged to either the
14 fiscal year in which the claim is received by the
15 Department of Corrections and Rehabilitation or
16 the fiscal year in which the warrant is issued.
- 17 2. Notwithstanding any other provision of law, upon 30-
18 day prior notification to the Chairperson of the Joint
19 Legislative Budget Committee, funds appropriated in
20 Schedule (7) of this item may be transferred to
21 Schedule (8) or (9), or both, of Item 5225-001-0001,
22 upon order of the Director of Finance, to provide funds
23 for the reimbursement of counties for the cost of
24 holding parole violators in local jails or for the auditing
25 or monitoring of local assistance costs.
- 26 3. The amounts appropriated in Schedules (2) and (3)
27 are provided for the following purposes:
- 28 (a) To pay the transportation costs of persons commit-
29 ted to the Department of Corrections and Rehabil-
30 itation to or between its facilities, including the
31 return of parole violators, provided that expendi-
32 tures made under this item shall be charged to ei-
33 ther the fiscal year in which the claim is received
34 by the Controller or the fiscal year in which the
35 warrant is issued by the Controller. However,
36 claims shall be filed by local jurisdictions within
37 six months after the end of the month in which
38 the costs are incurred.
- 39 (b) To reimburse counties, pursuant to Section 1776
40 of the Welfare and Institutions Code, for the cost

1 of the detention of the Department of Corrections
 2 and Rehabilitation parolees who are detained on
 3 alleged parole violations, provided that expendi-
 4 tures made under this item shall be charged to ei-
 5 ther the fiscal year in which the claim is received
 6 by the Controller or the fiscal year in which the
 7 warrant is issued by the Controller. However,
 8 claims shall be filed by local jurisdictions within
 9 six months after the end of the month in which
 10 the costs are incurred.

11
 12 *SEC. 42. Item 5225-301-0001 of Section 2.00 of the Budget*
 13 *Act of 2008 is amended to read:*

14
 15 5225-301-0001—For capital outlay, Department of Corrections
 16 and Rehabilitation, payable from the General Fund..... 58,319,000
 17 Schedule:

18 (.6) 60.26.011-O.H. Close Youth Correction-	
19 al Facility, Stockton: Inyo Behavioral	
20 Treatment Program Space—Construc-	
21 tion.....	516,000
22 (.7) 60.26.268-O.H. Close Youth Correction-	
23 al Facility, Stockton: Humboldt Special-	
24 ized Counseling Program Build-	
25 ing—Construction.....	517,000
26 (1) 60.26.269-N. A. Chaderjian Youth	
27 Correctional Facility, Stockton: Sexual	
28 Behavior Treatment Program Counsel-	
29 ing Building No. 1—Construction.....	419,000
30 (2) 60.26.270-N. A. Chaderjian Youth	
31 Correctional Facility, Stockton: Sexual	
32 Behavior Treatment Program Counsel-	
33 ing Building No. 2—Construction.....	517,000
34 (3) 61.01.001-Statewide: Budget Packages	
35 and Advance Planning—Study.....	3,000,000
36 (4) 61.01.203-Statewide: Small Manage-	
37 ment Exercise Yards—Preliminary	
38 plans, working drawings, and construc-	
39 tion.....	25,407,000

1	(5) 61.05.038-Correctional Training Facility, Soledad: Solid Cell Fronts—Working drawings.....	498,000
2		
3		
4	(7) 61.07.107-Folsom State Prison, Represa: Renovate Branch Circuit Wiring, Building No. 5—Working drawings and construction.....	1,876,000
5		
6		
7		
8	(8) 61.09.038-California Medical Facility, Vacaville: Solid Cell Fronts—Construction.....	6,688,000
9		
10		
11	(9) 61.13.016-California Institution for Women, Frontera: 20-Bed Psychiatric Services Unit—Preliminary plans and working drawings.....	747,000
12		
13		
14		
15	(10) 61.14.030-Minor Projects	5,538,000
16	(11) 61.15.035-California Rehabilitation Center, Norco: Replace Men’s Dorms—Working drawings.....	343,000
17		
18		
19	(12) 61.15.039-California Rehabilitation Center, Norco: Install Bar Screen—Preliminary plans and working drawings.....	113,000
20		
21		
22		
23	(13) 61.16.023-Sierra Conservation Center, Jamestown: Filtration/Sedimentation Structure—Construction.....	2,579,000
24		
25		
26	(14) 61.18.008-Mule Creek State Prison, Ione: Wastewater Treatment Plant Improvements—Working drawings.....	542,000
27		
28		
29	(16) 61.34.004-Ironwood State Prison, Blythe: Heating, Ventilation, and Air Conditioning System— Preliminary plans	5,758,000
30		
31		
32		
33	(17) 61.35.014-Salinas Valley State Prison, Soledad: 180 Housing Unit Conversion and Addition to the Mental Health Services Building—Preliminary plans.....	1,694,000
34		
35		
36		
37	(18) 61.35.016-Salinas Valley State Prison, Soledad: Intermediate Care Facility Treatment Space—Preliminary plans and working drawings.....	399,000
38		
39		
40		

1 (19) 61.47.007-California State Prison-
 2 Sacramento, Represa: Enhanced Outpa-
 3 tient Program, Facility B Program,
 4 Treatment, and Office Space—Prelimi-
 5 nary plans..... 1,168,000

6 Provisions:

- 7 1. The funds appropriated in Schedule (3) are to be allo-
 8 cated by the Department of Corrections and Rehabili-
 9 tation, upon approval by the Department of Finance,
 10 to develop design and cost information for new pro-
 11 jects for which funds have not been previously appro-
 12 priated, but for which preliminary plan funds, working
 13 drawings funds, or working drawings and construction
 14 funds are expected to be included in the 2009–10 or
 15 2010–11 Budget Act, and for which cost estimates or
 16 preliminary plans can be developed prior to legislative
 17 hearings on the 2009–10 and 2010–11 Budget Acts,
 18 respectively. Upon approval by the Department of Fi-
 19 nance, these funds may also be used to develop scope
 20 and cost information for projects authorized by Section
 21 15819.40 of the Government Code. These funds may
 22 be used for all of the following: budget package devel-
 23 opment, environmental services, architectural program-
 24 ming, engineering assessments, schematic design, and
 25 preliminary plans. The amount appropriated in this
 26 item for these purposes is not to be construed as a
 27 commitment by the Legislature as to the amount of
 28 capital outlay funds it will appropriate in any future
 29 year. Before using these funds for preliminary plans,
 30 the Department of Corrections and Rehabilitation shall
 31 provide a 20-day notification to the Chairperson of
 32 the Joint Legislative Budget Committee, the chairper-
 33 sons of the respective fiscal committee of each house
 34 of the Legislature, and the legislative members of the
 35 State Public Works Board, discussing the scope, cost,
 36 and future implications of the use of funds for prelimi-
 37 nary plans.
- 38 2. As used in this appropriation, studies shall include site
 39 studies and suitability reports, environmental studies,

- 1 master planning, architectural programming and
2 schematics.
- 3 3. The unexpended portion of funds appropriated in
4 Schedules (9), (17), and (18) shall be reverted if the
5 projects for which they are appropriated are removed
6 from the mental health bed plan, as approved by the
7 Coleman Court, and are no longer necessary to meet
8 the mental health space needs required by the Coleman
9 Court.
- 10 4. The Department of Corrections and Rehabilitation
11 shall report to, in writing, the chairpersons of the
12 committees in each house of the Legislature that con-
13 sider appropriations and the Chairperson of the Joint
14 Legislative Budget Committee by May 1, 2009, on
15 the reconciliation of the funds appropriated in Schedule
16 (10).
- 17 5. *Notwithstanding any other provision of law, the funds*
18 *appropriated in Schedule (4) shall be subject to the*
19 *following:*
- 20 (a) *Upon approval of the Department of Finance, the*
21 *funds appropriated in Schedule (4) may be aug-*
22 *mented by up to \$8,593,000 if doing so will enable*
23 *the Department of Corrections and Rehabilitation*
24 *to comply with the order in Coleman v. Wilson*
25 *requiring completion of this project by June 30,*
26 *2009. No such augmentation shall be approved*
27 *until the Department of Finance has certified that*
28 *bids have been received and that approving an*
29 *augmentation will enable the Department of*
30 *Corrections and Rehabilitation to comply with*
31 *the court order. Upon making such a finding, the*
32 *Department of Finance shall provide written no-*
33 *tification to the Joint Legislative Budget Commit-*
34 *tee and the chairpersons of the fiscal committees*
35 *in each house of the Legislature at least 30 days*
36 *prior to State Public Works Board approval of*
37 *the augmentation, or any lesser time the chairper-*
38 *son of the Joint Legislative Budget Committee, or*
39 *his or her designee, may determine.*

- 1 (b) *In order to expedite the design and construction*
- 2 *of the project, the Department of Corrections and*
- 3 *Rehabilitation is authorized to perform any work*
- 4 *to be done on this project using day labor, nego-*
- 5 *tiated contract, contract made upon informal bids,*
- 6 *or a combination thereof without the necessity of*
- 7 *complying with the State Contract Act (Chapter*
- 8 *1 (commencing with Section 10100) of Part 2 of*
- 9 *Division 2 of the Public Contract Code) or any*
- 10 *part thereof.*
- 11 (c) *Entities may be selected by the Department of*
- 12 *Corrections and Rehabilitation subject to all of*
- 13 *the following criteria:*
- 14 (1) *The Department of Corrections and Rehabil-*
- 15 *itation shall utilize, as the primary selection*
- 16 *criteria, the demonstrated competence and*
- 17 *qualifications for the design, developing,*
- 18 *construction, rebuilding, improvement, or*
- 19 *repair, or any combination thereof, of the*
- 20 *project.*
- 21 (2) *The Department of Corrections and Rehabil-*
- 22 *itation shall ensure that the construction of*
- 23 *the project is delivered under contracts en-*
- 24 *tered into pursuant to this section at a fair*
- 25 *and reasonable price.*
- 26 (d) *If an augmentation pursuant to subdivision (a) is*
- 27 *not approved, these funds shall be available for*
- 28 *augmentation by the State Public Works Board,*
- 29 *pursuant to subdivision (e) and (g) of Section*
- 30 *13332.11 of the Government Code. No other*
- 31 *provision of Section 13332.11 of the Government*
- 32 *Code shall apply.*
- 33 (e) *All plans and specifications for the project shall*
- 34 *comply with all applicable building codes for state*
- 35 *owned facilities.*
- 36 (f) *Notwithstanding the provisions of Section 3247*
- 37 *of the Civil Code, the contractor under any con-*
- 38 *tract made under this chapter need not provide a*
- 39 *payment bond before the commencement of the*
- 40 *work but must provide a payment bond as other-*

1 wise required by law prior to payment under the
2 contract.

3 (g) Other than as provided in this provision, private
4 sector methods may be used to deliver the project.
5 Specifically, the design, procurement and contract-
6 ing of the project is not subject to the State Con-
7 tract Act (Chapter 1 (commencing with Section
8 10100) of Part 2 of Division 2 of the Public Con-
9 tract Code), Chapter 10 (commencing with Sec-
10 tion 4525) of Division 5 of Title 1 of the Govern-
11 ment Code, or any other provision of California
12 law governing public procurement or public
13 works projects.

14 (h) The provisions of Section 7003 of the Penal Code
15 shall not apply to the project.

16
17 SEC. 43. Item 5225-301-0660 of Section 2.00 of the Budget
18 Act of 2008 is amended to read:

19	5225-301-0660—For capital outlay, Department of Corrections	
20	and Rehabilitation, payable from the Public Buildings	
21	Construction Fund.....	62,355,000
22		198,630,000
23		

24 Schedule:

25	(.3) 61.07.029-Folsom State Prison, Represa:	
26	Convert Officer and Guards Building to	
27	Office Space—Construction.....	6,768,000
28	(.5) 61.10.101-California Men’s Colony, San	
29	Luis Obispo: Central Kitchen Replace-	
30	ment—Working drawings and construc-	
31	tion.....	15,263,000
32	(1) 61.12.027-San Quentin State Prison:	
33	Condemned Inmate Complex—Working	
34	drawings and construction.....	136,275,000
35	(2) 61.15.035-California Rehabilitation	
36	Center, Norco: Replace Men’s	
37	Dorms—Construction.....	14,993,000
38	(3) 61.22.006-Chuckwalla Valley State Pri-	
39	son, Blythe: Wastewater Treatment Plant	
40	Improvements—Construction.....	25,331,000

- 1 Provisions:
2 1. The State Public Works Board may issue lease-revenue
3 bonds, notes, or bond anticipation notes pursuant to
4 Chapter 5 (commencing with Section 15830) of Part
5 10b of Division 3 of Title 2 of the Government Code
6 to finance the construction of the projects authorized
7 by this item.
8 2. The Department of Corrections and Rehabilitation and
9 the State Public Works Board are authorized and di-
10 rected to execute and deliver any and all leases, con-
11 tracts, agreements, or other documents necessary or
12 advisable to consummate the sale of bonds or other-
13 wise effectuate the financing of the scheduled projects.
14 3. The State Public Works Board shall not be deemed a
15 lead or responsible agency for purposes of the Califor-
16 nia Environmental Quality Act (Division 13 (commenc-
17 ing with Section 21000) of the Public Resources Code)
18 for any activities under the State Building Construction
19 Act of 1955 (Part 10b (commencing with Section
20 15800) of Division 3 of Title 2 of the Government
21 Code). This provision does not exempt the Department
22 of Corrections and Rehabilitation from the require-
23 ments of the California Environmental Quality Act.
24 This provision is declaratory of existing law.
25 4. Notwithstanding any other provision of law, the funds
26 appropriated in this item shall be available for expen-
27 diture during the 2008–09 fiscal year, except appropri-
28 ations for acquisitions which shall be available for
29 expenditure until June 30, 2011, appropriations for
30 working drawings which shall be available for expen-
31 diture until June 30, 2010, and appropriations for
32 construction which shall be available for expenditure
33 until June 30, 2013. In addition, the balance of the
34 funds appropriated for construction that have not been
35 allocated, through fund transfer or approval to bid, by
36 the Department of Finance on or before June 30, 2011,
37 shall revert as of that date to the fund from which the
38 appropriation was made.
39

1 SEC. 44. Item 6110-001-0001 of Section 2.00 of the Budget
2 Act of 2008 is amended to read:

3
4 6110-001-0001—For support of Department of Education..... 42,685,000
5 42,307,000

6 Schedule:

7 (2) 20-Instructional Support..... ~~174,245,000~~
8 174,201,000

9 (3) 30-Special Programs..... 54,659,000

10 (4) 40-Executive Management and Special
11 Services..... 9,801,000

12 (6) 42.01-Department Management and
13 Special Services..... 33,345,000

14 (7) 42.02-Distributed Department Manage-
15 ment and Special Services..... ~~-33,345,000~~

16 (8) Reimbursements..... ~~-19,511,000~~

17 (8.5) Unallocated Reduction..... ~~-5,121,000~~

18 (9) Amount payable from Federal Trust
19 Fund (Item 6110-001-0890)..... ~~-170,681,000~~
20 ~~-171,015,000~~

21 (10) Amount payable from Mental Health
22 Services Fund (Item 6110-001-3085).... ~~-707,000~~

23 Provisions:

24 1. Notwithstanding Section 33190 of the Education Code,
25 or any other provision of law, the State Department
26 of Education shall expend no funds to prepare (a) a
27 statewide summary of student performance on school
28 district proficiency assessments or (b) a compilation
29 of information on private schools with five or fewer
30 pupils.

31 2. Funds appropriated in this item may be expended or
32 encumbered to make one or more payments under a
33 personal services contract of a visiting educator pur-
34 suant to Section 19050.8 of the Government Code, a
35 long-term special consultant services contract, or an
36 employment contract between an entity that is not a
37 state agency and a person who is under the direct or
38 daily supervision of a state agency, only if all of the
39 following conditions are met:

- 1 (a) The person providing service under the contract
- 2 provides full financial disclosure to the Fair Political
- 3 Practices Commission in accordance with the
- 4 rules and regulations of the commission.
- 5 (b) The service provided under the contract does not
- 6 result in the displacement of any represented civil
- 7 service employee.
- 8 (c) The rate of compensation for salary and health
- 9 benefits for the person providing service under
- 10 the contract does not exceed by more than 10
- 11 percent the current rate of compensation for salary
- 12 and health benefits determined by the Department
- 13 of Personnel Administration for civil service per-
- 14 sonnel in a comparable position. The payment of
- 15 any other compensation or any reimbursement
- 16 for travel or per diem expenses shall be in accord-
- 17 ance with the State Administrative Manual and
- 18 the rules and regulations of the California Victim
- 19 Compensation and Government Claims Board.
- 20 3. The funds appropriated in this item may not be expend-
- 21 ed for any REACH program.
- 22 4. The funds appropriated in this item may not be expend-
- 23 ed for the development or dissemination of program
- 24 advisories, including, but not limited to, program ad-
- 25 visories on the subject areas of reading, writing, and
- 26 mathematics, unless explicitly authorized by the State
- 27 Board of Education.
- 28 5. Of the funds appropriated in this item, \$206,000 shall
- 29 be available as matching funds for the Department of
- 30 Rehabilitation to provide coordinated services to dis-
- 31 abled pupils. Expenditure of the funds shall be identi-
- 32 fied in the memorandum of understanding or other
- 33 written agreement with the Department of Rehabilita-
- 34 tion to ensure an appropriate match to federal vocation-
- 35 al rehabilitation funds.
- 36 6. Of the funds appropriated in this item, no less than
- 37 \$2,420,000 is available for support of child care ser-
- 38 vices, including state preschool.
- 39 7. Of the funds appropriated in this item, \$164,000 is
- 40 provided solely for the purpose of funding existing

- 1 positions from within the State Department of Educa-
2 tion to provide the Curriculum Development and
3 Supplemental Materials Commission with subject
4 matter specialists.
- 5 8. Of the funds appropriated in this item, \$200,000 is
6 available for a review of proposals submitted by school
7 districts that wish to participate in the Mathematics
8 and Reading Professional Development Program. The
9 selection of the reviewer shall be subject to the ap-
10 proval of the State Board of Education.
- 11 9. Of the funds appropriated in this item, \$939,000, as
12 subsequently adjusted for employee compensation,
13 shall be available for costs associated with the admin-
14 istration of the High Priority Schools Grant Program
15 pursuant to Article 3.5 (commencing with Section
16 52055.600) of Chapter 6.1 of Part 28 of Division 4 of
17 Title 2 of the Education Code and the Immediate Inter-
18 vention/Underperforming Schools Program pursuant
19 to Article 3 (commencing with Section 52053) of
20 Chapter 6.1 of Part 28 of Division 4 of Title 2 of the
21 Education Code.
- 22 10. By October 31 of each year, the State Department of
23 Education (SDE) shall provide to the Department of
24 Finance a file of all charter school average daily atten-
25 dance (ADA) and state and local revenue associated
26 with charter school general purpose entitlements as
27 part of the P2 Revenue Limit File. By March 1, 2008,
28 the SDE shall provide to the Department of Finance
29 a file of all charter school ADA and state and local
30 revenue associated with charter school general purpose
31 entitlements as part of the P1 Revenue Limit File. It
32 is the expectation that such reports will be provided
33 annually.
- 34 11. On or before April 15, 2008, the State Department of
35 Education (SDE) shall provide to the Department of
36 Finance an electronic file that includes complete dis-
37 trict- and county-level state appropriations limit infor-
38 mation reported to the SDE. The SDE shall make every
39 effort to ensure that all districts have submitted the

- 1 necessary information requested on the relevant report-
2 ing forms.
- 3 12. The State Department of Education shall make infor-
4 mation available to the Department of Finance, the
5 Legislative Analyst’s Office, and the budget commit-
6 tees of each house of the Legislature by October 31,
7 March 31, and May 31 of each year regarding the
8 amount of Proposition 98 savings estimated to be
9 available for reversion by June 30 of that year.
- 10 13. Of the reimbursement funds appropriated in this item,
11 \$2,000,000 shall be available to the State Department
12 of Education for nutrition education and physical ac-
13 tivity promotion pursuant to an interagency agreement
14 with the State Department of Public Health.
- 15 14. The report required by Section 60800 of the Education
16 Code for the physical performance test is not required
17 to be printed and mailed, but shall be compiled and
18 reported electronically.
- 19 15. Reimbursement expenditures pursuant to this item re-
20 sulting from the imposition by the State Department
21 of Education (SDE) of a commercial copyright fee
22 may not be expended sooner than 30 days after the
23 SDE submits to the Department of Finance a legal
24 opinion affirming the authority to impose such fees
25 and the arguments supporting that position against any
26 objections or legal challenges to the fee filed with the
27 SDE. Any funds received pursuant to imposition of a
28 commercial copyright fee may only be expended as
29 necessary for outside counsel contingent on a certifi-
30 cation of the Superintendent of Public Instruction that
31 sufficient expertise is not available within departmental
32 legal staff. The SDE shall not expend greater than
33 \$300,000 for such purposes without first notifying the
34 Department of Finance of the necessity thereof, and
35 upon receiving approval in writing.
- 36 16. Of the funds appropriated in this item, \$2,000,000 is
37 provided on a one-time basis for legal representation
38 from the office of the Attorney General in litigation
39 related to the California High School Exit Examina-
40 tion. The State Department of Education (SDE) shall

1 provide a report to the Department of Finance and the
2 Legislature detailing the expenditures of these funds
3 and providing an update on any such litigation on
4 November 1, 2008, and every four months thereafter,
5 with the final report due on June 30, 2009. The office
6 of the Attorney General shall provide the SDE any
7 information, including budget and expenditure data,
8 necessary for the SDE to complete its reports to the
9 Department of Finance and the Legislature.

10 (a) Of the funds in this provision, up to \$767,000 may
11 be used for one-time costs related to the implemen-
12 tation of Chapter 751 of the Statutes of 2006.

13 17. Of the funds appropriated in this item, \$175,000 shall
14 only be available to support a \$175,000 interagency
15 agreement with the California Career Resource Net-
16 work to provide continuing support for the operations
17 of that organization.

18 18. Of the amount appropriated in this item, \$139,000
19 from reimbursement funds may be expended for ad-
20 ministering the Education Technology K–12 Voucher
21 Program pursuant to the Microsoft settlement.

22 19. Of the funds appropriated in this item, up to
23 \$1,011,000 is for dispute resolution services, including
24 mediation and fair hearing services, provided through
25 contract for special education programs.

26 20. Of the reimbursement funds appropriated in this item,
27 \$422,000 shall be available to the State Department
28 of Education to contract for assistance in developing
29 an approved listing of food and beverage items that
30 comply with the nutrition standards of Chapters 235
31 and 237 of the Statutes of 2005. In order to fund the
32 development and maintenance of the approved product
33 listing, the State Department of Education shall collect
34 a fee, as it deems appropriate, from vendors seeking
35 to have their product reviewed for potential placement
36 on the approved product listing. Reimbursements col-
37 lected in the 2008–09 fiscal year may be used to offset
38 costs incurred in the 2006–07 and 2007–08 fiscal
39 years.

1 23. Within 30 days after the enactment of this act, the State
 2 Department of Education (SDE) shall report to the
 3 fiscal committees of the Legislature and the Legislative
 4 Analyst’s Office regarding the reductions in positions
 5 and appropriations that were taken as a result of the
 6 unallocated reduction in this item. The report from the
 7 SDE shall include information regarding the division,
 8 position description, and position level of all position
 9 reductions. The SDE also shall identify the program
 10 supported by each position reduction. For every divi-
 11 sion experiencing a reduction, the SDE shall provide
 12 data on the total number of remaining positions, by
 13 position level and program supported. The SDE also
 14 shall provide a list of the divisions not experiencing
 15 any reductions.

16 New SDE positions authorized by this act shall be
 17 filled for the purposes stated in this act and shall not
 18 be used to offset the unallocated reduction in this item.

19 24. Of the funds appropriated in Schedule (2), up to
 20 \$536,000 is for transfer by the Controller to the State
 21 Instructional Materials Fund for allocation during the
 22 2008–09 fiscal year pursuant to Article 3 (commencing
 23 with Section 60240) of Chapter 2 of Part 33 of Divi-
 24 sion 4 of Title 2 of the Education Code.

25 These funds shall be transferred in amounts claimed
 26 by the State Department of Education (SDE), for direct
 27 disbursement by the SDE from the Instructional Mate-
 28 rials Fund.

29 25. Of the reimbursement funds appropriated in Schedule
 30 (8), \$500,000 is for the support of “Green” California
 31 Partnership Academies pursuant to legislation enacted
 32 in the 2007–08 Regular Session. These funds shall be
 33 available for expenditure until June 30, 2011.

34
 35 *SEC. 45. Item 6110-001-0890 of Section 2.00 of the Budget*
 36 *Act of 2008 is amended to read:*

1	6110-001-0890—For support of Department of Education, for	
2	payment to Item 6110-001-0001, payable from the Federal	
3	Trust Fund.....	170,681,000
4		171,015,000

5 Provisions:

- 6 1. The funds appropriated in this item include federal
- 7 Carl D. Perkins Vocational and Technical Education
- 8 Act of 2006 funds for the 2007–08 fiscal year to be
- 9 transferred to community colleges by means of intera-
- 10 gency agreements. These funds shall be used by com-
- 11 munity colleges for the administration of career tech-
- 12 nical education programs.
- 13 2. Of the funds appropriated in this item, \$96,000 is
- 14 available to the Advisory Commission on Special Ed-
- 15 ucation for the in-state travel expenses of the commis-
- 16 sioners and the secretary to the commission.
- 17 3. Of the funds appropriated in this item, \$426,000 is
- 18 available for programs for homeless youth and adults
- 19 pursuant to the federal McKinney-Vento Homeless
- 20 Assistance Act (42 U.S.C. Sec. 11431 et seq.). The
- 21 State Department of Education shall consult with the
- 22 Department of Community Services and Development,
- 23 the State Department of Mental Health, the Department
- 24 of Housing and Community Development, and the
- 25 Commission for Economic Development in operating
- 26 this program.
- 27 4. Of the funds appropriated in this item, up to \$364,000
- 28 shall be used to provide in-service training for special
- 29 and regular educators and related persons, including,
- 30 but not limited to, parents, administrators, and organi-
- 31 zations serving severely disabled children. These funds
- 32 are also to provide up to 4.0 positions for this purpose.
- 33 5. Of the funds appropriated in this item, \$318,000 shall
- 34 be used to provide training in culturally nonbiased
- 35 assessment and specialized language skills to special
- 36 education teachers.
- 37 6. (a) Of the funds appropriated in this item,
- 38 \$11,779,000 is from the Child Care and Develop-
- 39 ment Block Grant Fund and is available for sup-
- 40 port of child care services. Of this amount,

1 \$1,547,000 is for 13.0 positions to address com-
 2 pliance monitoring and overpayments, which may
 3 contribute to early detection of fraud. This in-
 4 cludes 7.0 new positions in the 2008–09 fiscal
 5 year to audit all federally subsidized child care
 6 agencies pursuant to new federal regulations per
 7 Part 98 of Title 45 of the Code of Federal Regula-
 8 tions. The State Department of Education (SDE)
 9 shall provide information to the Legislature and
 10 Department of Finance each year that quantifies
 11 provider-by-provider level data, including in-
 12 stances and amounts of overpayments and fraud,
 13 as documented by the SDE’s compliance monitor-
 14 ing efforts for the prior fiscal year.

15 (b) As a condition of receiving the resources specified
 16 in subdivision (a), every alternative payment
 17 agency and subsidized general child care agency
 18 will be audited each year using sufficient sampling
 19 of provider records of the following: (1) family
 20 fee determinations, (2) income eligibility, (3) rate
 21 limits, and (4) basis for hours of care, to determine
 22 compliance rates, any instances of misallocation
 23 of resources, and the amount of funds expected
 24 to be recovered from instances of both potential
 25 fraud and overpayment when no intent to defraud
 26 is suspected. This information will be contained
 27 in a separate report for each provider, with a sin-
 28 gle statewide summary report annually submitted
 29 to the Governor and the Legislature no later than
 30 April 15.

31 7. Of the funds appropriated in this item, \$1,066,000
 32 shall be used for administration of the federal Enhanc-
 33 ing Education Through Technology Grant Program.
 34 Of this amount:

35 (a) \$150,000 is available only for contracted technical
 36 support and evaluation services.

37 8. Of the funds appropriated in this item, \$9,206,000 is
 38 for dispute resolution services, including mediation
 39 and fair hearing services, provided through contract
 40 for the special education programs. The State Depart-

1 ment of Education shall ensure the quarterly reports
2 that the contractor submits on the results of its dispute
3 resolution services include the same information as
4 required by Provision 9 of Item 6110-001-0890 of
5 Chapters 47 and 48 of the Statutes of 2006 and Section
6 56504.5 of the Education Code and reflect year-to-
7 date data and final yearend data.

8 9. Of the amount provided in this item, \$881,000 is pro-
9 vided for staff for the Special Education Focused
10 Monitoring Pilot Program to be established by the
11 State Department of Education for the purpose of
12 monitoring local educational agency compliance with
13 state and federal laws and regulations governing spe-
14 cial education.

15 10. Of the funds appropriated in this item, \$125,000 shall
16 be allocated for increased travel costs associated with
17 program reviews conducted by the Special Education
18 Division Focused Monitoring and Technical Assistance
19 units. Expenditure of these funds is subject to Depart-
20 ment of Finance approval of an expenditure plan. The
21 expenditure plan shall include the proposed travel costs
22 associated with focused monitoring and technical as-
23 sistance provided by the State Department of Educa-
24 tion. It shall also include the estimated type and num-
25 ber of reviews to be conducted and shall provide an
26 estimated average cost per type of review. Annual re-
27 newal of this funding is subject to Department of Fi-
28 nance approval of an annual focused monitoring final
29 expenditure report. The report shall be submitted on
30 or before September 30, 2008. It shall provide the total
31 number of reviews conducted each fiscal year, the
32 amount of staff and personnel days and hours associ-
33 ated with each category of review, the travel costs as-
34 sociated with the type and number of reviews conduct-
35 ed, and an average cost per type of review.

36 11. Of the funds appropriated in this item, \$500,000 is for
37 the State Department of Education to contract for an-
38 nual evaluations of Reading First program effective-
39 ness.

- 1 12. Of the amount appropriated in this item, \$832,000
2 (\$600,000 reimbursements and \$232,000 federal spe-
3 cial education funds) shall be used to fund 6.0 posi-
4 tions and implement the provisions of Chapter 914 of
5 the Statutes of 2004 for increased monitoring of non-
6 public, nonsectarian schools.
- 7 13. Of the funds appropriated in this item, \$443,000 is for
8 3.0 positions within the State Department of Education
9 for increased monitoring associated with mental health
10 services required by an individualized education plan
11 pursuant to Chapter 493 of the Statutes of 2004.
- 12 14. Of the funds appropriated in this item, \$1,874,000 is
13 available on a one-time basis to implement the Child
14 Nutrition Information and Payment System.
- 15 15. Of the funds appropriated in this item, \$2,506,000
16 shall be used for the administration of the 21st Century
17 Community Learning Centers Program.
- 18 16. Of the funds appropriated in this item, \$109,000 shall
19 be made available to the Office of the Secretary for
20 Education for state operation costs associated with
21 federal and state accountability activities.
- 22 17. Of the funds appropriated in this item, \$175,000 in
23 federal Carl D. Perkins Vocational and Technical Ed-
24 ucation Act of 2006 funding shall only be available to
25 support a \$175,000 interagency agreement with the
26 California Career Resource Network to provide con-
27 tinuing support for the operations of that organization.
- 28 18. Of the amount appropriated in this item, \$100,000 is
29 available for an interagency agreement with the Cali-
30 fornia Career Resource Network to develop career re-
31 source materials and information pursuant to Provision
32 1 of Item 6330-001-0001.
- 33 19. Of the funds appropriated in this item, \$1,244,000 is
34 available on a one-time basis from federal Title II
35 funds for the State Department of Education to extend
36 1.0 limited-term position authorized in 2007 and fund
37 2.0 additional limited-term positions through June 30,
38 2009, and other costs associated with the development
39 of the California Longitudinal Teacher Integrated
40 Data Education System (CALTIDES). Of this amount,

- 1 \$398,000 is available for an interagency agreement
2 with the Commission on Teacher Credentialing to ex-
3 tend 2.5 limited-term positions through June 30, 2009,
4 and support other costs associated with the develop-
5 ment of CALTIDES.
- 6 20. Of the funds appropriated in this item, \$945,000 of
7 federal Title II funds is for the Compliance Monitoring,
8 Intervention, and Sanctions (CMIS) Program. This
9 program is designed to help school districts meet the
10 highly qualified teacher requirements specified in the
11 federal No Child Left Behind Act of 2001 (20 U.S.C.
12 Sec. 6301 et seq.). By April 1, 2009, the State Depart-
13 ment of Education shall submit a report on the CMIS
14 Program to the budget and policy committees of the
15 Legislature. The report shall identify (a) the number
16 of school districts that received CMIS support in the
17 2008–09 fiscal year, and (b) the major components of
18 the plans that those districts developed to respond to
19 the federal highly qualified teacher requirements. For
20 each participating district, the report also shall provide
21 longitudinal data on the number and percent of teachers
22 who are and are not highly qualified. At a mini-
23 mum, the 2008–09 report shall include finalized data
24 for the 2007–08 fiscal year and initial data for the
25 2008–09 fiscal year. The report shall provide data
26 separately for high- and low-poverty schools. For
27 comparison, the report shall provide the same longitu-
28 dinal data for the statewide average of all school dis-
29 tricts as well as the average for school districts not
30 receiving CMIS support.
- 31 21. The State Department of Education shall submit an
32 independent evaluation of the Statewide System of
33 School Support to the appropriate fiscal and policy
34 committees of the Legislature, the Legislative Ana-
35 lyst’s Office, and the Department of Finance no later
36 than April 1, 2009.
- 37 22. The following funds appropriated in this item are for
38 the development of a comprehensive strategy to ad-
39 dress data reporting requirements and the development
40 of the California Longitudinal Pupil Achievement

- 1 Data System (CALPADS) to meet the requirements
- 2 of the federal No Child Left Behind Act of 2001 (P.L.
- 3 107-110) and Chapter 1002 of the Statutes of 2002:
- 4 (a) \$730,000 and 5.0 positions to support state oper-
- 5 ations for a comprehensive strategy to address
- 6 data reporting requirements.
- 7 (b) \$2,544,000 and 1.0 position to support state oper-
- 8 ations related to the development of CALPADS.
- 9 Up to \$1,114,000 may be used to support the in-
- 10 volvement of California School Information Ser-
- 11 vices staff in the development of CALPADS.
- 12 (c) \$606,000 from the Statewide Longitudinal Data
- 13 System Grant for use in the development of
- 14 CALPADS.
- 15 (d) \$115,000 and 1.0 position to support workload
- 16 associated with coordinating data collection and
- 17 sharing for CALPADS and for the federal Educa-
- 18 tion Data Exchange Network.
- 19 (e) \$2,181,000 in one-time funding for hardware
- 20 purchases, data center services, and software li-
- 21 censing to develop CALPADS.
- 22 (f) \$3,225,000 is reserved for costs in the 2009–10
- 23 fiscal year associated with the development of
- 24 CALPADS.
- 25 (g) Of the funds appropriated in paragraphs (a) to (f),
- 26 inclusive, \$4,913,000 is provided in one-time
- 27 federal Title VI carryover funds.
- 28 (h) Subject to an approved special project report,
- 29 \$5,336,000 in one-time federal Title VI funds is
- 30 available for the California Longitudinal Pupil
- 31 Achievement Data System. Of this amount,
- 32 \$5,111,000 is for vendor contract costs and
- 33 \$225,000 is for data center costs.
- 34 23. Of the funds appropriated in this item, \$1,250,000 is
- 35 to develop and implement a standardized, evidence-
- 36 based assessment, pursuant to legislation, to allow el-
- 37 igible pupils with disabilities to demonstrate the com-
- 38 petence necessary to pass the California High School
- 39 Exit Examination.

