

AMENDED IN ASSEMBLY SEPTEMBER 9, 2008

**SENATE BILL**

**No. 1087**

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**Introduced by Committee on Budget and Fiscal Review**

January 10, 2008

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~~An act relating to the Budget Act of 2008.~~ *An act to amend and supplement the Budget Act of 2008 by amending Items* 0250-001-0001, 0250-001-0159, 0250-101-0932, 0250-111-0001, 0552-001-0001, 0650-001-0001, 0690-001-0001, 0690-002-0001, 0690-101-0890, 0690-102-0001, 0820-001-0001, 0840-001-0001, 0855-111-0367, 0860-001-0001, 0860-001-0004, 0860-001-0022, 0860-001-0061, 0860-001-0070, 0860-001-0080, 0860-001-0230, 0860-001-0320, 0860-001-0387, 0860-001-0439, 0860-001-0465, 0860-001-0623, 0860-001-0965, 0860-001-3015, 0860-001-3058, 0860-001-3065, 0950-001-0001, 1100-001-0001, 1700-001-0001, 1730-001-0001, 1760-001-0001, 1760-001-0666, 1880-001-0001, 1955-001-9730, 2240-101-0001, 2240-105-0001, 2640-101-0046, 2660-001-0042, 2660-104-6059, 2660-304-6059, 2660-492, 3340-001-0001, 3340-001-0318, 3540-001-0001, 3540-001-1014, 3560-001-0001, 3600-001-0001, 3720-001-0001, 3720-001-3123, 3790-490, 3860-001-0001, 3900-001-0044, 3940-001-0001, 4170-101-0001, 4200-001-0001, 4200-001-3019, 4200-101-0001, 4200-101-3019, 4200-102-0001, 4200-103-0001, 4200-105-0001, 4260-001-0001, 4260-101-0001, 4260-101-0890, 4260-111-0001, 4260-111-0890, 4265-111-0001, 4280-101-0001, 4280-101-0890, 4280-102-0001, 4280-102-0890, 4300-101-0001, 4440-101-0001, 4440-103-0001, 5180-001-0001, 5180-001-0890, 5180-101-0001, 5180-101-0890, 5180-111-0001, 5180-141-0001, 5180-141-0890, 5180-151-0001, 5180-151-0890, 5180-153-0001, 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, 6120-150-0001, 6120-160-0001, 6120-211-0001, 6120-213-0001, 6120-221-0001, 6420-001-0001, 6440-001-0001, 6440-302-6041, 6440-304-6048, 6870-001-0001, 6870-101-0001, 7980-001-0001, 7980-001-0890, 7980-101-0001, 7980-101-0890, 7100-001-0514, 8380-001-0001, 8570-001-0001, 8570-001-0111, 8620-001-0001, 8640-001-0001, 8660-001-0042, 8660-001-0046, 8660-001-0412, 8660-001-0461, 8660-001-0462, 8860-001-0001, 8880-001-9737, 8940-001-0001, and 9210-101-0001 of, by adding Items 0820-012-0378, 0820-495, 0855-101-0367, 3790-494, 8660-011-0470, 8660-011-0471, 8660-011-0483, 9210-105-0001, and 9350-104-6065 to, and by repealing Items 0520-490, 0690-001-1014, 0690-011-0214, 1100-301-0001, 1100-301-0267, 3940-490, 4260-001-8040, 4260-006-0001, 4260-119-8040, 4700-001-0001, 4700-101-0001, 6110-135-0890, 7300-001-0001, and 8940-001-1014 of, Section 2.00 of, and by amending Sections 4.07, 12.40, 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

SB 1087, as amended, Committee on Budget and Fiscal Review. Budget Act of 2008.

*Assembly Bill 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 Judicial Branch; the Office of*

*the Inspector General; the Office of Planning and Research; the Office of Emergency Services; the Department of Justice; the Controller; the California Gambling Control Commission; the State Board of Equalization; the Treasurer; the California Science Center; the Department of Fair Employment and Housing; the Franchise Tax Board; the Department of General Services; the State Personnel Board; the Department of Technology Services; the Department of Housing and Community Development; the Department of Transportation; the California Conservation Corps; the Department of Forestry and Fire Protection; the State Lands Commission; the Department of Fish and Game; the California Coastal Commission; the Department of Parks and Recreation; the Department of Water Resources; the State Air Resources Board; the State Water Resources Control Board; the Department of Aging; the Department of Alcohol and Drug Programs; the Department of Health Care Services; the Department of Public Health; the Managed Risk Medical Insurance Board; the Department of Developmental Services; the Department of Mental Health; the Department of Social Services; the Department of Corrections and Rehabilitation; the Department of Education; the California State Library; the California Postsecondary Education Commission; the University of California; the California State University; the Board of Governors of the California Community Colleges; the Student Aid Commission; the Employment Development Department; the Department of Personnel Administration; the Department of Food and Agriculture; the Fair Political Practices Commission; the Public Utilities Commission; the Department of Finance; the Financial Information System for California; the Military Department; and local government financing.*

*This 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.*

~~This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2008.~~

Vote: ~~majority~~<sup>2/3</sup>. Appropriation: ~~no~~ yes. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

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

SECTION 1. Item 0250-001-0001 of Section 2.00 of the Budget Act of 2008 is amended to read:

0250-001-0001—For support of Judicial Branch.....	<del>355,304,000</del>
	353,706,000

Schedule:

- (1) 10-Supreme Court..... 46,945,000
- (2) 20-Courts of Appeal..... ~~210,224,000~~  
208,626,000
- (3) 30-Judicial Council..... 102,881,000
- (4) 35-Judicial Branch Facility Program..... 1,155,000
- (5) 50-California Habeas Corpus Resource Center..... 14,898,000
- (6) Reimbursements..... -7,692,000
- (7) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 0250-001-0044)..... -191,000
- (8) Amount payable from the Court Interpreters' Fund (Item 0250-001-0327)..... -163,000
- (9) Amount payable from the Federal Trust Fund (Item 0250-001-0890)..... -5,964,000
- (10) Amount payable from the Appellate Court Trust Fund (Item 0250-001-3060)..... -6,789,000

Provisions:

- 1. Notwithstanding Section 26.00, the funds appropriated or scheduled in this item may be allocated or reallocated among categories by order of the Judicial Council.
- 2. Of the funds appropriated in this item, \$200,000 is available for reimbursement to the Attorney General, or for hiring outside counsel, for prelitigation and litigation fees and costs, including any judgment, stipulated judgment, offer of judgment, or settlement. This amount is for use in connection with (a) matters arising from the actions of appellate courts, appellate court bench officers, or appellate court employees, (b) matters arising from the actions of the Judicial Council, council members, or council employees or agents, (c)

1 matters arising from the actions of the Administrative  
 2 Office of the Courts or its employees, or (d) employ-  
 3 ment litigation arising from the actions of trial courts,  
 4 trial court bench officers, or trial court employees.  
 5 Either the state or the Judicial Council must be named  
 6 as a defendant or alleged to be the responsible party.  
 7 Any funds not used for this purpose shall revert to the  
 8 General Fund.

9 3. The funds appropriated in Schedule (5) shall be  
 10 available for costs associated directly or indirectly  
 11 with the California Habeas Corpus Resource Center  
 12 (CHCRC). The CHCRC shall report to the Legislature  
 13 and the Department of Finance on September 1, 2008,  
 14 and April 1, 2009, on expenditures, specifically detail-  
 15 ing personal services expenditures, operating expenses,  
 16 and equipment expenditures.

17 4. Notwithstanding any other provision of law, upon ap-  
 18 proval and order of the Department of Finance, the  
 19 amount appropriated in this item shall be reduced by  
 20 the amount transferred in Item 0250-011-0001 to pro-  
 21 vide adequate resources to the Judicial Branch Work-  
 22 ers' Compensation Fund to pay workers' compensation  
 23 claims for judicial branch employees and justices, and  
 24 administrative costs pursuant to Section 68114.10 of  
 25 the Government Code.  
 26

27 *SEC. 2. Item 0250-001-0159 of Section 2.00 of the Budget Act*  
 28 *of 2008 is amended to read:*  
 29

30 0250-001-0159—For support of Judicial Branch, payable from  
 31 the Trial Court Improvement Fund..... 9,266,000

32 Provisions:

33 1. Notwithstanding any other provision of law, upon ap-  
 34 proval by the Administrative Director of the Courts,  
 35 the Controller shall increase this item up to  
 36 \$18,673,000 for recovery of costs for administrative  
 37 services provided to the trial courts by the Administra-  
 38 tive Office of the Courts.

39 2. Notwithstanding any other provision of law, upon ap-  
 40 proval by the Administrative Director of the Courts,

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

19  
 20 *SEC. 3. Item 0250-101-0932 of Section 2.00 of the Budget Act*  
 21 *of 2008 is amended to read:*

22

23	0250-101-0932—For local assistance, Judicial Branch,	
24	payable from the Trial Court Trust Fund.....	3,045,408,000
25		3,045,295,000
26	Schedule:	
27	(1) 45.10-Support for Operation of the	
28	Trial Courts.....	2,621,571,000
29		2,621,458,000
30	(2) 45.25-Compensation of Superior Court	
31	Judges.....	296,112,000
32	(3) 45.35-Assigned Judges.....	26,047,000
33	(4) 45.45-Court Interpreters.....	91,585,000
34	(5) 45.55.060-Court Appointed Special	
35	Advocate (CASA) Program.....	2,278,000
36	(6) 45.55.065-Model Self-Help Program....	991,000
37	(7) 45.55.090-Equal Access Fund Pro-	
38	gram.....	5,622,000
39	(8) 45.55.095-Family Law Information	
40	Centers.....	346,000

1 (9) 45.55.100-Civil Case Coordination..... 856,000

2 Provisions:

3 1. Notwithstanding Section 26.00, the funds appropriated  
4 or scheduled in this item may be allocated or reallocat-  
5 ed among categories by the Judicial Council.