- 1 24. Of the funds appropriated in this item, \$378,000 and
2 4.0 positions are provided to support workload for the
3 federal ~~School Improvement Grant (SIG) Program~~.
4 ~~Funds shall be allocated pursuant to legislation~~ *school*
5 *improvement in accordance with legislation enacted*
6 *in the 2007–08 Regular Session related to federal*
7 *school improvement.*
- 8 25. Of the funds appropriated in this item, \$385,000 is
9 available to the State Department of Education on a
10 one-time basis for the cost of translating state proto-
11 type documents into languages other than English.
12 The department shall contract with appropriate trans-
13 lators or translator services to translate these docu-
14 ments. The department shall post all documents
15 translated pursuant to this provision on its existing
16 Internet-based electronic clearinghouse system of state
17 and locally translated parental notification documents.
- 18 26. Of the funds appropriated in this item, \$600,000 is
19 one-time federal Title I Migrant Education Program
20 carryover funds available to augment the contract for
21 a three-year program evaluation to meet federal Title
22 I Migrant Education Program requirements.
- 23 29. Of the funds appropriated in this item, \$285,000 is
24 available from the Child Care and Development Block
25 Grant Fund on a one-time basis to develop a request
26 for proposals to seek a solution for replacement of the
27 Provider Accounting and Reporting Information Sys-
28 tem (PARI\$), and to contract for project management
29 and oversight. The State Department of Education
30 (SDE) shall require the vendor to propose a cost-effec-
31 tive solution in which interim functions that are du-
32 plicative of the Financial Information System for
33 California (FI\$Cal) will be decommissioned when
34 FI\$Cal is fully implemented. The SDE shall also re-
35 quire the vendor to address any modifications to the
36 child care contracting process that may be implement-
37 ed through legislation enacted during the current leg-
38 islative session or through regulations deemed neces-
39 sary to more fully utilize available appropriations in
40 the solution to rewrite PARI\$.

- 1 30. Of the funds appropriated in this item, \$308,000 is
2 available from Title II funds for an interagency
3 agreement with the Commission on Teacher Credent-
4 tialing to support teacher misassignment monitoring
5 activities.
- 6 31. Of the funds appropriated in this item, \$109,000 is
7 provided in federal Title III funds to make permanent
8 1.0 existing limited-term position to support the En-
9 glish language learner component of the Mathematics
10 and Reading Professional Development Program.
- 11 32. Of the funds appropriated in this item, \$500,000 in
12 one-time federal Title III carryover funds is available
13 to augment an evaluation of the English Language
14 Learner Acquisition and Development Pilot Program
15 as previously authorized in Provision 48 of Item 6110-
16 001-0890 of the Budget Act of 2007 (Chs. 171 and
17 172, Stats. 2007). Prior to the release of the request
18 for applications for the evaluation required pursuant
19 to subdivision (h) of Section 420 of the Education
20 Code, the State Department of Education shall consult
21 with the Department of Finance, the Legislative Ana-
22 lyst’s Office, and the appropriate legislative policy
23 and fiscal staff to discuss the scope of the evaluation.
- 24 33. Of the funds appropriated in this item, \$1,600,000 in
25 one-time federal Title III carryover funds is available
26 during the 2008–09, 2009–10, and 2010–11 fiscal
27 years to contract with a county office of education or
28 institution of higher education for specialized English
29 language learner instructional training and technical
30 assistance in county court and Division of Juvenile
31 Justice schools. This funding shall supplement, and
32 not supplant, English language learner services.
- 33 34. Of the funds appropriated in this item, \$1,200,000 in
34 one-time federal Title III carryover funds is set aside
35 for Title III state-level activities in the 2009–10 fiscal
36 year.
- 37 35. Of the funds appropriated in this item, \$1,250,000 in
38 one-time federal special education carryover funds is
39 available during the 2008–09, 2009–10, and 2010–11
40 fiscal years to contract with a county office of educa-

tion or institution of higher education for special education instructional training and technical assistance in county court schools. This funding shall supplement, and not supplant, existing special education services.

36. *Of the funds appropriated in this item, \$334,000 is available on a one-time basis to fund the first year of a three-year, independent evaluation as set forth in legislation enacted in the 2007–08 Regular Session related to federal school improvement.*

SEC. 46. *Item 6110-101-0349 of Section 2.00 of the Budget Act of 2008 is amended to read:*

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.....	1,225,000
	9,125,000

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 2007–08 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.
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.
3. *Of the amount appropriated in this item, \$7,900,000 is for districts that have not previously participated in CSIS or the CSIS Best Practices Cohort project. Funds shall be allocated pursuant to Section 49084 of the Education Code and consistent with the existing CSIS Best Practices Cohort Implementation Plan.*

1 SEC. 47. Item 6110-103-0001 of Section 2.00 of the Budget
2 Act of 2008 is amended to read:

3
4 6110-103-0001—For local assistance, Department of Education
5 (Proposition 98), Program 10.10.001.005-School Appor-
6 tionments, for transfer to Section A of the State School
7 Fund, for the purposes of Section 8152 of the Education
8 Code..... 13,765,000
9 13,350,000

10 Provisions:

- 11 1. Notwithstanding Section 8154 of the Education Code,
12 or any other provision of law, the funds appropriated
13 in this item shall be the only funds available for and
14 allocated by the Superintendent of Public Instruction
15 for the apprenticeship programs operated by school
16 districts and county offices of education.
- 17 2. Notwithstanding Section 8152 of the Education Code,
18 each 60-minute hour of teaching time devoted to each
19 indentured apprentice enrolled in and attending classes
20 of related and supplemental instruction as provided
21 under Section 3074 of the Labor Code shall be reim-
22 bursed at the rate of ~~\$5.17~~ \$5.06 per hour. For purposes
23 of this provision, each hour of teaching time may in-
24 clude up to 10 minutes for passing time and breaks.
- 25 3. No school district or county office of education shall
26 use funds allocated pursuant to this item to offer any
27 new or expanded apprenticeship program unless the
28 program has been approved by the Superintendent of
29 Public Instruction.
- 30 4. The Superintendent of Public Instruction shall report
31 to the Department of Finance and the Legislature not
32 later than February 1 of each year on the amount of
33 funds expended for, and the hours of related and sup-
34 plemental instruction offered in, the apprenticeship
35 program during the prior fiscal year, with information
36 to be provided by the school district, county office of
37 education, program sponsor, and trade. Expenditure
38 information shall distinguish between direct and indi-
39 rect costs, including administrative costs funded for
40 the State Department of Education, school districts,

1 and county offices of education. In addition, the report
 2 shall identify the hours of related and supplemental
 3 instruction proposed for the prior and current fiscal
 4 years by the school district, county office of education,
 5 program sponsor, and trade. As a condition of receiv-
 6 ing funds for the apprenticeship programs, school
 7 districts, county offices of education, and regional
 8 occupational centers and programs shall report to the
 9 Superintendent of Public Instruction the information
 10 necessary for the completion of this report.

- 11 5. Notwithstanding Article 8 (commencing with Section
 12 8150) of Chapter 1 of Part 6 of Division 1 of Title 1
 13 of the Education Code, or any other provision of law,
 14 the total number of hours eligible for state reimburse-
 15 ment in apprenticeship programs operated by school
 16 districts and county offices of education shall be lim-
 17 ited to an amount equal to the amount of the total ap-
 18 propriation made in this item divided by the hourly
 19 rate specified in Provision 2. The Superintendent of
 20 Public Instruction shall have the authority to determine
 21 which apprenticeship programs and which hours of-
 22 fered in those programs are eligible for reimbursement.
- 23 6. An additional \$6,227,000 in expenditures for this item
 24 has been deferred until the 2009–10 fiscal year.
- 25 7. The funds appropriated in this item reflect a reduction
 26 to the base funding of 0.52 percent for a statewide
 27 decline in average daily attendance.
- 28 8. Of the amount appropriated in this item, ~~\$415,000~~ \$0
 29 is provided for a cost-of-living adjustment.

31 *SEC. 48. Item 6110-104-0001 of Section 2.00 of the Budget*
 32 *Act of 2008 is amended to read:*

34 6110-104-0001—For local assistance, Department of Education	
35 (Proposition 98), Program 10.10.011-School Apportion-	
36 ments—Remedial Supplemental Instruction Programs, for	
37 transfer to Section A of the State School Fund, for supple-	
38 mental instruction and remedial programs.....	339,582,000
39	330,672,000

1 Schedule:

2 (1) 10.10.011.008-School Apportionments,

3 for Supplemental Instruction, Remedial,

4 Grades 7–12 for the purposes of

5 Section 37252 of the Education

6 Code..... ~~205,304,000~~

7 *200,234,000*

8 (2) 10.10.011.009-School Apportionments,

9 for Supplemental Instruction, Retained,

10 or Recommended for Retention, Grades

11 2–9 for the purposes of Section 37252.2

12 of the Education Code, as applicable.... ~~49,590,000~~

13 *48,365,000*

14 (3) 10.10.011.010-School Apportionments,

15 for Supplemental Instruction, Low

16 STAR-Grades 2–6 for the purposes of

17 Section 37252.8 of the Education

18 Code..... ~~16,959,000~~

19 *16,491,000*

20 (4) 10.10.011.011-School Apportionments,

21 for Supplemental Instruction, Core

22 Academic K–12 for the purposes of

23 Section 37253 of the Education Code.... ~~67,729,000~~

24 *65,582,000*

25 Provisions:

26 1. Notwithstanding any other provision of law, for the

27 fiscal year, the Superintendent of Public Instruction

28 shall allocate a minimum of \$8,900 for supplemental

29 summer school programs in each school district for

30 which the prior fiscal year enrollment was less than

31 500 and that, in the fiscal year, offers at least 1,500

32 hours of supplemental summer school instruction. A

33 small school district, as described above, that offers

34 less than 1,500 hours of supplemental summer school

35 offerings shall receive a proportionate reduction in its

36 allocation. For the purpose of this provision, supple-

37 mental summer school programs shall be defined as

38 programs authorized under paragraph (2) of subdivi-

39 sion (f) of Section 42239 of the Education Code as it

40 read on July 1, 1999.

- 1 2. Notwithstanding any other provision of law, for the
2 fiscal year, the maximum reimbursement to a school
3 district or charter school for the program listed in
4 Schedule (4) shall not exceed 5 percent of the district's
5 or charter school's enrollment multiplied by 120 hours,
6 multiplied by the hourly rate for the fiscal year.
- 7 3. Notwithstanding any other provision of law, the rate
8 of reimbursement shall be ~~\$4.17~~ \$4.08 per hour of
9 supplemental instruction.
- 10 4. Notwithstanding any other provision of law, if the
11 funds in this item are insufficient to fund otherwise
12 valid claims, the Superintendent of Public Instruction
13 shall adjust the rates to conform to available funds.
- 14 5. Of the funds appropriated in this item, ~~\$8,910,000~~ \$0
15 is provided for the purpose of a cost-of-living adjust-
16 ment.
- 17 6. The funding appropriated in this item shall be consid-
18 ered offsetting revenues within the meaning of subdivi-
19 sion (e) of Section 17556 of the Government Code
20 for any reimbursable mandated cost claim for imple-
21 menting Section 37252.2 of the Education Code. Local
22 educational agencies accepting funding from this item
23 shall reduce their estimated and actual mandate reim-
24 bursement claims by the amount of funding provided
25 to them from this item.
- 26 7. Notwithstanding any other provision of law, an addi-
27 tional \$90,117,000 in expenditures for this item has
28 been deferred until the following fiscal year.
- 29 8. Rates or hours shall be adjusted in voluntary programs
30 as necessary to fully meet demand in mandatory pro-
31 grams and remain within the amount provided for this
32 purpose in the annual Budget Act.

33
34 *SEC. 49. Item 6110-105-0001 of Section 2.00 of the Budget*
35 *Act of 2008 is amended to read:*

1 6110-105-0001—For local assistance, Department of Education
 2 (Proposition 98), Program 10.10-Instruction, for transfer
 3 to Section A of the State School Fund, for the purposes of
 4 Article 1 (commencing with Section 52300) of Chapter 9
 5 of Part 28 of Division 4 of Title 2 of the Education Code.... 453,583,000
 6 443,355,000

7 Schedule:

8 (1) 10.10.004-Instruction Program—
 9 School Apportionments, Regional Oc-
 10 cupational Centers and Programs..... 460,900,000
 11 450,672,000
 12 (2) Reimbursements..... -7,317,000

13 Provisions:

- 14 1. Notwithstanding any other provision of law, the funds
 15 appropriated in this item are for transfer by the Con-
 16 troller to Section A of the State School Fund, in lieu
 17 of the amount that otherwise would be appropriated
 18 for transfer from the General Fund in the State Treas-
 19 ury to Section A of the State School Fund for the
 20 current fiscal year pursuant to Sections 14002 and
 21 14004 of the Education Code, in an amount as needed
 22 for apportionment pursuant to Article 1 (commencing
 23 with Section 52300) of Chapter 9 of Part 28 of Divi-
 24 sion 4 of Title 2 of the Education Code.
- 25 2. Notwithstanding any other provision of law, the funds
 26 appropriated in this item may not be expended for the
 27 purposes of providing or continuing incentive funding
 28 for a longer instructional year pursuant to Section
 29 46200 of the Education Code.
- 30 3. Notwithstanding any other provision of law, funds
 31 appropriated in this item for average daily attendance
 32 (ADA) generated by participants in welfare-to-work
 33 activities under the CalWORKs program established
 34 in Article 3.2 (commencing with Section 11320) of
 35 Chapter 2 of Part 3 of Division 9 of the Welfare and
 36 Institutions Code may be appropriated on an advance
 37 basis to local educational agencies based on anticipated
 38 units of ADA if a prior application for this additional
 39 ADA funding has been approved by the Superintendent
 40 of Public Instruction.

- 1 4. Of the amount appropriated in this item, \$1,161,000
- 2 is to fund remedial educational services for participants
- 3 in welfare-to-work activities under the CalWORKs
- 4 program.
- 5 5. The funds appropriated in this item reflect a reduction
- 6 to the base funding of 0.55 percent for a statewide
- 7 decline in 11th and 12th grade average daily atten-
- 8 dance. If growth funds are insufficient, the State De-
- 9 partment of Education may adjust the per-pupil growth
- 10 rates to conform to available funds. Additionally,
- 11 ~~\$10,228,000~~ \$0 is for the purpose of providing a cost-
- 12 of-living adjustment.
- 13 6. An additional \$39,630,000 in expenditures for this
- 14 item has been deferred until the 2009–10 fiscal year.

15
 16 *SEC. 50. Item 6110-107-0001 of Section 2.00 of the Budget*
 17 *Act of 2008 is amended to read:*

18
 19 6110-107-0001—For local assistance, Department of Education
 20 (Proposition 98), Program 10.10-County Offices of Edu-
 21 cation Fiscal Oversight..... ~~11,685,000~~
 22 *11,438,000*

23 Schedule:

24 (1) 10.10.002-COE Oversight.....	5,565,000	
	<i>5,450,000</i>	
26 (2) 10.10.005-FCMAT.....	3,879,000	
	<i>3,798,000</i>	
28 (3) 10.10.012-FCMAT: CSIS.....	243,000	
	<i>238,000</i>	
30 (4) 10.10.013-Audit Appeal Panel.....	54,000	
	<i>53,000</i>	
32 (5) 10.10.015-Interim Reporting.....	1,022,000	
	<i>1,001,000</i>	
34 (6) 10.10.016-Staff Development.....	1,164,000	
	<i>1,140,000</i>	
36 (7) Amount payable from the Educational		
37 Telecommunication Fund (Item 6110-		
38 107-0349).....	-242,000	

- 1 Provisions:
- 2 1. Funds appropriated in Schedule (1) are for the purpos-
- 3 es provided in paragraph (1) of subdivision (a) of
- 4 Section 29 of Chapter 1213 of the Statutes of 1991.
- 5 2. Funds appropriated in Schedule (1) may be used by
- 6 county offices of education for activities including,
- 7 but not limited to, conducting reviews, examinations,
- 8 and audits of districts and providing at least annual
- 9 written notifications regarding the fiscal solvency of
- 10 districts under fiscal distress, pursuant to Section
- 11 42127.6 of the Education Code, or of districts with
- 12 disapproved budgets, or qualified or negative certifica-
- 13 tions. Written notifications regarding review, exami-
- 14 nation, and audit results shall be provided at least an-
- 15 nually to the district governing board, the Superinten-
- 16 dent of Public Instruction, the Director of Finance,
- 17 and the Office of the Secretary for Education.
- 18 3. Funds appropriated in this item shall be considered
- 19 offsetting revenues within the meaning of subdivision
- 20 (e) of Section 17556 of the Government Code for any
- 21 reimbursable mandated cost claim for school district
- 22 and county office of education fiscal accountability
- 23 reporting. Local educational agencies accepting fund-
- 24 ing from this item shall reduce their estimated and
- 25 actual mandate reimbursement claims by the amount
- 26 of funding provided to them from this item.
- 27 4. Of the funds appropriated in Schedule (2):
- 28 (a) ~~\$3,229,000~~-\$3,054,000 shall be allocated by the
- 29 Controller directly to a county office of education
- 30 selected pursuant to subdivision (a) of Section
- 31 42127.8 of the Education Code to oversee Fiscal
- 32 Crisis and Management Assistance Team (FC-
- 33 MAT) responsibilities with respect to these funds
- 34 and to meet the costs of participation under Sec-
- 35 tion 42127.8 of the Education Code.
- 36 (b) ~~\$243,000~~-\$278,000 shall be available to develop
- 37 and implement the activities of regional teams of
- 38 fiscal experts to assist districts in fiscal distress.
- 39 (c) ~~\$407,000~~-\$466,000 shall be allocated to FCMAT
- 40 for the purpose of providing, through computer

1 technology, financial and demographic informa-
2 tion that is interactive and immediately accessible
3 to all local educational agencies to assist them in
4 their decisionmaking process. To ensure a com-
5 pletely integrated system, this computer informa-
6 tion should be developed in collaboration with
7 the State Department of Education, and should
8 be compatible with the hardware and software of
9 the State Department of Education, so that this
10 information may also assist state-level policymak-
11 ers in making comparable standardized financial
12 information available to the local educational
13 agencies and the public.

- 14 5. Of the funds appropriated in Schedule (3), ~~\$243,000~~
15 ~~\$238,000~~ shall be available to the Fiscal Crisis and
16 Management Assistance Team to pay for project
17 management services for the California School Infor-
18 mation Services (CSIS) program. These funds shall
19 be used to supplement and not supplant other CSIS
20 funds available for project management services.
- 21 6. Funds appropriated in Schedule (4) are for the addi-
22 tional staff and resources needed for the Fiscal Crisis
23 and Management Assistance Team to ensure that
24 timely resolution of audit findings is achieved pursuant
25 to the directives of Section 41344 of the Education
26 Code.
- 27 7. Of the funds appropriated in Schedule (5):
- 28 (a) ~~\$147,000~~ ~~\$143,000~~ shall be available for no more
29 than a 25-percent state reimbursement to county
30 offices of education for fiscal oversight of school
31 districts with audit exceptions, districts with
32 qualified or negative interim reports, districts that
33 may be unable to meet financial obligations for
34 the current or subsequent fiscal years, or districts
35 with disapproved budgets.
- 36 (b) Up to ~~\$875,000~~ ~~\$858,000~~ of the funds may be
37 used to fully reimburse county office of education
38 activities for extraordinary costs of audits, exam-
39 inations, or reviews of any school district or
40 charter school in cases where fraud, misappropri-

1 ation of funds, or other illegal fiscal practices re-
 2 quire review by the county offices of education,
 3 pursuant to Section 2 of Chapter 620 of the
 4 Statutes of 2001 and Section 1 of Chapter 357 of
 5 the Statutes of 2005. The State Board of Education
 6 may request any county superintendent of schools
 7 to initiate such an audit, examination, or review
 8 for any charter school or all-charter district for
 9 which the board has oversight responsibility. Al-
 10 location of the funds shall be administered by the
 11 Fiscal Crisis and Management Assistance Team
 12 on a reimbursement basis. All reimbursements
 13 shall be subject to the approval of both the Depart-
 14 ment of Finance and the State Department of Ed-
 15 ucation.

16 8. The amount appropriated in Schedule (5) shall remain
 17 available for expenditure for the 2008–09 and 2009–10
 18 fiscal years. Any unexpended balance as of September
 19 1, 2009, shall be available until July 30, 2010, for the
 20 following, in order of descending priority:

- 21 (a) Any review or audit jointly requested by the State
 22 Department of Education and the Department of
 23 Finance, to be conducted by a county superinten-
 24 dent of schools in cases where fraud, misappropri-
 25 ation of funds, or other illegal fiscal practices are
 26 suspected.
- 27 (b) Staff development pursuant to Provision 10.
- 28 (c) Regional assistance teams developed pursuant to
 29 Provision 4(b).

30 9. Notwithstanding Section 26.00, the funds appropriated
 31 in this item shall be allocated in accordance with the
 32 above schedule unless a revision to the allocations
 33 contained herein has been approved by the Department
 34 of Finance. The Department of Finance may not autho-
 35 rize any such revision sooner than 30 days after notifi-
 36 cation in writing of the necessity to the chairpersons
 37 of the committees in each house of the Legislature that
 38 consider appropriations and the Chairperson of the
 39 Joint Legislative Budget Committee, or not sooner
 40 than whatever lesser time the chairperson of the joint

- 1 committee, or his or her designee, may in each instance
2 determine.
- 3 10. Of the funds appropriated in Schedule (6):
- 4 (a) ~~\$831,000~~-\$813,000 is for the purpose of providing
5 staff development to local educational agency
6 school finance and business personnel, as provid-
7 ed in Section 42127.8 of the Education Code.
8 Funds appropriated in Schedule (6) shall be allo-
9 cated by the Controller directly to a county office
10 of education selected pursuant to subdivision (a)
11 of Section 42127.8 of the Education Code to
12 oversee the Fiscal Crisis and Management Assis-
13 tance Team’s responsibilities with respect to these
14 funds.
- 15 (b) ~~\$333,000~~-\$327,000 of the funds appropriated in
16 Schedule (6) is for the purpose of providing
17 training that shall be developed and facilitated
18 pursuant to Section 42127.8 of the Education
19 Code to increase school district and school-level
20 capacity to implement and manage site-based
21 budgeting and decisionmaking governance struc-
22 tures.
- 23 11. Notwithstanding any other provision of law, funds
24 appropriated in Schedules (1), (2), (4), (5), and (6) to
25 a county office of education selected pursuant to sub-
26 division (a) of Section 42127.8 of the Education Code
27 to oversee the Fiscal Crisis and Management Assis-
28 tance Team responsibilities shall be allocated by the
29 Controller directly to that county office of education
30 as soon as possible but no later than 60 days after the
31 enactment of the Budget Act. Funds appropriated in
32 this item shall not be subject to grant allocation or re-
33 view processes on the part of the State Department of
34 Education nor the Superintendent of Public Instruction.
35 The county office of education that receives these
36 funds shall annually provide a report detailing past
37 year expenditures, identifying the local educational
38 agencies (LEA) assisted with these funds and a sum-
39 mary of progress for each. Additionally, the report
40 shall identify a plan for the proposed uses of the allo-

1 cations in this item, identifying estimated expenditures
 2 for each LEA anticipated to be served. This report
 3 shall be submitted to the State Department of Educa-
 4 tion and to the Department of Finance by October 1
 5 of each year.
 6

7 *SEC. 51. Item 6110-108-0001 of Section 2.00 of the Budget*
 8 *Act of 2008 is amended to read:*
 9

10 6110-108-0001—For local assistance, Department of Education
 11 (Proposition 98), Program 20-Instructional Support, the
 12 Supplemental School Counseling Program, established
 13 pursuant to Article 4.5 (commencing with Section 52378)
 14 of Chapter 9 of Part 28 of Division 4 of Title 2 of the Ed-
 15 ucation Code..... 213,487,000
 16 209,060,000

17 Provisions:
 18 1. Of the funds appropriated in this item, ~~\$4,427,000~~ \$0
 19 is provided for the purpose of a cost-of-living adjust-
 20 ment.
 21

22 *SEC. 52. Item 6110-111-0001 of Section 2.00 of the Budget*
 23 *Act of 2008 is amended to read:*
 24

25 6110-111-0001—For local assistance, Department of Education
 26 (Proposition 98), Program 10-Instruction, for transfer to
 27 Section A of the State School Fund, Home to School
 28 Transportation, pursuant to Article 10 (commencing with
 29 Section 41850) of Chapter 5 of Part 24 of Division 3 of
 30 Title 2 of the Education Code, and Small School District
 31 Transportation, pursuant to Article 4.5 (commencing with
 32 Section 42290) of Chapter 7 of Part 24 of Division 3 of
 33 Title 2 of the Education Code..... 567,999,000
 34 555,131,000

35 Schedule:
 36 (1) 10.10.006-Pupil Transportation..... 561,913,000
 37 549,045,000
 38 (2) 10.10.008-Small School District Bus
 39 Replacement..... 6,086,000

Provisions:

- 1. Of the funds appropriated in this item, ~~\$12,868,000~~ \$0 is for the purpose of providing a cost-of-living adjustment.
- 2. An additional \$52,583,000 in expenditures for this item has been deferred until the 2009–10 fiscal year.
- 3. Notwithstanding any other provision of law, of the funds appropriated in this item, an amount equal to the amount of reimbursement to the General Fund pursuant to Section 24.85 shall be used to provide mass transportation services for pupils enrolled in school districts that receive these funds.

SEC. 53. Item 6110-119-0001 of Section 2.00 of the Budget Act of 2008 is amended to read:

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 ~~19,291,000~~
18,891,000

Provisions:

- 1. Of the funds appropriated in this item, ~~\$400,000~~ \$0 is provided for the purpose of a cost-of-living adjustment.
- 2. The funds appropriated in this item reflect a reduction to the base funding of 0.52 percent for a statewide decline in average daily attendance.

SEC. 54. Item 6110-122-0001 of Section 2.00 of the Budget Act of 2008 is amended to read:

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 Division 4 of Title 2 of the Education Code..... ~~6,252,000~~
6,122,000

- 1 Provisions:
- 2 1. Of the funds appropriated in this item, \$1,500,000
- 3 shall be allocated to Specialized Secondary Programs
- 4 established prior to the 1991–92 fiscal year that operate
- 5 in conjunction with the California State University.
- 6 2. The funds appropriated in this item reflect a reduction
- 7 to the base funding of 0.52 percent for a statewide
- 8 decline in average daily attendance.
- 9 3. Of the amount appropriated in this item, ~~\$130,000~~ \$0
- 10 is provided for a cost-of-living adjustment.

11

12 *SEC. 55. Item 6110-123-0890 of Section 2.00 of the Budget*

13 *Act of 2008 is amended to read:*

14

15 6110-123-0890—For local assistance, Department of Education,

16 *Program 20.60.030.035-Innovative Programs, Title V-*

17 *ESEA, payable from the Federal Trust Fund.....* 6,000,000

- 18 Provisions:
- 19 1. The funds *appropriated* in this item are one-time ~~car-~~
 - 20 ~~ryover funds that shall be used for purposes of federal~~
 - 21 ~~Title I program improvement. Funds shall be pro-~~
 - 22 ~~grammed pursuant to legislation for local educational~~
 - 23 ~~agencies to implement existing innovative programs~~
 - 24 ~~pursuant to Section 5131 of Title V of Part A of the~~
 - 25 ~~federal No Child Left Behind Act of 2001 (20 U.S.C.~~
 - 26 ~~Sec. 6301 et seq.). No funding shall be provided to any~~
 - 27 ~~new programs and no commitments shall be made~~
 - 28 ~~beyond September 30, 2009.~~

29

30 *SEC. 56. Item 6110-124-0001 of Section 2.00 of the Budget*

31 *Act of 2008 is amended to read:*

32

33 6110-124-0001—For local assistance, Department of Education

34 (Proposition 98), for transfer to Section A of the State

35 School Fund, Program 10.80.010-Gifted and Talented

36 Pupil Program established pursuant to Chapter 8 (commenc-

37 ing with Section 52200) of Part 28 of Division 4 of Title

38 2 of the Education Code..... 52,222,000

39 *51,051,000*

1 6110-126-0890—For local assistance, Department of Education,
2 Program 20.60.290-Instructional Support, Title I, Part B
3 of the federal Elementary and Secondary Education Act
4 (Reading First program), payable from the Federal Trust
5 Fund..... 57,433,000
6 Provisions:

- 7 1. The funds appropriated in this item are for Reading
8 First programs pursuant to Article 1 (commencing
9 with Section 51700) of Chapter 5 of Part 28 of Divi-
10 sion 4 of Title 2 of the Education Code. It is the intent
11 of the Legislature that all participating school districts
12 receive funding at the rates established in paragraph
13 (3) of subdivision (c) of Section 51700 *of the Educa-*
14 *tion Code* for six years. A participating school district
15 shall not receive funding from this item for more than
16 six years.
- 17 2. Of the funds appropriated in this item, \$3,658,000
18 shall be available for Reading First’s statewide and
19 regional infrastructure, including its six ~~Regional~~
20 ~~Technical Assistance Centers~~ *regional technical assis-*
21 *tance centers*.
- 22 3. By May 1, 2009, the State Department of Education
23 shall provide the Legislature with all of the following:
24 (a) the number of school districts receiving grants, (b)
25 the number of K–3 teachers funded, (c) the number of
26 K–12 special education teachers served, and (d) the
27 average per-teacher grant amount.
- 28 4. By May 1, 2009, the State Department of Education
29 shall provide the Legislature with the following: (a)
30 the number and percentage of all K–12 special educa-
31 tion teachers in Reading First schools receiving
32 Reading First professional development for each year,
33 2001–02 to 2006–07, inclusive, and (b) the number
34 and percentage of all K–12 special education classes
35 in Reading First schools that have appropriate reading
36 materials purchased using the state’s instructional
37 materials program as set forth in Article 3 (commenc-
38 ing with Section 60240) of Chapter 2 of Part 33 of
39 Division 4 of Title 2 of the Education Code.
40

1 SEC. 59. Item 6110-128-0001 of Section 2.00 of the Budget
2 Act of 2008 is amended to read:

3
4 6110-128-0001—For local assistance, Department of Educa-
5 tion (Proposition 98), for transfer to Section A of the
6 State School Fund, Program 10.30.070-Economic Impact
7 Aid pursuant to Article 2 (commencing with Section
8 54020) of Chapter 1 of Part 29 of Division 4 of Title 2
9 of the Education Code..... ~~1,015,333,000~~
10 ~~994,279,000~~

11 Provisions:
12 1. Of the funds appropriated in this item, ~~\$21,054,000~~
13 \$0 is provided for the purpose of a cost-of-living ad-
14 justment.

15
16 SEC. 60. Item 6110-130-0001 of Section 2.00 of the Budget
17 Act of 2008 is amended to read:

18
19 6110-130-0001—For local assistance, Department of Education,
20 Program 20.60.100-Advancement Via Individual Determi-
21 nation..... 9,035,000

22 Provisions:
23 1. Of the funds appropriated, ~~\$1,170,000~~ \$1,300,000 is
24 available for administration of the Advancement Via
25 Individual Determination (AVID) centers.