6 2. The funds appropriated in Schedule (2) shall be made  
7 available for costs of the workers' compensation pro-  
8 gram for trial court judges.

9 3. The amount appropriated in Schedule (3) shall be made  
10 available for all judicial assignments. Schedule (3)  
11 expenditures for necessary support staff may not ex-  
12 ceed the staffing level that is necessary to support the  
13 equivalent of three judicial officers sitting on assign-  
14 ments.

15 4. The funds appropriated in Schedule (4) shall be for  
16 payments for services of contractual court interpreters,  
17 and certified and registered court interpreters employed  
18 by the courts, and the following court interpreter coor-  
19 dinators: 1.0 each in counties of the 1st through the  
20 15th classes, 0.5 each in counties of the 16th through  
21 the 31st classes, and 0.25 each in counties of the 32nd  
22 through the 58th classes. For the purposes of this pro-  
23 vision, "court interpreter coordinators" may be full-  
24 or part-time court employees, or those contracted by  
25 the court to perform these services.

26 The Judicial Council shall set statewide or regional  
27 rates and policies for payment of court interpreters,  
28 not to exceed the rate paid to certified interpreters in  
29 the federal court system.

30 The Judicial Council shall adopt appropriate rules  
31 and procedures for the administration of these funds.  
32 The Judicial Council shall report to the Legislature  
33 and Director of Finance annually regarding expendi-  
34 tures from this schedule.

35 5. Upon order of the Director of Finance, the amount  
36 available for expenditure in this item may be augment-  
37 ed by the amount of any additional resources available  
38 in the Trial Court Trust Fund, which is in addition to  
39 the amount appropriated in this item. Any augmenta-  
40 tion shall be authorized no sooner than 30 days after

- 1 notification in writing to the chairpersons of the com-  
2 mittees in each house of the Legislature that consider  
3 appropriations, the chairperson of the committee and  
4 appropriate subcommittees that consider the State  
5 Budget, and the Chairperson of the Joint Legislative  
6 Budget Committee, or not sooner than whatever lesser  
7 time the chairperson of the joint committee or his or  
8 her designee may determine.
- 9 6. Notwithstanding any other provision of law, upon ap-  
10 proval and order of the Department of Finance, the  
11 amount appropriated in this item shall be reduced by  
12 the amount transferred in Item 0250-115-0932 to pro-  
13 vide adequate resources to the Judicial Branch Work-  
14 ers' Compensation Fund to pay workers' compensation  
15 claims for judicial branch employees and judges, and  
16 administrative costs pursuant to Section 68114.10 of  
17 the Government Code.
- 18 7. Of the funds appropriated in Schedule (1), which will  
19 be transferred to the Trial Court Improvement Fund  
20 in accordance with subdivision (b) of Section 77209  
21 of the Government Code, up to \$5,000,000 shall be  
22 available for support of services for self-represented  
23 litigants.
- 24 8. Upon approval by the Administrative Director of the  
25 Courts, the Controller shall transfer up to \$11,274,000  
26 to Item 0250-001-0932 for recovery of costs for admin-  
27 istrative services provided to the trial courts by the  
28 Administrative Office of the Courts.
- 29 9. Upon approval by the Administrative Director of the  
30 Courts, and notification to the Department of Finance,  
31 the chairpersons of the committees in each house of  
32 the Legislature that consider appropriations and the  
33 State Budget, and the Chairperson of the Joint Legisla-  
34 tive Budget Committee, the Controller shall addition-  
35 ally increase the amount of the transfer by an amount  
36 or amounts no more than \$1,691,000 for recovery of  
37 costs for administrative services provided to the trial  
38 courts by the Administrative Office of the Courts. Any  
39 augmentations shall be authorized no sooner than 30  
40 days after notification in writing to the chairpersons

1 of the committees in each house of the Legislature that  
2 consider appropriations, the chairpersons of the com-  
3 mittees and appropriate subcommittees that consider  
4 the State Budget, and the Chairperson of the Joint  
5 Legislative Budget Committee, or not sooner than  
6 whatever lesser time the chairperson of the joint  
7 committee or his or her designee may determine.

8 10. In order to improve equal access and the fair adminis-  
9 tration of justice, the funds appropriated in Schedule  
10 (8) are available for distribution by the Judicial  
11 Council through the Legal Services Trust Fund Com-  
12 mission to qualified legal services projects and support  
13 centers as defined in Sections 6213 to 6215, inclusive,  
14 of the Business and Professions Code, to be used for  
15 legal services in civil matters for indigent persons. The  
16 Judicial Council shall approve awards made by the  
17 commission if the council determines that the awards  
18 comply with statutory and other relevant guidelines.  
19 Upon approval by the Administrative Director of the  
20 Courts, the Controller shall transfer up to 5 percent of  
21 the funding appropriated in Schedule (8) to Item 0250-  
22 001-0932 for administrative expenses. Ten percent of  
23 the funds remaining after administrative costs shall be  
24 for joint projects of courts and legal services programs  
25 to make legal assistance available to pro per litigants  
26 and 90 percent of the funds remaining after adminis-  
27 trative costs shall be distributed consistent with Sec-  
28 tions 6216 to 6223, inclusive, of the Business and  
29 Professions Code. The Judicial Council may establish  
30 additional reporting or quality control requirements  
31 consistent with Sections 6213 to 6223, inclusive, of  
32 the Business and Professions Code.

33 11. Funds available for expenditure in Schedule (7) may  
34 be augmented by order of the Director of Finance by  
35 the amount of any additional resources deposited for  
36 distribution to the Equal Access Fund Program in ac-  
37 cordance with Sections 68085.3 and 68085.4 of the  
38 Government Code. Any augmentation under this pro-  
39 vision shall be authorized not sooner than 30 days after  
40 notification in writing to the chairpersons of the com-

- 1 mittees in each house of the Legislature that consider
- 2 appropriations, the chairpersons of the committees and
- 3 appropriate subcommittees that consider the State
- 4 Budget, and the Chairperson of the Joint Legislative
- 5 Budget Committee, or not sooner than whatever lesser
- 6 time the chairperson of the joint committee, or his or
- 7 her designee, may determine.
- 8 12. Notwithstanding subparagraph (B) of paragraph (1)
- 9 of subdivision (a) of Section 77202 of the Government
- 10 Code, the growth factor for this item for the 2008–09
- 11 fiscal year has been adjusted per the Consumer Price
- 12 Index factor of 2.7 percent.
- 13 13. The Judicial Council is authorized to convert up to
- 14 16.0 subordinate judicial officer positions to judgeships
- 15 in the 2008–09 fiscal year in the manner and pursuant
- 16 to the authority described in subparagraph (B) of
- 17 paragraph (1) of subdivision (b) of Section 69615 of
- 18 the Government Code.

19  
 20 *SEC. 4. Item 0250-111-0001 of Section 2.00 of the Budget Act*  
 21 *of 2008 is amended to read:*

22

23	0250-111-0001—For transfer by the Controller to the Trial	
24	Court Trust Fund.....	1,786,484,000
25		1,786,371,000
26	Provisions:	
27	1. Notwithstanding subparagraph (B) of paragraph (1)	
28	of subdivision (a) of Section 77202 of the Government	
29	Code, the growth factor for this item for the 2008–09	
30	fiscal year has been adjusted per the Consumer Price	
31	Index factor of 2.7 percent.	

32  
 33 *SEC. 5. Item 0520-490 of Section 2.00 of the Budget Act of*  
 34 *2008 is repealed.*

35  
 36 ~~0520-490—Reappropriation, Secretary of Business, Transporta-~~  
 37 ~~tion and Housing. Notwithstanding any other provision of~~  
 38 ~~law, the following specified balance of the appropriation~~  
 39 ~~provided in the following citation is reappropriated for the~~

1 purposes specified, and shall be available for encumbrance  
2 or expenditure until June 30, 2009:

3 0001— General Fund

4 (1) \$832,000, or the unexpended amount thereof, is reap-  
5 propriated from Item 0520-001-0001, Budget Act of  
6 2007 (Chs. 171 and 172, Stats. 2007) for the purpose  
7 of transfer to the Small Business Expansion Fund.  
8

9 *SEC. 6. Item 0552-001-0001 of Section 2.00 of the Budget Act*  
10 *of 2008 is amended to read:*

12	0552-001-0001—For support of Office of the Inspector Gener-	
13	al.....	23,042,000
14		22,079,000
15	Schedule:	
16	(1) 10-Office of the Inspector General.....	23,042,000
17		22,079,000

18  
19 *SEC. 7. Item 0650-001-0001 of Section 2.00 of the Budget Act*  
20 *of 2008 is amended to read:*

22	0650-001-0001—For support of Office of Planning and Re-	
23	search.....	2,512,000
24		3,983,000
25	Schedule:	
26	(1) 11-State Planning and Policy Develop-	
27	ment.....	4,486,000
28		5,486,000
29	(2) 21-California Volunteers.....	6,496,000
30		6,967,000
31	(3) Reimbursements.....	-3,518,000
32	(4) Amount payable from the Federal Trust	
33	Fund (Item 0650-001-0890).....	-2,942,000
34	(5) Amount payable from the Central Ser-	
35	vice Cost Recovery Fund (Item 0650-	
36	001-9740).....	-2,010,000

37  
38 *SEC. 8. Item 0690-001-0001 of Section 2.00 of the Budget Act*  
39 *of 2008 is amended to read:*

1	0690-001-0001—For support of Office of Emergency Ser-	
2	vices.....	35,098,000
3		37,468,000
4	Schedule:	
5	(1) 15-Mutual Aid Response.....	23,010,000
6		21,710,000
7	(2) 35-Plans and Preparedness	31,059,000
8	(3) 45-Disaster Assistance.....	27,830,000
9	(4) 55.01-Administration and Executive.....	8,112,000
10		7,862,000
11	(5) 55.02-Distributed Administration and	
12	Executive.....	-8,112,000
13		-7,862,000
14	(6) Reimbursements.....	-4,176,000
15	(7) Amount payable from the Unified Pro-	
16	gram Account (Item 0690-001-0028)....	-816,000
17	(8) Amount payable from the Nuclear	
18	Planning Assessment Special Account	
19	(Item 0690-001-0029).....	-1,175,000
20	(9) Amount payable from the Federal Trust	
21	Fund (Item 0690-001-0890).....	-36,861,000
22	(10) Amount payable from the Antiterrorism	
23	Fund (Item 0690-015-3034).....	-103,000
24	<del>(12) Amount payable from the Emergency</del>	
25	<del>Response Account (Item 0690-001-</del>	
26	<del>1014).....</del>	<del>-3,670,000</del>
27	Provisions:	
28	1. Funds appropriated in this item may be reduced by the	
29	Director of Finance, after giving notice to the Chair-	
30	person of the Joint Legislative Budget Committee, by	
31	the amount of federal funds made available for the	
32	purposes of this item in excess of the federal funds	
33	scheduled in Item 0690-001-0890.	
34	2. The Office of Emergency Services shall charge tuition	
35	for all training offered through the California Special-	
36	ized Training Institute.	
37	3. Upon approval by the Department of Finance, the	
38	Controller shall transfer such funds as are necessary	
39	between this item and Item 0690-101-0890.	

1 4. Notwithstanding Section 8581.5 of the Government  
 2 Code, the California Emergency Council shall not be  
 3 required to publish a biennial report on the state of  
 4 emergency preparedness for catastrophic disasters, as  
 5 specified, during the 2008–09 fiscal year.  
 6

7 *SEC. 9. Item 0690-001-1014 of Section 2.00 of the Budget Act*  
 8 *of 2008 is repealed.*  
 9

10 ~~0690-001-1014—For support of Office of Emergency Services,~~  
 11 ~~for payment to Item 0690-001-0001, payable from the~~  
 12 ~~Emergency Response Account..... 3,670,000~~  
 13

14 *SEC. 10. Item 0690-002-0001 of Section 2.00 of the Budget*  
 15 *Act of 2008 is amended to read:*  
 16

17 0690-002-0001—For support of Office of Emergency Ser-  
 18 vices..... 9,982,000  
 19 10,882,000

20 Schedule:

- 21 (1) 50-Criminal Justice Projects..... 14,274,000
- 22 15,174,000
- 23 (2) 51-State Terrorism Threat Assessment
- 24 Center..... 6,369,000
- 25 (3) Reimbursements..... -20,000
- 26 (4) Amount payable from the Local Public
- 27 Prosecutors and Public Defenders
- 28 Training Fund (Item 0690-002-0241).... -80,000
- 29 (5) Amount payable from the Victim-Wit-
- 30 ness Assistance Fund (Item 0690-002-
- 31 0425)..... -1,282,000
- 32 (6) Amount payable from the High Technol-
- 33 ogy Theft Apprehension and Prosecu-
- 34 tion Program Trust Fund (Item 0690-
- 35 002-0597)..... -621,000
- 36 (7) Amount payable from the Federal Trust
- 37 Fund (Item 0690-002-0890)..... -8,658,000

38 Provisions:

- 39 1. The funds appropriated in Schedule (2) shall be used
- 40 to continue and expand funding for the State Terrorism

1 Threat Assessment Center, which shall provide inves-  
 2 tigative assistance to local and federal law enforcement  
 3 agencies, provide intelligence gathering and data  
 4 analysis, and create and maintain a statewide informa-  
 5 tional database to analyze and distribute information  
 6 related to terrorist activities. The Office of Emergency  
 7 Services shall allocate funds to the Department of  
 8 Justice for these purposes upon the request of the De-  
 9 partment of Justice.

10 2. It is the intent of the Legislature that the General Fund  
 11 shall be reimbursed from future allocations of federal  
 12 security-related funds that may be used for the purpos-  
 13 es described in this item.

15 *SEC. 11. Item 0690-011-0214 of Section 2.00 of the Budget*  
 16 *Act of 2008 is repealed.*

17  
 18 ~~0690-011-0214—For transfer by the Controller, upon order of~~  
 19 ~~the Director of Finance, from the Restitution Fund to the~~  
 20 ~~Emergency Response Account..... (30,000,000)~~

21 ~~Provisions:~~  
 22 ~~†. Upon order from the Department of Finance, the~~  
 23 ~~Restitution Fund shall loan \$30,000,000 to the Emer-~~  
 24 ~~gency Response Account. This loan shall be repaid,~~  
 25 ~~interest free, no later than June 30, 2012. This loan is~~  
 26 ~~exempt from the requirements of subdivision (a) of~~  
 27 ~~Section 16314 of the Government Code.~~

28  
 29 *SEC. 12. Item 0690-101-0890 of Section 2.00 of the Budget*  
 30 *Act of 2008 is amended to read:*

31  
 32 0690-101-0890—For local assistance, Office of Emergency  
 33 Services, payable from the Federal Trust Fund..... 554,473,000  
 34 552,826,000

35 Schedule:  
 36 (1) 35-Plans and Preparedness..... 19,747,000  
 37 18,100,000  
 38 (2) 45-Disaster Assistance..... 534,726,000

1 Provisions:

- 2 1. Any federal funds that may become available in addition
- 3 to the funds appropriated in this item for Program
- 4 45-Disaster Assistance are exempt from Section 28.00.

5  
 6 *SEC. 13. Item 0690-102-0001 of Section 2.00 of the Budget*  
 7 *Act of 2008 is amended to read:*

8  
 9 0690-102-0001—For local assistance, Office of Emergency  
 10 Services..... 38,794,000  
 11 *48,794,000*

12 Schedule:

13 (1) 50.20-Victim Services..... 3,916,000  
 14 (2) 50.30-Public Safety..... ~~34,878,000~~  
 15 *44,878,000*

16 Provisions:

- 17 1. Notwithstanding any other provision of law, the Office
- 18 of Emergency Services may provide advance payment
- 19 of up to 25 percent of grant funds awarded to commu-
- 20 nity-based nonprofit organizations, cities, school dis-
- 21 tricts, counties, and other units of local government
- 22 that have demonstrated cashflow problems according
- 23 to the criteria set forth by the Office of Emergency
- 24 Services.
- 25 2. To maximize the use of program funds and demon-
- 26 strate the commitment of the grantees to program ob-
- 27 jectives, the Office of Emergency Services shall re-
- 28 quire all grantees of funds from the Gang Violence
- 29 Suppression-Curfew Enforcement Strategy Program
- 30 to provide local matching funds of at least 10 percent
- 31 for the first and each subsequent year of operation.
- 32 This match requirement applies to each agency that is
- 33 to receive grant funds. An agency may meet its match
- 34 requirements with an in-kind match, if approved by
- 35 the Office of Emergency Services.
- 36 3. Of the amount appropriated in Schedule (2), \$800,000
- 37 shall be provided for grants to counties, consistent
- 38 with the Central Coast Rural Crime Prevention Pro-
- 39 gram as established in Chapter 18 of the Statutes of
- 40 2003. The funds shall be distributed only to counties

1 for planning, or for implementation of the program in  
 2 those counties that have completed the planning pro-  
 3 cess, consistent with Chapter 18 of the Statutes of  
 4 2003. In no case shall a grant exceed \$300,000.

5 4. The Department of Finance shall include a special  
 6 display table in the Governor’s Budget under the Of-  
 7 fice of Emergency Services that displays, by fund  
 8 source, component level detail for Program 50, Crimi-  
 9 nal Justice Projects. In addition, the Office of Emer-  
 10 gency Services, in consultation with the Department  
 11 of Finance, shall provide a report to the Joint Legisla-  
 12 tive Budget Committee by January 10 of each year  
 13 that provides a list of grantees, total funds awarded to  
 14 each grantee, and performance statistics to document  
 15 program outputs and outcomes in order to assess the  
 16 state’s return on investment for each component of  
 17 Program 50 for each of the three years displayed in  
 18 the Governor’s Budget.

19 5. Of the funding appropriated in Schedule (2),  
 20 ~~\$9,500,000~~ *\$19,500,000* is for local assistance to sup-  
 21 port the California Multijurisdictional Metham-  
 22 phetamine Enforcement Teams (Cal-MMET) Pro-  
 23 grams. ~~The Office of Emergency Services (OES) shall~~  
 24 ~~establish and administer a competitive grant program~~  
 25 ~~on a three-year cycle for eligible California counties~~  
 26 ~~that have established, participate in, or that propose~~  
 27 ~~to establish methamphetamine task forces for the pur-~~  
 28 ~~pose of implementing a comprehensive strategy to re-~~  
 29 ~~duce the incidences of methamphetamine trafficking~~  
 30 ~~and manufacturing and, in particular, to target large-~~  
 31 ~~scale methamphetamine trafficking and manufacturing~~  
 32 ~~operations. Up to 3 percent of the funds appropriated~~  
 33 ~~for this program may be transferred to Item 0690-002-~~  
 34 ~~0001 for expenditure as necessary for OES to admin-~~  
 35 ~~ister the competitive grant program. Funding for the~~  
 36 ~~methamphetamine task force shall not supplant avail-~~  
 37 ~~able federal funding. The distribution of funds by OES~~  
 38 ~~shall be based on a competitive process whereby those~~  
 39 ~~counties receiving funds demonstrate the greatest need~~  
 40 ~~and the most reasonable solutions for addressing the~~

1 local methamphetamine problem. No grant shall be  
 2 greater than \$2,500,000, and no grant shall be less than  
 3 \$200,000.