26
27 SEC. 61. Item 6110-134-0890 of Section 2.00 of the Budget
28 Act of 2008 is amended to read:

29
30 6110-134-0890—For local assistance, Department of Educa-
31 tion, payable from the Federal Trust Fund..... ~~112,206,000~~
32 ~~1,820,750,000~~

33 Schedule:
34 (1) 10.30.006-Statewide System of School
35 Support..... 10,000,000
36 ~~(5)~~
37 ~~(7) 10.30.009-Program—Improvement—~~
38 ~~Local 10.30.009-Title I, Corrective Ac-~~
39 ~~tion—Local Educational Agencies..... 55,206,000~~
40 ~~101,872,000~~

- 1 (8) ~~10.30.003-Program~~—10.30.004-School
- 2 Improvement-Local Educational Agen-
- 3 eies-Carryover Grants, Corrective Ac-
- 4 tion..... 47,000,000
- 5 78,082,000
- 6 (9) 10.30.060-Title I—ESEA..... 1,630,796,000
- 7 Provisions:
- 8 1. In administering the accountability system required
- 9 by this item, the State Department of Education shall
- 10 align the forms, processes, and procedures required
- 11 of local educational agencies in a manner that they
- 12 may be utilized for the purposes of implementing the
- 13 Public Schools Accountability Act of 1999, as estab-
- 14 lished by Chapter 6.1 (commencing with Section
- 15 52050) of Part 28 of Division 4 of Title 2 of the Edu-
- 16 cation Code, so that duplication of effort is minimized
- 17 at the local level.
- 18 2. The funds appropriated in Schedule (1) shall be
- 19 available for the purposes established by Article 4.2
- 20 (commencing with Section 52059) of Chapter 6.1 of
- 21 Part 28 of Division 4 of Title 2 of the Education Code.
- 22 4. The State Department of Education shall provide to
- 23 the Legislature, the Legislative Analyst’s Office, and
- 24 the Department of Finance, a letter by April 15, 2009,
- 25 reporting expenditures and anticipated savings for each
- 26 schedule, based on available information.
- 27 6. The funds appropriated in Schedules-~~(5)~~ (7) and (8)
- 28 shall be available for *meeting* requirements specified
- 29 in the federal No Child Left Behind Act of 2001 (20
- 30 U.S.C. Sec. 6301 et seq.)-~~and for local educational~~
- 31 *agencies that enter corrective action. The funds shall*
- 32 *be programmed pursuant to legislation enacted in the*
- 33 *2007–08 Regular Session related to federal school*
- 34 *improvement.*
- 35 9. ~~The funds appropriated in Schedule (8) are provided~~
- 36 ~~on a one-time carryover basis.~~
- 37 10. ~~Of the funds appropriated in Schedule (8), \$7,800,000~~
- 38 ~~is provided on a one-time basis for local educational~~
- 39 ~~agency data support.~~

- 1 11. *Of the funds appropriated in Schedule (7), \$47,000,000*
- 2 *is provided in one-time carryover funds.*
- 3 12. *Of the funds appropriated in Schedule (8), \$16,620,000*
- 4 *is provided in one-time carryover funds.*
- 5 13. *Of the funds appropriated in Schedules (7) and (8),*
- 6 *the State Department of Education shall, no later than*
- 7 *September 15, 2008, issue grant awards totaling*
- 8 *\$25,000,000 to local educational agencies identified*
- 9 *for corrective action. The grants shall be awarded to*
- 10 *local educational agencies consistent with legislation*
- 11 *enacted in the 2007–08 Regular Session related to*
- 12 *federal school improvement. Local educational agen-*
- 13 *cies shall have until November 1, 2008, to apply for*
- 14 *the remainder of their grant.*
- 15 14. *Of the funds appropriated in Schedule (9), \$19,252,000*
- 16 *is provided in one-time carryover funds to support the*
- 17 *existing program.*
- 18 15. *The funds appropriated in this item shall be considered*
- 19 *offsetting revenues within the meaning of subdivision*
- 20 *(e) of Section 17556 of the Government Code for any*
- 21 *reimbursable mandated cost claims for district assis-*
- 22 *tance and intervention teams and other technical as-*
- 23 *sistance providers. Local educational agencies accept-*
- 24 *ing funding from this item shall reduce their estimated*
- 25 *and actual mandate reimbursement claims by the*
- 26 *amount of funding provided to them from this item.*
- 27

28 *SEC. 62. Item 6110-135-0890 of Section 2.00 of the Budget*
 29 *Act of 2008 is repealed.*

30

31 ~~6110-135-0890—For local assistance, Department of Education,~~

32 ~~payable from the Federal Trust Fund..... 78,082,000~~

33 ~~Schedule:~~

34 ~~(1) 10.30.004-School Improvement~~

35 ~~Grants..... 61,462,000~~

36 ~~(2) 10.30.001-School Improvement Grants~~

37 ~~Carryover..... 16,620,000~~

38 ~~Provisions:~~

39 ~~1. The funds appropriated in this item shall be available~~

40 ~~for requirements as specified in subsection (g) of~~

1 (4) Amount payable from the ~~Education~~
 2 ~~Telecommunications~~ *Educational*
 3 *Telecommunication* Fund (Item 6110-
 4 140-0349)..... – 5,094,000

5 Provisions:

- 6 1. The Superintendent of Public Instruction shall allocate
 7 the funds appropriated in Schedule (1) for the Student
 8 Friendly Services program.
- 9 2. The funds appropriated in Schedule (2) shall be for
 10 allocation to the Fiscal Crisis and Management Assis-
 11 tance Team for costs associated with administration
 12 of the California School Information Services project.
- 13 3. The Superintendent of Public Instruction shall allocate
 14 the funds appropriated in Schedule (3) to the Sacramen-
 15 to County Office of Education, which shall use the
 16 funds to contract for independent project oversight of
 17 the California School Information Services (CSIS)
 18 program. The independent project oversight shall in-
 19 clude the submission of quarterly project reports on
 20 the progress of the CSIS program to the Legislature,
 21 the Department of Finance, the Superintendent of
 22 Public Instruction, the State Board of Education, the
 23 Governor, the Legislative Analyst’s Office, and the
 24 Fiscal Crisis and Management Assistance Team for
 25 the duration of the program implementation. These
 26 reports shall include, but not be limited to, information
 27 on: (a) CSIS capacity for additional district cohorts,
 28 (b) readiness of self-identified districts for participation
 29 in new CSIS cohorts, (c) CSIS operations budget, and
 30 (d) CSIS readiness to implement additional phases of
 31 state reporting and records transfer.
- 32 4. Of the funds appropriated in Schedule (2), \$545,000
 33 is available on a three-year limited-term basis to sup-
 34 port positions and administrative costs associated with
 35 the implementation plan developed pursuant to Provi-
 36 sion 5 of Item 6110-101-0349 of the Budget Act of
 37 2006 (Chs. 47 and 48, Stats. 2006).
- 38 5. The State Department of Education and CSIS shall
 39 jointly report by October 1, 2008, to the Department
 40 of Finance, the Legislative Analyst’s Office, and the

1 budget committees of the Legislature on the workload
2 activities performed by each entity to prepare for the
3 implementation of CALPADS.

4
5 *SEC. 65. Item 6110-150-0001 of Section 2.00 of the Budget*
6 *Act of 2008 is amended to read:*

7
8 6110-150-0001—For local assistance, Department of Education
9 (Proposition 98), for transfer to Section A of the State
10 School Fund, Program 10.30.051-American Indian Early
11 Childhood Education Program established pursuant to
12 Chapter 6.5 (commencing with Section 52060) of Part 28
13 of Division 4 of Title 2 of the Education Code..... ~~676,000~~
14 ~~662,000~~

15 Provisions:
16 1. Of the funds appropriated in this item, ~~\$14,000~~ \$0 is
17 provided for the purpose of a cost-of-living adjustment.

18
19 *SEC. 66. Item 6110-151-0001 of Section 2.00 of the Budget*
20 *Act of 2008 is amended to read:*

21
22 6110-151-0001—For support of the Department of Education
23 (Proposition 98), Program 10.30.050-American Indian
24 Education Centers established pursuant to Article 6
25 (commencing with Section 33380) of Chapter 3 of Part
26 20 of Division 2 of Title 2 of the Education Code..... ~~4,636,000~~
27 ~~4,540,000~~

28 Provisions:
29 1. Of the funds appropriated in this item, ~~\$96,000~~ \$0 is
30 provided for the purpose of a cost-of-living adjustment.

31
32 *SEC. 67. Item 6110-156-0001 of Section 2.00 of the Budget*
33 *Act of 2008 is amended to read:*

1 6110-156-0001—For local assistance, Department of Education
 2 (Proposition 98), Program 10.50.010-Instruction, for
 3 transfer to Section A of the State School Fund, for alloca-
 4 tion by the Superintendent of Public Instruction to school
 5 districts, county offices of education, and other agencies
 6 for the purposes of Proposition 98 educational programs
 7 funded by this item, in lieu of the amount that otherwise
 8 would be appropriated pursuant to statute..... 743,023,000
 9 726,664,000

10 Schedule:

- 11 (1) 10.50.010.001-Adult Education..... 743,023,000
 12 726,664,000
 13 (2) 10.50.010.008-Remedial education ser-
 14 vices for participants in the CalWORKs
 15 program..... 8,739,000
 16 (3) Reimbursements-CalWORKs..... -8,739,000

17 Provisions:

- 18 1. Credit for participating in adult education classes or
 19 programs may be generated by a special day class
 20 pupil only for days in which the pupil has met the
 21 minimum day requirements set forth in Section 46141
 22 of the Education Code.
 23 2. The funds appropriated in Schedule (2) constitute the
 24 funding for both remedial education and job training
 25 services for participants in the CalWORKs program
 26 (Article 3.2 (commencing with Section 11320) of
 27 Chapter 2 of Part 3 of Division 9 of the Welfare and
 28 Institutions Code). Funds shall be apportioned by the
 29 Superintendent of Public Instruction for direct instruc-
 30 tional costs only to school districts and regional occu-
 31 pational centers and programs (ROC/Ps) that certify
 32 that they are unable to provide educational services to
 33 CalWORKs recipients within their adult education
 34 block entitlement or ROC/P block entitlement, or both.
 35 Allocations shall be distributed by the Superintendent
 36 of Public Instruction as equal statewide dollar amounts,
 37 based on the number of CalWORKs-eligible family
 38 members served in the county.
 39 3. Providers receiving funds under this item for adult
 40 basic education, English as a Second Language, and

1 English as a Second Language-Citizenship for legal
 2 permanent residents, shall, to the extent possible, grant
 3 priority for services to immigrants facing the loss of
 4 federal benefits under the federal Personal Responsibility and Work Opportunity Reconciliation Act of
 5 1996 (P.L. 104-193). Citizenship and naturalization
 6 preparation services funded by this item shall include,
 7 to the extent consistent with applicable federal law,
 8 all of the following: (a) outreach services, (b) assess-
 9 ment of skills, (c) instruction and curriculum develop-
 10 ment, (d) professional development, (e) citizenship
 11 testing, (f) naturalization preparation and assistance,
 12 and (g) regional and state coordination and program
 13 evaluation.
 14
 15 4. The funds appropriated in Schedule (2) shall be subject
 16 to the following:
 17 (a) The funds shall be used only for educational ac-
 18 tivities for welfare recipient students and those in
 19 transition off of welfare. The educational activities
 20 shall be limited to those designed to increase self-
 21 sufficiency, job training, and work. These funds
 22 shall be used to supplement and not supplant ex-
 23 isting funds and services provided for welfare re-
 24 cipient students and those in transition off of
 25 welfare.
 26 (b) Notwithstanding any other provision of law, each
 27 local educational agency’s individual cap for the
 28 average daily attendance of adult education and
 29 regional occupational centers and programs
 30 (ROC/Ps) shall not be increased as a result of the
 31 appropriations made by this section.
 32 (c) Funds may be claimed by local educational
 33 agencies for services provided to welfare recipient
 34 students and those in transition off of welfare
 35 pursuant to this section only if all of the following
 36 occur:
 37 (1) Each local educational agency has met the
 38 terms of the interagency agreement between
 39 the State Department of Education and the

- 1 State Department of Social Services pursuant
2 to Provision 2.
- 3 (2) Each local educational agency has fully
4 claimed its respective adult education or
5 ROC/Ps average daily attendance cap for the
6 current year.
- 7 (3) Each local educational agency has claimed
8 the maximum allowable funds available un-
9 der the interagency agreement pursuant to
10 Provision 2.
- 11 (d) Each local educational agency shall be reimbursed
12 at the same rate as it would otherwise receive for
13 services provided pursuant to this item or Item
14 6110-105-0001 or pursuant to Section 1.80, and
15 shall comply with the program requirements for
16 adult education pursuant to Chapter 10 (commenc-
17 ing with Section 52500) of Part 28 of Division 4
18 of Title 2 of the Education Code, and ROC/Ps
19 requirements pursuant to Article 1 (commencing
20 with Section 52300) of, and Article 1.5 (commenc-
21 ing with Section 52335) of, Chapter 9 of Part 28
22 of Division 4 of Title 2 of the Education Code,
23 respectively.
- 24 (e) Notwithstanding any other provision of law, funds
25 appropriated in this section for average daily at-
26 tendance (ADA) generated by participants in the
27 CalWORKs program may be apportioned on an
28 advance basis to local educational agencies based
29 on anticipated units of ADA if a prior application
30 for this additional ADA funding has been ap-
31 proved by the Superintendent of Public Instruc-
32 tion.
- 33 (f) The Legislature finds the need for good informa-
34 tion on the role of local educational agencies in
35 providing services to individuals who are eligible
36 for or recipients of CalWORKs assistance. This
37 information includes the extent to which local
38 educational programs serve public assistance re-
39 cipients and the impact these services have on the

- 1 recipients' ability to find jobs and become self-
- 2 supporting.
- 3 (g) The State Department of Education shall develop
- 4 a data and accountability system to obtain infor-
- 5 mation on education and job training services
- 6 provided through state-funded adult education
- 7 programs and regional occupational centers and
- 8 programs. The system shall collect information
- 9 on (1) program funding levels and sources, (2)
- 10 characteristics of participants, and (3) pupil and
- 11 program outcomes. The department shall work
- 12 with the office of the State Chief Information
- 13 Officer and Legislative Analyst's Office in deter-
- 14 mining the specific data elements of the system
- 15 and shall meet all information technology report-
- 16 ing requirements of the State Chief Information
- 17 Officer.
- 18 (h) As a condition of receiving funds provided in
- 19 Schedule (2) or any General Fund appropriation
- 20 made to the State Department of Education
- 21 specifically for education and training services to
- 22 welfare recipient students and those in transition
- 23 off of welfare, local adult education programs and
- 24 regional occupational centers and programs shall
- 25 collect program and participant data as described
- 26 in this item and as required by the State Depart-
- 27 ment of Education. The State Department of Edu-
- 28 cation shall require that local providers submit to
- 29 the state aggregate data for the period July 1,
- 30 2008, to June 30, 2009, inclusive.
- 31 5. Of the funds appropriated in this item, \$18,843,000 is
- 32 provided for increases in average daily attendance. If
- 33 growth funds are insufficient, the State Department of
- 34 Education may adjust the per-pupil growth rates to
- 35 conform to available funds. Additionally, ~~\$16,359,000~~
- 36 \$0 is for the purpose of providing a cost-of-living ad-
- 37 justment.
- 38 6. An additional \$45,896,000 in expenditures for this
- 39 item has been deferred until the 2009–10 fiscal year.
- 40

1 SEC. 68. Item 6110-158-0001 of Section 2.00 of the Budget
2 Act of 2008 is amended to read:

3		
4	6110-158-0001—For local assistance, Department of Education	
5	(Proposition 98), for transfer by the Controller to Section	
6	A of the State School Fund in lieu of the amount that oth-	
7	erwise would be appropriated pursuant to Section 41841.5	
8	of the Education Code, Program 10.50.010.002-Adults in	
9	Correctional Facilities.....	18,601,000
10		18,215,000

11 Provisions:

- 12 1. Notwithstanding Section 41841.5 of the Education
- 13 Code, or any other provision of law, all of the follow-
- 14 ing shall apply:
- 15 (a) The amount appropriated in this item and any
- 16 amount allocated for this program in this act shall
- 17 be the only funds available for allocation by the
- 18 Superintendent of Public Instruction to school
- 19 districts or county offices of education for the
- 20 Adults in Correctional Facilities Program.
- 21 (b) The amount appropriated in this item shall be al-
- 22 located based upon prior year rather than current
- 23 year expenditures.
- 24 (c) Funding distributed to each local educational
- 25 agency (LEA) for reimbursement of services
- 26 provided in the prior fiscal year for the Adults in
- 27 Correctional Facilities Program shall be limited
- 28 to the amount received by the agency for services
- 29 provided in the 2006–07 fiscal year. Funding shall
- 30 be reduced or eliminated, as appropriate, for any
- 31 LEA that reduces or eliminates services provided
- 32 under this program in the prior fiscal year, as
- 33 compared to the level of services provided in the
- 34 2006–07 fiscal year. Any funds remaining as a
- 35 result of those decreased levels of service shall
- 36 be allocated to provide support for new programs
- 37 in accordance with Section 41841.8 of the Educa-
- 38 tion Code.
- 39 (d) Funding appropriated in this item for growth in
- 40 average daily attendance (ADA) first shall be al-

- 1 located to programs that are funded for 20 units
- 2 or less of ADA, up to a maximum of 20 additional
- 3 units of ADA per program.
- 4 2. \$444,000 is provided for increases in average daily
- 5 attendance. If growth funds are insufficient, the State
- 6 Department of Education may adjust the per-pupil
- 7 growth rates to conform to available funds. Addition-
- 8 ally, ~~\$386,000~~ \$0 is for the purpose of providing a
- 9 cost-of-living adjustment.

10
 11 *SEC. 69. Item 6110-161-0001 of Section 2.00 of the Budget*
 12 *Act of 2008 is amended to read:*

13
 14 6110-161-0001—For local assistance, Department of Educa-
 15 tion (Proposition 98), Program 10.60-Special Education
 16 Programs for Exceptional Children..... 3,188,406,000
 17 3,116,298,000

18 Schedule:
 19 (1) 10.60.050.003-Special education in-
 20 struction..... 3,116,310,000
 21 3,046,014,000
 22 (2) 10.60.050.080-Early Education Program
 23 for Individuals with Exceptional
 24 Needs..... 86,491,000
 25 84,679,000
 26 (3) Reimbursements for Early Education
 27 Program, Part C..... -14,395,000

- 28 Provisions:
 29 1. Funds appropriated by this item are for transfer by the
 30 Controller to Section A of the State School Fund, in
 31 lieu of the amount that otherwise would be appropriat-
 32 ed for transfer from the General Fund in the State
 33 Treasury to Section A of the State School Fund for
 34 the 2008–09 fiscal year pursuant to Sections 14002
 35 and 41301 of the Education Code, for apportionment
 36 pursuant to Part 30 (commencing with Section 56000)
 37 of Division 4 of Title 2 of the Education Code, super-
 38 seding all prior law.
 39 2. Of the funds appropriated in Schedule (1), up to
 40 \$13,206,000, plus any cost-of-living adjustment, shall

- 1 be available for the purchase, repair, and inventory
2 maintenance of specialized books, materials, and
3 equipment for pupils with low-incidence disabilities,
4 as defined in Section 56026.5 of the Education Code.
- 5 3. Of the funds appropriated in Schedule (1), up to
6 \$10,080,000, plus any cost-of-living adjustment, shall
7 be available for the purposes of vocational training
8 and job placement for special education pupils through
9 Project Workability I pursuant to Article 3 (commenc-
10 ing with Section 56470) of Chapter 4.5 of Part 30 of
11 Division 4 of Title 2 of the Education Code. As a
12 condition of receiving these funds, each local educa-
13 tional agency shall certify that the amount of nonfed-
14 eral resources, exclusive of funds received pursuant
15 to this provision, devoted to the provision of vocational
16 education for special education pupils shall be main-
17 tained at or above the level provided in the 1984-85
18 fiscal year. The Superintendent of Public Instruction
19 may waive this requirement for local educational
20 agencies that demonstrate that the requirement would
21 impose a severe hardship.
- 22 4. Of the funds appropriated in Schedule (1), up to
23 \$5,258,000, plus any cost-of-living adjustment (CO-
24 LA), shall be available for regional occupational cen-
25 ters and programs that serve pupils having disabilities
26 ; up to \$87,617,000, plus any COLA, shall be available
27 for regionalized program specialist services ; and up
28 to \$2,573,000, plus any COLA, shall be available for
29 small special education local plan areas (SELPAs)
30 pursuant to Section 56836.24 of the Education Code.
- 31 5. Of the funds appropriated in Schedule (1), up to
32 \$3,000,000 is provided for extraordinary costs associ-
33 ated with single placements in nonpublic, nonsectarian
34 schools, pursuant to Section 56836.21 of the Education
35 Code. Pursuant to legislation, these funds shall also
36 provide reimbursement for costs associated with pupils
37 residing in licensed children's institutes.
- 38 6. Of the funds appropriated in Schedule (1), up to
39 \$205,213,000, plus any cost-of-living adjustment
40 (COLA), is available to fund the costs of children

1 placed in licensed children’s institutions who attend
 2 nonpublic schools based on the funding formula autho-
 3 rized in Chapter 914 of the Statutes of 2004.

4 7. Funds available for infant units shall be allocated with
 5 the following average number of pupils per unit:
 6 (a) For special classes and centers—16.
 7 (b) For resource specialist programs—24.
 8 (c) For designated instructional services—16.

9 8. Notwithstanding any other provision of law, early ed-
 10 ucation programs for infants and toddlers shall be of-
 11 fered for 200 days. Funds appropriated in Schedule
 12 (2) shall be allocated by the State Department of Edu-
 13 cation for the 2008–09 fiscal year to those programs
 14 receiving allocations for instructional units pursuant
 15 to Section 56432 of the Education Code for the Early
 16 Education Program for Individuals with Exceptional
 17 Needs operated pursuant to Chapter 4.4 (commencing
 18 with Section 56425) of Part 30 of Division 4 of Title
 19 2 of the Education Code, based on computing 200-day
 20 entitlements. Notwithstanding any other provision of
 21 law, funds in Schedule (2) shall be used only for the
 22 purposes specified in Provisions 10 and 11.

23 9. Notwithstanding any other provision of law, state
 24 funds appropriated in Schedule (2) in excess of the
 25 amount necessary to fund the deficiated entitlements
 26 pursuant to Section 56432 of the Education Code and
 27 Provision 10 shall be available for allocation by the
 28 State Department of Education to local educational
 29 agencies for the operation of programs serving solely
 30 low-incidence infants and toddlers pursuant to Title
 31 14 (commencing with Section 95000) of the Govern-
 32 ment Code. These funds shall be allocated to each local
 33 educational agency for each solely low-incidence child
 34 through age two in excess of the number of solely low-
 35 incidence children through age two served by the local
 36 educational agency during the 1992–93 fiscal year and
 37 reported on the April 1993 pupil count. These funds
 38 shall only be allocated if the amount of reimbursement
 39 received from the State Department of Developmental
 40 Services is insufficient to fully fund the costs of oper-

- 1 ating the Early Intervention Program, as authorized
2 by Title 14 (commencing with Section 95000) of the
3 Government Code.
- 4 10. The State Department of Education, through coordina-
5 tion with the special education local plan areas, shall
6 ensure local interagency coordination and collaboration
7 in the provision of early intervention services, includ-
8 ing local training activities, child-find activities, public
9 awareness, and the family resource center activities.
- 10 11. Funds appropriated in this item, unless otherwise
11 specified, are available for the sole purpose of funding
12 2008–09 special education program costs and shall
13 not be used to fund any prior year adjustments, claims,
14 or costs.
- 15 12. Of the amount provided in Schedule (1), up to
16 \$188,000, plus any cost-of-living adjustment, shall be
17 available to fully fund the declining enrollment of
18 necessary small special education local plan areas
19 pursuant to Chapter 551 of the Statutes of 2001.
- 20 13. Pursuant to Section 56427 of the Education Code, of
21 the funds appropriated in Schedule (1) of this item, up
22 to \$2,324,000 may be used to provide funding for in-
23 fant programs, and may be used for those programs
24 that do not qualify for funding pursuant to Section
25 56432 of the Education Code.
- 26 14. Of the funds appropriated in Schedule (1), up to
27 \$29,478,000 shall be allocated to local educational
28 agencies for the purposes of Project Workability I.
- 29 15. Of the funds appropriated in Schedule (1), up to
30 \$1,700,000 shall be used to provide specialized ser-
31 vices to pupils with low-incidence disabilities, as de-
32 fined in Section 56026.5 of the Education Code.
- 33 16. Of the funds appropriated in Schedule (1), up to
34 \$1,117,000 shall be used for a personnel development
35 program. This program shall include state-sponsored
36 staff development for special education personnel to
37 have the necessary content knowledge and skills to
38 serve children with disabilities. This funding may in-
39 clude training and services targeting special education
40 teachers and related service personnel that teach core

- 1 academic or multiple subjects to meet the applicable
 2 special education requirements of the Individuals with
 3 Disabilities Education Improvement Act of 2004 (20
 4 U.S.C. Sec. 1400 et seq.).
- 5 17. Of the funds appropriated in Schedule (1), up to
 6 \$200,000 shall be used for research and training in
 7 cross-cultural assessments.
- 8 18. Of the amount specified in Schedule (1), up to
 9 \$31,000,000 shall be used to provide mental health
 10 services required by an individual education plan
 11 pursuant to the federal Individuals with Disabilities
 12 Education Improvement Act of 2004 (20 U.S.C. Sec.
 13 1400 et seq.) and pursuant to Chapter 493 of the
 14 Statutes of 2004.
- 15 19. Of the amount provided in Schedule (1), ~~\$70,296,000~~
 16 \$0 is provided for cost-of-living adjustments.
- 17 20. Of the amount provided in Schedule (2), ~~\$1,812,000~~
 18 \$0 is provided for cost-of-living adjustments.
- 19 21. Of the amount appropriated in this item, up to
 20 \$1,480,000 is available for the state’s share of costs
 21 in the settlement of Emma C. v. Delaine Eastin, et al.
 22 (N.D. Cal. No. C96-4179TEH). The State Department
 23 of Education shall report by January 1, 2009, to the
 24 fiscal committees of both houses of the Legislature,
 25 the Department of Finance, and the Legislative Ana-
 26 lyst’s Office on the planned use of the additional spe-
 27 cial education funds provided to the Ravenswood Ele-
 28 mentary School District pursuant to this settlement.
 29 The report shall also provide the State Department of
 30 Education’s best estimate of when this supplemental
 31 funding will no longer be required by the court. The
 32 State Department of Education shall comply with the
 33 requirements of Section 948 of the Government Code
 34 in any further request for funds to satisfy this settle-
 35 ment.
- 36 22. Of the funds appropriated in this item, up to
 37 \$2,500,000 shall be allocated directly to special educa-
 38 tion local plan areas for a personnel development
 39 program that meets the highly qualified teacher require-
 40 ments and ensures that all personnel necessary to carry

1 out this part are appropriately and adequately prepared,
2 subject to the requirements of paragraph (14) of subdivi-
3 sion (a) of Section 612 of the federal Individuals
4 with Disabilities Education Improvement Act of 2004
5 (20 U.S.C. Sec. 1400 et seq.), and Section 2122 of the
6 federal Elementary and Secondary Education Act of
7 1965 (20 U.S.C. Sec. 6301 et seq.). The local in-ser-
8 vice programs shall include a parent training compo-
9 nent and may include a staff training component, and
10 may include a special education teacher component
11 for special education service personnel and paraprofes-
12 sionals, consistent with state certification and licensing
13 requirements. Use of these funds shall be described in
14 the local plans. These funds may be used to provide
15 training in alternative dispute resolution and the local
16 mediation of disputes. All programs are to include
17 evaluation components.

18 23. Notwithstanding any other provision of law, state
19 funds appropriated in Schedule (1) in excess of the
20 amount necessary to fund the defined entitlement shall
21 be to fulfill other shortages in entitlements budgeted
22 in this schedule by the State Department of Education,
23 upon Department of Finance approval, to any program
24 funded under Schedule (1).

25 24. The funds appropriated in this item reflect a reduction
26 to the base funding of 0.52 percent for a statewide
27 decline in average daily attendance.

28 25. Of the funds appropriated in Schedule (1), the amount
29 resulting from increases in federal funds reflected in
30 the calculation performed in paragraph (1) of subdivi-
31 sion (c) of Section 56836.08 of the Education Code
32 shall be allocated based on an equal amount per aver-
33 age daily attendance and added to each special educa-
34 tion local plan area's base funding, consistent with
35 paragraphs (1) to (4), inclusive, of subdivision (b) of
36 Section 56836.158 of the Education Code. This amount
37 may be up to \$19,000,000 less adjustments for state
38 operations and preschool. When the final amount is
39 determined, the State Department of Education shall
40 provide this information to the Department of Finance

1 and the budget committees of each house of the Legis-
2 lature.

3
4 *SEC. 70. Item 6110-167-0001 of Section 2.00 of the Budget*
5 *Act of 2008 is amended to read:*

6	6110-167-0001—For local assistance, Department of Education	
7	(Proposition 98), for transfer to Section A of the State	
8	School Fund, Program 10.70-Agricultural Career Technical	
9	Education Incentive Program established pursuant to Arti-	
10	cle 7.5 (commencing with Section 52460) of Chapter 9 of	
11	Part 28 of Division 4 of Title 2 of the Education Code.....	5,284,000
12		5,174,000
13		

14 Provisions:

- 15 1. As a condition of receiving funds appropriated in this
- 16 item, a school district shall certify to the Superinten-
- 17 dent of Public Instruction both of the following:
- 18 (a) Agricultural Career Technical Education Incentive
- 19 Program funds shall be expended for the items
- 20 identified in its application, except that, in items
- 21 of expenditure classification 4000, only the total
- 22 cost of expenses shall be required and itemization
- 23 shall not be required.
- 24 (b) The school district shall provide at least 50 per-
- 25 cent of the cost of the items and costs from expen-
- 26 diture classification 4000, as identified in its ap-
- 27 plication, from other funding sources. This provi-
- 28 sion does not limit the authority of the Superinten-
- 29 dent of Public Instruction to waive the local
- 30 matching requirement established by subdivision
- 31 (b) of Section 52461.5 of the Education Code.
- 32 2. The funds appropriated in this item reflect a reduction
- 33 to the base funding of 0.52 percent for a statewide
- 34 decline in average daily attendance.
- 35 3. Of the amount appropriated in this item, ~~\$110,000~~ \$0
- 36 is provided for a cost-of-living adjustment.
- 37

38 *SEC. 71. Item 6110-181-0001 of Section 2.00 of the Budget*
39 *Act of 2008 is amended to read:*

1 6110-181-0001—For local assistance, Department of Education
 2 (Proposition 98), for transfer to Section A of the State
 3 School Fund, Program 20.10.025-Educational Technology,
 4 programs funded pursuant to Article 15 (commencing with
 5 Section 51870) of Chapter 5 of Part 28 of Division 4 and
 6 Chapter 3.34 (commencing with Section 44730) of Part
 7 25 of Division 3 of Title 2 of the Education Code..... 17,984,000
 8 17,611,000

- 9 Provisions:
- 10 1. Of the funds appropriated in this item, ~~\$373,000~~ \$0 is
 11 for the purpose of a cost-of-living adjustment.
 - 12 2. The funds appropriated in this item reflect a reduction
 13 to the base funding of 0.52 percent for a statewide
 14 decline in average daily attendance.
 - 15 3. *As a part of the support system authorized by para-*
 16 *graph (5) of subdivision (a) of Section 51871 of the*
 17 *Education Code, the California Technology Assistance*
 18 *Project regional consortia shall assist school districts*
 19 *in using pupil achievement data to inform instruction*
 20 *and improve pupil learning. The regional consortia*
 21 *shall also support the identification and dissemination*
 22 *of best practices in the area of data-driven instruction-*
 23 *al improvement.*

24
 25 *SEC. 72. Item 6110-189-0001 of Section 2.00 of the Budget*
 26 *Act of 2008 is amended to read:*
 27

28 6110-189-0001—For local assistance, Department of Education
 29 (Proposition 98), Program 20.20.020.005-Instructional
 30 Support, for transfer to State Instructional Materials Fund
 31 pursuant to Article 3 (commencing with Section 60240)
 32 of Chapter 2 of Part 33 of Division 4 of Title 2 of the Ed-
 33 ucation Code (Instructional Materials Block Grant)..... 426,433,000
 34 417,591,000

- 35 Provisions:
- 36 1. The funds in this item shall be allocated to school
 37 districts to purchase standards-aligned instructional
 38 materials.

1 (2) 20.60.060-Instructional Support:
 2 Teacher Peer Review..... 30,578,000
 3 29,944,000

4 (3) 20.60.110-Instructional Support: Improv-
 5 ing School Effectiveness-Reader Ser-
 6 vices for Blind Teachers..... 411,000
 7 402,000

8 Provisions:

- 9 1. Notwithstanding any other provision of law, the
 10 amount appropriated in Schedule (1) shall be the
 11 maximum amount allocated for the purposes of the
 12 Bilingual Teacher Training Assistance Program estab-
 13 lished by Article 4 (commencing with Section 52180)
 14 of Chapter 7 of Part 28 of Division 4 of Title 2 of the
 15 Education Code.
- 16 2. Of the funds appropriated in Schedule (1), ~~\$45,000~~ \$0
 17 is for the purpose of providing a cost-of-living adjust-
 18 ment at a rate of 2.12 percent.
- 19 3. The funds appropriated in Schedule (2) shall be allo-
 20 cated in accordance with Article 4.5 (commencing
 21 with Section 44500) of Chapter 3 of Part 25 of Divi-
 22 sion 3 of Title 2 of the Education Code. If the funds
 23 are insufficient to fully fund growth in this program,
 24 the State Department of Education may adjust the per-
 25 participant rate to conform to available funds. Funds
 26 appropriated in Schedule (2) include ~~\$634,000~~ \$0 for
 27 the purpose of providing a cost-of-living adjustment
 28 at a rate of 2.12 percent.
- 29 4. Notwithstanding any other provision of law, the
 30 amount appropriated in Schedule (3) shall be the
 31 maximum amount allocated for the purposes of the
 32 Reader Services for Blind Teachers Program, for
 33 transfer to the Reader Employment Fund established
 34 by Section 45371 of the Education Code for the pur-
 35 poses of Section 44925 of the Education Code.
- 36 5. Of the funds appropriated in Schedule (3), ~~\$9,000~~ \$0
 37 is for the purpose of providing a cost-of-living adjust-
 38 ment at a rate of 2.12 percent.