4  
 5 *SEC. 14. Item 0820-001-0001 of Section 2.00 of the Budget*  
 6 *Act of 2008 is amended to read:*

7  
 8 0820-001-0001—For support of Department of Justice..... 332,325,000  
 9 364,325,000

10 Schedule:

- 11 (1) 11.01-Directorate—Administration..... 94,900,000
- 12 (2) 11.02-Distributed Directorate—Admin-  
 13 istration..... -94,900,000
- 14 (3) 30-Civil Law..... 147,017,000
- 15 (4) 40-Criminal Law..... 123,711,000
- 16 (5) 45-Public Rights..... 92,352,000
- 17 (6) 50-Law Enforcement..... 250,266,000
- 18 (7) 60-California Justice Information Ser-  
 19 vices..... 165,960,000
- 20 (7.5) Unallocated Reduction..... 346,000
- 21 (8) Reimbursements..... -71,204,000  
 22 -39,204,000
- 23 (9) Amount payable from the Attorney  
 24 General Antitrust Account (Item 0820-  
 25 001-0012)..... -1,329,000
- 26 (10) Amount payable from the Fingerprint  
 27 Fees Account (Item 0820-001-  
 28 0017)..... -69,123,000
- 29 (11) Amount payable from the Firearm  
 30 Safety Account (Item 0820-001-  
 31 0032)..... -331,000
- 32 (12) Amount payable from the Motor Vehi-  
 33 cle Account, State Transportation Fund  
 34 (Item 0820-001-0044)..... -24,840,000
- 35 (13) Amount payable from the Department  
 36 of Justice Sexual Habitual Offender  
 37 Fund (Item 0820-001-0142)..... -2,317,000
- 38 (14) Amount payable from the Travel Seller  
 39 Fund (Item 0820-001-0158)..... -1,344,000

1	(15) Amount payable from the Restitution	
2	Fund (Item 0820-001-0214).....	-339,000
3	(16) Amount payable from the Sexual	
4	Predator Public Information Account	
5	(Item 0820-001-0256).....	-199,000
6	(17) Amount payable from the Indian	
7	Gaming Special Distribution Fund	
8	(Item 0820-001-0367).....	-15,225,000
9	(18) Amount payable from the False Claims	
10	Act Fund (Item 0820-001-0378).....	-10,533,000
11	(19) Amount payable from the Dealers’	
12	Record of Sale Special Account (Item	
13	0820-001-0460).....	-11,640,000
14	(20) Amount payable from the Department	
15	of Justice Child Abuse Fund (Item	
16	0820-001-0566).....	-359,000
17	(21) Amount payable from the Gambling	
18	Control Fund (Item 0820-001-0567)....	-8,093,000
19	(22) Amount payable from the Gambling	
20	Control Fines and Penalties Account	
21	(Item 0820-001-0569).....	-46,000
22	(23) Amount payable from the Federal	
23	Trust Fund (Item 0820-001-0890).....	-42,242,000
24	(24) Amount payable from the Federal Asset	
25	Forfeiture Account, Special Deposit	
26	Fund (Item 0820-001-0942).....	-1,508,000
27	(25) Amount payable from the State Asset	
28	Forfeiture Account, Special Deposit	
29	Fund (Item 0820-011-0942).....	-578,000
30	(26) Amount payable from the Firearms	
31	Safety and Enforcement Special Fund	
32	(Item 0820-001-1008).....	-3,164,000
33	(27) Amount payable from the Missing Per-	
34	sons DNA Data Base Fund (Item 0820-	
35	001-3016).....	-4,638,000
36	(28) Amount payable from the Public Rights	
37	Law Enforcement Special Fund (Item	
38	0820-001-3053).....	-5,997,000
39	(29) Amount payable from the Ratepayer	
40	Relief Fund (Item 0820-001-3061).....	-7,198,000

- 1 (30) Amount payable from the DNA Iden-
- 2 tification Fund (Item 0820-001-
- 3 3086)..... -31,161,000
- 4 (31) Amount payable from the Unfair Com-
- 5 petition Law Fund (Item 0820-001-
- 6 3087)..... -3,565,000
- 7 (32) Amount payable from the Registry of
- 8 Charitable Trusts Fund (Item 0820-001-
- 9 3088)..... -2,898,000
- 10 (33) Amount payable from the Legal
- 11 Services Revolving Fund (Item 0820-
- 12 001-9731)..... -124,000,000
- 13 (34) Amount payable from the Central Ser-
- 14 vice Cost Recovery Fund (Item 0820-
- 15 001-9740)..... -3,456,000
- 16 Provisions:
- 17 1. The Attorney General shall submit to the Legislature,
- 18 the Department of Finance, and the Governor the
- 19 quarterly and annual reports that he or she submits to
- 20 the federal government on the activities of the Medi-
- 21 Cal Fraud Unit.
- 22 2. Notwithstanding any other provision of law, the De-
- 23 partment of Justice may purchase or lease vehicles of
- 24 any type or class that, in the judgment of the Attorney
- 25 General or his or her designee, are necessary to the
- 26 performance of the investigatory and enforcement re-
- 27 sponsibilities of the Department of Justice, from the
- 28 funds appropriated for that purpose in this item.
- 29 3. Of the amount included in Schedule (3), \$2,912,000
- 30 is available for costs related to the Lloyd’s of London
- 31 (Stringfellow) litigation. Any funds not expended for
- 32 this specific purpose as of June 30, 2009, shall revert
- 33 immediately to the General Fund.
- 34 4. Of the funds appropriated in this item, \$16,763,000 is
- 35 available solely for the Correctional Law Section that
- 36 handles only workload related to Department of Cor-
- 37 rections and Rehabilitation cases.
- 38 5. Notwithstanding any other provision of law, of the
- 39 funds appropriated in Schedule (6), \$1,258,000 is
- 40 payable from the Dealers’ Record of Sale Special

1 Account and may be used to update the Automated  
 2 Firearms Systems (AFS) database as part of the ongoing  
 3 project to redesign the Criminal Justice Information  
 4 System (CJIS). These funds may not be expended until  
 5 the office of the State Chief Information Officer ap-  
 6 proves a special project report for the CJIS project  
 7 following the completion of CJIS procurement. The  
 8 Department of Justice shall notify the Joint Legislative  
 9 Budget Committee that a special project report has  
 10 been approved within 30 days of the report’s approval  
 11 by the office of the State Chief Information Officer,  
 12 and shall include with the notification a copy of the  
 13 approved special project report.

14 6. The Department of Justice may use funds appropriated  
 15 in Schedule (6) to fund the Gang Suppression Enforce-  
 16 ment Teams Program and the California Metham-  
 17 phetamine Strategy Program.

18 ~~7. Existing law authorizes the Department of Justice to~~  
 19 ~~broadly charge fees to recover expenditures for labora-~~  
 20 ~~tory work conducted on behalf of another state or~~  
 21 ~~local agency. This item has been reduced by~~  
 22 ~~\$32,000,000 to reflect an increase in such fees to~~  
 23 ~~cover these expenditures in the budget year. The de-~~  
 24 ~~partment shall develop a fee schedule that (a) mitigates~~  
 25 ~~unusually high costs for complex investigations, (b)~~  
 26 ~~is commensurate with the costs to provide the service,~~  
 27 ~~and (c) generates approximately \$32,000,000 in addi-~~  
 28 ~~tional fee revenue. The department is authorized to~~  
 29 ~~request that the Controller transfer a portion of the~~  
 30 ~~sales tax revenue allocated to local governments to~~  
 31 ~~pay outstanding bills not paid by local government~~  
 32 ~~entities.~~

33  
 34 *SEC. 15. Item 0820-012-0378 is added to Section 2.00 of the*  
 35 *Budget Act of 2008, to read:*

36  
 37 *0820-012-0378—For transfer by the Controller, upon order of*  
 38 *the Director of Finance, from the False Claims Act Fund,*  
 39 *to the General Fund..... (11,137,000)*

40

1 SEC. 16. Item 0820-495 is added to Section 2.00 of the Budget  
2 Act of 2008, to read:

3  
4 0820-495—Reversion, Department of Justice. As of June 30,  
5 2008, the balance specified below, of the appropriation  
6 provided in the following citation shall revert to the balance  
7 in the fund from which the appropriation was made:

8 0001—General Fund  
9 (1) Item 0820-001-0001, Budget Act of 2007  
10 (Chs. 171 and 172, Stats. 2007)..... 17,000,000  
11

12 SEC. 17. Item 0840-001-0001 of Section 2.00 of the Budget  
13 Act of 2008 is amended to read:

14  
15 0840-001-0001—For support of the Controller..... ~~57,576,000~~  
16 ~~56,580,000~~