1	(f)	30.10.020.012-Special Program, Child Development, Alternative Payment Program—Stage 3 Setaside.....	245,204,000
2			
3			
4			
5			
6			
7	(g)	30.10.020.008-Special Program, Child Development, Resource and Referral.....	19,438,000
8			
9			
10			
11			
12	(i)	30.10.020.015-Special Program, Child Development, Extended Day Care.....	35,890,000
13			
14			
15			
16	(j)	30.10.020.096-Special Program, Child Development, Allowance for Handicapped.....	1,997,000
17			
18			
19			
20	(k)	30.10.020.106-Special Program, Child Development, California Child Care Initiative.....	250,000
21			
22			
23			
24			
25	(l)	30.10.020.901-Special Program, Child Development, Quality Improvement.....	67,572,000
26			
27			
28			
29	(m)	30.10.020.911-Special Program, Child Development, Centralized Eligibility List.....	7,900,000
30			
31			
32			
33	(n)	30.10.020.920-Special Program, Child Development, Local Planning Councils.....	6,637,000
34			
35			
36			
37	(3)	30.10.020.908-Special Program, Child Development, Cost-of-Living Adjustments.....	34,282,000
38			
39			
40			0

- 1 (4) 30.10.020.909-Special Program, Child
- 2 Development, Growth Adjustments..... 10,917,000
- 3 (5) Amount payable from the Federal
- 4 Trust Fund (Item 6110-196-0890)..... -537,511,000
- 5 Provisions:
- 6 1. Notwithstanding Section 8278 of the Education Code,
- 7 funds available for expenditure pursuant to that section
- 8 shall be expended in the current fiscal year pursuant
- 9 to the following schedule:
- 10 (a) \$4,000,000 or whatever lesser or greater amount
- 11 is necessary for accounts payable pursuant to
- 12 paragraph (1) of subdivision (b) of Section 8278
- 13 of the Education Code.
- 14 (b) \$22,963,000 shall be available for CalWORKs
- 15 Stage 3 child care.
- 16 (c) The Controller shall establish an account entitled
- 17 "Section 8278 Expenditures in 2007" in Item
- 18 6110-196-0001, Program 30.10.060. Any unex-
- 19 pended General Fund balances as of June 30,
- 20 2008, or subsequent abatements, from those
- 21 amounts listed in Schedules (1), (1.5)(a), (1.5)(c),
- 22 (1.5)(d), (1.5)(g), (1.5)(i), (1.5)(j), (1.5)(k),
- 23 (1.5)(l), and (1.5)(n), that are available pursuant
- 24 to Section 8278 of the Education Code, shall be
- 25 transferred to the account for the purpose of
- 26 making expenditures pursuant to that section and
- 27 as specified in this provision.
- 28 2. (a) Notwithstanding any other provision of law, alter-
- 29 native payment child care programs shall be sub-
- 30 ject to the rate ceilings established in the Regional
- 31 Market Rate Survey of California child care and
- 32 development providers for provider payments.
- 33 When approved pursuant to Section 8447 of the
- 34 Education Code, any changes to the market rate
- 35 limits, adjustment factors, or regions shall be uti-
- 36 lized by the State Department of Education and
- 37 the State Department of Social Services in various
- 38 programs under the jurisdiction of either depart-
- 39 ment.

- 1 (b) Notwithstanding any other provision of law, the
2 funds appropriated in this item for the cost of li-
3 censed child care services provided through alter-
4 native payment or voucher programs, including
5 those provided under Article 3 (commencing with
6 Section 8220) and Article 15.5 (commencing with
7 Section 8350) of Chapter 2 of Part 6 of Division
8 1 of Title 1 of the Education Code, shall be used
9 only to reimburse child care costs up to the 85th
10 percentile of the rates charged by providers offer-
11 ing the same type of child care for the same age
12 child in that region effective March 1, 2009, based
13 on the 2007 Regional Market Rate Survey data.
14 The State Department of Education shall cause
15 to be developed rate limits at the 85th percentile,
16 based on the 2007 survey data, and submit for
17 approval in accordance with law to the Depart-
18 ment of Finance no later than October 1, 2008, to
19 enable the rate limits to be reviewed and then
20 implemented by March 1, 2009. The State Depart-
21 ment of Education may redirect funding from
22 funds normally reserved for new surveys to
23 achieve this goal, as necessary.
- 24 3. Of the amount appropriated in Schedule (1),
25 \$50,000,000 is available for Prekindergarten and
26 Family Literacy preschool programs pursuant to
27 Chapter 211 of the Statutes of 2006. Of the amount
28 appropriated in Schedule (1), \$5,000,000 is available
29 for the provision of wraparound care to children en-
30 rolled in state preschool programs. The Superintendent
31 of Public Instruction shall assign priority for these
32 funds to children enrolled in prekindergarten and
33 family literacy programs authorized by Section 8238.4
34 of the Education Code.
- 35 4. Funds in Schedule (1.5)(I) shall be reserved for activ-
36 ities to improve the quality and availability of child
37 care, pursuant to the following:
38 (a) \$2,014,056 is for the schoolage care and resource
39 and referral earmark.

- 1 (b) \$11,359,176 is for the infant and toddler earmark
- 2 and shall be used for increasing the supply of
- 3 quality child care for infants and toddlers.
- 4 (c) \$7,237,000 in one-time federal funding is avail-
- 5 able for use in the 2008–09 fiscal year. Of that
- 6 amount, \$200,000 shall be used for Trustline
- 7 registration workload (Chapter 3.35 (commencing
- 8 with Section 1596.60) of Division 2 of the Health
- 9 and Safety Code). The remaining funds shall be
- 10 used for child care and development quality ex-
- 11 penditures identified by the State Department of
- 12 Education (SDE) and approved by the Department
- 13 of Finance.
- 14 (d) From the remaining funds in Schedule (1.5)(l),
- 15 the following amounts shall be allocated for the
- 16 following purposes: \$4,000,000 to train former
- 17 CalWORKs recipients as child care teachers,
- 18 \$2,700,000 for contracting with the State Depart-
- 19 ment of Social Services (DSS) for increased in-
- 20 spections of child care facilities, \$1,000,000 for
- 21 Trustline registration workload (Chapter 3.35
- 22 (commencing with Section 1596.60) of Division
- 23 2 of the Health and Safety Code), \$500,000 for
- 24 health and safety training for licensed and exempt
- 25 child care providers, \$300,000 for the Health
- 26 Hotline, and \$300,000 to implement a technical
- 27 assistance program to child care providers in ac-
- 28 cessing financing for renovation, expansion, or
- 29 construction of child care facilities.
- 30 (e) When developing the 2008–09 expenditure plan
- 31 for proposed state and local activities to improve
- 32 child care, the SDE shall follow these three prin-
- 33 ciples: (1) preserve funding for activities that
- 34 provide direct services and supports to families,
- 35 (2) preserve funding for activities that provide
- 36 direct services and supports to child care providers
- 37 and teachers, and (3) comply with federal man-
- 38 dates, including quality earmarks and set-asides.
- 39 5. Of the amount appropriated in Schedule (1.5)(l),
- 40 \$15,000,000 shall be for child care worker recruitment

1 and retention programs pursuant to Section 8279.7 of
2 the Education Code, and \$320,000 shall be for the
3 Child Development Training Consortium.

- 4 6. (a) The State Department of Education (SDE) shall
5 conduct monthly analyses of CalWORKs Stage
6 2 and Stage 3 caseloads and expenditures and
7 adjust agency contract maximum reimbursement
8 amounts and allocations as necessary to ensure
9 funds are distributed proportionally to need. The
10 SDE shall share monthly caseload analyses with
11 the State Department of Social Services (DSS).
12 (b) The SDE shall provide quarterly information re-
13 garding the sufficiency of funding for Stage 2 and
14 Stage 3 to DSS. The SDE shall provide caseloads,
15 expenditures, allocations, unit costs, family fees,
16 and other key variables and assumptions used in
17 determining the sufficiency of state allocations.
18 Detailed backup by month and on a county-by-
19 county basis shall be provided to the DSS at least
20 on a quarterly basis for comparisons with Stage
21 1 trends.
22 (d) By September 30 and March 30 of each year, the
23 SDE shall ensure that detailed caseload and expend-
24 iture data, through the most recent period for
25 Stage 2 and Stage 3 Setaside along with all rele-
26 vant assumptions, is provided to DSS to facilitate
27 budget development. The detailed data provided
28 shall include actual and projected monthly
29 caseload from Stage 2 scheduled to time off of
30 their transitional child care benefit from the last
31 actual month reported by agencies through the
32 next two fiscal years as well as local attrition ex-
33 perience. DSS shall utilize data provided by the
34 SDE, including key variables from the prior fiscal
35 year and the first two months of the current fiscal
36 year, to provide coordinated estimates in
37 November of each year for each of the three stages
38 of care for preparation of the Governor's Budget,
39 and shall utilize data from at least the first two
40 quarters of the current fiscal year, and any addi-

- 1 tional monthly data as they become available for
- 2 preparation of the May Revision. The DSS shall
- 3 share its assumptions and methodology with the
- 4 SDE in the preparation of the Governor’s Budget.
- 5 (e) The SDE shall coordinate with the DSS to identify
- 6 annual general subsidized child care program ex-
- 7 penditures for Temporary Assistance for Needy
- 8 Families-eligible children. The SDE shall modify
- 9 existing reporting forms as necessary to capture
- 10 this data.
- 11 (f) The SDE shall provide to the DSS, upon request,
- 12 access to the information and data elements nec-
- 13 essary to comply with federal reporting require-
- 14 ments and any other information deemed neces-
- 15 sary to improve estimation of child care budgeting
- 16 needs.
- 17 7. Notwithstanding any other provision of law, the funds
- 18 in Schedule (1.5)(f) are reserved exclusively for con-
- 19 tinuing child care for the following: (a) former Cal-
- 20 WORKS families who are working, have left cash aid,
- 21 and have exhausted their two-year eligibility for tran-
- 22 sitional services in either Stage 1 or 2 pursuant to
- 23 subdivision (c) of Section 8351 or Section 8353 of the
- 24 Education Code, respectively, but still meet eligibility
- 25 requirements for receipt of subsidized child care ser-
- 26 vices, and (b) families who received lump-sum diver-
- 27 sion payments or diversion services under Section
- 28 11266.5 of the Welfare and Institutions Code and have
- 29 spent two years in Stage 2 off of cash aid, but still
- 30 meet eligibility requirements for receipt of subsidized
- 31 child care services.
- 32 8. Nonfederal funds appropriated in this item which have
- 33 been budgeted to meet the state’s Temporary Assis-
- 34 tance for Needy Families maintenance-of-effort require-
- 35 ment established pursuant to the federal Personal Re-
- 36 sponsibility and Work Opportunity Reconciliation Act
- 37 of 1996 (P.L. 104-193) may not be expended in any
- 38 way that would cause their disqualification as a feder-
- 39 ally allowable maintenance-of-effort expenditure.

- 1 9. (a) Notwithstanding any other provision of law, the
2 income eligibility limits pursuant to Section
3 8263.1 of the Education Code that were applicable
4 to the 2007–08 fiscal year shall remain in effect
5 for the 2008–09 fiscal year.
- 6 (b) Notwithstanding any other provision of law, the
7 State Department of Education (SDE) shall update
8 the 2006–07 family fee schedule by family size
9 for use in the 2008–09 fiscal year based on the
10 state median income at the level at which it has
11 been determined for the 2007–08 fiscal year for
12 a family of four, in accordance with law. The SDE
13 shall ensure fees are not charged to families with
14 incomes lower than 40 percent of state median
15 income.
- 16 10. Of the amounts provided in this item, ~~\$34,282,000~~ \$0
17 is available to provide a cost-of-living adjustment for
18 Schedules (1), (1.5)(a), (1.5)(c), (1.5)(d), (1.5)(g),
19 (1.5)(i), (1.5)(j), and (1.5)(n). The maximum standard
20 reimbursement rate shall not exceed ~~\$35.11~~ \$34.95
21 per day for general child care programs and ~~\$21.67~~
22 \$21.57 per day for state preschool programs. Further-
23 more, the migrant child care and Cal-SAFE child care
24 programs shall adhere to the maximum standard reim-
25 bursement rates as prescribed for the general child
26 care programs. All other rates and adjustment factors
27 shall be revised to conform.
- 28 11. Of the amounts provided in this item, \$10,917,000 is
29 available to provide a growth adjustment for Schedules
30 (1), (1.5)(a), (1.5)(c), (1.5)(d), (1.5)(i), and (1.5)(j).
- 31 12. (a) Notwithstanding any other provision of law, the
32 funds in Schedule (1.5)(m) are appropriated exclu-
33 sively for developing and maintaining a central-
34 ized eligibility list in each county pursuant to
35 Section 8227 of the Education Code. By Novem-
36 ber 1 of each year, the State Department of Edu-
37 cation shall provide a status report on implement-
38 ing eligibility lists in each county, which shall
39 include, but is not limited to, the cost of implemen-
40 tation and operation of the eligibility lists in each

- 1 county, and number of children and families on
- 2 the list for each county.
- 3 13. Notwithstanding Section 8278.3 of the Education Code
- 4 or any other provision of law, up to \$5,000,000 of the
- 5 Child Care Facilities Revolving Fund balance may be
- 6 allocated for use on a one-time basis for renovations
- 7 and repairs to meet health and safety standards, to
- 8 comply with the federal Americans with Disabilities
- 9 Act of 1990 (42 U.S.C. Sec. 12101 et seq.), and to
- 10 perform emergency repairs, that were the result of an
- 11 unforeseen event and are necessary to maintain contin-
- 12 ued normal operation of the child care and develop-
- 13 ment program. These funds shall be made available
- 14 to school districts and contracting agencies that provide
- 15 subsidized center-based services pursuant to the Child
- 16 Care and Development Services Act (Chapter 2
- 17 (commencing with Section 8200) of Part 6 of Division
- 18 1 of Title 1 of the Education Code).
- 19 14. It is the intent of the Legislature to fully fund the third
- 20 stage of child care for former CalWORKs recipients.
- 21

22 *SEC. 76. Item 6110-198-0001 of Section 2.00 of the Budget*
 23 *Act of 2008 is amended to read:*

24

25 6110-198-0001—For local assistance, Department of Education
 26 (Proposition 98), for transfer by the Controller to Section
 27 A of the State School Fund, for allocation to school dis-
 28 tricts and county offices of education, in lieu of the amount
 29 that otherwise would be appropriated pursuant to statute.... 59,321,000
 30 58,091,000

31 Schedule:

32 (1) 20.60.220-Cal-SAFE Academic and	
33 Supportive Services.....	20,220,550
34	19,863,550
35 (2) 20.60.221-All Services for Non-convert-	
36 ing Pregnant Minors Programs.....	13,673,750
37	13,369,750
38 (3) 30.10.020-Cal-SAFE Child Care.....	25,426,700
39	24,857,700

1 Provisions:

- 2 1. ~~Notwithstanding any other provision of law, a school~~
3 ~~district or county superintendent of schools operating,~~
4 ~~by October 1, 1999, a School Age Parent and Infant~~
5 ~~Development Program pursuant to Article 17 (com-~~
6 ~~mencing with Section 8390) of Chapter 2 of Part 6 of~~
7 ~~Division 1 of Title 1 of, a Pregnant Minors Program~~
8 ~~pursuant to Chapter 6 (commencing with Section 8900)~~
9 ~~of Part 6 of Division 1 of Title 1 of, and Section 2551.3~~
10 ~~of, or a Pregnant and Lactating Students Program~~
11 ~~pursuant to Sections 49553 and 49559 of, the Educa-~~
12 ~~tion Code, or any combination thereof, that chooses~~
13 ~~to participate in the Cal-SAFE program shall have~~
14 ~~priority for Cal-SAFE program funding for an amount~~
15 ~~up to the dollar amount provided under those provi-~~
16 ~~sions in the fiscal year prior to participation in the Cal-~~
17 ~~SAFE program, provided an application is submitted~~
18 ~~and approved.~~
- 19 2. The amounts appropriated in Schedules (1), (2), and
20 (3) are based on estimates of the amounts required by
21 existing programs for operation of Cal-SAFE programs
22 in the current year. By October 31 of each year, the
23 State Department of Education (SDE) shall submit to
24 the Department of Finance current expenditure data
25 for both the prior fiscal year and the current year
26 showing each agency's allocation and supporting detail
27 including average daily attendance and child care at-
28 tendance and enrollment data. The SDE shall also
29 provide estimates of average daily attendance and child
30 care to be provided in the budget year.
- 31 3. Funds appropriated in Schedule (2) are available to
32 provide funding for all child care, as well as both
33 academic and supportive services for programs
34 choosing to retain their Pregnant Minors Program
35 revenue limit. Notwithstanding any other provision of
36 law, the State Department of Education shall compute
37 allocations to these agencies using the respective
38 agencies' 1998-99 Pregnant Minors Program revenue
39 limits. Further, notwithstanding any other provision
40 of law, programs which choose to retain their Pregnant

- 1 Minors Program revenue limit rather than convert to
 2 the Cal-SAFE revenue limit must provide child care
 3 within the revenue limit funding for children of pupils
 4 comprising base year average daily attendance.
 5 ~~Notwithstanding any other provision of law, programs~~
 6 ~~shall not be eligible for funding for enrolling additional~~
 7 ~~units of average daily attendance above the certified~~
 8 ~~1998-99 level.~~
- 9 4. Of the funds appropriated in this item, ~~\$1,230,000~~ \$0
 10 is for the purpose of providing a cost-of-living adjust-
 11 ment.
- 12 5. The funds appropriated in this item reflect a reduction
 13 to the base funding of 0.52 percent for a statewide
 14 decline in average daily attendance.
- 15 6. Notwithstanding Section 26.00, the State Department
 16 of Education may transfer expenditure authority be-
 17 tween Schedule (1) Cal-SAFE Academic and Support-
 18 ive Services and Schedule (2) All Services for Noncon-
 19 verting Pregnant Minors Programs, to accurately re-
 20 flect expenditures in these programs, upon approval
 21 of the Department of Finance and notification of the
 22 Legislature.
- 23 7. *In the event that funding in this item is insufficient to*
 24 *serve all eligible pupils, the State Department of Edu-*
 25 *cation shall prorate the amounts in Schedules (1) and*
 26 *(2).*

27
 28 *SEC. 77. Item 6110-201-0890 of Section 2.00 of the Budget*
 29 *Act of 2008 is amended to read:*

30
 31 6110-201-0890—For local assistance, Department of Educa-
 32 tion, Program 30.20-Child Nutrition, payable from the
 33 Federal Trust Fund..... ~~1,754,152,000~~
 34 *1,756,657,000*

35 Schedule:

36 (1) 30.20.010-Child Nutrition Pro-
 37 grams..... ~~1,721,702,000~~
 38 *1,724,207,000*

39 (2) 30.20.040-Summer Food Service Pro-
 40 gram..... 32,450,000

1 Provisions:

2 1. Of the amount appropriated in Schedule (1), ~~\$250,000~~
3 \$2,755,000 is provided from one-time federal funds
4 for Fresh Fruit and Vegetable Program grants to local
5 educational agencies.
6

7 *SEC. 78. Item 6110-202-0001 of Section 2.00 of the Budget*
8 *Act of 2008 is amended to read:*
9

10 6110-202-0001—For local assistance, Department of Education,
11 Program 30.20.010-Child Nutrition Programs..... ~~11,936,000~~
12 *11,742,000*

13 Provisions:

14 1. Funds appropriated are for child nutrition programs
15 pursuant to Section 41311 of the Education Code.
16 Claims for reimbursement of meals pursuant to this
17 appropriation shall be submitted no later than
18 September 30, 2009, to be eligible for reimbursement.
19 2. Funds appropriated shall be available for allocation in
20 accordance with Section 49536 of the Education Code,
21 except that the allocation shall not be made based on
22 all meals served, but based on the number of meals
23 that are served and that qualify as free or reduced-price
24 meals in accordance with Sections 49501, 49550, and
25 49552 of the Education Code.
26 3. Of the funds appropriated in this item, ~~\$194,000~~ \$0 is
27 for the purpose of providing a cost-of-living adjust-
28 ment.
29

30 *SEC. 79. Item 6110-203-0001 of Section 2.00 of the Budget*
31 *Act of 2008 is amended to read:*
32

33 6110-203-0001—For local assistance, Department of Education
34 (Proposition 98), for transfer to Section A of the State
35 School Fund, Program 30.20.010-Child Nutrition Pro-
36 grams, established pursuant to Sections 41311, 49501,
37 49536, 49550, 49552, and 49559 of the Education Code.... ~~128,346,000~~
38 *125,685,000*

1	Schedule:	
2	(1) 30.20.010-Child Nutrition Programs....	128,688,000
3		126,027,000
4	(2) Reimbursements.....	-342,000

- 5 Provisions:
- 6 1. Funds appropriated in Schedule (1) shall be allocated
7 pursuant to Section 41311 of the Education Code.
8 Claims for reimbursement of meals pursuant to this
9 allocation shall be submitted by school districts on or
10 before September 30, 2009, to be eligible for reimburse-
11 ment.
 - 12 2. Funds designated for child nutrition programs in
13 Schedule (1) shall be allocated in accordance with
14 Section 49536 of the Education Code; however, the
15 allocation shall be based not on all meals served, but
16 on the number of meals that are served and that qualify
17 as free or reduced-price meals in accordance with
18 Sections 49501, 49550, and 49552 of the Education
19 Code.
 - 20 4. Of the funds appropriated in this item, ~~\$2,661,000~~ \$0
21 is for the purpose of providing a cost-of-living adjust-
22 ment.
 - 23 5. Of the funds appropriated in this item, \$2,404,000 is
24 for the purpose of providing a growth adjustment due
25 to an increase in the projected number of meals served.
 - 26 6. If the appropriation in this item is insufficient to fully
27 fund all eligible reimbursement claims pursuant to
28 Section 49430.5 of the Education Code, the State De-
29 partment of Education shall reimburse eligible claims
30 at a prorated share of the funds appropriated by this
31 item.
 - 32 7. The State Department of Education shall notify the
33 Department of Finance in writing 30 days prior to
34 paying prior year reimbursement claims from this item
35 pursuant to Section 16304.1 of the Government Code.
36 No reimbursements shall be made prior to final ap-
37 proval of the Department of Finance.

38
39 *SEC. 80. Item 6110-204-0001 of Section 2.00 of the Budget*
40 *Act of 2008 is amended to read:*

1 6110-204-0001—For local assistance, Department of Education
 2 (Proposition 98), Program 20-Instructional Support for
 3 transfer by the Controller to Section A of the State School
 4 Fund for allocation by the Superintendent of Public Instruc-
 5 tion..... 74,292,000
 6 72,752,000

7 Provisions:

- 8 1. The funds appropriated in this item are available to
 9 assist eligible pupils, pursuant to Section 37254 of the
 10 Education Code, who are required to pass the Califor-
 11 nia High School Exit Examination in order to receive
 12 a diploma.
 13 2. Of the amount appropriated in this item, ~~\$1,540,000~~
 14 \$0 is to provide a cost-of-living adjustment.
 15 3. The per-pupil amount for grade 12 may not exceed
 16 ~~\$534~~ \$520 in the 2008–09 fiscal year.
 17 4. The funds in this item shall be allocated by the State
 18 Department of Education as specified in this item no
 19 later than October 1 of each fiscal year.
 20

21 *SEC. 81. Item 6110-209-0001 of Section 2.00 of the Budget*
 22 *Act of 2008 is amended to read:*
 23

24 6110-209-0001—For local assistance, Department of Education
 25 (Proposition 98), Program 10.10.090.002-Teacher Dis-
 26 missal Apportionments, for transfer to Section A of the
 27 State School Fund and allocation by the Controller for
 28 payment of claims received pursuant to Section 44944 of
 29 the Education Code..... 49,000
 30 48,000

31 Provisions:

- 32 1. Of the funds appropriated in this item, ~~\$1,000~~ \$0 is
 33 for the purpose of providing a cost-of-living adjust-
 34 ment at a rate of 2.12 percent.
 35

36 *SEC. 82. Item 6110-211-0001 of Section 2.00 of the Budget*
 37 *Act of 2008 is amended to read:*

1 6110-211-0001—For local assistance, Department of Education
 2 (Proposition 98), for transfer to Section A of the State
 3 School Fund, Program 20.60.036 for Categorical Programs
 4 for charter schools, in accordance with Sections 47634
 5 and 47634.1 of the Education Code..... ~~187,884,000~~
 6 *183,865,000*

7 Provisions:

- 8 1. The State Department of Education shall provide an
 9 estimate of average daily attendance expected to be
 10 claimed for this item for the 2009–10 fiscal year to
 11 the Department of Finance and the Legislative Ana-
 12 lyst’s Office by October 1 of each year, for use in de-
 13 veloping the Governor’s Budget. The State Department
 14 of Education shall provide an update of the estimate
 15 by March 31 of each year, for preparation of the May
 16 Revision.
 17 2. An additional \$5,947,000 in expenditures for this item
 18 has been deferred until the 2009–10 fiscal year.

19
20 *SEC. 83. Item 6110-224-0001 of Section 2.00 of the Budget*
21 *Act of 2008 is amended to read:*

22
23 6110-224-0001—For local assistance, Department of Education
 24 (Proposition 98), for transfer to Section A of the State
 25 School Fund, Year-Round School Grant Program estab-
 26 lished pursuant to Article 3 (commencing with Section
 27 42260) of Chapter 7 of Part 24 of Division 3 of Title 2 of
 28 the Education Code..... ~~98,852,000~~
 29 *96,802,000*

30 Schedule:

- 31 (1) 10.10.950.002-Operations Grants..... ~~98,852,000~~
 32 *96,802,000*

33 Provisions:

- 34 1. The following provisions govern funds appropriated
 35 for the Year-Round School Grant Program (Article 3
 36 (commencing with Section 42260) of Chapter 7 of
 37 Part 24 of Division 3 of Title 2 of the Education Code):
 38 (a) Applications for year-round school grants pur-
 39 suant to Section 42263 of the Education Code
 40 shall be received annually by the Superintendent

1 of Public Instruction no later than September 1
 2 of the year for which payment is sought; applica-
 3 tions received after that date may not be pro-
 4 cessed. If the funds available for a fiscal year are
 5 insufficient to fully fund all eligible grants pur-
 6 suant to Section 42263 of the Education Code,
 7 the Superintendent shall at that time provide all
 8 approved claims with a prorated share of the funds
 9 made available for those grants pursuant to this
 10 item.

- 11 2. The funds appropriated in this item reflect a reduction
- 12 to the base funding of 0.52 percent for a statewide
- 13 decline in average daily attendance.
- 14 3. Of the funds appropriated in this item, ~~\$2,050,000~~ \$0
- 15 is for the purpose of providing a cost-of-living adjust-
- 16 ment at a rate of 2.12 percent.

17
 18 *SEC. 84. Item 6110-228-0001 of Section 2.00 of the Budget*
 19 *Act of 2008 is amended to read:*

20
 21 6110-228-0001—For local assistance, Department of Education
 22 (Proposition 98), Program 20.60.020.011-School Safety
 23 Block Grant, for transfer by the Controller to Section A
 24 of the State School Fund for allocation by the Superinten-
 25 dent of Public Instruction..... 63,428,000
 26 61,310,000

27 Provisions:

- 28 1. The funds appropriated are available to fund block
- 29 grants for middle and junior high schools and high
- 30 schools that serve grades 8 to 12, inclusive, pursuant
- 31 to Article 3.6 (commencing with Section 32228) and
- 32 Article 3.8 (commencing with Section 32239.5) of
- 33 Chapter 2 of Part 19 of Division 1 of Title 1 of the
- 34 Education Code. An additional \$38,720,000 in expen-
- 35 ditures for this purpose has been deferred to the
- 36 2009–10 fiscal year. Of the amount deferred,
- 37 \$1,000,000 shall be made available for county offices
- 38 of education pursuant to Article 3.6 (commencing with
- 39 Section 32228) of Chapter 2 of Part 19 of Division 1
- 40 of Title 1 of the Education Code.

1 6110-234-0001—For local assistance, Department of Educa-
 2 tion (Proposition 98), Program 10.25, for transfer by the
 3 Controller to Section A of the State School Fund, for
 4 allocation by the Superintendent of Public Instruction
 5 for the Class Size Reduction Program pursuant to
 6 Chapter 6.10 (commencing with Section 52120) of Part
 7 28 of Division 4 of Title 2 of the Education Code..... ~~1,830,101,000~~
 8 *1,792,153,000*

9 Provisions:

- 10 1. Schools participating in Option One shall receive a
 11 per-pupil rate of ~~\$1,094~~ *\$1,063*. Schools participating
 12 in Option Two shall receive a per-pupil rate of \$546.
 13 ~~These rates are based on a cost-of-living adjustment~~
 14 ~~at a rate of 2.12 percent.~~

15
 16 *SEC. 87. Item 6110-240-0001 of Section 2.00 of the Budget*
 17 *Act of 2008 is amended to read:*

18
 19 6110-240-0001—For local assistance, Department of Education
 20 (Proposition 98)..... ~~3,122,000~~
 21 *3,057,000*

22 Schedule:

- 23 (1) 10.80.030-Instruction: International
 24 Baccalaureate Diploma Program..... ~~1,300,000~~
 25 *1,273,000*
 26 (2) 20.70-Instructional Support: Assess-
 27 ments (Advanced Placement Fee Waiver
 28 Program)..... ~~1,822,000~~
 29 *1,784,000*

30 Provisions:

- 31 1. The funds appropriated in Schedule (1) shall be for
 32 the International Baccalaureate Diploma Program au-
 33 thorized by Chapter 12.5 (commencing with Section
 34 52920) of Part 28 of Division 4 of Title 2 of the Edu-
 35 cation Code.
 36 2. The funds appropriated in Schedule (2) shall be for
 37 grants for advanced placement examination fees as
 38 authorized by Chapter 8.3 (commencing with Section
 39 52240) of Part 28 of Division 4 of Title 2 of the Edu-
 40 cation Code.

- 1 Provisions:
- 2 1. Of the funds appropriated in this item, ~~-\$3,395,000~~
- 3 \$3,329,000 is available to support the Teacher Credent-
- 4 tialing Block Grant regional infrastructure.
- 5 2. It is the intent of the Legislature that first-year holders
- 6 of preliminary teaching credentials, as defined in
- 7 subdivision (b) of Section 44259 of the Education
- 8 Code, be afforded first priority for funding appropriat-
- 9 ed in this item. To the extent that any funds appropriat-
- 10 ed in this item remain after all first-year holders of
- 11 preliminary teaching credentials have been served,
- 12 those funds may be used to serve second-year holders
- 13 of preliminary teaching credentials.
- 14 3. If funds are insufficient to service all second-year
- 15 holders of preliminary teaching credentials, the State
- 16 Department of Education shall prorate the funds to
- 17 conform to the amount remaining in this item, consis-
- 18 tent with Provision 2.
- 19 4. Of the funds appropriated in this item, ~~\$2,654,000~~ \$0
- 20 is provided for a cost-of-living adjustment ~~at a rate of~~
- 21 ~~2.12 percent~~ for a total per-participant rate of ~~\$4,155~~
- 22 \$4,069.
- 23 5. The funds in this item shall be made available only to
- 24 beginning teachers, as defined in Section 44279.1 of
- 25 the Education Code, serving in their first or second
- 26 year of service in California.

27
 28 *SEC. 90. Item 6110-245-0001 of Section 2.00 of the Budget*
 29 *Act of 2008 is amended to read:*
 30

31 6110-245-0001—For local assistance, Department of Education
 32 (Proposition 98), Program 20.60 for transfer by the Con-
 33 troller to Section A of the State School Fund, for allocation
 34 by the Superintendent of Public Instruction for the Profes-
 35 sional Development Block Grant, pursuant to Article 5
 36 (commencing with Section 41530) of Chapter 3.2 of Part
 37 24 of Division 3 of Title 2 of the Education Code..... 279,076,000
 38 273,289,000

- 1 Provisions:
- 2 1. Of the funds appropriated in this item, ~~\$5,787,000~~ \$0
- 3 is for the purpose of providing a cost-of-living adjust-
- 4 ment.
- 5 2. The funds appropriated in this item reflect a reduction
- 6 to the base of 0.52 percent for a decline in statewide
- 7 average daily attendance.

8

9 *SEC. 91. Item 6110-246-0001 of Section 2.00 of the Budget*

10 *Act of 2008 is amended to read:*

11

12 6110-246-0001—For local assistance, Department of Education

13 (Proposition 98), for transfer by the Controller to Section

14 A of the State School Fund for allocation by the Superin-

15 tendent of Public Instruction for the unscheduled Targeted

16 Instructional Improvement Block Grant pursuant to Article

17 6 (commencing with Section 41540) of Chapter 3.2 of Part

18 24 of Division 3 of Title 2 of the Education Code..... ~~992,679,000~~

19 *970,019,000*

- 20 Provisions:
- 21 1. Of the funds appropriated in this item, ~~\$22,660,000~~
 - 22 \$0 is provided for the purpose of a cost-of-living ad-
 - 23 justment.
 - 24 2. The funds appropriated in this item reflect a reduction
 - 25 to the base funding of 0.52 percent for a statewide
 - 26 decline in average daily attendance.
 - 27 3. Notwithstanding any other provision of law, an addi-
 - 28 tional \$100,118,000 in expenditures for this item has
 - 29 been deferred until the following fiscal year.

30

31 *SEC. 92. Item 6110-247-0001 of Section 2.00 of the Budget*

32 *Act of 2008 is amended to read:*

1 6110-247-0001—For local assistance, Department of Education
 2 (Proposition 98), for transfer by the Controller to Section
 3 A of the State School Fund for allocation by the Superin-
 4 tendent of Public Instruction for the unscheduled School
 5 and Library Improvement Block Grant pursuant to Article
 6 7 (commencing with Section 41570) of Chapter 3.2 of Part
 7 24 of Division 3 of Title 2 of the Education Code..... 472,836,000
 8 463,031,000

- 9 Provisions:
- 10 1. Of the funds appropriated in this item, ~~\$9,805,000~~ \$0
 - 11 is provided for the purpose of a cost-of-living adjust-
 - 12 ment.
 - 13 2. The funds appropriated in this item also reflect a reduc-
 - 14 tion to the base funding of 0.52 percent for a statewide
 - 15 decline in average daily attendance.

16
 17 *SEC. 93. Item 6110-248-0001 of Section 2.00 of the Budget*
 18 *Act of 2008 is amended to read:*

19
 20 6110-248-0001—For local assistance, Department of Education
 21 (Proposition 98), for transfer by the Controller to Section
 22 A of the State School Fund for allocation by the Superin-
 23 tendent of Public Instruction for the unscheduled School
 24 Safety Consolidated Competitive Grant pursuant to Article
 25 3 (commencing with Section 41510) of Chapter 3.2 of Part
 26 24 of Division 3 of Title 2 of the Education Code..... 18,336,000
 27 17,956,000

- 28 Provisions:
- 29 1. Of the funds appropriated in this item, ~~\$380,000~~ \$0 is
 - 30 for the purpose of providing a cost-of-living adjust-
 - 31 ment.
 - 32 2. The funds appropriated in this item reflect a reduction
 - 33 to the base funding of 0.52 percent for a statewide
 - 34 decline in average daily attendance.
 - 35 3. Notwithstanding any other provision of law, up to
 - 36 \$400,000 of the funds appropriated in this item may
 - 37 be used for contracts with county offices of education
 - 38 to provide regional training in safe school planning
 - 39 and crisis response and for statewide coordination of
 - 40 such training.

1 4. The funds contained in this item shall first be used to
 2 offset any state-mandated reimbursable costs that may
 3 otherwise be claimed for the state mandates reim-
 4 burstable process of implementing Chapter 996 of the
 5 Statutes of 1999. Local educational agencies accepting
 6 funding from this item shall reduce their estimated
 7 and actual mandate reimbursement claims by the
 8 amount of funding provided to them from this item.
 9

10 *SEC. 94. Item 6110-260-0001 of Section 2.00 of the Budget*
 11 *Act of 2008 is amended to read:*

13	6110-260-0001—For local assistance, Department of Education	
14	(Proposition 98), 20.11-Instructional Support: Physical	
15	Education Teacher Incentive Grants.....	42,697,000
16		41,812,000

17 Provisions:

18 1. The funds appropriated in this item are for transfer by
 19 the Controller to the Superintendent of Public Instruc-
 20 tion to provide incentive grants to schools serving
 21 kindergarten or any of grades 1 to 8, inclusive, to
 22 support the hiring of more credentialed physical edu-
 23 cation teachers.

24 These grants shall be allocated in the amount of
 25 ~~\$37,355~~ \$36,586 per schoolsite to the districts that
 26 were randomly selected in 2006–07 in order to hire
 27 teachers to provide instruction in physical education
 28 courses.

29 2. As a condition of receipt of funds, school districts
 30 identified through the process required pursuant to
 31 Section 41020 of the Education Code as not meeting
 32 the required physical education instruction minutes
 33 required in Sections 51210, 51222, and 51223 of the
 34 Education Code, shall be required to provide a plan
 35 to the county office of education that corrects the defi-
 36 cient physical education minutes for the following
 37 school year and, to the extent practicable, make up the
 38 deficient minutes identified.

- 1 3. Of the funds appropriated in this item, ~~\$885,000~~ \$0 is
- 2 provided for the purpose of a cost-of-living adjustment
- 3 at a rate of 2.12 percent.

4

5 *SEC. 95. Item 6110-265-0001 of Section 2.00 of the Budget*

6 *Act of 2008 is amended to read:*

7

8 6110-265-0001—For local assistance, Department of Education

9 (Proposition 98), Program 20.15—Arts and Music Block

10 Grant..... ~~112,081,000~~

11 *109,757,000*

12 Provisions:

- 13 1. The funds appropriated in this item shall be for the
- 14 purpose of providing block grants to school districts,
- 15 charter schools, and county offices of education to
- 16 support standards-aligned arts and music instruction
- 17 in kindergarten and grades 1 to 12, inclusive. Local
- 18 educational agencies shall use these funds to supple-
- 19 ment, and not supplant, existing resources for arts and
- 20 music.
- 21 2. (a) (1) The State Department of Education shall al-
- 22 locate the funding to districts, charter schools,
- 23 and county offices of education on the basis
- 24 of an equal amount per pupil, provided that
- 25 a minimum of \$2,228 shall be allocated for
- 26 schoolsites with 20 or fewer pupils and a
- 27 minimum of \$3,564 shall be allocated for
- 28 schoolsites with more than 20 pupils.
- 29 (2) Except as provided in subdivision (b), the
- 30 governing board of a district, charter school,
- 31 or county office of education shall distribute
- 32 funds received pursuant to this item to all
- 33 schoolsites on the basis of an equal amount
- 34 per pupil or the schoolsite minimums as set
- 35 forth in paragraph (1), whichever of the two
- 36 amounts is greatest.
- 37 (b) If the governing board elects not to allocate funds
- 38 to schoolsites in the amounts specified pursuant
- 39 to paragraph (2) of subdivision (a), the governing
- 40 board shall do both of the following:

- 1 (1) Adopt a resolution to that effect at a public
- 2 meeting. The resolution shall specify how
- 3 the funds are to be allocated among school-
- 4 sites and for districtwide purposes and the
- 5 reasons for those allocations.
- 6 (2) Prior to the public meeting, inform schoolsite
- 7 councils, schoolwide advisory groups, or
- 8 school support groups, as applicable, of the
- 9 content of the proposed resolution and of the
- 10 time and location where the resolution is
- 11 proposed to be adopted.
- 12 (c) By February 2, 2009, as a condition of receipt of
- 13 funds, the governing board of each school district
- 14 shall provide a summary report to the State De-
- 15 partment of Education of how these funds were
- 16 expended or are proposed to be expended, the
- 17 number of pupils, and the grade levels served.
- 18 The department shall collect and compile this
- 19 data and report that information to the Legislature
- 20 and the Governor.
- 21 (d) For purposes of this provision, “school district”
- 22 means a school district, county office of educa-
- 23 tion, state special school, or direct-funded charter
- 24 school, as described in paragraph (1) of subdivi-
- 25 sion (a) of Section 47651 of the Education Code.
- 26 3. The funds appropriated in this item may be used for
- 27 hiring of additional staff and for ongoing support of
- 28 staff hired under the grant program, purchase of new
- 29 or used materials, books, supplies, and equipment, and
- 30 implementing or increasing staff development oppor-
- 31 tunities, as necessary to support standards-aligned arts
- 32 and music instruction.
- 33 4. Of the funds appropriated in this item, ~~\$2,324,000~~ \$0
- 34 is provided for the purpose of a cost-of-living adjust-
- 35 ment.

37 *SEC. 96. Item 6110-267-0001 of Section 2.00 of the Budget*
 38 *Act of 2008 is amended to read:*

1 6110-267-0001—For local assistance, Department of Education
 2 (Proposition 98), Program 20-Instructional Support for
 3 Certificated Staff Mentoring Program..... ~~11,955,000~~
 4 *11,707,000*

5 Provisions:

- 6 1. The funds appropriated in this item shall be allocated
 7 by the Superintendent of Public Instruction to school
 8 districts for the purpose of encouraging excellent, ex-
 9 periented teachers to teach in staff priority schools
 10 and to assist teacher interns during their induction and
 11 first years of teaching, pursuant to Article 6 (commenc-
 12 ing with Section 44560) of Chapter 3 of Part 25 of
 13 Division 3 of Title 2 of the Education Code.
- 14 2. Of the funds appropriated in this item, ~~\$248,000~~ \$0 is
 15 provided for a cost-of-living adjustment ~~at a rate of~~
 16 ~~2.12 percent~~ for a total per-participant rate of ~~\$6,407~~
 17 \$6,273.

18
 19 *SEC. 97. Item 6110-488 of Section 2.00 of the Budget Act of*
 20 *2008 is amended to read:*

21
 22 6110-488—Reappropriation (Proposition 98), Department of
 23 Education. Notwithstanding any other provision of law,
 24 the unobligated balances from the following items are
 25 available for reappropriation for the purposes specified in
 26 Provisions 1, 2, and 3:
 27 0001—General Fund

- 28 (1) \$12,000 or whatever greater or lesser amount reflects
 29 the unexpended balance of the amount appropriated
 30 for preschool education and child care programs in
 31 Schedules (1) and (1.5) of Item 6110-196-0001 of the
 32 Budget Act of 2003 (Ch. 157, Stats. 2003), as carried
 33 forward per Provision 1 of Item 6110-196-0001 of the
 34 Budget Act of 2005 (Chs. 38 and 39, Stats. 2005).
- 35 (2) \$1,441,000 or whatever greater or lesser amount re-
 36 flects the unexpended balance of the amount appropri-
 37 ated for preschool education and child care programs
 38 in Schedules (1) and (1.5) of Item 6110-196-0001 of
 39 the Budget Act of 2004 (Ch. 208, Stats. 2004), as
 40 carried forward per Provision 1 of Item 6110-196-0001

- 1 of the Budget Act of 2006 (Chs. 47 and 48, Stats.
- 2 2006).
- 3 (3) \$3,663,000 or whatever greater or lesser amount re-
- 4 flects the unexpended balance of the amount appropri-
- 5 ated for preschool education and child care programs
- 6 in Schedules (1) and (1.5) of Item 6110-196-0001 of
- 7 the Budget Act of 2005 (Chs. 38 and 39, Stats. 2005),
- 8 \$1,749,000 of which was carried forward per Provision
- 9 1 of Item 6110-196-0001 of the Budget Act of 2007
- 10 (Chs. 171 and 172, Stats. 2007).
- 11 (4) \$12,921,000 or whatever greater or lesser amount re-
- 12 flects the unexpended balance of the amount appropri-
- 13 ated for CalWORKs Stage 2 and Stage 3 child care in
- 14 Schedules (1.5)(e) and (1.5)(f) of Item 6110-196-0001
- 15 of the Budget Act of 2006 (Chs. 47 and 48, Stats.
- 16 2006).
- 17 (6) \$18,120,000 or whatever greater or lesser amount re-
- 18 flects the unexpended balance of the amount appropri-
- 19 ated for preschool education and child care programs
- 20 in Schedules (1) and (1.5) of Item 6110-196-0001 of
- 21 the Budget Act of 2007 (Chs. 171 and 172, Stats.
- 22 2007), with the exception of Schedules (1.5)(e) and
- 23 (1.5)(f) for CalWORKs child care programs.
- 24 (7) \$8,000,000 of the amount appropriated to the Child
- 25 Care Facilities Revolving Fund established pursuant
- 26 to Section 8278.3 of the Education Code from Section
- 27 2.00 of the Budget Act of 2007 (Chs. 171 and 172,
- 28 Stats. 2007).
- 29 (8) \$5,000,000 or whatever greater or lesser amount re-
- 30 flects the unexpended balance of the amount appropri-
- 31 ated for the provision of wraparound care to children
- 32 enrolled in preschool programs pursuant to Section
- 33 8238.6 of the Education Code (Ch. 211, Stats. 2006).
- 34 (9) \$48,000 or whatever greater or lesser amount reflects
- 35 the unexpended funds from subdivision (a) of Section
- 36 9 of Chapter 734 of the Statutes of 1999.
- 37 (10) \$21,000 or whatever greater or lesser amount reflects
- 38 the unexpended balance of the amount appropriated
- 39 for Community-Based English Tutoring pursuant to

- 1 Section 315 of the Education Code, as enacted by
2 Proposition 227 in 1998.
- 3 (11) \$9,200,000 or whatever greater or lesser amount re-
4 flects the unexpended balance of the amount appropri-
5 ated for juvenile education in Item 5225-011-0001 of
6 the Budget Act of 2007 (Chs. 171 and 172, Stats.
7 2007).
- 8 (12) \$76,000 or whatever greater or lesser amount reflects
9 the unexpended balance of the amount appropriated
10 for Small School District Bus Replacement in
11 Schedule (2) of Item 6110-111-0001 of the Budget
12 Act of 2005 (Chs. 38 and 39, Stats. 2005).
- 13 (13) \$488,000 or whatever greater or lesser amount reflects
14 the unexpended balance of the amount appropriated
15 for Home to School Transportation in Schedule (1)
16 of Item 6110-111-0001 of the Budget Act of 2006
17 (Chs. 47 and 48, Stats. 2006).
- 18 (14) \$545,000 or whatever greater or lesser amount reflects
19 the unexpended balance of the amount appropriated
20 for the California High School Exit Examination in
21 Schedule (4) of Item 6110-113-0001 of the Budget
22 Act of 2006 (Chs. 47 and 48, Stats. 2006).
- 23 (15) \$2,060,000 or whatever greater or lesser amount re-
24 flects the unexpended balance of the amount appropri-
25 ated for Assessment Review and Reporting and the
26 STAR Program in Schedules (1) and (2) of Item 6110-
27 113-0001 of the Budget Act of 2007 (Chs. 171 and
28 172, Stats. 2007).
- 29 (16) \$19,000 or whatever greater or lesser amount reflects
30 the unexpended balance of the amount appropriated
31 for transfer to the State School Fund for specialized
32 secondary programs in Item 6110-122-0001 of the
33 Budget Act of 2006 (Chs. 47 and 48, Stats. 2006).
- 34 (17) \$17,000 or whatever greater or lesser amount reflects
35 the unexpended balance of the amount appropriated
36 for the Immediate Intervention/Underperforming
37 Schools Program Corrective Actions in Schedule (3)
38 of Item 6110-123-0001 of the Budget Act of 2005
39 (Chs. 38 and 39, Stats. 2005).

- 1 (18) \$2,993,000 or whatever greater or lesser amount re-
- 2 flects the unexpended balance of the amount appropri-
- 3 ated for the implementation of the Public Schools
- 4 Accountability Act of 1999 for the Immediate Inter-
- 5 vention/Underperforming Schools Program Corrective
- 6 Actions in Schedule (2) of Item 6110-123-0001 of the
- 7 Budget Act of 2006 (Chs. 47 and 48, Stats. 2006).
- 8 (19) \$615,000 or whatever greater or lesser amount reflects
- 9 the unexpended balance of the amount appropriated
- 10 for the implementation of the Public Schools Account-
- 11 ability Act of 1999 for the Immediate Intervention/Un-
- 12 derperforming Schools Program Corrective Actions
- 13 in Schedule (2) of Item 6110-123-0001 of the Budget
- 14 Act of 2007 (Chs. 171 and 172, Stats. 2007).
- 15 (20) \$5,149,000 or whatever greater or lesser amount re-
- 16 flects the unexpended balance of the amount appropri-
- 17 ated for the English Language Learners Program in
- 18 Schedule (2) of Item 6110-125-0001 of the Budget
- 19 Act of 2006 (Chs. 47 and 48, Stats. 2006).
- 20 (21) \$5,149,000 or whatever greater or lesser amount re-
- 21 flects the unexpended balance of the amount appropri-
- 22 ated for the English Language Acquisition Program
- 23 in Schedule (2) of Item 6110-125-0001 of the Budget
- 24 Act of 2007 (Chs. 171 and 172, Stats. 2007).
- 25 (22) \$109,000 or whatever greater or lesser amount reflects
- 26 the unexpended balance of the amount appropriated
- 27 for transfer to the State School Fund for Economic
- 28 Impact Aid in Schedule (1) of Item 6110-128-0001
- 29 of the Budget Act of 2005 (Chs. 38 and 39, Stats.
- 30 2005).
- 31 (23) \$4,000 or whatever greater or lesser amount reflects
- 32 the unexpended balance of the amount appropriated
- 33 for transfer to the State School Fund for Economic
- 34 Impact Aid in Item 6110-128-0001 of the Budget Act
- 35 of 2006 (Chs. 47 and 48, Stats. 2006).
- 36 (24) \$1,500,000 or whatever greater or lesser amount re-
- 37 flects the unexpended balance of the amount appropri-
- 38 ated for the Administrator Training Program in Item
- 39 6110-144-0001 of the Budget Act of 2007 (Chs. 171
- 40 and 172, Stats. 2007).

- 1 (25) \$7,000 or whatever greater or lesser amount reflects
2 the unexpended balance of the amount appropriated
3 for the American Indian Early Childhood Education
4 Program in Item 6110-150-0001 of the Budget Act
5 of 2006 (Chs. 47 and 48, Stats. 2006).
- 6 (26) \$110,000 or whatever greater or lesser amount reflects
7 the unexpended balance of the amount appropriated
8 for American Indian Education Centers in Schedule
9 (1) of Item 6110-151-0001 of the Budget Act of 2005
10 (Chs. 38 and 39, Stats. 2005).
- 11 (27) \$177,000 or whatever greater or lesser amount reflects
12 the unexpended balance of the amount appropriated
13 for American Indian Education Centers in Item 6110-
14 151-0001 of the Budget Act of 2006 (Chs. 47 and 48,
15 Stats. 2006).
- 16 (28) \$1,385,000 or whatever greater or lesser amount re-
17 flects the unexpended balance of the amount appropri-
18 ated for adults in correctional facilities in Item 6110-
19 158-0001 of the Budget Act of 2006 (Chs. 47 and 48,
20 Stats. 2006).
- 21 (29) \$107,000 or whatever greater or lesser amount reflects
22 the unexpended balance of the amount appropriated
23 for special education instruction in Schedule (1) of
24 Item 6110-161-0001 of the Budget Act of 2005 (Chs.
25 38 and 39, Stats. 2005).
- 26 (30) \$21,919,000 or whatever greater or lesser amount re-
27 flects the unexpended balance of the amount appropri-
28 ated for special education instruction in Schedule (1)
29 of Item 6110-161-0001 of the Budget Act of 2006
30 (Chs. 47 and 48, Stats. 2006).
- 31 (31) \$57,000 or whatever greater or lesser amount reflects
32 the unexpended balance of the amount appropriated
33 for vocational education for partnership academies in
34 Item 6110-166-0001 of the Budget Act of 2006 (Chs.
35 47 and 48, Stats. 2006).
- 36 (32) \$23,000 or whatever greater or lesser amount reflects
37 the unexpended balance of the amount appropriated
38 for the Agricultural Vocational Education Incentive
39 Program in Item 6110-167-0001 of the Budget Act
40 of 2005 (Chs. 38 and 39, Stats. 2005).

- 1 (33) \$369,000 or whatever greater or lesser amount reflects
- 2 the unexpended balance of the amount appropriated
- 3 for educational technology programs in Item 6110-
- 4 181-0001 of the Budget Act of 2005 (Chs. 38 and 39,
- 5 Stats. 2005).
- 6 (34) \$369,000 or whatever greater or lesser amount reflects
- 7 the unexpended balance of the amount transferred to
- 8 the State School Fund for educational technology
- 9 programs in Item 6110-181-0001 of the Budget Act
- 10 of 2006 (Chs. 47 and 48, Stats. 2006).
- 11 (35) \$27,000 or whatever greater or lesser amount reflects
- 12 the unexpended balance of the amount appropriated
- 13 for staff development for teacher peer review in
- 14 Schedule (2) of Item 6110-193-0001 of the Budget
- 15 Act of 2005 (Chs. 38 and 39, Stats. 2005).
- 16 (36) \$95,000 or whatever greater or lesser amount reflects
- 17 the unexpended balance of the ~~amounts~~ *amount* appro-
- 18 priated for the Bilingual Teacher Training Assistance
- 19 Program and teacher peer review in Schedules (1) and
- 20 (2) of Item 6110-193-0001 of the Budget Act of 2006
- 21 (Chs. 47 and 48, Stats. 2006).
- 22 (37) \$43,000 or whatever greater or lesser amount reflects
- 23 the unexpended balance of the amount appropriated
- 24 for transfer to the State School Fund for teacher dis-
- 25 missal apportionments in Item 6110-209-0001 of the
- 26 Budget Act of 2006 (Chs. 47 and 48, Stats. 2006).
- 27 (38) \$13,000 or whatever greater or lesser amount reflects
- 28 the unexpended balance of the amount appropriated
- 29 for School Community Policing Partnership Compet-
- 30 itive Grants Program in Schedule (5) of Item 6110-
- 31 228-0001 of the Budget Act of 2004 (Ch. 208, Stats.
- 32 2004).
- 33 (39) \$21,000 or whatever greater or lesser amount reflects
- 34 the unexpended balance of the amount appropriated
- 35 for the International Baccalaureate Diploma Program
- 36 in Schedule (1) of Item 6110-240-0001 of the Budget
- 37 Act of 2005 (Chs. 38 and 39, Stats. 2005).
- 38 (40) \$6,000 or whatever greater or lesser amount reflects
- 39 the unexpended balance of the amount appropriated
- 40 for the Teacher Credentialing Block Grant Program

- 1 in Item 6110-244-0001 of the Budget Act of 2006
2 (Chs. 47 and 48, Stats. 2006).
- 3 (41) \$79,000 or whatever greater or lesser amount reflects
4 the unexpended balance of the amount appropriated
5 for the School and Library Improvement Block Grant
6 Program in Item 6110-247-0001 of the Budget Act
7 of 2006 (Chs. 47 and 48, Stats. 2006).
- 8 (42) \$186,000 or whatever greater or lesser amount reflects
9 the unexpended balance of the amount appropriated
10 for the School and Library Improvement Block Grant
11 Program in Item 6110-247-0001 of the Budget Act
12 of 2007 (Chs. 171 and 172, Stats. 2007).
- 13 (43) \$30,000 or whatever greater or lesser amount reflects
14 the unexpended balance of the amount appropriated
15 for the Physical Education Teacher Incentive Grant
16 Program in Item 6110-260-0001 of the Budget Act
17 of 2006 (Chs. 47 and 48, Stats. 2006).
- 18 (44) \$641,000 or whatever greater or lesser amount reflects
19 the unexpended balance of the amount appropriated
20 to county offices of education for site visits for
21 Williams audits in Item 6110-266-0001 of the Budget
22 Act of 2007 (Chs. 171 and 172, Stats. 2007).
- 23 (45) \$101,000 or whatever greater or lesser amount reflects
24 the unexpended balance of the amount appropriated
25 for the Charter School Facility Grant Program in
26 Schedule (7) of Item 6110-485 of the Budget Act of
27 2005 (Chs. 38 and 39, Stats. 2005).
- 28 (46) \$600,000 or whatever greater or lesser amount reflects
29 the unexpended balance of the amount appropriated
30 for the Principal Training Program in Schedule (8) of
31 Item 6110-485 of the Budget Act of 2006 (Chs. 47
32 and 48, Stats. 2006).
- 33 (47) \$25,645,000 or whatever greater or lesser amount re-
34 flects the unexpended balance for the After School
35 Education and Safety Program in Item 6110-649-0001
36 from the 2004–05 fiscal year appropriation pursuant
37 to Section 8483.5 of the Education Code, as enacted
38 by Proposition 49 in 2002.
- 39 (48) \$178,352,000 or whatever greater or lesser amount
40 reflects the unexpended balance for the After School

1 Education and Safety Program in Item 6110-649-0001
 2 from the 2007–08 fiscal year appropriation pursuant
 3 to Section 8483.5 of the Education Code, as enacted
 4 by Proposition 49 in 2002, and pursuant to Section
 5 8483.51 of the Education Code as enacted by Chapter
 6 2 of the Statutes of 2008, Third Extraordinary Session.

7 (49) \$20,000,000 or whatever greater or lesser amount re-
 8 flects the unexpended balance of the amount appropri-
 9 ated for special education instruction in Schedule (1)
 10 of Item 6110-161-0001 of the Budget Act of 2007
 11 (Chs. 171 and 172, Stats. 2007).

12 (50) \$520,000 or whatever greater or lesser amount reflects
 13 the unexpended balance for the After School Educa-
 14 tion and Safety Program in Item 6110-649-0001 from
 15 the 2006–07 fiscal year appropriation pursuant to
 16 Section 8483.5 of the Education Code, as enacted by
 17 Proposition 49 in 2002, and pursuant to Section
 18 8483.51 of the Education Code, as enacted by Chapter
 19 2 of the Statutes of 2008, Third Extraordinary Session.

20 Provisions:

21 2. The sum of \$295,000 is hereby reappropriated to the
 22 State Department of Education for transfer by the
 23 Controller to Section A of the State School Fund for
 24 allocation by the Superintendent of Public Instruction,
 25 on a one-time basis, to the County Office Fiscal Crisis
 26 and Management Assistance Team (FCMAT) to con-
 27 duct comprehensive assessments pursuant to Section
 28 41327.1 of the Education Code. Of the amount appro-
 29 priated in this paragraph, FCMAT shall use \$60,000
 30 for the assessment of the Oakland Unified School
 31 District, \$125,000 for an assessment of the Vallejo
 32 City Unified School District, and \$110,000 for an as-
 33 sessment of the West Fresno Elementary School Dis-
 34 trict. FCMAT shall provide a copy of the written report
 35 to the appropriate fiscal and policy committees of the
 36 Legislature, the Members of the Legislature represent-
 37 ing those school districts, any advisory councils of
 38 those school districts, the Superintendent of Public
 39 Instruction, the county superintendents of schools with
 40 jurisdiction over those school districts, the Department

- 1 of Finance, and the Office of the Secretary for Educa-
- 2 tion. The amount reappropriated pursuant to this sec-
- 3 tion is for use in the 2008–09 fiscal year.
- 4 3. The sum of \$163,051,000 is hereby reappropriated to
- 5 the State Department of Education for transfer by the
- 6 Controller to Section A of the State School Fund for
- 7 allocation by the Superintendent of Public Instruction
- 8 for the purpose of funding CalWORKs Stage 2 child
- 9 care. The amount reappropriated pursuant to this pro-
- 10 vision is for use in the 2008–09 fiscal year.
- 11 4. The sum of \$164,686,000 is hereby reappropriated to
- 12 the State Department of Education for transfer by the
- 13 Controller to Section A of the State School Fund for
- 14 allocation by the Superintendent of Public Instruction
- 15 for the purpose of funding CalWORKs Stage 3 child
- 16 care. The amount reappropriated pursuant to this pro-
- 17 vision is for use in the 2008–09 fiscal year.
- 18

19 *SEC. 98. Item 6440-001-0001 of Section 2.00 of the Budget*
 20 *Act of 2008 is amended to read:*

21 6440-001-0001—For support of University of California..... 3,000,920,000

22 Schedule:

- 23 (1) Support..... 3,123,516,000
- 24 (2) Charles R. Drew Medical Program..... 8,738,000
- 25 (3) Acquired Immune Deficiency Syndrome
- 26 (AIDS) Research..... 9,214,000
- 27 (4) Student Financial Aid..... 52,199,000
- 28 (5) Loan Repayments..... 5,105,000
- 29 (6) San Diego Supercomputer Center..... 3,240,000
- 30 (8) Unallocated Reduction..... -201,092,000

31 Provisions:

- 32 1. The appropriations made in this item are exempt from
- 33 Section 31.00.
- 34 2. None of the funds appropriated in this item may be
- 35 expended to initiate major capital outlay projects by
- 36 contract without prior legislative approval, except for
- 37 cogeneration and energy conservation projects. Funds
- 38 appropriated in this item may be used for capital ex-
- 39 penditures as well as payment of debt service for such
- 40

1 exempted capital projects. Exempted projects shall be
 2 reported in a manner consistent with the reporting
 3 procedures in subdivision (e) of Section 28.00.
 4 Funds appropriated in this item may be used for
 5 capital expenditures as well as payment of debt service
 6 associated with the Energy Partnership Program,
 7 whereby the University of California will receive fi-
 8 nancial incentives from state investor-owned utilities
 9 to undertake energy conservation projects. The use of
 10 state operations funding for these energy savings pro-
 11 jects may not infringe on the university’s funding for
 12 its instructional support activities. The Director of Fi-
 13 nance may authorize ~~Program~~ *program* expenditures
 14 for the list of planned projects not sooner than 30 days
 15 after notification in writing is provided to the chairper-
 16 sons of the committees in each house of the Legislature
 17 that consider appropriations, the chairpersons of the
 18 committees and the appropriate subcommittees in each
 19 house of the Legislature that consider the State Budget,
 20 and the Chairperson of the Joint Legislative Budget
 21 Committee. The list of planned projects submitted for
 22 approval for a given funding cycle should be all-inclu-
 23 sive and may include projects that eventually may not
 24 be initiated during that funding cycle. A project not
 25 included on the list of planned projects for that funding
 26 cycle, but *with* which the university wishes to proceed
 27 ~~with~~ during the budget year, may be treated as an ex-
 28 empted project as described above and reported in a
 29 manner consistent with the reporting procedures in
 30 subdivision (e) of Section 28.00. No later than
 31 November 15 *of* each year, the university shall prepare
 32 a report describing the identified projects funded under
 33 the Energy Partnership Program in the prior year. The
 34 report shall include the cost of each project, how the
 35 cost is being funded, including the amount funded
 36 from support budget funds and investor-owned utility
 37 incentive awards, and the projected amount of energy
 38 savings. These reports will sunset at the end of the
 39 ~~Program~~ *program*.

- 1 3. The funds appropriated in Schedule (2) are for support
2 of University of California programs of clinical health
3 sciences education, research, and public service, con-
4 ducted in conjunction with the Charles R. Drew Uni-
5 versity of Medicine and Science, as provided for in
6 Sections 1, 2, and 3 of Chapter 1140 of the Statutes
7 of 1973. Of the funds appropriated, \$500,000 is con-
8 tingent upon the provision by the University of Cali-
9 fornia of an equal amount of matching funds from its
10 own resources. The University of California shall en-
11 sure by adequate controls that funds appropriated in
12 Schedule (2) are expended solely for the support of
13 the program identified in that schedule.
- 14 4. The funds appropriated in Schedule (4) are for support
15 of Program 45, Student Financial Aid, to provide fi-
16 nancial aid to needy students attending the University
17 of California, according to the nationally accepted
18 needs analysis methodology.
- 19 5. Of the funds appropriated in Schedule (1), \$2,762,129
20 is for payment of energy service contracts in connec-
21 tion with the issuance of State Public Works Board
22 Energy Efficiency Revenue Bonds.
- 23 6. Of the funds appropriated in Schedule (5), \$2,700,000
24 is for repayment of \$25,000,000 borrowed by the
25 University of California for deferred maintenance in
26 the 1994–95 fiscal year. It is the intent of the Legisla-
27 ture to annually provide funds for that repayment
28 purpose through the 2009–10 fiscal year.
- 29 7. Of the funds appropriated in Schedule (5), \$2,405,000
30 is for repayment of \$25,000,000 borrowed by the
31 University of California for deferred maintenance in
32 the 1995–96 fiscal year. It is the intent of the Legisla-
33 ture to annually provide funds for that repayment
34 purpose through the 2010–11 fiscal year.
- 35 8. Of the funds appropriated in Schedule (1), \$1,897,200
36 is for the California State Summer School for ~~Math~~
37 *Mathematics* and Science (COSMOS). The University
38 of California shall report on the outcomes and effec-
39 tiveness of COSMOS every five years, commencing
40 April 1, 2011.

- 1 9. The University of California (UC) shall report to the
2 Legislature and the Governor by February 1 of each
3 year on its progress toward increasing the quality and
4 supply of science and mathematics teachers resulting
5 from implementation of the Science and Math Teacher
6 Initiative. This report shall include the following infor-
7 mation: (a) annual number of mathematics and science
8 teachers awarded credentials (by each UC campus)
9 beginning with the 2004–05 academic year (before
10 the state first provided funding for the initiative), (b)
11 an expenditure plan on the use of the funds appropri-
12 ated in this item, (c) the effectiveness of the initiative’s
13 different components and activities, including an
14 identification of best practices, and (d) the job place-
15 ment of students who earn a mathematics or science
16 teaching credential, including the location of the K–12
17 school of employment and whether it is in an urban,
18 rural, or suburban setting.
- 19 10. The University of California shall report to the Legis-
20 lature by March 15, 2009, on whether it has met its
21 2008–09 academic year enrollment goal.
- 22 11. Of the funds appropriated in Schedule (1), \$1,050,000
23 is to support 70 full-time equivalent students in the
24 Program in Medical Education (PRIME) at the Irvine,
25 Davis, San Diego, and San Francisco campuses. The
26 primary purpose of this program is to train physicians
27 specifically to serve in underrepresented communities.
28 The University of California shall report to the Legis-
29 lature by March 15, 2009, on (a) its progress in imple-
30 menting the PRIME program and (b) the use of the
31 total funds provided for this program from both state
32 and nonstate resources.
- 33 12. The university shall report to the Legislature and the
34 Governor by May 1, 2009, on the total enrollment in
35 the 2007–08 and 2008–09 academic years in the entry-
36 level clinical and master’s degree nursing programs
37 and the master’s of science nursing degree programs.
- 38 13. It is the intent of the Legislature that the University of
39 California submit an annual report by March 1 of each
40 year through the 2010–11 fiscal year to the Joint Leg-

- 1 islative Budget Committee, legislative fiscal subcom-
2 mittees, and the Department of Finance on the univer-
3 sity's progress in reforming its compensation policies
4 and practices, reflecting the criteria specified in Provi-
5 sion 27 of Item 6440-001-0001 of ~~Section 2.00~~ of the
6 Budget Act of 2006 (Chs. 47 and 48, Stats. 2006).
- 7 14. Of the funds appropriated in Schedule (1), \$19,300,000
8 is for student academic preparation and education
9 programs (SAPEP) and is to be matched with
10 \$12,000,000 from existing university resources, for a
11 total of \$31,300,000 for these programs. The Univer-
12 sity of California shall provide a plan to the Depart-
13 ment of Finance and the fiscal committees of each
14 house of the Legislature for expenditure of both state
15 and university funds for SAPEP by September 1 of
16 each year. It is the intent of the Legislature that the
17 university report on the use of state and university
18 funds provided for these programs, including detailed
19 information on the outcomes and effectiveness of
20 academic preparation programs consistent with the
21 accountability framework developed by the university
22 in April 2005. The report shall be submitted to the
23 fiscal committees of each house of the Legislature no
24 later than April 1, 2009.
- 25 15. The amount appropriated in Schedule (1) reflects a
26 reduction of \$32,300,000 to institutional support.
- 27 16. Of the amount appropriated in Schedule (1),
28 \$15,000,000 shall be redirected from funds budgeted
29 for compensation of administrators of the University
30 of California, including administrators at the campuses
31 and in the Office of the President, to support salary
32 increases and a step pay system for low wage service
33 employees.
- 34 17. Of the funds appropriated in Schedule (1), \$693,000
35 is for the Welfare Policy Research Project, pursuant
36 to Article 9.7 (commencing with Section 11526) of
37 Chapter 2 of Part 3 of Division 9 of the Welfare and
38 Institutions Code.
- 39 18. Of the funds appropriated in Schedule (1), \$427,500
40 shall be expended for the Center for Earthquake Engi-

- 1 neering Research, contingent upon the center continu-
- 2 ing to receive federal matching funds from the Nation-
- 3 al Science Foundation.
- 4 19. Of the funds appropriated in Schedule (1), \$346,500
- 5 shall be expended for viticulture and enology research,
- 6 contingent upon the receipt of an equal amount of
- 7 private sector matching funds.
- 8 20. Of the funds appropriated in Schedule (1), \$16,200,000
- 9 is for substance abuse research at the Department of
- 10 Neurology at the University of California, San Fran-
- 11 cisco.
- 12 21. Of the funds appropriated in Schedule (1), \$693,000
- 13 shall be used for lupus research at the University of
- 14 California, San Francisco.
- 15 22. Of the funds appropriated in Schedule (1), \$1,385,100
- 16 shall be used to expand spinal cord injury research.
- 17 23. Of the funds appropriated in Schedule (1), \$3,463,000
- 18 is to fund the Medical Investigation of Neurodevelop-
- 19 ment Disorders (MIND) Institute, including
- 20 \$3,150,000 for a research grants program.
- 21 24. Of the funds appropriated in Schedule (1), \$5,400,000
- 22 is to support research on labor and employment and
- 23 labor education throughout the University of California
- 24 system. Of these funds, 60 percent shall be for labor
- 25 research and 40 percent shall be for labor education.
- 26 25. The amount appropriated in this item reflects a
- 27 \$5,000,000 one-time reduction to the Subject Matter
- 28 Projects. An identical amount is appropriated in Item
- 29 6110-195-0890 from federal Title II carryover funds
- 30 to ensure the projects can be maintained in the
- 31 2008–09 fiscal year.