17 Schedule:  
18 (1) 100000-Personal Services..... ~~103,978,000~~  
19 ~~107,138,000~~  
20 (2) 300000-Operating Expenses and  
21 Equipment..... ~~70,106,000~~  
22 ~~69,290,000~~  
23 (3) Amount payable from various special  
24 and nongovernmental cost funds (Sec-  
25 tion 25.25)..... ~~-13,500,000~~  
26 (4) Reimbursements..... ~~-41,497,000~~  
27 ~~-44,837,000~~  
28 (5) Amount payable from the Motor Vehicle  
29 Fuel Account, Transportation Tax Fund  
30 (Item 0840-001-0061)..... ~~-4,095,000~~  
31 (6) Amount payable from the Highway  
32 Users Tax Account, Transportation Tax  
33 Fund (Item 0840-001-0062)..... ~~-1,162,000~~  
34 (7) Amount payable from the Local Re-  
35 venue Fund (Item 0840-001-0330)..... ~~-591,000~~  
36 (8) Amount payable from the Federal Trust  
37 Fund (Item 0840-001-0890)..... ~~-1,410,000~~  
38 (9) Amount payable from the Public Em-  
39 ployees' Health Care Fund (Item 0840-  
40 001-0822)..... ~~-199,000~~

1	(10) Amount payable from the State Penalty	
2	Fund (Item 0840-001-0903).....	-1,317,000
3	(11) Amount payable from the Unclaimed	
4	Property Fund (Item 0840-001-	
5	0970).....	-26,103,000
6	(12) Amount payable from various other	
7	unallocated nongovernmental cost funds	
8	(Retail Sales Tax Fund) (Item 0840-	
9	001-0988).....	-242,000
10	(13) Amount payable from the 2006 State	
11	School Facilities Fund (Item 0840-001-	
12	6057).....	-968,000
13	(13.5) Amount payable from the Central	
14	Service Cost Recovery Fund (Item	
15	0840-001-9740).....	-23,971,000
16	(14) Amount payable from other unallocated	
17	special funds (Item 0840-011-0494).....	-73,000
18	(15) Amount payable from unallocated bond	
19	funds (Item 0840-011-0797).....	-478,000
20	(16) Amount payable from various other	
21	unallocated nongovernmental cost funds	
22	(Item 0840-011-0988).....	-68,000
23	(17) Amount payable from the Public	
24	Transportation Account, State Trans-	
25	portation Fund (Section 25.50).....	-18,000
26	(18) Amount payable from the Highway	
27	Users Tax Account, Transportation Tax	
28	Fund (Section 25.50).....	-286,000
29	(19) Amount payable from the Motor Vehi-	
30	cle License Fee Account, Transporta-	
31	tion Tax Fund (Section 25.50).....	-16,000
32	(20) Amount payable from the DMV Local	
33	Agency Collection Fund (Section	
34	25.50).....	-2,000
35	(21) Amount payable from the Trial Court	
36	Trust Fund (Section 25.50).....	-164,000
37	(22) Amount payable from the Timber Tax	
38	Fund (Section 25.50).....	-1,000

1	(23) Amount payable from the Public Safety	
2	Account, Local Public Safety Fund	
3	(Section 25.50).....	-253,000
4	(24) Amount payable from the Local Rev-	
5	enue Fund (Section 25.50).....	-94,000

6 Provisions:

- 7 1. The funding provided in Item 0840-001-0970 shall be
- 8 in lieu of the appropriation in Section 1564 of the Code
- 9 of Civil Procedure for all costs, expenses, or obliga-
- 10 tions connected with the administration of the Un-
- 11 claimed Property Law, with the exception of payment
- 12 of owners' or holders' claims pursuant to Section 1540,
- 13 1542, 1560, or 1561 of the Code of Civil Procedure,
- 14 or of payment of the costs of compensating contractors
- 15 for locating and recovering unclaimed property due
- 16 the state.
- 17 2. Of the claims received for reimbursement of court-
- 18 ordered or voluntary desegregation programs pursuant
- 19 to Article 6 (commencing with Section 41540) of
- 20 Chapter 3.2 of Part 24 of Division 3 of Title 2 of the
- 21 Education Code, the Controller shall pay only those
- 22 claims that have been subjected to audit by school
- 23 districts in accordance with the Controller's procedures
- 24 manual for conducting audits of education desegrega-
- 25 tion claims. Furthermore, the Controller shall pay only
- 26 those past-year actual claims for desegregation pro-
- 27 gram costs that are accompanied by all reports issued
- 28 by the auditing entity, unless the auditing entity was
- 29 the Controller.
- 30 3. The Controller may, with the concurrence of the Direc-
- 31 tor of Finance and the Chairperson of the Joint Legisla-
- 32 tive Budget Committee, bill affected state departments
- 33 for activities required by Section 20050 of the State
- 34 Administrative Manual, relating to the administration
- 35 of federal pass-through funds.
- 36 No billing may be sent to affected departments
- 37 sooner than 30 days after the Chairperson of the Joint
- 38 Legislative Budget Committee has been notified by
- 39 the Director of Finance that he or she concurs with the
- 40 amounts specified in the billings.

- 1       4. (a) Notwithstanding subdivision (b) of Section 1531
- 2             of the Code of Civil Procedure, the Controller
- 3             may publish notice in any manner that the Con-
- 4             troller determines reasonable, provided that (1)
- 5             none of the moneys used for this purpose is redi-
- 6             rected from funding for the Controller’s audit ac-
- 7             tivities, (2) no photograph is used in the publica-
- 8             tion of notice, and (3) no elected official’s name
- 9             is used in the publication of notice.
- 10       (b) No funds appropriated in this act may be expend-
- 11            ed by the Controller to provide general informa-
- 12            tion to the public, other than holders (as defined
- 13            in subdivision (e) of Section 1501 of the Code of
- 14            Civil Procedure) of unclaimed property, concern-
- 15            ing the unclaimed property program or possible
- 16            existence of unclaimed property held by the
- 17            Controller’s office, except for informational an-
- 18            nouncements to the news media, through the ex-
- 19            change of information on electronic bulletin
- 20            boards, or no more than \$50,000 per year to in-
- 21            form the public about this program in activities
- 22            already organized by the Controller for other
- 23            purposes. This restriction does not apply to send-
- 24            ing individual notices to property owners (as re-
- 25            quired by the Code of Civil Procedure).
- 26       5. Of the moneys appropriated to the Controller in this
- 27            act, the Controller shall not expend more than
- 28            \$500,000 to conduct posteligibility fraud audits of the
- 29            Supplemental Security Income/State Supplementary
- 30            Payment Program.
- 31       6. The Commission on State Mandates shall provide, in
- 32            applicable parameters and guidelines, as follows:
- 33            (a) If a local agency or school district contracts with
- 34            an independent contractor for the preparation and
- 35            submission of reimbursement claims, the costs
- 36            reimbursable by the state for that purpose shall
- 37            not exceed the lesser of (1) 10 percent of the
- 38            amount of the claims prepared and submitted by
- 39            the independent contractor, or (2) the actual costs
- 40            that would necessarily have been incurred for that

- 1           purpose if performed by employees of the local  
2           agency or school district.
- 3       (b) The maximum amount of reimbursement provided  
4       in subdivision (a) may be exceeded only if the  
5       local agency or school district establishes, by ap-  
6       propriate documentation, that the preparation and  
7       submission of these claims could not have been  
8       accomplished without incurring the additional  
9       costs claimed by the local agency or school dis-  
10      trict.
- 11      7. The funds appropriated to the Controller in this item  
12      may not be expended for any performance review or  
13      performance audit except pursuant to specific statutory  
14      authority. It is the intent of the Legislature that audits  
15      conducted by the Controller, or under the direction of  
16      the Controller, shall be fiscal audits that focus on  
17      claims and disbursements, as provided for in Section  
18      12410 of the Government Code. Any report, audit,  
19      analysis, or evaluation issued by the Controller for the  
20      2008–09 fiscal year shall cite the specific statutory or  
21      constitutional provision authorizing the preparation  
22      and release of the report, audit, analysis, or evaluation.
- 23      8. The Controller shall deliver his or her monthly report  
24      on General Fund cash receipts and disbursements  
25      within 10 days after the close of each month to the  
26      Joint Legislative Budget Committee, the fiscal com-  
27      mittees of the Legislature, the Department of Finance,  
28      the Treasurer’s office, and the Legislative Analyst’s  
29      Office.
- 30      9. For purposes of the review and payment of any claim  
31      for reimbursement by local government submitted  
32      pursuant to Section 54954.4 of the Government Code,  
33      the Controller shall use the procedures that were in  
34      effect at the time the claim was submitted.
- 35      10. Pursuant to subdivision (c) of Section 1564 of the Code  
36      of Civil Procedure, the Controller shall transfer all  
37      moneys in the Abandoned Property Account in excess  
38      of \$50,000 to the General Fund no less frequently than  
39      at the end of each month. This transfer shall include  
40      unclaimed Proposition 103 insurance rebate moneys