32
 33 *SEC. 99. Item 6440-301-0660 is added to Section 2.00 of the*
 34 *Budget Act of 2008, to read:*

35
 36 6440-301-0660—*For capital outlay, University of California,*
 37 *payable from the Public Buildings Construction Fund..... 151,937,000*
 38 *Schedule:*
 39 *Davis Campus:*

1	(1) 99.03.350-Veterinary	Medicine	
2	3B—Construction.....		64,737,000
3	<i>Los Angeles Campus:</i>		
4	(2) 99.04.285-Hershey Hall Seismic Reno-		
5	vation—Working drawings and construc-		
6	tion.....		23,100,000
7	<i>Riverside Campus:</i>		
8	(3) 99.05.200-Environmental Health and		
9	Safety Expansion—Working drawings		
10	and construction.....		16,619,000
11	<i>San Diego Campus:</i>		
12	(4) 99.06.390-Management School Facility		
13	Phase 2—Working drawings and con-		
14	struction.....		26,075,000
15	<i>Santa Barbara Campus:</i>		
16	(5) 99.08.135-Arts Building Seismic Correc-		
17	tions and Renewal—Construction.....		21,406,000
18	<i>Provisions:</i>		
19	1. The State Public Works Board may issue lease-revenue		
20	bonds, notes, or bond anticipation notes pursuant to		
21	Chapter 5 (commencing with Section 15830) of Part		
22	10b of Division 3 of Title 2 of the Government Code		
23	to finance the design and construction of the projects		
24	authorized by this item.		
25	2. The University of California is directed to execute and		
26	deliver any and all leases, contracts, agreements, or		
27	other documents necessary or advisable to consum-		
28	mate the sale of bonds or otherwise effectuate the fi-		
29	nancing of the scheduled projects.		
30	3. The State Public Works Board shall not be deemed to		
31	be the lead or responsible agency for the purposes of		
32	the California Environmental Quality Act (Division		
33	13 (commencing with Section 21000) of the Public		
34	Resources Code) for any activities under the State		
35	Building Construction Act of 1955 (Part 10b (commenc-		
36	ing with Section 15800) of Division 3 of Title 2 of the		
37	Government Code). This provision does not exempt		
38	the University of California from the requirements of		
39	the California Environmental Quality Act. This provi-		
40	sion is declaratory of existing law.		

1 4. Notwithstanding Section 1.80 or any other provision
 2 of law, the appropriation made in this item is available
 3 for encumbrance until June 30, 2012.

4
 5 SEC. 100. Item 6440-302-6041 of Section 2.00 of the Budget
 6 Act of 2008 is amended to read:

7
 8 6440-302-6041—For capital outlay, University of California,
 9 payable from the 2004 Higher Education Capital Outlay
 10 Bond Fund..... 5,802,000

11 Schedule:

12 Los Angeles Campus:

13 (1) 99.04.265-Life Sciences Replacement
 14 Building—Construction..... 5,802,000

15 Provisions:

16 1. Notwithstanding Section 13332.11 of the Government
 17 Code or any other provision of law, the University of
 18 California may proceed with any phase of any project
 19 identified in the above schedule, including preparation
 20 of preliminary plans, working drawings, construction,
 21 or equipment purchase, without the need for any fur-
 22 ther approvals.

23 2. The University of California shall complete each pro-
 24 ject identified in the above schedule within the total
 25 funding amount specified in the schedule for that
 26 project. Notwithstanding Section 13332.11 of the
 27 Government Code or any other provision of law, the
 28 budget for any project to be funded from this item may
 29 be augmented by the University of California within
 30 the total appropriation made in this item, in an amount
 31 not to exceed 10 percent of the amount appropriated
 32 for that project. No funds appropriated in this item for
 33 equipment may be used for an augmentation under
 34 this provision, or be augmented from any other funds
 35 appropriated in this item. This condition does not
 36 limit the authority of the University of California to
 37 use nonstate funds.

38 3. The University of California shall complete each pro-
 39 ject identified in the above schedule without any
 40 change to its scope. The scope of a project, in this re-

1 spect, means the intended purpose of the project as
2 determined by reference to the following elements of
3 the budget request for that project submitted by the
4 University of California to the Department of Finance:
5 (a) the program elements related to project type; and
6 (b) the functional description of spaces required to
7 deliver the academic and supporting programs as ap-
8 proved by the Legislature.

9 4. Notwithstanding any other provision of law, the appro-
10 priation made in this item is available for encumbrance
11 until June 30, 2010, except that funds appropriated for
12 construction only must be bid by June 30, 2009, and
13 are available for expenditure until June 30, 2010, and
14 that funds appropriated for equipment purposes are
15 available for encumbrance until June 30, 2011. For
16 the purpose of encumbrance, funds appropriated for
17 construction management and project contingencies
18 purposes, as well as any bid savings, shall be deemed
19 to be encumbered at the time a contract for that pur-
20 pose is awarded; these funds also may be used to initi-
21 ate consulting contracts necessary for management of
22 the project during the liquidation period. Any savings
23 identified at the completion of the project also may be
24 used during the liquidation period to fund the purposes
25 described in Provision 5.

26 5. Identified savings in a budget for a capital outlay pro-
27 ject, as appropriated in this item, remaining after
28 completion of a capital outlay project and upon reso-
29 lution of all change orders and claims, may be used
30 without further approval: (a) to augment projects
31 consistent with Provision 2, (b) to proceed further with
32 the underground storage tank correction program, (c)
33 to perform engineering evaluations on buildings that
34 have been identified as potentially in need of seismic
35 retrofitting, (d) to proceed with the design and construc-
36 tion of projects to meet requirements under the federal
37 Americans with Disabilities Act of 1990 (42 U.S.C.
38 Sec. 12101 et seq.), or (e) to fund minor capital outlay
39 projects.

1 6. No later than December 1 of each year, the University
 2 of California shall submit a report outlining the expendi-
 3 tures for each project of the funds appropriated in
 4 this item to the Chairperson of the Joint Legislative
 5 Budget Committee, the chairpersons of the fiscal
 6 committees of each house of the Legislature, the Leg-
 7 islative Analyst, and the Director of Finance. The re-
 8 port also shall include the following elements: (a) a
 9 statement of the identified savings by project, and the
 10 purpose for which the identified savings were used,
 11 (b) a certification that each project, as proceeding or
 12 as completed, has remained within its scope and the
 13 amount funded for that project under this item, and
 14 (c) an evaluation of the outcome of the project mea-
 15 sured against performance criteria.

16
 17 *SEC. 101. Item 6440-304-6048 of Section 2.00 of the Budget*
 18 *Act of 2008 is amended to read:*

19
 20 6440-304-6048—For capital outlay, University of California,
 21 payable from the 2006 University Capital Outlay Bond
 22 Fund..... 39,850,000
 23 Schedule:
 24 Statewide:
 25 (.5) 99.00.100-Statewide Telemedicine Ser-
 26 vices Expansion—Equipment..... 10,000,000
 27 San Francisco *Campus*:
 28 (1) 99.02.155-Telemedicine and PRIME
 29 Urban Underserved Education Facili-
 30 ties—Construction and equipment..... 29,100,000
 31 Davis *Campus*:
 32 (2) 99.03.365-Telemedicine Resource Cen-
 33 ter and Rural PRIME Facility—Equip-
 34 ment..... 750,000
 35 Provisions:
 36 1. If savings are identified in funds encumbered from
 37 this general obligation bond fund for construction
 38 contracts for capital outlay projects, remaining after
 39 completion of a capital outlay project and upon reso-
 40 lution of all change orders and claims, those savings

1 may be used for the following purposes: (a) to begin
 2 working drawings for a project for which preliminary
 3 plan funds have been appropriated and the plans have
 4 been approved by the State Public Works Board con-
 5 sistent with the scope and cost approved by the Legis-
 6 lature as adjusted for inflation only, (b) to proceed
 7 further with the underground tank corrections program,
 8 (c) to perform engineering evaluations on buildings
 9 that have been identified as potentially in need of
 10 seismic retrofitting, (d) to proceed with design and
 11 construction of projects to meet requirements under
 12 the federal Americans with Disabilities Act of 1990
 13 (42 U.S.C. Sec. 12101 et seq.), or (e) to fund minor
 14 capital outlay projects.

15 Not later than November 1 of each year, the Univer-
 16 sity of California shall prepare a report showing the
 17 identified savings, by project, and the purpose for
 18 which the identified savings were used. This report
 19 shall be submitted to the Chairperson of the Joint
 20 Legislative Budget Committee and to the chairpersons
 21 of the fiscal committees in each house of the Legisla-
 22 ture.

23 2. The funds appropriated in this item shall be available
 24 for expenditure only if the University of California
 25 requires the payment of prevailing wage rates by the
 26 contractors and subcontractors on all projects in this
 27 item and on all other capital outlay projects undertaken
 28 by the University of California that are funded using
 29 nonstate funds or are otherwise not financed with the
 30 funds appropriated in this item. This requirement shall
 31 represent a moratorium on granting further exceptions
 32 to paying prevailing wage rates until June 30, 2009.

33
 34 *SEC. 102. Item 6610-301-0660 is added to Section 2.00 of the*
 35 *Budget Act of 2008, to read:*

36
 37 6610-301-0660—*For capital outlay, California State University,*
 38 *payable from the Public Buildings Construction Fund..... 223,788,000*

1 *Schedule:*

2 (1) *06.50.066-Bakersfield: Art Center and*

3 *Satellite Plant—Working drawings and*

4 *construction..... 17,681,000*

5 (2) *06.51.010-Maritime Academy: Physical*

6 *Education Replacement—Preliminary*

7 *plans, working drawings, and construc-*

8 *tion..... 34,751,000*

9 (3) *06.74.008-Monterey Bay: Academic*

10 *Building II—Preliminary plans, working*

11 *drawings, and construction..... 40,599,000*

12 (4) *06.83.003-Channel Islands: Classroom*

13 *and Faculty Office Renovation and Ad-*

14 *dition—Construction..... 29,686,000*

15 (5) *06.96.116-San Luis Obispo: Center for*

16 *Science—Construction..... 101,071,000*

- 17 *Provisions:*
- 18 1. *The State Public Works Board may issue lease-revenue*
- 19 *bonds, notes, or bond anticipation notes pursuant to*
- 20 *Chapter 5 (commencing with Section 15830) of Part*
- 21 *10b of Division 3 of Title 2 of the Government Code*
- 22 *to finance the design and construction of the projects*
- 23 *authorized by this item.*
- 24 2. *The California State University is directed to execute*
- 25 *and deliver any and all leases, contracts, agreements,*
- 26 *or other documents necessary or advisable to consum-*
- 27 *mate the sale of bonds or otherwise effectuate the fi-*
- 28 *nancing of the scheduled projects.*
- 29 3. *The State Public Works Board shall not be deemed to*
- 30 *be the lead or responsible agency for the purposes of*
- 31 *the California Environmental Quality Act (Division*
- 32 *13 (commencing with Section 21000) of the Public*
- 33 *Resources Code) for any activities under the State*
- 34 *Building Construction Act of 1955 (Part 10b (commenc-*
- 35 *ing with Section 15800) of Division 3 of Title 2 of the*
- 36 *Government Code). This provision does not exempt*
- 37 *the California State University from the requirements*
- 38 *of the California Environmental Quality Act. This*
- 39 *provision is declaratory of existing law.*

1 4. Notwithstanding Section 1.80 or any other provision
 2 of law, the appropriation made in this item is available
 3 for encumbrance until June 30, 2012.

4
 5 SEC. 103. Item 6870-101-0001 of Section 2.00 of the Budget
 6 Act of 2008 is amended to read:

7
 8 6870-101-0001—For local assistance, Board of Governors
 9 of the California Community Colleges (Proposition
 10 98)..... 4,120,653,000
 11 3,989,230,000

12 Schedule:

- 13 (1) 10.10.010-Apportionments..... ~~3,294,493,000~~
 14 3,170,717,000
- 15 (2) 10.10.020-Apprenticeship..... ~~14,963,000~~
 16 14,641,000
- 17 (3) 10.10.030-Growth for Apportion-
 18 ments..... 113,500,000
- 19 (4) 20.10.004-Student Success for Basic
 20 Skills Students..... 33,100,000
- 21 (5) 20.10.005-Student Financial Aid Admin-
 22 istration..... 51,269,000
- 23 (6) 20.10.020-Disabled Students..... ~~117,446,000~~
 24 115,011,000
- 25 (7) 20.10.045-Special Services for Cal-
 26 WORKs Recipients..... 43,580,000
- 27 (8) 20.10.060-Foster Care Education Pro-
 28 gram..... 5,254,000
- 29 (9) 20.10.070-Matriculation..... ~~103,959,000~~
 30 101,803,000
- 31 (10) 20.20.020-Academic Senate for the
 32 Community Colleges..... 467,000
- 33 (11) 20.20.041-Equal Employment Opportu-
 34 nity pursuant to Ch. 1169, Stats.
 35 2002..... 1,747,000
- 36 (12) 20.20.050-Part-time Faculty Health In-
 37 surance..... 1,000,000
- 38 (13) 20.20.051-Part-time Faculty Compensa-
 39 tion..... 50,828,000

1	(14) 20.20.055-Part-time Faculty Office	
2	Hours.....	7,172,000
3	(15) 20.30.011-Telecommunications and	
4	Technology Services.....	26,197,000
5	(16) 20.30.050-Economic Development....	46,790,000
6	(17) 20.30.070-Transfer Education and Ar-	
7	ticulation.....	1,424,000
8	(18) 20.40.026-Physical Plant and Instruc-	
9	tional Support.....	27,345,000
10	(19) 20.10.010-Extended Opportunity Pro-	
11	grams and Services and Special Ser-	
12	vices.....	124,880,000
13		122,291,000
14	(20) 20.30.045-Fund for Student Success....	6,158,000
15	(21) 20.70.010-Career Technical Educa-	
16	tion.....	20,000,000
17	(22) 20.80.010-Campus Childcare Tax	
18	Bailout.....	6,981,000
19		6,836,000
20	(23) 20.95.010-Nursing Program Support....	22,100,000
21	Provisions:	
22	1. The funds appropriated in Schedules (1), (2), (3), (4),	
23	(5), (6), (7), (8), (9), (11), (12), (13), (14), (15), (16),	
24	(18), (19), and (22) are for transfer by the Controller	
25	during the 2008–09 fiscal year to Section B of the	
26	State School Fund.	
27	2. Notwithstanding any other provision of law, apportion-	
28	ment funding for community college districts shall be	
29	based on the greater of the current year or prior year	
30	level of full-time equivalent students (FTES), consis-	
31	tent with K–12 declining enrollment practices pursuant	
32	to Section 42238.5 of the Education Code. Decreases	
33	in FTES shall result in a revenue reduction at the dis-	
34	trict’s average level of apportionment funding per	
35	FTES and shall be made in the year following the ini-	
36	tial year of decrease in FTES.	
37	3. The funds appropriated in Schedule (1) for Apportion-	
38	ments include \$31,409,000 to encourage district-level	
39	accountability efforts pursuant to Section 84754.5 of	
40	the Education Code. It is intended that the Chancellor	

- 1 of the California Community Colleges submit an annual
2 report on district-specific accountability measures
3 by March 19 of each year. This report shall reflect
4 outcomes from the most recently completed fiscal year
5 for which data is available pursuant to Section 84754.5
6 of the Education Code.
- 7 4. Of the funds appropriated in Schedule (1), Apportion-
8 ments:
- 9 (a) Up to \$100,000 is for a maintenance allowance,
10 pursuant to Section 54200 of Title 5 of the Cali-
11 fornia Code of Regulations.
- 12 (b) Up to \$500,000 is to reimburse colleges for the
13 costs of federal aid repayments related to assessed
14 fees for fee waiver recipients. This reimbursement
15 only applies to students who completely withdraw
16 from college before the census date pursuant to
17 Section 58508 of Title 5 of the California Code
18 of Regulations.
- 19 5. Notwithstanding any other provision of law, the
20 Chancellor of the California Community Colleges
21 shall not reduce district workload obligations for a
22 lack of a funded cost-of-living adjustment.
- 23 6. (a) Of the amount appropriated in Schedule (2) for
24 the Apprenticeship Program, up to ~~\$14,963,000~~
25 *\$14,641,000* shall be available as necessary upon
26 certification by the Chancellor of the California
27 Community Colleges for the purpose of funding
28 community college-related and supplemental in-
29 struction pursuant to Section 3074 of the Labor
30 Code, as provided in Section 8152 of the Educa-
31 tion Code. No community college district shall
32 use funds available under this provision to offer
33 any new apprenticeship training program or the
34 expansion of any existing program unless the new
35 program or expansion has been approved by the
36 chancellor.
- 37 (b) Notwithstanding Section 8152 of the Education
38 Code, each 60-minute hour of teaching time de-
39 voted to each indentured apprentice enrolled in
40 and attending classes of related and supplemental

1 instruction as provided under Section 3074 of the
 2 Labor Code shall be reimbursed at the rate of
 3 ~~\$5.17~~ \$5.06 per hour. For purposes of this provi-
 4 sion, each hour of teaching time may include up
 5 to 10 minutes for passing time and breaks.

6 7. Funds appropriated in Schedule (3), Growth for Ap-
 7 portionments, shall be available first to any districts
 8 bringing online in the current fiscal year newly accred-
 9 ited colleges or California Postsecondary Education
 10 Commission-approved educational centers. It is the
 11 intent of the Legislature that increases in basic founda-
 12 tion allocations to each college be funded prior to ad-
 13 ditional growth in full-time equivalent students. The
 14 Chancellor of the California Community Colleges
 15 shall provide a report by November 1 of each year, to
 16 the Department of Finance and the Legislative Analyst,
 17 on the number of new centers and colleges added for
 18 the current fiscal year and those anticipated to be added
 19 for the prospective budget year. This report shall also
 20 detail the specific funding adjustments provided for
 21 basic foundation allocations to each college and center
 22 for the current fiscal year.

23 8. Notwithstanding any other provision of law, funds
 24 appropriated in Schedule (3) for Growth for Apportion-
 25 ments shall only be allocated for growth in full-time
 26 equivalent students (FTES), on a district-by-district
 27 basis, as determined by the Chancellor of the Califor-
 28 nia Community Colleges. The chancellor shall not in-
 29 clude any FTES from concurrent enrollment in physi-
 30 cal education, dance, recreation, study skills, and per-
 31 sonal development courses and other courses in con-
 32 flict with existing law for the purpose of calculating
 33 a district's three-year overcap adjustment. The Board
 34 of Governors of the California Community Colleges
 35 shall implement the criteria required by subdivision
 36 (a) of Provision 5 of Item 6870-101-0001 of the Bud-
 37 get Act of 2003 (Ch. 157, Stats. 2003) for the alloca-
 38 tion of funds appropriated in Schedules (1) and (3),
 39 so as to ensure that courses related to student needs
 40 for transfer, basic skills, and vocational/workforce

- 1 training are accorded the highest priority and are pro-
2 vided to the maximum extent possible within budgeted
3 funds.
- 4 10. Of the amount appropriated in Schedule (1),
5 \$10,000,000 shall only be available for noncredit in-
6 struction to prepare pupils to pass the California High
7 School Exit Examination (CAHSEE). The first priority
8 shall be to serve high school pupils from the class of
9 2007 who met all other graduation requirements except
10 for passage of the CAHSEE. Remaining funds may
11 be used to support other necessary noncredit courses
12 for other pupils who not only did not pass the CAH-
13 SEE, but who did not complete other coursework
14 necessary to meet high school graduation requirements.
15 These funds are intended to supplement but not sup-
16 plant existing funding for these purposes.
- 17 11. The funds appropriated in Schedule (4), Student Suc-
18 cess for Basic Skills Students, shall be allocated as
19 follows:
- 20 (a) \$1,600,000 for faculty and staff development to
21 improve curriculum, instruction, student services,
22 and program practices in the areas of basic skills
23 and English as a Second Language (ESL) pro-
24 grams. The Office of the Chancellor of the Cali-
25 fornia Community Colleges shall select a district,
26 utilizing a competitive process, to carry out these
27 faculty and staff development activities. All col-
28 leges receiving funds pursuant to subdivision (b)
29 shall be provided with the opportunity to partici-
30 pate in the faculty and staff development programs
31 specified in this subdivision. The chancellor shall
32 report on the use of these funds by the selected
33 district to the Legislative Analyst and the Depart-
34 ment of Finance not later than September 1, 2009.
- 35 (b) \$31,500,000 for allocation by the chancellor to
36 community college districts for improving out-
37 comes of students who enter college needing at
38 least one course in ESL or basic skills, with par-
39 ticular emphasis on students transitioning from
40 high school.

- 1 (c) Funding specified in subdivisions (a) and (b) shall
- 2 be distributed to eligible applicants pursuant to
- 3 Chapter 489 of the Statutes of 2007.
- 4 (d) The Office of the Chancellor shall work jointly
- 5 with the Department of Finance and the Legisla-
- 6 tive Analyst to develop annual accountability
- 7 measures for this program. It is the intent of the
- 8 Legislature that annual performance accountabil-
- 9 ity measures for this program utilize, to the extent
- 10 possible, data available as part of the accountabil-
- 11 ity system developed pursuant to Section 84754.5
- 12 of the Education Code. By November 1, 2009,
- 13 the chancellor shall submit a report to the Gover-
- 14 nor and Legislature on the annual accountability
- 15 measures developed pursuant to this process.
- 16 12. (a) Of the funds appropriated in Schedule (5) for
- 17 Student Financial Aid Administration, not less
- 18 than \$9,864,000 is available to provide \$0.91 per
- 19 unit reimbursement to community college districts
- 20 for the provision of board of governors (BOG)
- 21 fee waiver awards pursuant to paragraph (2) of
- 22 subdivision (m) of Section 76300 of the Education
- 23 Code.
- 24 (b) Of the funds appropriated in Schedule (5), not
- 25 less than \$4,405,000 is available to provide reim-
- 26 bursement of 2 percent of total waiver value to
- 27 community college districts for the provision of
- 28 BOG fee waiver awards pursuant to paragraph
- 29 (2) of subdivision (m) of Section 76300 of the
- 30 Education Code.
- 31 (c) Funding provided to community college districts
- 32 in subdivisions (a) and (b) of Provision 15 is
- 33 provided to directly offset any mandated costs
- 34 claimed by community college districts pursuant
- 35 to Commission on State Mandates Test Claims
- 36 99-TC-13 (Enrollment Fee Collection) and 00-
- 37 TC-15 (Enrollment Fee Waivers).
- 38 (d) (1) Of the amount appropriated in Schedule (5),
- 39 \$2,800,000 shall be for a contract with a
- 40 community college district to conduct a

1 statewide media campaign to promote the
2 general message to prospective students as
3 follows: (A) the California Community Col-
4 leges (CCC) remain affordable, (B) financial
5 aid and tax credits are available to cover en-
6 rollment fees and help with books and other
7 costs, and (C) the active encouragement of
8 contact between pupils and local CCC finan-
9 cial aid offices. Any funds used from this
10 source to produce radio, television, or mail
11 campaigns must emphasize the availability
12 of financial aid, the easiest and most reliable
13 method of accessing the aid, a contact tele-
14 phone number, an Internet Web site address,
15 where applicable, and the physical location
16 of a financial aid office. Any mail campaign
17 must give priority to existing pupils, recent
18 high school graduates, and 12th graders. The
19 outreach and information campaign should
20 target its efforts in high schools, welfare of-
21 fices, unemployment offices, churches,
22 community centers, and any other location
23 that will most effectively reach low-income
24 and disadvantaged students who must over-
25 come barriers in accessing postsecondary
26 education. The community college district
27 awarded the contract shall consult with the
28 Chancellor of the California Community
29 Colleges and the Student Aid Commission
30 prior to performing any activities to ensure
31 appropriate coordination with any other state
32 efforts in this area and ensure compliance
33 with this provision.

- 34 (2) Of the amount appropriated in Schedule (5),
35 not more than \$34,200,000 shall be for direct
36 contact with potential and current financial
37 aid applicants. Each CCC campus shall re-
38 ceive a minimum allocation of \$50,000. The
39 remainder of the funding shall be allocated
40 to campuses based upon a formula reflecting

1 full-time equivalent students (FTES)
 2 weighted by a measure of low-income popu-
 3 lations as demonstrated by BOG fee waiver
 4 program participation within a district. It is
 5 the intent of the Legislature, to the extent that
 6 funds are provided in this item, that all cam-
 7 puses provide additional staff resources to
 8 increase both financial aid participation and
 9 student access to low-income and disadvan-
 10 taged students who must overcome barriers
 11 in accessing postsecondary education. Funds
 12 may be used for screening current students
 13 for possible financial aid eligibility and offer-
 14 ing personal assistance to these students in
 15 accessing financial aid, providing individual
 16 help in multiple languages for families and
 17 students in filling out the necessary paper-
 18 work to apply for financial aid, and increas-
 19 ing financial aid staff to process additional
 20 financial aid forms.

21 (3) Funds allocated to a community college dis-
 22 trict for financial aid personnel, outreach de-
 23 termination of financial need, and delivery
 24 of student financial aid services shall suppl-
 25 ment, and shall not supplant, the level of
 26 funds allocated for the administration of stu-
 27 dent financial aid programs during the
 28 2001–02 fiscal year.

29 (4) It is the intent of the Legislature that the Of-
 30 fice of the Chancellor of the California
 31 Community Colleges provide the Legislature
 32 with a report not later than April 1, 2009, on
 33 the use of the funds allocated pursuant to
 34 paragraphs (1) and (2) of this subdivision (d),
 35 including the distribution of the funds, specifi-
 36 c uses of the funds, strategies employed to
 37 reach low-income and disadvantaged students
 38 potentially eligible for financial aid, and the
 39 extent to which districts were successful in
 40 increasing the number of students accessing

1 financial aid, particularly the maximum Pell
2 Grant award.

3 (5) It is the intent of the Legislature that the
4 chancellor report by September 1, 2008, in
5 the manner and using the factors set forth in
6 paragraph (5) of subdivision (b) of Provision
7 11 of Item 6870-101-0001 of Section 2.00 of
8 the Budget Act of 2004 (Ch. 208, Stats.
9 2004), on the impact of outreach efforts on
10 student headcount and FTES enrollment for
11 the 2005–06 and 2006–07 academic years.

12 13. Of the funds appropriated in Schedule (19) for Extend-
13 ed Opportunity Programs and Services, ~~\$109,047,000~~
14 *\$106,786,000* is for Extended Opportunity Programs
15 and Services (EOPS) in accordance with Article 8
16 (commencing with Section 69640) of Chapter 2 of
17 Part 42 of Division 5 of Title 3 of the Education Code.
18 Funds provided in this item for EOPS shall be avail-
19 able to students on all campuses within the California
20 Community College system, including those students
21 on new campuses or in new districts. In addition,
22 ~~\$15,833,000~~ *\$15,505,000* is for funding, at all colleges,
23 the Cooperative Agencies Resources for Education
24 (CARE) program in accordance with Article 4 (com-
25 mencing with Section 79150) of Chapter 9 of Part 48
26 of Division 7 of Title 3 of the Education Code. The
27 Board of Governors of the California Community
28 Colleges shall allocate funds on a priority basis to local
29 programs on the basis of need for student services.

30 14. Of the funds appropriated in Schedule (19) for the
31 Extended Opportunity Programs and Services,
32 \$1,900,000 shall be available to support additional
33 textbook assistance grants to community college stu-
34 dents as an allowable expenditure consistent with
35 paragraph (10) of subdivision (b) of Section 69648 of
36 the Education Code.

37 15. The funds appropriated in Schedule (20) for the Fund
38 for Student Success is for additional targeted student
39 services, to be expended as follows:

- 1 (a) \$1,921,000 is for the Puente Project to support up
- 2 to 75 colleges. These funds are available if
- 3 matched by \$200,000 of private funds and the
- 4 participating community colleges and University
- 5 of California campuses maintain their 1995–96
- 6 fiscal year support level for the Puente Project.
- 7 All funding shall be allocated directly to partici-
- 8 pating districts in accordance with their participa-
- 9 tion agreement.
- 10 (b) Up to \$2,459,000 is for the Mathematics, Engi-
- 11 neering and Science Achievement (MESA) Pro-
- 12 gram. For each dollar allocated, the recipient dis-
- 13 trict shall provide \$1 in matching funds.
- 14 (c) No less than \$1,778,000 is for the Middle College
- 15 High School Program. With the exception of fully
- 16 compliant special part-time students at the com-
- 17 munity colleges pursuant to Sections 48802 and
- 18 76001 of the Education Code, student workload
- 19 based on participation in the Middle College High
- 20 School Program shall not be eligible for commu-
- 21 nity college state apportionment. Further, no
- 22 community college state apportionment shall be
- 23 made available for physical education classes,
- 24 noncredit classes, nor other courses specified in
- 25 Provision 8.
- 26 16. (a) The funds appropriated in Schedule (6) for the
- 27 Disabled Students Program are for assisting dis-
- 28 tricts in funding the excess direct instructional
- 29 cost of providing special support services or in-
- 30 struction, or both, to disabled students enrolled at
- 31 community colleges, and for state hospital pro-
- 32 grams, as mandated by federal law.
- 33 (b) Of the amount appropriated in Schedule (6), no
- 34 less than \$3,945,000 shall be used to address de-
- 35 ficiencies identified by the federal Office of Civil
- 36 Rights (OCR), as determined by the Office of the
- 37 Chancellor of the California Community Colleges.
- 38 (c) Of the amount appropriated in Schedule (6), at
- 39 least \$943,000 shall be used for support of the
- 40 High Tech Centers for activities including, but

1 not limited to, training of district employees, staff,
2 and students in the use of specialized computer
3 equipment for the disabled. All High Tech Centers
4 shall meet standards developed by the Office of
5 the Chancellor. Colleges that receive these aug-
6 mentations shall not supplant existing resources
7 provided to the centers.

8 (d) Notwithstanding any other provision of law, of
9 the funds appropriated in Schedule (6), \$1,246,000
10 shall be for state hospital adult education pro-
11 grams at the hospitals served by the Coast and
12 Kern Community College Districts since the
13 1986–87 fiscal year. If adult education services
14 at any of the three hospitals are not supported by
15 the community colleges in any portion of the
16 2008–09 fiscal year, remaining funds shall, upon
17 order of the Department of Finance, after 30 days’
18 notice to the Chairperson of the Joint Legislative
19 Budget Committee, be transferred to the State
20 Department of Developmental Services (DDS).
21 For any transfer of funds to DDS during the
22 2008–09 fiscal year, the Proposition 98 base
23 funding levels for community colleges and DDS
24 shall be adjusted accordingly.

25 (e) Of the funds appropriated in Schedule (6) for the
26 Disabled Student Services, no less than
27 \$9,600,000 shall be allocated to support high-cost
28 sign language interpreter services and real-time
29 captioning equipment or other communication
30 accommodations for hearing-impaired students
31 based on a 4-to-1 state-to-local district match.

32 17. The funds appropriated in Schedule (7), Special Ser-
33 vices for CalWORKs Recipients, are for the purpose
34 of assisting welfare recipient students and those in
35 transition off of welfare to achieve long-term self-
36 sufficiency through coordinated student services of-
37 fered at community colleges, including workstudy,
38 other educational related work experience, job place-
39 ment services, child care services, and coordination
40 with county welfare offices to determine eligibility

1 and availability of services. All services funded in
 2 Schedule (7) shall be for current CalWORKs recipients
 3 or prior CalWORKs recipients who are in transition
 4 off of cash assistance for no more than two years.
 5 Current cash-assistance recipients may utilize these
 6 services until their initial educational objectives are
 7 met. Former recipients in transition off of cash assis-
 8 tance may utilize these services for a period of up to
 9 two years after leaving cash assistance subject to the
 10 conditions of this provision. These funds shall be used
 11 to supplement and not supplant existing funds and
 12 services provided for CalWORKs recipients attending
 13 community colleges. The Chancellor of the California
 14 Community Colleges shall develop an equitable
 15 method for allocating funds to all districts and colleges
 16 based on the relative numbers of CalWORKs recipients
 17 in attendance and shall allocate funds for the following
 18 purposes:

- 19 (a) Job placement.
- 20 (b) Coordination with county welfare offices and
 21 other local agencies, including local workforce
 22 investment boards.
- 23 (c) Curriculum development and redesign.
- 24 (d) Child care and workstudy.
- 25 (e) Instruction.
- 26 (f) Postemployment skills training and related skills.
- 27 (g) Campus-based case management, limited to on-
 28 campus assistance and services not provided by
 29 county case workers that do not supplant other
 30 counseling and academic support services funded
 31 through existing California Community Colleges
 32 categorical programs.

33 Of the amount appropriated in Schedule (7),
 34 \$15,000,000 is for child care and does not require a
 35 district match. For the remaining funds, districts shall,
 36 as a condition of receipt of these funds, provide a \$1
 37 match for every \$1 provided by the state.

38 Funds utilized for subsidized child care shall be for
 39 children of CalWORKs recipients through campus-
 40 based centers or parental choice vouchers at rates and

1 with rules consistent with those applied to related
2 programs operated by the State Department of Educa-
3 tion in the 2008–09 fiscal year, including eligibility,
4 reimbursement rates, and parental contribution
5 schedules. Subsidized campus child care for Cal-
6 WORKs recipients may be provided during the period
7 they are engaged in qualifying state and federal work
8 activities through attainment of their initial education
9 and training plan and for up to three months thereafter
10 or until the end of the academic year, whichever period
11 of time is greater.