- 1           pursuant to Section 1861.01 of the Insurance Code  
2           and Section 1523 of the Code of Civil Procedure.
- 3       11. The Controller shall provide to the Department of Fi-  
4       nance, the Chairperson of the Joint Legislative Budget  
5       Committee, and the chairpersons of the fiscal commit-  
6       tees of each house of the Legislature a report that  
7       provides the following details by mandate: the level  
8       of claims requested; the amount reduced by the initial  
9       desk audit; the amount paid; the amount recouped;  
10       and the results of a final audit and subsequent funding  
11       adjustments. The report is due on June 30, 2009, and  
12       will cover the fourth quarter of the 2007–08 fiscal year  
13       and the first three quarters of the 2008–09 fiscal year.
- 14       12. To the extent authorized by existing law, the Controller  
15       shall recoup the amount of any unallowable mandate  
16       claim costs resulting from desk or field audits of such  
17       claims.
- 18       13. The Controller’s estimate of the state’s liability for  
19       postemployment benefits prepared to comply with  
20       Governmental Accounting Standards Board (GASB)  
21       Statement 45 shall include, in addition to all other  
22       items required under the accounting statement: (a) an  
23       identification and explanation of any significant differ-  
24       ences in actuarial assumptions or methodology from  
25       any relevant similar types of assumptions or method-  
26       ology used by the Public Employees’ Retirement  
27       System to estimate state pension obligations; and (b)  
28       alternative calculations of the state’s liability for other  
29       postemployment benefits using different long-term  
30       rates of investment return consistent with a hypotheti-  
31       cal assumption that the state will begin to deposit 100  
32       percent or a lesser percent, respectively, of its annual  
33       required contribution under GASB Statement 45 to a  
34       retiree health and dental benefits trust fund beginning  
35       in the 2007–08 fiscal year. This provision shall not  
36       obligate the state to change the practice of funding  
37       health and dental benefits for annuitants currently re-  
38       quired under state law.
- 39       14. The funds appropriated to the Controller in this item  
40       may not be expended on additional actuarial valua-

- 1 tions, beyond the annual actuarial valuation, for other  
2 postemployment benefits, prior to obtaining concur-  
3 rence in writing from the Department of Finance. The  
4 additional actuarial valuations shall only be performed  
5 to the extent resources exist, or if funds are provided  
6 by the requesting agency.
- 7 15. Notwithstanding any other provision of law, the Direc-  
8 tor of Finance may authorize increases or decreases  
9 in expenditures for this item to reflect the final lease  
10 costs for the Cannery Business Park location and lease  
11 costs associated with the federal injunction on the  
12 Unclaimed Property Program of the Controller. The  
13 Director of Finance may authorize expenditure adjust-  
14 ments per this provision not sooner than 30 days after  
15 notification in writing of the necessity therefor is pro-  
16 vided to the chairpersons of the fiscal committees in  
17 each house of the Legislature and the Chairperson of  
18 the 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 in each instance  
21 determine.
- 22 16. The Controller shall provide the Chairperson of the  
23 Joint Legislative Budget Committee and the chairper-  
24 sons of the fiscal committees in each house of the  
25 Legislature a report on the Human Resources Manage-  
26 ment System specifying the dollars expended on the  
27 program in the previous fiscal year and over the life  
28 of the program and any known savings that have oc-  
29 curred in the prior fiscal year, to be submitted annually  
30 but no later than August 30 of each year. The report  
31 should compare the known savings with the most re-  
32 cent estimate of projected savings and explain the  
33 methodology by which the savings were calculated.
- 34 17. The Controller shall deliver yearend financial data as  
35 specified by the Department of Finance, for the fiscal  
36 year just ended, in hard copy and electronic format,  
37 by October 15 of each year and periodically as request-  
38 ed by the Department of Finance. This information is  
39 necessary for the Department of Finance to determine  
40 the proper beginning balance of the current fiscal year

- 1 for budgetary purposes. To ensure timely completion  
2 of the yearend financial data, the Controller should  
3 enforce provisions in Section 12461.2 of the Govern-  
4 ment Code and emphasize in its regulation the deadline  
5 the yearend financial statements are due from the op-  
6 erating departments to the Controller.
- 7 18. Notwithstanding any other provision of law, the Con-  
8 troller may not expend funds for system integration  
9 vendor costs related to the Human Resources Manage-  
10 ment System (HRMS), also known as the 21st Century  
11 Project, after July 31, 2008, beyond the Design Phase  
12 Payment Deliverables for the 21st Century Project as  
13 set forth in Amendment 1 to Agreement No. 22191025,  
14 until the office of the State Chief Information Officer  
15 certifies the Controller has entered into a contract or  
16 contract amendment with a system integration vendor  
17 that is consistent with the most recently approved  
18 Special Project Report for HRMS.
- 19 19. Funding for system integration vendor costs shall not  
20 exceed the estimates in the most recently approved  
21 Special Project Report for Human Resources Manage-  
22 ment System (HRMS), also known as the 21st Century  
23 Project, unless in the course of contract negotiations  
24 the state and the vendor mutually agree that additional  
25 functionality is necessary for the successful implemen-  
26 tation of the HRMS and these changes are approved  
27 by the office of the State Chief Information Officer.  
28 However, a contract or contract amendment shall not  
29 be executed until 30 days after notification in writing  
30 to the Chairperson of the Joint Legislative Budget  
31 Committee and the chairpersons of the committees of  
32 each house of the Legislature that consider appropria-  
33 tions.
- 34 20. Notwithstanding the provisions of Item 9840, the De-  
35 partment of Finance may adjust the amounts authorized  
36 under Item 0840-001-0001 and Section 25.25, consis-  
37 tent with the funding schedule included in the most  
38 recently approved Special Project Report for the Hu-  
39 man Resources Management System, also known as  
40 the 21st Century Project. No adjustments shall be made

1           pursuant to this provision prior to a 30-day notification  
 2           in writing to the Chairperson of the Joint Legislative  
 3           Budget Committee and the chairpersons of the com-  
 4           mittees of each house of the Legislature that consider  
 5           appropriations.  
 6

7           *SEC. 18. Item 0855-101-0367 is added to Section 2.00 of the*  
 8           *Budget Act of 2008, to read:*  
 9

10          0855-101-0367—*For local assistance, California Gambling*  
 11           *Control Commission, payable from the Indian Gaming*  
 12           *Special Distribution Fund ..... 30,000,000*

13          *Provisions:*

14           1. *Funds appropriated in this item shall be used to pro-*  
 15           *vide grants to local government agencies pursuant to*  
 16           *Section 12715 of the Government Code.*  
 17

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

21          0855-111-0367—*For transfer by the Controller, upon order of*  
 22           *the Director of Finance, from the Indian Gaming Special*  
 23           *Distribution Fund, to the Indian Gaming Revenue Sharing*  
 24           *Trust Fund..... (50,000,000)*

25          *Provisions:*

26           1. *The amount of any transfer ordered by the Director of*  
 27           *Finance pursuant to this item shall be the minimum*  
 28           *amount necessary to allow the Indian Gaming Revenue*  
 29           *Sharing Trust Fund to distribute the quarterly payments*  
 30           *described in Section 12012.90 of the Government*  
 31           *Code and meet its other expenditure requirements.*  
 32           *Any remaining portion of the amount authorized to be*  
 33           *transferred pursuant to this item shall remain in the*  
 34           *Indian Gaming Special Distribution Fund.*

35           2. *The Legislature finds and declares that the amount*  
 36           *authorized in this item is expected to be sufficient to*  
 37           *allow the Indian Gaming Revenue Sharing Trust Fund*  
 38           *to distribute the quarterly payments described in Sec-*  
 39           *tion 12012.90 of the Government Code during the*  
 40           *2008–09 fiscal year. Accordingly, the California*

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

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

27 *SEC. 20. Item 0860-001-0001 of Section 2.00 of the Budget*  
 28 *Act of 2008 is amended to read:*

29		
30	0860-001-0001—For support of State Board of Equalization....	<del>239,256,000</del>
31		237,518,000
32	Schedule:	
33	(1) 100000-Personal Services.....	<del>323,938,000</del>
34		323,649,000
35	(2) 300000-Operating Expenses and	
36	Equipment.....	<del>103,820,000</del>
37		99,439,000
38	(3) Reimbursements.....	<del>-128,905,000</del>
39		-127,747,000

1	(4) Amount payable from the Breast Cancer	
2	Fund (Item 0860-001-0004).....	-589,000
3		-565,000
4	(5) Amount payable from the State Emer-	
5	gency Telephone Number Account	
6	(Item 0860-001-0022).....	-649,000
7		-646,000
8	(6) Amount payable from the Motor Vehi-	
9	cle Fuel Account, Transportation Tax	
10	Fund (Item 0860-001-0061).....	-22,211,000
11		-22,102,000
12	(7) Amount payable from the Occupational	
13	Lead Poisoning Prevention Account	
14	(Item 0860-001-0070).....	-718,000
15		-715,000
16	(8) Amount payable from the Childhood	
17	Lead Poisoning Prevention Fund (Item	
18	0860-001-0080).....	-527,000
19		-525,000
20	(9) Amount payable from the Cigarette and	
21	Tobacco Products Surtax Fund (Item	
22	0860-001-0230).....	-7,373,000
23		-7,035,000
24	(10) Amount payable from the Oil Spill	
25	Prevention and Administration Fund	
26	(Item 0860-001-0320).....	-259,000
27		-258,000
28	(11) Amount payable from the Integrated	
29	Waste Management Account, Integrated	
30	Waste Management Fund (Item 0860-	
31	001-0387).....	-462,000
32		-460,000
33	(12) Amount payable from the Underground	
34	Storage Tank Cleanup Fund (Item	
35	0860-001-0439).....	-3,245,000
36		-2,944,000
37	(13) Amount payable from the Energy Re-	
38	sources Programs Account (Item 0860-	
39	001-0465).....	-253,000
40		-252,000

1	(14) Amount payable from the California	
2	Children and Families First Trust Fund	
3	(Item 0860-001-0623).....	-12,538,000
4		-11,873,000
5	(15) Amount payable from the Federal Trust	
6	Fund (Item 0860-001-0890).....	-1,618,000
7	(16) Amount payable from the Timber Tax	
8	Fund (Item 0860-001-0965).....	-2,309,000
9		-2,297,000
10	(17) Amount payable from the Gas Consump-	
11	tion Surcharge Fund (Item 0860-001-	
12	3015).....	-411,000
13		-409,000
14	(18) Amount payable from the Water Rights	
15	Fund (Item 0860-001-3058).....	-418,000
16		-416,000
17	(19) Amount payable from the Electronic	
18	Waste Recovery and Recycling Account	
19	(Item 0860-001-3065).....	-4,888,000
20		-4,579,000
21	(20) Amount payable from the Cigarette and	
22	Tobacco Products Compliance Fund	
23	(Item 0860-001-3067).....	-1,129,000
24	Provisions:	
25	1. It is the intent of the Legislature that all funds appro-	
26	riated to the State Board of Equalization for process-	
27	ing tax returns, auditing, and collecting owed tax	
28	amounts shall be used in a manner consistent with both	
29	its authorized budget and with the documents that were	
30	presented to the Legislature for its review in support	
31	of that budget. The State Board of Equalization shall	
32	not reduce expenditures or redirect either funding or	
33	personnel resources away from direct auditing or col-	
34	lection activities without prior approval of the Director	
35	of Finance. The director shall not approve any such	
36	reduction or redirection sooner than 30 days after	
37	providing notification to the Joint Legislative Budget	
38	Committee. No such position may be transferred from	
39	the organizational unit to which it was assigned in the	
40	2008-09 Governor's Budget and the Salaries and	

1 Wages Supplement as revised by legislative actions  
2 without the approval of the Department of Finance.  
3 Furthermore, the board shall expeditiously fill budget-  
4 ed positions consistent with the funding provided in  
5 this act.

6 2. It is the intent of the Legislature that the funds appro-  
7 priated for the State Board of Equalization Electronic  
8 Filing Infrastructure Project be used to improve the  
9 state's efficiencies in tax administration. The State  
10 Board of Equalization shall report to the Department  
11 of Finance and the appropriate fiscal committees of  
12 the Legislature on March 1, 2009, on the status of  
13 electronic filing at the State Board of Equalization,  
14 including the following:

- 15 (a) The current level of electronic filing participation.
- 16 (b) Any revised estimates of future electronic filing  
17 participation, including progress in reaching 20  
18 percent in the 2009–10 fiscal year.
- 19 (c) The board's estimate of current and future annual  
20 savings associated with increased use of electronic  
21 services at the State Board of Equalization.
- 22 (d) Any identified implementation problems or barriers  
23 to additional participation.

24  
25 *SEC. 21. Item 0860-001-0004 of Section 2.00 of the Budget*  
26 *Act of 2008 is amended to read:*

27		
28	0860-001-0004—For support of State Board of Equalization,	
29	for payment to Item 0860-001-0001, payable from the	
30	Breast Cancer Fund.....	589,000
31		565,000

32 Provisions:

33 1. Notwithstanding Section 30461.6 of the Revenue and  
34 Taxation Code, or any other provision of law, suffi-  
35 cient funds to cover the costs of the State Board of  
36 Equalization for the collection and enforcement of  
37 fees to be deposited in the Breast Cancer Fund shall  
38 be retained in the fund, and be available to be appro-  
39 priated to the board.

40

1 SEC. 22. Item 0860-001-0022 of Section 2.00 of the Budget  
2 Act of 2008 is amended to read:

3  
4 0860-001-0022—For support of State Board of Equalization,  
5 for payment to Item 0860-001-0001, payable from the  
6 State Emergency Telephone Number Account..... ~~649,000~~  
7 646,000  
8

9 SEC. 23. Item 0860-001-0061 of Section 2.00 of the Budget  
10 Act of 2008 is amended to read:

11  
12 0860-001-0061—For support of State Board of Equalization,  
13 for payment to Item 0860-001-0001, payable from the  
14 Motor Vehicle Fuel Account, Transportation Tax Fund..... ~~22,211,000~~  
15 22,102,000  
16

17 SEC. 24. Item 0860-001-0070 of Section 2.00 of the Budget  
18 Act of 2008 is amended to read:

19  
20 0860-001-0070—For support of State Board of Equalization,  
21 for payment to Item 0860-001-0001, payable from the  
22 Occupational Lead Poisoning Prevention Account..... ~~718,000~~  
23 715,000

24 Provisions:  
25 1. The amount appropriated in this item includes revenues  
26 derived from the assessment of fines and penalties  
27 imposed as specified by Section 13332.18 of the  
28 Government Code.  
29

30 SEC. 25. Item 0860-001-0080 of Section 2.00 of the Budget  
31 Act of 2008 is amended to read:

32  
33 0860-001-0080—For support of State Board of Equalization,  
34 for payment to Item 0860-001-0001, payable from the  
35 Childhood Lead Poisoning Prevention Fund..... ~~527,000~~  
36 525,000

37 Provisions:  
38 1. The amount appropriated in this item includes revenues  
39 derived from the assessment of fines and penalties

1 imposed as specified by Section 13332.18 of the  
2 Government Code.

3  
4 *SEC. 26. Item 0860-001-0230 of Section 2.00 of the Budget*  
5 *Act of 2008 is amended to read:*

6  
7 0860-001-0230—For support of State Board of Equalization,  
8 for payment to Item 0860-001-0001, payable from the  
9 Cigarette and Tobacco Products Surtax Fund..... 7,373,000  
10 7,035,000

11  
12 *SEC. 27. Item 0860-001-0320 of Section 2.00 of the Budget*  
13 *Act of 2008 is amended to read:*

14  
15 0860-001-0320—For support of State Board of Equalization,  
16 for payment to Item 0860-001-0001, payable from the Oil  
17 Spill Prevention and Administration Fund..... 259,000  
18 258,000

19  
20 *SEC. 28. Item 0860-001-0387 of Section 2.00 of the Budget*  
21 *Act of 2008 is amended to read:*

22  
23 0860-001-0387—For support of State Board of Equalization,  
24 for payment to Item 0860-001-0001, payable from the In-  
25 tegrated Waste Management Account, Integrated Waste  
26 Management Fund..... 462,000  
27 460,000

28 Provisions:  
29 1. The amount appropriated in this item includes revenues  
30 derived from the assessment of fines and penalties  
31 imposed as specified by Section 13332.18 of the  
32 Government Code.

33  
34 *SEC. 29. Item 0860-001-0439 of Section 2.00 of the Budget*  
35 *Act of 2008 is amended to read:*

36  
37 0860-001-0439—For support of State Board of Equalization,  
38 for payment to Item 0860-001-0001, payable from the  
39 Underground Storage Tank Cleanup Fund..... 3,245,000  
40 2,944,000

1 Provisions:

2 1. The amount appropriated in this item includes revenues  
3 derived from the assessment of fines and penalties  
4 imposed as specified in Section 13332.18 of the Gov-  
5 ernment Code.

6  
7 *SEC. 30. Item 0860-001-0465 of Section 2.00 of the Budget*  
8 *Act of 2008 is amended to read:*

9  
10 0860-001-0465—For support of State Board of Equalization,  
11 for payment to Item 0860-001-0001, payable from the  
12 Energy Resources Programs Account..... ~~253,000~~  
13 ~~252,000~~

14  
15 *SEC. 31. Item 0860-001-0623 of Section 2.00 of the Budget*  
16 *Act of 2008 is amended to read:*

17  
18 0860-001-0623—For support of State Board of Equalization,  
19 for payment to Item 0860-001-0001, payable from the  
20 California Children and Families Trust Fund..... ~~12,538,000~~  
21 ~~11,873,000~~

22  
23 *SEC. 32. Item 0860-001-0965 of Section 2.00 of the Budget*  
24 *Act of 2008 is amended to read:*

25  
26 0860-001-0965—For support of State Board of Equalization,  
27 for payment to Item 0860-001-0001, payable from the  
28 Timber Tax Fund..... ~~2,309,000~~  
29 ~~2,297,000~~

30  
31 *SEC. 33. Item 0860-001-3015 of Section 2.00 of the Budget*  
32 *Act of 2008 is amended to read:*

33  
34 0860-001-3015—For support of State Board of Equalization,  
35 for payment to Item 0860-001-0001, payable from the Gas  
36 Consumption Surcharge Fund..... ~~411,000~~  
37 ~~409,000~~

38  
39 *SEC. 34. Item 0860-001-3058 of Section 2.00 of the Budget*  
40 *Act of 2008 is amended to read:*

1 0860-001-3058—For support of State Board of Equalization,  
 2 for payment to Item 0860-001-0001, payable from the  
 3 Water Rights Fund..... 418,000  
 4 416,000

5  
 6 *SEC. 35. Item 0860-001-3065 of Section 2.00 of the Budget*  
 7 *Act of 2008 is amended to read:*

8  
 9 0860-001-3065—For support of State Board of Equalization,  
 10 for payment to Item 0860-001-0001, payable from the  
 11 Electronic Waste Recovery and Recycling Account..... 4,888,000  
 12 4,579,000

13  
 14 *SEC. 36. Item 0950-001-0001 of Section 2.00 of the Budget*  
 15 *Act of 2008 is amended to read:*

16  
 17 0950-001-0001—For support of the Treasurer..... 4,667,000  
 18 Schedule:  
 19 (1) 100000-Personal Services..... 20,878,000  
 20 21,467,000  
 21 (2) 300000-Operating Expenses and  
 22 Equipment..... 6,351,000  
 23 6,381,000  
 24 (2.5) Unallocated Reduction..... -506,000  
 25 (3) Reimbursements..... -19,967,000  
 26 -20,586,000  
 27 (5) Amount payable from the Central Ser-  
 28 vice Cost Recovery Fund (Item 0950-  
 29 001-9740)..... -2,089,000

30 Provisions:

- 31 1. The Director of Finance may authorize a loan from  
 32 the General Fund, in an amount not to exceed the level  
 33 of reimbursements appropriated in Schedule (3) to the  
 34 Treasurer’s office, provided that:  
 35 (a) The loan is to meet cash needs resulting from a  
 36 delay in receipt of reimbursements.  
 37 (b) The loan is short term, and shall be repaid within  
 38 two months.