12 Funds utilized for workstudy shall be used solely
13 for payments to employers that currently participate
14 in campus-based workstudy programs or are providing
15 work experiences that are directly related to and in
16 furtherance of student educational programs and work
17 participation requirements, provided that those pay-
18 ments may not exceed 75 percent of the wage for the
19 workstudy positions, and the employers shall pay at
20 least 25 percent of the wage for the workstudy posi-
21 tions. These funds may be expended only if the total
22 hours of education, employment, and workstudy for
23 the student are sufficient to meet both state and federal
24 minimum requirements for qualifying work-related
25 activities.

26 Funds may be used to provide credit or noncredit
27 classes for CalWORKs students if a district has com-
28 mitted all of its funded full-time equivalent students
29 (FTES) and is unable to offer the additional instruc-
30 tional services to meet the demand for CalWORKs
31 students. This determination shall be based on fall
32 enrollment information. Districts shall submit applica-
33 tions to the Office of the Chancellor by October 15 of
34 each year. If the chancellor approves the use of funds
35 for direct instructional workload, the Office of the
36 Chancellor shall submit a report to the Department of
37 Finance and the Joint Legislative Budget Committee
38 by November 15, 2008, that (a) identifies the enroll-
39 ment of new CalWORKs students, (b) states whether
40 and why additional classes were needed to accommo-

1 date the needs of CalWORKs students, and (c) sets
2 forth an expenditure plan for the balance of funds.
3 As a condition of receipt of the funds appropriated
4 in Schedule (7), by the fourth week following the end
5 of the semester or quarter term commencing in January
6 2009, each participating community college shall
7 submit to the Office of the Chancellor a report, in the
8 format specified by the chancellor in consultation with
9 the State Department of Social Services, that includes,
10 but is not limited to, the funded components, the
11 number of hours of child care provided, the average
12 monthly enrollment of CalWORKs dependents served
13 in child care, the number of workstudy hours provided,
14 the hourly salaries and type of jobs, the number of
15 students being case managed, the short-term programs
16 available, the student participation rates, and other
17 outcome data. It is intended that, to the extent practical,
18 reporting from colleges utilize data gathered for federal
19 reporting requirements at the state and local level.
20 Further, it is intended that the Office of the Chancellor
21 compile the information for annual reports to the
22 Legislature, the Governor, the Legislative Analyst, the
23 Department of Finance, and the State Department of
24 Social Services by November 15 of each year.
25 First priority for expenditures of any funds appropri-
26 ated in Schedule (7) shall be in support of current
27 CalWORKs recipients. However, if caseloads are in-
28 sufficient to fully utilize all of the funding in this
29 schedule in a cost-beneficial way, it is intended that
30 up to \$5,000,000 of the funds subject to local matching
31 requirements may be allocated for providing postem-
32 ployment services to former CalWORKs recipients
33 who have been off of cash assistance for no longer
34 than two years to assist them in upgrading skills, job
35 retention, and advancement. Allowable services in-
36 clude direct instruction that cannot be funded under
37 available growth funding, child care to support atten-
38 dance in these classes consistent with this provision,
39 job development and placement services, and career
40 counseling and assessment activities which cannot be

1 funded through other programs. Child care services
2 may only be provided for periods commensurate with
3 a student's need for postemployment training within
4 the two-year transitional period.

5 Prior to allocation of funds for postemployment
6 services, the chancellor shall first secure the approval
7 of the Department of Finance for the allocations,
8 complete a cumulative report on the outcomes, activi-
9 ties, and cost-effectiveness of the program no later
10 than November 15, 2008, in compliance with the
11 Budget Acts of 1998 (Ch. 324, Stats. 1998) and 1999
12 (Ch. 50, Stats. 1999) and this act, and shall provide
13 the rationale and justification for the proposed alloca-
14 tion of postemployment services to districts for transi-
15 tional students.

16 If a district is unable to fully expend its share of child
17 care funds, it may request that the Office of the
18 Chancellor approve a reallocation to other CalWORKs
19 purposes authorized by this provision, subject to all
20 pertinent limitations and district match required for
21 these purposes under this provision.

22 Of the funds appropriated in Schedule (7) for the
23 Special Services for CalWORKs Recipients Program,
24 no less than \$8,000,000 is to provide direct workstudy
25 wage reimbursement for students served under this
26 program, and \$1,000,000 is available for campus job
27 development and placement services.

28 18. Funds appropriated in Schedule (7) for the Special
29 Services for CalWORKs Recipients Program have
30 been budgeted to meet the state's Temporary Assis-
31 tance for Needy Families maintenance-of-effort require-
32 ment pursuant to the federal Personal Responsibility
33 and Work Opportunity Reconciliation Act of 1996
34 (P.L. 104-193) and may not be expended in any way
35 that would cause their disqualification as a federally
36 allowable maintenance-of-effort expenditure.

37 19. (a) Funds provided in Schedule (8) for the Foster
38 Care Education Program shall be allocated to
39 provide foster and relative/kinship care education
40 and training. Districts shall ensure that education

- 1 and training required by Sections 1529.1 and
- 2 1529.2 of the Health and Safety Code and Section
- 3 16003 of the Welfare and Institutions Code re-
- 4 ceive priority. Districts may use any remaining
- 5 funds for additional parenting skills training.
- 6 (b) Funds provided in Schedule (8) shall be used for
- 7 foster parent and relative/kinship care provider
- 8 education training services consistent with the
- 9 following criteria:
- 10 (1) The Chancellor of the California Community
- 11 Colleges shall use these funds exclusively
- 12 for foster parent and relative/kinship care
- 13 provider education and training, as specified
- 14 by the chancellor in consultation with an ad-
- 15 visory committee that includes foster parents,
- 16 representatives of statewide foster parent or-
- 17 ganizations, parent and relative/kinship care
- 18 providers, and representatives from the State
- 19 Department of Social Services.
- 20 (2) Acceptance of funds under this program shall
- 21 constitute agreement by the district to comply
- 22 with such reporting requirements, guidelines,
- 23 and other conditions for receipt of funding
- 24 as the chancellor may establish.
- 25 (3) Each college plan for foster and relative/kin-
- 26 ship care education programs shall include
- 27 the provision of training to facilitate the de-
- 28 velopment of foster family homes, small
- 29 family homes, and relative/kinship homes to
- 30 care for no more than six children who have
- 31 special mental, emotional, developmental, or
- 32 physical needs.
- 33 (4) The State Department of Social Services shall
- 34 facilitate the participation of county welfare
- 35 departments in the foster and relative/kinship
- 36 care education program.
- 37 20. (a) Funds appropriated in Schedule (9) for the Matric-
- 38 ulation Program are for the purpose of student
- 39 matriculation pursuant to Article 1 (commencing

- 1 with Section 78210) of Chapter 2 of Part 48 of
2 Division 7 of Title 3 of the Education Code.
- 3 (b) Of the amount appropriated in Schedule (9),
4 \$20,000,000 shall be allocated to community
5 college districts on a one-to-one matching funds
6 basis to provide matriculation services, including,
7 but not limited to, orientation, assessment, and
8 counseling, for students enrolled in designated
9 noncredit classes and programs who may benefit
10 most, as determined by the Chancellor of the
11 California Community Colleges pursuant to Sec-
12 tions 78216 to 78218, inclusive, of the Education
13 Code.
- 14 21. The funds in Schedule (13) for the Part-time Faculty
15 Compensation Program shall be allocated solely to
16 increase compensation for part-time faculty from the
17 amounts previously authorized. Funds shall be distribut-
18 ed to districts based on the total actual full-time
19 equivalent students served in the previous fiscal year
20 and include a small district factor as determined by
21 the Chancellor of the California Community Colleges.
22 These funds are to be used to assist districts in making
23 part-time faculty salaries more comparable to full-time
24 salaries for similar work, as determined through each
25 district's local collective bargaining process. These
26 funds shall not supplant the amount of resources each
27 district used to compensate part-time faculty or be
28 used to exceed parity of each part-time faculty em-
29 ployed by each district with regular full-time faculty
30 at the same district, as certified by the chancellor. If
31 a district achieves parity, its allocation may be used
32 for any other educational purpose.
- 33 22. (a) \$24,197,000 of the funds provided in Schedule
34 (15) for the Telecommunications and Technology
35 Services Program shall be for the purpose of
36 supporting technical and application innovations
37 and for coordination of activities that serve to
38 maximize the utility of the technology investments
39 of the community college system towards improv-
40 ing learning outcomes. Allocations shall be made

1 by the Chancellor of the California Community
2 Colleges, based on criteria and guidelines as de-
3 veloped by the chancellor, on a competitive basis
4 through the RFA/RFP application process for the
5 following purposes:

- 6 (1) Provision of access to statewide multimedia
7 hosting and delivery services for system col-
8 leges and districts.
- 9 (2) Provision of systemwide Internet, audio
10 bridging, and telephony.
- 11 (3) Technical assistance and planning, coopera-
12 tive purchase agreements, and faculty and
13 staff development in a manner consistent with
14 paragraph (3) of subdivision (b) of Provision
15 17 of Item 6870-101-0001 of Section 2.00 of
16 the Budget Act of 1996 (Ch. 162, Stats.
17 1996).
- 18 (4) Ongoing support for the California Virtual
19 University Distance Education Program.
- 20 (5) Ongoing support for programs designed to
21 use technology in assisting accreditation and
22 the alignment of curricula across K-20 seg-
23 ments in California.
- 24 (6) Support for technology pilots and ongoing
25 technology programs and applications that
26 serve to maximize the utility and economy
27 of scale of the technology investments of the
28 community college system towards improv-
29 ing learning outcomes.

30 In addition, a portion of the funds provided in
31 this subdivision shall be available for allocations
32 to districts. It is the intent of the Legislature that
33 these funds be used by colleges to maintain the
34 technology capabilities specified in subdivision
35 (a) of Provision 21 of Item 6870-101-0001 of the
36 Budget Act of 2003 (Ch. 157, Stats. 2003). These
37 funds shall not supplant existing funds used for
38 those purposes, and colleges shall match mainte-
39 nance and ongoing costs with other funds as pro-

- 1 vided by Provision 21(a) of Item 6870-101-0001
2 of the Budget Act of 2003 (Ch. 157, Stats. 2003).
- 3 (b) The Office of the Chancellor of the California
4 Community Colleges shall develop the reporting
5 criteria for all programs funded by this item and
6 shall submit that for review along with an annual
7 progress report on program implementation to the
8 Legislative Analyst, the Office of the Secretary
9 for Education, and the Department of Finance no
10 later than December 1 of each year. Reporting
11 shall include summaries of allocations and expen-
12 ditures by program and by district, where applica-
13 ble.
- 14 (c) Of the funds provided in Schedule (15),
15 \$2,000,000 is for ongoing support and expansion
16 of the California Partnership for Achieving Stu-
17 dent Success (Cal-PASS) program. As a condition
18 of receipt of these funds, the grantee shall submit
19 to the Office of the Chancellor, by October 15 of
20 each year, all of the following: (1) a report that
21 includes the numbers and percentages of institu-
22 tions and school districts that have signed agree-
23 ments and the number and percentage that have
24 actively submitted data in the current year, (2) the
25 results of an annual program evaluation, as pre-
26 scribed by the chancellor, that sufficiently docu-
27 ments the value and productivity of the program,
28 and (3) an annual financial audit, as prescribed
29 by the chancellor, that includes an accounting of
30 all funding sources and all uses of funds by
31 funding source. It is the intent of the Legislature
32 that all reporting requirements contained in this
33 subdivision shall be completed using funds pro-
34 vided to the grantee.
- 35 23. Of the funds provided in Schedule (16) for the Eco-
36 nomic and Workforce Development Program:
- 37 (a) \$22,830,000 is allocated for grants for regional
38 business resources assistance and innovation net-
39 work centers. Each grant awarded to a district for
40 Centers for International Development shall con-

- 1 tain sufficient funds, as determined by the Chan-
- 2 cellor of the California Community Colleges, for
- 3 the continued operation of Mexican International
- 4 Trade Centers.
- 5 (b) \$7,822,000 is allocated for industry-driven region-
- 6 al education and training collaboratives. These
- 7 grants shall be made on a competitive basis and
- 8 the award amounts shall not be restricted to any
- 9 predetermined limit, but rather shall be funded on
- 10 their individual merits.
- 11 (c) \$3,609,000 is allocated for statewide network
- 12 leadership, organizational development, coordina-
- 13 tion, information and support services, or other
- 14 program purposes.
- 15 (d) \$4,529,000 is available for Job Development In-
- 16 centive Training programs focused on job creation
- 17 for public assistance recipients. Any annual sav-
- 18 ings from this subdivision shall only be available
- 19 for expenditure for one-time activities listed under
- 20 subdivision (j) of Section 88531 of the Education
- 21 Code.
- 22 (e) \$8,000,000 is allocated for the establishment of
- 23 a Responsive Incumbent Worker Training Fund,
- 24 which will serve to expand the delivery of perfor-
- 25 mance improvement training to employers and
- 26 incumbent workers in high-growth industries.
- 27 Funds shall also be used to develop programs that
- 28 integrate basic skills and career technical educa-
- 29 tion curriculum in ways that provide students with
- 30 seamless educational coursework that transitions
- 31 students into high-tech and high-demand job sec-
- 32 tors.
- 33 (f) The following provisions apply to the expenditure
- 34 of funds within subdivisions (a) and (b): Funds
- 35 allocated for centers and regional collaboratives
- 36 shall seek to maximize the use of state funds for
- 37 subdivisions (g) to (j), inclusive, of Section 88531
- 38 of the Education Code. Funds allocated to districts
- 39 for purposes of subdivisions (g) and (i) of Section
- 40 88531 of the Education Code for performance-

1 based training and student internships shall be
2 matched by a minimum of \$1 of private business
3 and industry funding for each \$1 of state funds.
4 Funds allocated for purposes of subdivision (h)
5 of Section 88531 of the Education Code for
6 credit and noncredit instruction may be transferred
7 to Schedule (1) or (3) to facilitate distribution at
8 the chancellor's discretion. Any funds that become
9 available from network centers due to savings,
10 discontinuance, or reduction of amounts shall first
11 be made available for additional allocations in
12 subdivision (b) to increase the level of subsidized
13 training otherwise available.

14 (g) Funds allocated by the Board of Governors of the
15 California Community Colleges under this provi-
16 sion may not be used by community college dis-
17 tricts to supplant existing courses or contract edu-
18 cation offerings. The chancellor shall ensure that
19 funds are spent only for expanded services and
20 shall implement accountability reporting for dis-
21 tricts receiving these funds to ensure that training,
22 credit, and noncredit programs remain relevant
23 to business needs. Programs that do not demon-
24 strate continued relevance and support by business
25 shall not be eligible for continued funding. The
26 board of governors shall consider the level of in-
27 volvement and financial commitments of business
28 and industry as primary factors in making awards.
29 The chancellor shall incorporate grant require-
30 ments into the guidelines for audits of economic
31 development grants.

32 (h) Primary objectives of the Economic and Work-
33 force Development Program are to maximize in-
34 struction, to prepare students for entry-level jobs,
35 to increase skills of the current workforce, and to
36 stimulate the growth of businesses through train-
37 ing so that more jobs are created. As part of the
38 annual report on the performance of the Economic
39 and Workforce Development Program, the chan-
40 cellor shall provide disaggregated data detailing

- 1 the funding provided to each economic develop-
 2 ment regional center and each industry-driven
 3 regional education and training collaborative, and
 4 to the extent practicable, the total number of hours
 5 of contract education services, performance im-
 6 provement training, credit and noncredit instruc-
 7 tion, and job placements created as a result of
 8 each center and collaborative.
- 9 24. (a) The funds appropriated in Schedule (17) for the
 10 Transfer Education and Articulation Program are
 11 available to support transfer and articulation pro-
 12 jects and common course numbering projects.
- 13 (b) Funding provided to community college districts
 14 from Schedule (17) is provided to directly offset
 15 any mandated costs claimed by community col-
 16 lege districts pursuant to Chapter 737 of the
 17 Statutes of 2004.
- 18 25. (a) \$13,673,000 of the funds appropriated in Schedule
 19 (18) is available for the following purposes:
- 20 (1) Scheduled maintenance and special repairs
 21 of facilities. The Chancellor of the California
 22 Community Colleges shall allocate funds to
 23 districts on the basis of actual reported full-
 24 time equivalent students (FTES), and may
 25 establish a minimum allocation per district.
 26 As a condition for receiving and expending
 27 these funds for maintenance or special re-
 28 pairs, a district shall certify that it will in-
 29 crease its operations and maintenance
 30 spending from the 1995–96 fiscal year by the
 31 amount it allocates from this appropriation
 32 for maintenance and special repairs, plus an
 33 equal amount to be provided from district
 34 discretionary funds. The chancellor may
 35 waive all or a portion of the matching require-
 36 ment based upon a review of a district’s finan-
 37 cial condition. The question of whether a
 38 district has complied with its resolution shall
 39 be reviewed under the annual audit of that
 40 district. For every \$1 a district expends from

- 1 this appropriation for scheduled maintenance
2 and special repairs, the recipient district shall
3 provide \$1 in matching funds.
- 4 (2) Hazardous substances abatement, cleanup,
5 and repairs.
- 6 (3) Architectural barrier removal projects that
7 meet the requirements of the federal Americans
8 with Disabilities Act of 1990 (42 U.S.C.
9 Sec. 12101 et seq.) and seismic retrofit pro-
10 jects limited to \$400,000. Districts that re-
11 ceive funds for architectural barrier removal
12 projects shall provide a \$1 match for every
13 \$1 provided by the state.
- 14 (b) \$13,672,000 of the funds appropriated in Schedule
15 (18) is available for replacement of instructional
16 equipment and library materials. For every \$3 a
17 district expends from this appropriation for re-
18 placement of instructional equipment or library
19 materials, the recipient district shall provide \$1
20 in matching funds. The chancellor may waive all
21 or a portion of the matching requirement based
22 upon a review of a district's financial condition.
23 The funds provided for instructional equipment
24 and library materials shall not be used for personal
25 services costs or operating expenses. The chancel-
26 lor shall allocate funds to districts on the basis of
27 actual reported FTES and may establish a mini-
28 mum allocation per district. The question of
29 whether a district has complied with its resolution
30 shall be reviewed under the annual audit of that
31 district.
- 32 (c) The funds appropriated in Schedule (18) shall be
33 available for expenditure until June 30, 2010.
- 34 26. Pursuant to Sections 69648.5, 78216, and 84850, and
35 subdivision (b) of Section 87108, of the Education
36 Code, the Board of Governors of the California Com-
37 munity Colleges may allocate funds appropriated in
38 Schedules (6), (9), (11), and (19) by grant or contract,
39 or through the apportionment process, to one or more
40 districts for the purpose of providing program evalua-

1 tion, accountability, monitoring, or program develop-
2 ment services, as appropriate under the applicable
3 statute.

4 27. The funds appropriated in Schedule (21) for the Career
5 Technical Education Program are for the purpose of
6 aligning career-technical education curriculum be-
7 tween K–12 and community colleges in targeted indus-
8 try-driven programs offered through the Economic
9 and Workforce Development Program. Prior to the
10 allocation of these funds, the Chancellor of the Cali-
11 fornia Community Colleges, in conjunction with the
12 State Department of Education, shall submit a pro-
13 posed expenditure plan for the funds contained in this
14 item, and the rationale therefor, to the Department of
15 Finance by August 1, 2008, for approval.

16 Of the funds appropriated in Schedule (21),
17 \$2,500,000 is available for the development and en-
18 hancement of health-related career pathway programs
19 in grades 7 to 12, inclusive, and for the articulation
20 and alignment of health-related curriculum between
21 schools with pupils in kindergarten and grades 1 to
22 12, inclusive, and the California Community Colleges.

23 28. The funds appropriated in Schedule (22) for the
24 Campus Childcare Tax Bailout shall be allocated by
25 the Chancellor of the California Community Colleges
26 to community college districts that levied child care
27 permissive override taxes in the 1977–78 fiscal year
28 pursuant to Sections 8329 and 8330 of the Education
29 Code in an amount equal to the property tax revenues,
30 tax relief subventions, and state aid required to be
31 made available by the district to its child care and de-
32 velopment program for the 1979–80 fiscal year pur-
33 suant to Section 30 of Chapter 1035 of the Statutes of
34 1979, increased by any cost-of-living increases granted
35 in subsequent fiscal years. These funds shall be used
36 only for the purpose of community college child care
37 and development programs.

38 29. With regard to the funds appropriated in Schedule
39 (23), Nursing Program Support, all of the following
40 shall apply:

- 1 (a) \$14,000,000 shall be used to provide support for
2 nursing program enrollment and equipment needs
3 consistent with paragraph (2) of subdivision (a)
4 of Section 2 of Chapter 514 of the Statutes of
5 2001. Grant funding for nursing enrollment shall
6 provide a marginal increase in funding in addition
7 to the amount provided for each full-time equiva-
8 lent student for regular growth in apportionments.
- 9 (b) \$8,100,000 shall be used to provide diagnostic
10 and support services, preentry coursework, alter-
11 native program delivery model development, and
12 other services to reduce the incidence of student
13 attrition in nursing programs.
- 14 (d) The Board of Governors of the California Com-
15 munity Colleges shall develop a request for appli-
16 cations (RFA) to allocate the additional
17 \$5,214,000 of funds in subdivision (b) to commu-
18 nity college districts. Criteria for assessing each
19 RFA shall include all of the following:
 - 20 (1) The degree to which the funds provided
21 would be used to increase student enrollment
22 in nursing programs beyond the level of full-
23 time equivalent students served in the
24 2007–08 academic year.
 - 25 (2) The district’s level of attrition from nursing
26 programs and the suitability of planned ex-
27 penditures to address attrition levels.
 - 28 (3) The degree to which funds provided would
29 be used to support infrastructure or equip-
30 ment needs with the intent of building capac-
31 ity and increasing the number of nursing
32 students served.
 - 33 (4) For districts with attrition rates of 15 percent
34 or more, new grant funding shall focus on
35 attrition reduction. For districts with attrition
36 rates below 15 percent, new grant funding
37 shall focus on enrollment expansion.
- 38 (e) The board of governors shall release the RFA no
39 sooner than 30 days after submitting it to the

1 Legislature and the Department of Finance for
 2 review.
 3 (f) On or before March 1 of each year, the Chancellor
 4 of the California Community Colleges shall pro-
 5 vide the Legislature and the Department of Fi-
 6 nance with a report on the allocation of funding.
 7 For each district receiving funding under this item,
 8 the report shall include all of the following: (1)
 9 the amount of funding received, (2) the number
 10 of nursing full-time equivalent students served in
 11 the 2006–07 academic year, and the additional
 12 number of nursing full-time equivalent students
 13 served with funding provided in this item in each
 14 subsequent year, (3) the district’s attrition and
 15 completion rates in the 2006–07 academic year
 16 and subsequent years, (4) any equipment or infra-
 17 structure-related items acquired with the funds
 18 appropriated in this item, and (5) the number of
 19 new and existing faculty receiving annual stipend
 20 awards.
 21

22 *SEC. 104. Item 7980-001-0001 of Section 2.00 of the Budget*
 23 *Act of 2008 is amended to read:*
 24

25	7980-001-0001—For support of Student Aid Commission.....		14,206,000
26	Schedule:		
27	(1) 15-Financial Aid Grants Program.....	15,711,000	
28		15,421,000	
29	(1.5) 50-California Loan Program.....	1,000,000	
30	(2) 80.01-Administration and Support Ser-		
31	vices.....	3,369,000	
32	(3) 80.02-Distributed Administration and		
33	Support Services.....	-3,369,000	
34	(3.5) 97.20.001-Unallocated Reduction.....	-789,000	
35	(4) Reimbursements.....	-296,000	
36	(4.5) Amount payable from the Student		
37	Loan Operating Fund (Item 7980-001-		
38	0784).....	-1,000,000	

- 1 (5) Amount payable from the Federal Trust
- 2 Fund (Item 7980-001-0890)..... -420,000
- 3 -130,000
- 4 Provisions:
- 5 1. The funds appropriated in this item are available only
- 6 for the Student Aid Commission’s state operations
- 7 activities.
- 8 2. Of the funds appropriated in Schedule (1), up to
- 9 \$369,000 is available for expenditure to support en-
- 10 hancement of the Student Aid Commission’s Grant
- 11 Delivery System.
- 12 3. Schedule (1) includes funding for 2.0 positions to in-
- 13 crease program compliance reviews for institutions
- 14 participating in the Cal Grant Program under Chapter
- 15 1.7 (commencing with Section 69430) of Part 42 of
- 16 Division 5 of Title 3 of the Education Code and the
- 17 Assumption Program of Loans for Education under
- 18 Article 5 (commencing with Section 69612) of Chapter
- 19 2 of Part 42 of Division 5 of Title 3 of the Education
- 20 Code, with the objective of auditing higher risk insti-
- 21 tutions once every three years. The audits shall empha-
- 22 size verification of applicant eligibility, fund disburse-
- 23 ment, and payment reconciliation. The Student Aid
- 24 Commission shall prioritize its review of institutions
- 25 that have demonstrated noncompliance in prior audits.
- 26 The commission shall report to the Legislature and
- 27 the Governor by September 30, 2008, on the institu-
- 28 tions audited, the rate of noncompliance with each
- 29 major program requirement, and the steps taken to
- 30 address noncompliance.
- 31 4. (a) This item reflects \$1,000,000 payable from the
- 32 Student Loan Operating Fund for the purpose of
- 33 funding, on a limited-term basis, 6.0 positions in
- 34 the Federal Policy and Programs Division. Those
- 35 positions shall be continued until a sale or other
- 36 authorized transaction is completed pursuant to
- 37 Chapter 182 of the Statutes of 2007, which is an-
- 38 ticipated to occur in the 2009–10 fiscal year.
- 39 (b) Additionally, this item reflects an increase of
- 40 \$1,010,000 available on a one-time basis for

1 necessary moving costs, furnishings, and equip-
 2 ment associated with relocation of the Student
 3 Aid Commission. Not later than August 1, 2008,
 4 the commission shall detail and submit for ap-
 5 proval to the Department of Finance, and for in-
 6 formational purposes to the Chairperson of the
 7 Joint Legislative Budget Committee, all one-time
 8 costs estimated to be necessary for relocation of
 9 the commission. Any funds remaining shall be
 10 available for any expenses that may be necessary
 11 or convenient to further the intent of the sale or
 12 other authorized transaction of EdFund pursuant
 13 to Chapter 182 of the Statutes of 2007 upon the
 14 written approval of the Department of Finance.

15
 16 *SEC. 105. Item 7980-001-0890 of Section 2.00 of the Budget*
 17 *Act of 2008 is amended to read:*

18
 19 7980-001-0890—For support of Student Aid Commission, Cash
 20 for College Program, for payment to Item 7980-001-0001,
 21 payable from the Federal Trust Fund..... 420,000
 22 130,000

23
 24 *SEC. 106. Item 7980-101-0001 of Section 2.00 of the Budget*
 25 *Act of 2008 is amended to read:*

26
 27 7980-101-0001—For local assistance, Student Aid Commis-
 28 sion..... 600,984,000
 29 823,984,000

30 Schedule:
 31 (1) 15-Financial Aid Grants Program..... 885,379,000
 32 885,669,000
 33 (2) Reimbursements..... -242,514,000
 34 -19,514,000
 35 (3) Amount payable from the Federal Trust
 36 Fund (Item 7980-101-0890)..... -17,881,000
 37 -18,171,000
 38 (4) Amount payable from the Student Loan
 39 Operating Fund (Item 7980-101-
 40 0784)..... -24,000,000

1 Provisions:

- 2 1. Funds appropriated in Schedule (1) are for purposes
3 of all of the following:
- 4 (a) Awards in the Cal Grant Program under Chapter
5 1.7 (commencing with Section 69430) and Article
6 3 (commencing with Section 69530) of Chapter
7 2 of Part 42 of Division 5 of Title 3 of the Educa-
8 tion Code.
 - 9 (b) Grants under the Law Enforcement Personnel
10 Dependents Scholarship Program pursuant to
11 Section 4709 of the Labor Code.
 - 12 (c) California Student Opportunity and Access Pro-
13 gram contract agreements under Article 4 (com-
14 mencing with Section 69560) of Chapter 2 of Part
15 42 of Division 5 of Title 3 of the Education Code.
 - 16 (d) The purchase of loan assumptions under Article
17 5 (commencing with Section 69612) of Chapter
18 2 of Part 42 of Division 5 of Title 3 of the Educa-
19 tion Code. The Student Aid Commission shall is-
20 sue 8,000 new warrants.
 - 21 (e) The purchase of loan assumptions under the
22 Graduate Assumption Program of Loans for Edu-
23 cation pursuant to Article 5.5 (commencing with
24 Section 69618) of Chapter 2 of Part 42 of Division
25 5 of Title 3 of the Education Code.
 - 26 (f) The purchase of loan assumptions under the State
27 Nursing Assumption Program of Loans for Edu-
28 cation (SNAPLE) Employees of State Facilities
29 Program pursuant to Article 2 (commencing with
30 Section 70120) of Chapter 3 of Part 42 of Division
31 5 of Title 3 of the Education Code.
 - 32 (g) The purchase of loan assumptions under the State
33 Nursing Assumption Program of Loans for Edu-
34 cation (SNAPLE) pursuant to Article 1 (commenc-
35 ing with Section 70100) of Chapter 3 of Part 42
36 of Division 5 of Title 3 of the Education Code.
 - 37 (h) The Student Aid Commission shall report by April
38 1, 2009, on the State Nursing Assumption Pro-
39 gram of Loans for Education, pursuant to the re-

- 1 porting requirements of Section 70108 of the Ed-
- 2 ucation Code.
- 3 (i) Of the amount appropriated in Schedule (1),
- 4 \$297,000 is provided for loan assumption pay-
- 5 ments to participants in the National Guard As-
- 6 sumption Program of Loans for Education pur-
- 7 suant to Article 12.5 (commencing with Section
- 8 69750) of Chapter 2 of Part 42 of the Education
- 9 Code.
- 10 (j) Notwithstanding subdivision (c) of Section
- 11 69613.8 of the Education Code, any Assumption
- 12 Program of Loans for Education participant who
- 13 meets the requirements of subdivision (a) or (b)
- 14 of Section 69613.8 of the Education Code may
- 15 receive the additional loan assumption benefits
- 16 authorized by those subdivisions.
- 17 2. If federal trust funds for the 2008–09 fiscal year exceed
- 18 budgeted levels for the Leveraging Educational Assis-
- 19 tance Partnership Program (LEAP) and the Special
- 20 Leveraging Educational Assistance Partnership Pro-
- 21 gram (SLEAP), the funds appropriated shall, to the
- 22 extent allowable by federal law, be reduced on a dol-
- 23 lar-for-dollar basis.
- 24 3. Eligibility for moneys appropriated in this item is
- 25 limited to students who demonstrate financial need
- 26 according to the nationally accepted needs analysis
- 27 methodology, who meet other Student Aid Commis-
- 28 sion eligibility criteria, and, notwithstanding subdivi-
- 29 sion (k) of Section 69432.7 of the Education Code,
- 30 whose income or family’s gross income does not ex-
- 31 ceed \$88,300 for the purpose of determining recipients
- 32 for the 2008–09 award year.
- 33 4. Notwithstanding any other provision of law, the max-
- 34 imum award for:
- 35 (a) New recipients attending private and independent
- 36 institutions shall be \$9,708.
- 37 (b) All recipients receiving Cal Grant B access awards
- 38 shall be \$1,551.
- 39 (c) All recipients receiving Cal Grant C tuition and
- 40 fee awards shall be \$2,592.

- 1 (d) All recipients receiving Cal Grant C book and
2 supply awards shall be \$576.
- 3 5. Of the funds appropriated in ~~Schedule (1)~~, as reim-
4 bursed from federal trust funds in ~~Schedule (3)~~,
5 \$6,849,000 *this item*, \$7,349,000 is for the California
6 Student Opportunity and Access Program established
7 pursuant to Article 4 (commencing with Section
8 69560) of Chapter 2 of Part 42 of Division 5 of Title
9 3 of the Education Code, *as amended in the current*
10 *legislative session*, and shall be available to provide
11 financial aid awareness and outreach to students who
12 are preparing to enter, or are currently enrolled in,
13 college. *Of this amount, \$1,000,000 is dedicated for*
14 *career technical education and the resulting career*
15 *opportunities. The Student Aid Commission shall*
16 *consult with the State Department of Education and*
17 *the Chancellor's Office of the California Community*
18 *Colleges in determining the projects and activities for*
19 *these funds. This provision reflects funds anticipated*
20 *from the College Access Challenge Grant Program*
21 *authorized by HR 2669 for the federal 2007–08 and*
22 *2008–09 fiscal years.*
- 23 6. Notwithstanding any other provision of law, the com-
24 mission may not issue new warrants for the assumption
25 of loans for the Graduate Assumption Program of
26 Loans for Education pursuant to Article 5.5 (commenc-
27 ing with Section 69618) of Chapter 2 of Part 42 of
28 Division 5 of Title 3 of the Education Code.
- 29 7. Pursuant to Chapter 403 of the Statutes of 2000 and
30 notwithstanding any other provision of law, the Direc-
31 tor of Finance may authorize the augmentation, from
32 the Special Fund for Economic Uncertainties estab-
33 lished pursuant to Section 16418 of the Government
34 Code, of the annual amount appropriated for the pur-
35 poses of making Cal Grant awards pursuant to Chapter
36 1.7 (commencing with Section 69430) of Part 42 of
37 Division 5 of Title 3 of the Education Code, as neces-
38 sary to fully fund the number of awards required to be
39 granted by that chapter. No augmentation may be au-
40 thorized under this provision sooner than 30 days after

- 1 the Director of Finance provides written notice of the
- 2 proposed augmentation to the Chairperson of the Joint
- 3 Legislative Budget Committee and the chairpersons
- 4 of the committees in each house of the Legislature that
- 5 consider appropriations, nor sooner than whatever
- 6 lesser time those persons, or their designees, may in
- 7 each instance determine.
- 8 8. The Student Aid Commission is authorized to issue
- 9 100 new warrants for the State Nursing Assumption
- 10 Program of Loans for Education (SNAPLE) Employ-
- 11 ees of State Facilities Program pursuant to Article 2
- 12 (commencing with Section 70120) of Chapter 3 of
- 13 Part 42 of Division 5 of Title 3 of the Education Code.
- 14 9. The Student Aid Commission shall issue 100 new
- 15 State Nursing Assumption Program of Loans for Edu-
- 16 cation (SNAPLE) warrants pursuant to Article 1
- 17 (commencing with Section 70100) of Chapter 3 of
- 18 Part 42 of Division 5 of Title 3 of the Education Code.
- 19 10. Of the funds appropriated in Schedule (1), as reim-
- 20 bursed from federal trust funds in Schedule (3),
- 21 ~~\$410,000~~ \$200,000 is for the Cash for College Pro-
- 22 gram.

23
 24 *SEC. 107. Item 7980-101-0890 of Section 2.00 of the Budget*
 25 *Act of 2008 is amended to read:*

26
 27 7980-101-0890—For local assistance, Student Aid Commission,
 28 for payment to Item 7980-101-0001, payable from the
 29 Federal Trust Fund..... 17,881,000
 30 18,171,000

- 31 Provisions:
- 32 1. Of the funds appropriated in this item, \$10,622,000 is
 - 33 available for the Leveraging Educational Assistance
 - 34 Partnership Program (LEAP) and Special Leveraging
 - 35 Educational Assistance Partnership Program (SLEAP).
 - 36 2. Of the funds appropriated in this item, ~~-\$410,000~~
 - 37 \$200,000 is available for the Cash for College Pro-
 - 38 gram. This amount reflects funds anticipated from the
 - 39 new College Access Challenge Grant Program autho-

1 rized in HR 2669 for the 2007–08 and 2008–09 federal
 2 fiscal years.
 3 3. Of the funds appropriated in this item, ~~-\$6,849,000~~
 4 \$7,349,000 is available for the California Student
 5 Opportunity and Access Program (Cal-SOAP). This
 6 amount reflects funds anticipated from the New Col-
 7 lege Access Challenge Grant Program authorized in
 8 HR 2669 for the 2007–08 and 2008–09 federal fiscal
 9 years.

10
 11 *SEC. 108. Item 8380-001-0001 of Section 2.00 of the Budget*
 12 *Act of 2008 is amended to read:*

13
 14 8380-001-0001—For support of Department of Personnel Ad-
 15 ministration..... 6,285,000
 16 Schedule:
 17 (1) 10-Classification and Compensation..... ~~5,299,000~~
 18 6,442,000
 19 (2) 20-Labor Relations..... 3,480,000
 20 (3) 25-Legal..... 7,947,000
 21 (4) 40.01-Administration..... 4,370,000
 22 (5) 40.02-Distributed Administration..... -4,457,000
 23 (6) 54-Benefits Administration..... 32,972,000
 24 (7) Reimbursements..... ~~-18,111,000~~
 25 -19,254,000
 26 (8) Amount payable from the Flexelect
 27 Benefit Fund (Item 8380-001-0821)..... -1,183,000
 28 (9) Amount payable from the Deferred
 29 Compensation Plan Fund (Item 8380-
 30 001-0915)..... -13,837,000
 31 (10) Amount payable from the Vision Care
 32 Program for State Annuitants Fund
 33 (Item 8380-001-8049)..... -6,500,000
 34 (11) Amount payable from the Central Ser-
 35 vice Cost Recovery Fund (Item 8380-
 36 001-9740)..... -3,695,000

37 Provisions:

38 1. The Department of Personnel Administration may use
 39 funds appropriated in this item to complete comprehen-
 40 sive salary surveys that include private and public

1 employers, geographical data, and total compensation.
 2 The department shall provide to the appropriate fiscal
 3 and policy committees of each house of the Legislature
 4 and the Legislative Analyst, within 30 days of comple-
 5 tion, each completed salary survey report.
 6 2. Of the funds appropriated in this item, \$350,000 may
 7 be spent by the Department of Personnel Administra-
 8 tion to contract with one or more recruitment contrac-
 9 tors to locate and develop a pool of prospective health
 10 care professionals for various state departments that
 11 employ medical, mental health, or dental professionals.
 12 It is the intent of the Legislature that these contracts
 13 will be structured on a performance basis with pay-
 14 ments tied to the successful hiring of state staff. Should
 15 the Director of Finance, upon receiving a recommen-
 16 dation of the Director of the Department of Personnel
 17 Administration, determine that it would be in the inter-
 18 ests of the state to expand the dollar amount committed
 19 to this project, he or she may submit to the Chairperson
 20 of the Joint Legislative Budget Committee and the
 21 Legislative Analyst a report describing the number of
 22 individuals who have been successfully hired to per-
 23 manent positions in affected departments as a result
 24 of the recruitment contractors' work to date and the
 25 anticipated benefits (including funds that affected de-
 26 partments would revert to the State Treasury due to
 27 decreased overtime and contracted personnel costs)
 28 that would result from an expansion of the funds
 29 committed to this project. Not less than 30 days after
 30 submitting the report described above, the Director of
 31 Finance may augment this item by an amount not ex-
 32 ceeding \$1,500,000 in order to increase health care
 33 personnel recruitment efforts.

34
 35 *SEC. 109. Item 8660-001-0042 of Section 2.00 of the Budget*
 36 *Act of 2008 is amended to read:*

1 8660-001-0042—For support of Public Utilities Commission,
 2 for payment to Item 8660-001-0462, payable from the
 3 State Highway Account, State Transportation Fund..... ~~3,202,000~~
 4 3,280,000
 5

6 *SEC. 110. Item 8660-001-0046 of Section 2.00 of the Budget*
 7 *Act of 2008 is amended to read:*
 8

9 8660-001-0046—For support of Public Utilities Commission,
 10 for payment to Item 8660-001-0462, payable from the
 11 Public Transportation Account, State Transportation
 12 Fund..... ~~3,341,000~~
 13 3,423,000
 14

15 *SEC. 111. Item 8660-001-0412 of Section 2.00 of the Budget*
 16 *Act of 2008 is amended to read:*
 17

18 8660-001-0412—For support of Public Utilities Commission,
 19 for payment to Item 8660-001-0462, payable from the
 20 Transportation Rate Fund..... ~~2,634,000~~
 21 2,702,000
 22

23 *SEC. 112. Item 8660-001-0461 of Section 2.00 of the Budget*
 24 *Act of 2008 is amended to read:*
 25

26 8660-001-0461—For support of Public Utilities Commission,
 27 for payment to Item 8660-001-0462, payable from the
 28 Public Utilities Commission Transportation Reimburse-
 29 ment Account..... ~~10,411,000~~
 30 10,681,000
 31

32 *SEC. 113. Item 8660-001-0462 of Section 2.00 of the Budget*
 33 *Act of 2008 is amended to read:*
 34

35 8660-001-0462—For support of Public Utilities Commission,
 36 payable from the Public Utilities Commission Utilities
 37 Reimbursement Account..... ~~75,146,000~~
 38 77,148,000

1	Schedule:	
2	(1) 10-Regulation of Utilities.....	117,860,000
3		120,360,000
4	(2) 15-Universal Service Telephone Pro-	
5	grams.....	663,655,000
6	(3) 20-Regulation of Transportation.....	19,588,000
7	(4) 30.01-Administration.....	29,123,000
8	(5) 30.02-Distributed Administration.....	-29,123,000
9	(6) Reimbursements.....	-14,874,000
10	(6.5) Reimbursement to the Office of	
11	Ratepayer Advocates.....	-3,910,000
12	(7) Amount payable from the State High-	
13	way Account, State Transportation Fund	
14	(Item 8660-001-0042).....	-3,202,000
15		-3,280,000
16	(8) Amount payable from the Public Trans-	
17	portation Account, State Transportation	
18	Fund (Item 8660-001-0046).....	-3,341,000
19		-3,423,000
20	(9) Amount payable from the Transporta-	
21	tion Rate Fund (Item 8660-001-0412)....	-2,634,000
22		-2,702,000
23	(10) Amount payable from the Public Util-	
24	ities Commission Transportation Re-	
25	imbursement Account (Item 8660-001-	
26	0461).....	-10,411,000
27		-10,681,000
28	(11) Amount payable from California High-	
29	Cost Fund-A Administrative Commit-	
30	tee Fund (Item 8660-001-0464).....	-56,361,000
31	(12) Amount payable from California	
32	High-Cost Fund-B Administrative	
33	Committee Fund (Item 8660-001-	
34	0470).....	-196,148,000
35	(13) Amount payable from Universal	
36	Lifeline Telephone Service Trust	
37	Administrative Committee Fund	
38	(Item 8660-001-0471).....	-308,154,000

1	(14) Amount payable from Deaf and Dis-	
2	abled Telecommunications Program	
3	Administrative Committee Fund (Item	
4	8660-001-0483).....	-69,046,000
5	(15) Amount payable from Payphone Ser-	
6	vice Providers Committee Fund (Item	
7	8660-001-0491).....	-495,000
8	(16) Amount payable from California	
9	Teleconnect Fund Administrative	
10	Committee Fund (Item 8660-001-	
11	0493).....	-33,451,000
12	(17) Amount payable from the Federal Trust	
13	Fund (Item 8660-001-0890).....	-1,272,000
14	(18) Amount payable from the Public Util-	
15	ities Commission Ratepayer Advocate	
16	Account (Item 8660-001-3089).....	-22,658,000

17 Provisions:

- 18 1. The Public Utilities Commission shall require any
- 19 public utility requesting a merger to reimburse the
- 20 commission for those necessary expenses that the
- 21 commission incurs in its consideration of the proposed
- 22 merger.

23
24 *SEC. 114. Item 8660-011-0470 is added to Section 2.00 of the*
25 *Budget Act of 2008, to read:*

26
27 *8660-011-0470—For transfer by the Controller from the Cali-*
28 *fornia High-Cost Fund-B Administrative Committee Fund*
29 *to the General Fund..... (35,000,000)*

30 Provisions:

- 31 1. *The amount transferred in this item is a loan to the*
- 32 *General Fund and shall be repaid by June 30, 2011.*
- 33 *Repayment shall be made so as to ensure that the*
- 34 *programs supported by the California High-Cost*
- 35 *Fund-B Administrative Committee Fund are not ad-*
- 36 *versely affected by the loan.*

37
38 *SEC. 115. Item 8660-011-0471 is added to Section 2.00 of the*
39 *Budget Act of 2008, to read:*

1 8660-011-0471—For transfer by the Controller from the Uni-
 2 versal Lifeline Telephone Service Trust Administrative
 3 Committee Fund to the General Fund..... (30,000,000)

4 Provisions:

5 1. The amount transferred in this item is a loan to the
 6 General Fund and shall be repaid by June 30, 2011.
 7 Repayment shall be made so as to ensure that the
 8 programs supported by the Universal Lifeline Tele-
 9 phone Service Trust Administrative Committee Fund
 10 are not adversely affected by the loan.

11
 12 SEC. 116. Item 8660-011-0483 is added to Section 2.00 of the
 13 Budget Act of 2008, to read:

14
 15 8660-011-0483—For transfer by the Controller from the Deaf
 16 and Disabled Telecommunications Program Administrative
 17 Committee Fund to the General Fund..... (85,000,000)

18 Provisions:

19 1. The amount transferred in this item is a loan to the
 20 General Fund and shall be repaid by June 30, 2011.
 21 Repayment shall be made so as to ensure that the
 22 programs supported by the Deaf and Disabled
 23 Telecommunications Program Administrative Commit-
 24 tee Fund are not adversely affected by the loan.

25
 26 SEC. 117. Item 8860-001-0001 of Section 2.00 of the Budget
 27 Act of 2008 is amended to read:

28
 29 8860-001-0001—For support of Department of Finance..... 16,243,000

30 Schedule:

31 (1) 10-Annual Financial Plan..... 22,767,000
 32 (2) 15-Statewide Systems Development..... 1,915,000
 33 (3) 20-Program and Information System
 34 Assessments..... 12,699,000
 35 (4) 30-Supportive Data..... 12,603,000
 36 (5) 40.01-Administration..... ~~5,595,000~~
 37 8,230,000
 38 (6) 40.02-Distributed Administration..... -5,595,000
 39 (7) Reimbursements..... ~~-15,129,000~~
 40 -19,679,000

1	(8) Amount payable from Unallocated	
2	Special Funds (Item 8860-011-0494)....	-547,000
3	(9) Amount payable from Unallocated Bond	
4	Funds—Select (Item 8860-011-0797)....	-120,000
5	(10) Amount payable from Other Unallocat-	
6	ed Nongovernmental Cost Funds (Item	
7	8860-011-0988).....	-327,000
8	(11) Amount payable from Local Streets and	
9	Road Improvement, Congestion Relief,	
10	and Traffic Safety Account of 2006,	
11	Highway Safety, Traffic Reduction, Air	
12	Quality, and Port Security Fund of 2006	
13	(Item 8860-001-6065).....	-119,000
14	(12) Amount payable from Central Service	
15	Cost Recovery Fund (Item 8860-001-	
16	9740).....	-15,584,000
17	Provisions:	
18	1. The funds appropriated in this item for CALSTARS	
19	shall be transferred by the Controller, upon order of	
20	the Director of Finance, or made available by the De-	
21	partment of Finance as a reimbursement, to other items	
22	and departments for CALSTARS-related activities by	
23	the Department of Finance.	
24	2. The funds appropriated in this act for purposes of	
25	CALSTARS-related data-processing costs may be	
26	transferred between any items in this act by the Con-	
27	troller upon order of the Director of Finance. Any	
28	funds so transferred shall be used only for support of	
29	CALSTARS-related data-processing costs incurred.	
30	3. Notwithstanding any other provision of law, the Direc-	
31	tor of Finance may authorize a loan from the General	
32	Fund to the Department of Finance for the purpose of	
33	meeting operational cashflow obligations for the	
34	2008–09 fiscal year. The loan shall not exceed the es-	
35	timated amount of uncollected reimbursements for the	
36	final quarter of the fiscal year.	
37	4. From the funds appropriated in Schedule (3) for the	
38	purpose of evaluating and continuing development	
39	and enhancement of the Governor’s Budget Presenta-	
40	tion System (GBPS), the following provisions apply:	

1 (a) From time to time, but no later than December 1,
2 2008, the Department of Finance shall update the
3 Legislature on anticipated changes to the GBPS.
4 In addition, the Department of Finance shall (1)
5 no later than the approximate same time the
6 Governor's Budget is formally presented in elec-
7 tronic or any other Web-based form, provide
8 printed and bound hard copies of the Governor's
9 Budget and Governor's Budget Summary as fol-
10 lows: to the Legislative Analyst's Office—45
11 copies, the Office of the Legislative Counsel—
12 six copies, offices of the Members of the Legisla-
13 ture—120 copies, the Rules Committees of the
14 Assembly and Senate—5 copies each, and the
15 fiscal committees of the Legislature—60 copies,
16 and (2) no later than four weeks after the Gover-
17 nor's Budget is formally presented in electronic
18 or any other Web-based form, 131 printed and
19 bound hard copies of the Governor's Budget and
20 Governor's Budget Summary shall be provided
21 as follows: two copies to the State Library, to en-
22 sure that the State Librarian maintains at least one
23 public copy and one for the permanent research
24 collections, and 129 copies: one copy to each de-
25 pository public library in the state. Additional
26 copies, either bound or unbound, shall be available
27 for purchase by the public based on the cost of
28 producing the documents requested. Whenever
29 the Department of Finance submits to the Legisla-
30 ture changes to the Governor's Budget or to the
31 Budget Bill, these requests shall be provided in
32 hard copy form to the Legislature including the
33 appropriate staff of the fiscal committees and the
34 Legislative Analyst's Office. Whenever the De-
35 partment of Finance releases a document summa-
36 rizing changes proposed for the Governor's Bud-
37 get or to the Budget Bill, the Department of Fi-
38 nance shall provide the summaries in hard copy
39 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, 2009, for the purpose of providing continuity of services.

SEC. 118. Item 8880-001-9737 of Section 2.00 of the Budget Act of 2008 is amended to read:

8880-001-9737—For support of Financial Information System for California, payable from the FISCAL Internal Service Fund.....	0
	37,650,000

Schedule:

- | | |
|---|------------|
| (1) 15-Statewide Systems Development..... | 2,175,000 |
| | 39,825,000 |
| (2) Amount payable from General Fund
(Item 8880-001-0001)..... | -2,175,000 |

Provisions:

1. The Department of Finance is authorized to approve and make expenditures from this item until the Office of the Financial Information System for California is established through legislation.
2. Control agency delegations for administrative services approved for the administrative services provider department to the Financial Information System for California (FISCAL) project shall be extended to the FISCAL project and the FISCAL Office until such time as the project and office obtain separate delegation approvals.
3. ~~The Financial Information System for California (FISCAL) Project shall use the funds appropriated in this item to prepare an updated Special Project Report that includes the following analyses:~~
 - (a) ~~A review of past and current California information technology projects with similar complexity or business requirements to those of FISCAL in~~

1 order to identify factors that contributed to their
 2 success or failure and to document the lessons
 3 learned from these projects. This analysis shall
 4 examine how these lessons can be applied to the
 5 development of FISCal in order to maximize its
 6 chance for success and mitigate risks as appropri-
 7 ate.

8 (b) ~~A review of project scope and procurement~~
 9 ~~strategies to determine which approaches provide~~
 10 ~~the most opportunity for successful system imple-~~
 11 ~~mentation and user acceptance.~~

12 (c) ~~A review of the FISCal governance structure to~~
 13 ~~identify improvements that would strengthen the~~
 14 ~~project's executive management and sponsorship.~~
 15 ~~This review shall include an evaluation of whether~~
 16 ~~to increase the responsibility of the State Chief~~
 17 ~~Information Officer with respect to project man-~~
 18 ~~agement or sponsorship.~~

19 (d) ~~The development of an assessment strategy that~~
 20 ~~will identify key decision points throughout the~~
 21 ~~project and report them to the Legislature on a~~
 22 ~~timely basis in addition to periodic reporting at~~
 23 ~~predefined project milestones.~~

24 ~~The findings and recommendations from these~~
 25 ~~analyses shall be incorporated into an updated Special~~
 26 ~~Project Report to be delivered to the Legislature on or~~
 27 ~~before March 1, 2009. The Special Project Report shall~~
 28 ~~also contain a complete analysis of the business case~~
 29 ~~for, and a thorough risk assessment of, the preferred~~
 30 ~~procurement approach, including any necessary revi-~~
 31 ~~sions to the project schedule and cost.~~

32
 33 *SEC. 119. Item 9100-101-0001 of Section 2.00 of the Budget*
 34 *Act of 2008 is amended to read:*

35		
36	9100-101-0001—For local assistance, Tax Relief.....	693,885,000
37		638,291,000

1	Schedule:	
2	(1) 10-Senior Citizens' Property Tax Assis-	
3	tance.....	40,562,000
4		0
5	(2) 20-Senior Citizens' Property Tax Defer-	
6	ral Program.....	25,800,000
7	(3) 30-Senior Citizen Renters' Tax Assis-	
8	tance.....	150,318,000
9		135,286,000
10	(4) 50-Homeowners' Property Tax Re-	
11	lief.....	442,465,000
12	(5) 60-Subventions for Open Space.....	34,740,000

- 13 Provisions:
- 14 1. Schedule (2) is for property tax postponement and as-
 - 15 sistance to claimants in accordance with the Senior
 - 16 Citizens Property Tax Assistance and Postponement
 - 17 Law (Part 10.5 (commencing with Section 20501) of
 - 18 Division 2 of the Revenue and Taxation Code). The
 - 19 appropriation made in that schedule shall be in lieu of
 - 20 the appropriation for the same purpose contained in
 - 21 Section 16100 of the Government Code.
 - 22 2. Schedule (3) is for property tax assistance to renter
 - 23 claimants in accordance with the Senior Citizens
 - 24 Property Tax Assistance and Postponement Law (Part
 - 25 10.5 (commencing with Section 20501) of Division 2
 - 26 of the Revenue and Taxation Code). ~~Any unexpended~~
 - 27 ~~balance in Schedule (3) may be used to make payments~~
 - 28 ~~to senior citizen homeowner claimants under Schedule~~
 - 29 ~~(1).~~
 - 30 3. Schedule (4) is for reimbursement to local taxing au-
 - 31 thorities for revenue lost by reason of the homeowners'
 - 32 property tax exemption granted pursuant to subdivision
 - 33 (k) of Section 3 of Article XIII of the California Con-
 - 34 stitution. The appropriation made in that schedule shall
 - 35 be in lieu of the appropriation required pursuant to
 - 36 Section 25 of Article XIII of the California Constitu-
 - 37 tion and the appropriation for the same purposes con-
 - 38 tained in Section 16100 or 16120 of the Government
 - 39 Code.

- 1 4. Schedule (5) is for providing reimbursement to local
2 taxing authorities for revenue lost by reason of the
3 assessment of open-space lands under Sections 423,
4 423.3, 423.4, and 423.5 of the Revenue and Taxation
5 Code, and in accordance with Chapter 3 (commencing
6 with Section 16140) of Part 1 of Division 4 of Title 2
7 of the Government Code. The appropriation made in
8 that schedule shall be in lieu of the appropriation for
9 the same purpose contained in Section 16100 or 16140
10 of the Government Code. The Controller shall allocate
11 these funds in accordance with Section 16144 of the
12 Government Code.
- 13 5. Notwithstanding any other provision of law, the Direc-
14 tor of Finance may authorize expenditures for Sched-
15 ules ~~(1);~~ (2), (3), (4), and (5) in excess of or less than
16 the amount appropriated not sooner than 30 days after
17 notification in writing of the necessity therefor is pro-
18 vided to the chairpersons of the fiscal committees of
19 each house of the Legislature and the Chairperson of
20 the Joint Legislative Budget Committee, or not sooner
21 than whatever lesser time the chairperson of the joint
22 committee, or his or her designee, may in each instance
23 determine.
- 24 6. Schedule (1) is for property tax assistance to homeown-
25 er claimants in accordance with the Senior Citizens
26 Property Tax Assistance and Postponement Law (Part
27 10.5 (commencing with Section 20501) of Division 2
28 of the Revenue and Taxation Code). ~~Any unexpended~~
29 ~~balance in Schedule (1) may be used to make payments~~
30 ~~to senior citizen renter claimants under Schedule (3)~~
31 *Notwithstanding any other provision of law, this*
32 *property tax assistance to homeowner claimants is*
33 *suspended for the 2008–09 fiscal year and no pay-*
34 *ments shall be made.*

35
36 *SEC. 120. Item 9210-105-0001 is added to Section 2.00 of the*
37 *Budget Act of 2008, to read:*

38
39 *9210-105-0001—For local assistance, Local Government Fi-*
40 *nancing..... 31,500,000*

Provisions:

1. For reimbursement of actual costs incurred by cities and other entities for local detention facilities subventions, charged pursuant to subdivision (a) of Section 29552 of the Government Code during the 2007–08 fiscal year. Any funds not disbursed shall revert to the General Fund no later than June 30, 2009.
2. No later than December 1, 2008, the Controller shall allocate the funds appropriated in this item to all eligible cities and other entities, and shall certify to the Director of Finance the actual amount of moneys allocated for the payment of local detention facilities subventions, as described in Section 29552 of the Government Code. Any city or other entity that applies for funding pursuant to this item shall comply with all requests made by the Controller.
3. The Controller shall reduce payments proportionally if the amount appropriated in this item is not sufficient to pay all valid claims in full.

SEC. 121. Item 9350-104-6065 is added to Section 2.00 of the Budget Act of 2008, to read:

9350-104-6065—Local assistance-shared revenues for support of Local Streets and Road Improvement, Congestion Relief, and Traffic Safety Account of 2006, Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006... 187,000,000

Provisions:

1. The funds appropriated by this item are for allocation to cities or a city and county.
2. The Controller shall allocate these funds to cities or a city and county, on a first-come, first-served basis, following notification from the Department of Finance that the city or city and county has submitted a complete plan for the expenditure of these funds, pursuant to subdivision (b) of Section 8879.65 of the Government Code.
3. For purposes of this item, the following conditions shall apply for cities or a city and county receiving funds:

- 1 (a) A city or city and county shall have received its
- 2 full allocation for the 2007–08 fiscal year.
- 3 (b) A city or city and county shall have submitted in-
- 4 formation for the 2007–08 fiscal year allocation
- 5 as required in subdivision (c) of Section 8879.65
- 6 of the Government Code.
- 7 (c) A city or city and county shall agree that funds
- 8 from the 2008–09 fiscal year allocation will be
- 9 used for projects that are not currently fully
- 10 funded with a dedicated funding source or
- 11 sources.
- 12 (d) A city or city and county shall agree to encumber
- 13 funds from the 2008–09 fiscal year allocation
- 14 before July 1, 2009.
- 15 (e) A city or city and county shall report to the De-
- 16 partment of Finance the total balance of unencum-
- 17 bered funds in the city’s or city and county’s ex-
- 18 isting account as described in subparagraphs (A)
- 19 and (C) of paragraph (2) of subdivision (l) of
- 20 Section 8879.23 of the Government Code.
- 21 (f) A city or city and county shall certify that the total
- 22 balance of unencumbered funds in the account as
- 23 described in subparagraphs (A) and (C) of para-
- 24 graph (2) of subdivision (l) of Section 8879.23 of
- 25 the Government Code is no more than the sum
- 26 balance of three months of anticipated income
- 27 from the Highway Users Tax Account in the
- 28 Transportation Tax Fund, as described in Sections
- 29 2104, 2105, 2106, 2107, and 2107.5 of the Streets
- 30 and Highways Code, and from the Transportation
- 31 Investment Fund, as described in Section 7104 of
- 32 the Revenue and Taxation Code. If a city or city
- 33 and county has an unencumbered balance that
- 34 exceeds the sum balance of the three months of
- 35 anticipated income from the Highway Users Tax
- 36 Account in the Transportation Tax Fund and the
- 37 Transportation Investment Fund, the city or city
- 38 and county shall reduce its existing unencumbered
- 39 road fund balance, before the next report submit-
- 40 ted to the Controller pursuant to Section 2151 of

1 *the Streets and Highways Code, by either of the*
2 *following:*

3 (1) *By an amount equivalent to the allocation*
4 *received under this subdivision.*

5 (2) *Until the unencumbered balance is no more*
6 *than the sum balance of three months of an-*
7 *ticipated income from the Highway Users*
8 *Tax Account in the Transportation Tax Fund*
9 *and the Transportation Investment Fund.*

10 (g) *For the purpose of this item, “unencumbered”*
11 *means any portion of funding that is not designat-*
12 *ed, through prior approval by the city council,*
13 *for use on the planning, review, design, or con-*
14 *struction phase of a project currently underway*
15 *at the time of the road fund report.*

16
17 *SEC. 122. Section 4.07 of the Budget Act of 2008 is amended*
18 *to read:*

19 Sec. 4.07. (a) The Director of Finance shall reduce General
20 Fund appropriations in the 2008–09 fiscal year by a total of
21 \$50,000,000. To the extent practical, these reductions shall capture
22 savings in departmental personal services budgets resulting from
23 position vacancies that, in the aggregate, exceed those estimated
24 for purposes of salary savings in each applicable appropriation
25 item. The reductions may include, but are not limited to, savings
26 related to the elimination of vacant positions in the 2008–09 fiscal
27 year or in other fiscal years pursuant to Section 12439 of the
28 Government Code.

29 (b) The Director of Finance shall not reduce, pursuant to
30 subdivision (a), the amounts appropriated for the following: higher
31 education; the judicial branch; the Legislature; the Legislative
32 Counsel Bureau; constitutional officers; debt service, including,
33 but not limited to, tobacco settlement revenue shortfall, payment
34 of interest on General Fund loans, and interest payments to the
35 federal government; health and dental benefits for annuitants;
36 equity claims before the California Victim Compensation and
37 Government Claims Board; or augmentations for contingencies
38 or emergencies, unless the savings identified would not negatively
39 affect program needs as provided for in this act or current law, and

1 provided that the affected entity or the state official responsible
2 for that expenditure concurs with the reduction.

3 (c) Nothing within this section shall be construed to confer any
4 authority upon the Director of Finance to modify or eliminate any
5 other provision of existing law.

6 (d) Not later than ~~February~~ *April* 15, 2009, the Director of
7 Finance shall report to the Chairperson of the Joint Legislative
8 Budget Committee and the chairpersons of the committees of each
9 house of the Legislature that consider appropriations the amount
10 of reductions made in each item of appropriation pursuant to this
11 section. The report shall include at least the following: the total
12 dollar amount of vacancy-related reductions by department and
13 agency; the savings achieved related to positions abolished by
14 Section 12439 of the Government Code; the savings from position
15 vacancies unrelated to Section 12439 of the Government Code;
16 the positions and the amount of savings that the Administration
17 proposes as permanent, if any; a description of any major
18 programmatic effects relating to the reductions; and any other
19 description necessary to fully disclose the reduction's impact.

20 (e) If reductions related to position vacancies are not sufficient
21 to reduce General Fund appropriations by a total of \$50,000,000,
22 the Director of Finance shall make reductions that are not related
23 to position vacancies in order to achieve the total reduction required
24 in subdivision (a). In the report described in subdivision (d), the
25 Director of Finance shall include a description of each reduction
26 by department, agency, and program; whether those reductions
27 are proposed to be one-time or ongoing; a description of any major
28 programmatic effects related to those reductions; and any other
29 description necessary to fully disclose the impact of those
30 reductions.

31 (f) A state operations appropriation and a program, project, or
32 function designated in any line of any schedule set forth by that
33 appropriation may not be reduced pursuant to this section by more
34 than 20 percent. A local assistance appropriation and a program,
35 project, or function designated in any line of any schedule set forth
36 by that appropriation may not be reduced pursuant to this section
37 by more than 5 percent.

38 *SEC. 123. Section 24.85 of the Budget Act of 2008 is amended*
39 *to read:*

1 Sec. 24.85. (a) Notwithstanding any other provision of law,
2 the Director of Finance is authorized to reimburse General Fund
3 expenditures for the purpose of offsetting the costs of the
4 Home-to-School Transportation Program for the 2008–09 fiscal
5 year from the Public Transportation Account. A sum not to exceed
6 ~~\$271,545,000~~ \$588,826,000 from the Public Transportation
7 Account may be used to reimburse General Fund expenditures for
8 the Home-to-School Transportation Program. The total
9 reimbursement shall not reduce the balance in the Public
10 Transportation Account below a prudent reserve as determined by
11 the Director of Finance.

12 (b) It is not the intent of the Legislature in enacting this section
13 to provide additional expenditure authority to state programs.

14 (c) Funds provided from the Public Transportation Account for
15 this purpose are derived from the sales tax on fuels and are
16 dedicated to mass transportation purposes pursuant to Section
17 99310.5 of the Public Utilities Code. The Legislature hereby finds
18 that transporting students to schools is a component of the state’s
19 mass transportation program.

20 *SEC. 124. Section 35.20 is added to the Budget Act of 2008,*
21 *to read:*

22 *Sec. 35.20. If legislation is enacted amending Section 13302*
23 *of the Government Code to allow the accrual of tax payments due*
24 *more than two months after the close of the fiscal year for*
25 *transactions occurring in the prior fiscal year, the Department of*
26 *Finance shall provide guidance pursuant to Section 13310 of the*
27 *Government Code with respect to the methodology to be employed*
28 *in determining accruals and the timing of implementation of any*
29 *changes in tax accrual practices. One-third of the change to*
30 *accrual treatment of corporation and franchise tax payments shall*
31 *apply to the 2007–08 fiscal year and the balance of the change*
32 *shall be applied to the 2008–09 fiscal year and subsequent fiscal*
33 *years.*

34 *SEC. 125. Section 35.50 of the Budget Act of 2008 is amended*
35 *to read:*

36 Sec. 35.50. (a) For purposes of paragraph (1) of subdivision
37 (f) of Section 10, and subdivision (f) of Section 12, of Article IV
38 of the California Constitution, “General Fund revenues” means
39 the total resources available to the General Fund for a fiscal year
40 before any transfer to the Budget Stabilization Account.

1 (b) For purposes of subdivision (f) of Section 12 of Article IV
2 of the California Constitution, “all appropriations from the General
3 Fund for that fiscal year” shall not include any transfer to the
4 Budget Stabilization Account to retire Economic Recovery Bonds
5 because that amount is reflected in the “amount of any General
6 Fund moneys transferred to the Budget Stabilization Account.”

7 (c) For purposes of subdivision (f) of Section 12 of Article IV
8 of the California Constitution, the estimate of General Fund
9 revenues for the 2008–09 fiscal year pursuant to this act, as passed
10 by the Legislature, is ~~\$107,711,233,000~~ *\$105,378,633,000*.

11 (d) For purposes of subdivision (b) of Section 20 of Article XVI
12 of the California Constitution, General Fund revenues shall be
13 defined as revenues and transfers before any transfer to the Budget
14 Stabilization Account, excluding any proceeds from Economic
15 Recovery Bonds, as estimated in the enacted State Budget.

16 *SEC. 126. Sections 1 to 125, inclusive, of this act shall become*
17 *operative only if the Budget Act of 2008, Assembly Bill 1781, as*
18 *proposed by Conference Report No. 1 on July 17, 2008, is enacted*
19 *and becomes effective on or before January 1, 2009.*

20 *SEC. 127. This act is an urgency statute necessary for the*
21 *immediate preservation of the public peace, health, or safety within*
22 *the meaning of Article IV of the Constitution and shall go into*
23 *immediate effect. The facts constituting the necessity are:*

24 *This act makes appropriations for the support of the government*
25 *of the State of California and for several public purposes for the*
26 *2008–09 fiscal year. It is imperative that these appropriations be*
27 *made effective as soon as possible. It is therefore necessary that*
28 *this act go into immediate effect.*

29 ~~SECTION 1. Section 6880 is added to the Public Resources~~
30 ~~Code, to read:~~

31 ~~6880. (a) Notwithstanding any other provision of law, a public~~
32 ~~entity is not liable for damages for any lost profits with respect to~~
33 ~~an oil and gas lease on land located in a coastal zone as defined in~~
34 ~~Section 30103 beyond the date of the enactment of a valid initiative~~
35 ~~that invalidates the oil and gas lease.~~

36 ~~(b) This section applies to contracts entered into before, on, or~~
37 ~~after its effective date, and to causes of action that accrued prior~~

- 1 ~~to its effective date, except that it shall not apply to a case that has~~
- 2 ~~been adjudicated to a final judgment.~~

O