- 1 (c) Interest charges may be waived pursuant to subdivi-
- 2 vision (e) of Section 16314 of the Government
- 3 Code.
- 4 (d) The Director of Finance shall not approve the loan
- 5 unless the approval is made in writing and filed
- 6 with the Chairperson of the Joint Legislative
- 7 Budget Committee and the chairpersons of the
- 8 committees in each house of the Legislature that
- 9 consider appropriations not later than 30 days
- 10 prior to the effective date of the approval, or not
- 11 sooner than whatever lesser time the chairperson
- 12 of the joint committee, or his or her designee, may
- 13 determine.
- 14 (e) At the end of the two-month term of the loan, the
- 15 Treasurer’s office shall notify the Chairperson of
- 16 the Joint Legislative Budget Committee whether
- 17 the Treasurer’s office has repaid the loan pursuant
- 18 to subdivision (b).
- 19

20 *SEC. 37. Item 1100-001-0001 of Section 2.00 of the Budget*  
 21 *Act of 2008 is amended to read:*

23	1100-001-0001—For support of California Science Center.....	<del>15,515,000</del>
24		<i>15,266,000</i>
25	Schedule:	
26	(1) 10-Education.....	14,892,000
27	(2) 20-Exposition Park Management.....	5,055,000
28	(3) 30-California African American Muse-	
29	um.....	<del>2,566,000</del>
30		<i>2,317,000</i>
31	(4) 40.01-Administration.....	954,000
32	(5) 40.02-Distributed Administration.....	-954,000
33	(6) Reimbursements-Education.....	-1,213,000
34	(7) Reimbursements-Exposition Park Man-	
35	agement.....	-508,000
36	(8) Reimbursements-California African	
37	American Museum.....	-75,000
38	(9) Amount payable from the Exposition	
39	Park Improvement Fund (Item 1100-	
40	001-0267).....	-5,202,000

1  
2 *SEC. 38. Item 1100-301-0001 of Section 2.00 of the Budget*  
3 *Act of 2008 is repealed.*

4		
5	<del>1100-301-0001—For capital outlay, California Science Cen-</del>	
6	<del>ter.....</del>	<del>200,000</del>
7	<del>Schedule:</del>	
8	<del>(1) 90.05-California African American</del>	
9	<del>Museum: Renovation and Expansion</del>	
10	<del>Project—Working drawings.....</del>	<del>1,302,000</del>
11	<del>(2) Reimbursements.....</del>	<del>-1,102,000</del>

12  
13 *SEC. 39. Item 1100-301-0267 of Section 2.00 of the Budget*  
14 *Act of 2008 is repealed.*

15		
16	<del>1100-301-0267—For capital outlay, California Science Center,</del>	
17	<del>payable from the Exposition Park Improvement Fund.....</del>	<del>800,000</del>
18	<del>Schedule:</del>	
19	<del>(1) 90.05-California African American</del>	
20	<del>Museum: Renovation and Expansion</del>	
21	<del>Project—Working drawings.....</del>	<del>800,000</del>

22  
23 *SEC. 40. Item 1700-001-0001 of Section 2.00 of the Budget*  
24 *Act of 2008 is amended to read:*

25		
26	1700-001-0001—For support of Department of Fair Employ-	
27	ment and Housing.....	17,813,000
28		16,993,000
29	Schedule:	
30	(1) 50-Administration of Civil Rights	
31	Law.....	23,668,000
32		22,848,000
33	(2) Amount payable from the Federal Trust	
34	Fund (Item 1700-001-0890).....	-5,855,000

35  
36 *SEC. 41. Item 1730-001-0001 of Section 2.00 of the Budget*  
37 *Act of 2008 is amended to read:*

38		
39	1730-001-0001—For support of Franchise Tax Board.....	509,868,000
40		509,718,000

1	Schedule:	
2	(1) 10-Tax Programs.....	504,990,000
3		504,840,000
4	(2) 20-Homeowners and Renters Assis-	
5	tance.....	6,386,000
6	(3) 30-Political Reform Audit	
7	(1,572,000).....	0
8	(4) 45-Child Support Automation.....	12,342,000
9	(5) 50-DMV Collections.....	8,186,000
10	(6) 60-Court Collections.....	15,206,000
11	(7) 70-Contract Work.....	14,034,000
12	(8) 80.01-Administration.....	28,810,000
13	(9) 80.02-Distributed Administration.....	-28,810,000
14	(10) Reimbursements.....	-15,032,000
15	(11) Reimbursements-Child Support Au-	
16	tomation.....	-12,341,000
17	(12) Amount payable from the Motor Vehi-	
18	cle Account, State Transportation Fund	
19	(Item 1730-001-0044).....	-2,844,000
20	(13) Amount payable from the Motor Vehi-	
21	cle License Fee Account, Transporta-	
22	tion Tax Fund (Item 1730-001-0064)....	-5,342,000
23	(14) Amount payable from the Emergency	
24	Food Assistance Program Fund (Item	
25	1730-001-0122).....	-6,000
26	(15) Amount payable from the Delinquent	
27	Tax Collection Fund (Section 19378 of	
28	the Revenue and Taxation Code).....	-404,000
29	(16) Amount payable from the Fish and	
30	Game Preservation Fund (Endangered	
31	and Rare Fish, Wildlife, and Plant	
32	Species Conservation and Enhancement	
33	Account) (Item 1730-001-0200).....	-13,000
34	(17) Amount payable from the Court Col-	
35	lection Account (Item 1730-001-	
36	0242).....	-15,206,000
37	(18) Amount payable from the State Chil-	
38	dren's Trust Fund (Item 1730-001-	
39	0803).....	-11,000

1	(19) Amount payable from the California	
2	Alzheimer’s Disease and Related Disorders	
3	Research Fund (Item 1730-001-	
4	0823).....	-11,000
5	(20) Amount payable from the California	
6	Seniors Special Fund (Item 1730-001-	
7	0886).....	-4,000
8	(21) Amount payable from the California	
9	Breast Cancer Research Fund (Item	
10	1730-001-0945).....	-7,000
11	(22) Amount payable from the California	
12	Peace Officer Memorial Foundation	
13	Fund (Item 1730-001-0974).....	-5,000
14	(23) Amount payable from the California	
15	Firefighters’ Memorial Fund (Item	
16	1730-001-0979).....	-7,000
17	(24) Amount payable from the California	
18	Fund for Senior Citizens (Item 1730-	
19	001-0983).....	-7,000
20	(25) Amount payable from the California	
21	Military Family Relief Fund (Item	
22	1730-001-8022).....	-6,000
23	(26) Amount payable from the California	
24	Prostate Cancer Research Fund (Item	
25	1730-001-8025).....	-6,000
26	(27) Amount payable from the California	
27	Sexual Violence Victim Services Fund	
28	(Item 1730-001-8035).....	-6,000
29	(28) Amount payable from the California	
30	Colorectal Cancer Prevention Fund	
31	(Item 1730-001-8036).....	-6,000
32	(29) Amount payable from the Veterans’	
33	Quality of Life Fund (Item 1730-001-	
34	8037).....	-6,000
35	(30) Amount payable from the California	
36	Sea Otter Fund (Item 1730-001-	
37	8047).....	-6,000
38	Provisions:	
39	1. It is the intent of the Legislature that all funds appro-	
40	riated to the Franchise Tax Board for processing tax	

1 returns, auditing, and collecting owed tax amounts  
 2 shall be used in a manner consistent with both its au-  
 3 thorized budget and with the documents that were  
 4 presented to the Legislature for its review in support  
 5 of that budget. The Franchise Tax Board shall not re-  
 6 duce expenditures or redirect either funding or person-  
 7 nel resources away from direct auditing or collection  
 8 activities without prior approval of the Director of Fi-  
 9 nance. The director shall not approve any such reduc-  
 10 tion or redirection sooner than 30 days after providing  
 11 notification to the Joint Legislative Budget Committee.  
 12 No such position may be transferred from the organi-  
 13 zational unit to which it was assigned in the 2008–09  
 14 Governor’s Budget and the Salaries and Wages Sup-  
 15 plement as revised by legislative actions without the  
 16 approval of the Department of Finance. Furthermore,  
 17 the board shall expeditiously fill budgeted positions  
 18 consistent with the funding provided in this act.

19 2. It is the intent of the Legislature that the Franchise  
 20 Tax Board resolve tax controversies, without litigation,  
 21 on a basis that is fair to both the state and the taxpayer  
 22 and in a manner that will enhance voluntary compli-  
 23 ance and public confidence in the integrity and effi-  
 24 ciency of the board.

25 3. During the 2008–09 fiscal year, the collection cost  
 26 recovery fee for purposes of subparagraph (A) of  
 27 paragraph (1) of subdivision (a) of Section 19254 of  
 28 the Revenue and Taxation Code shall be \$187, and  
 29 the filing enforcement cost recovery fee for purposes  
 30 of subparagraph (A) of paragraph (2) of that subdivi-  
 31 sion shall be \$119.

32 4. During the 2008–09 fiscal year, the collection cost  
 33 recovery fee for purposes of subparagraph (B) of  
 34 paragraph (1) of subdivision (a) of Section 19254 of  
 35 the Revenue and Taxation Code shall be \$352, and  
 36 the filing enforcement cost recovery fee for purposes  
 37 of subparagraph (B) of paragraph (2) of that subdivi-  
 38 sion shall be \$203.

39 5. Of the amounts appropriated in this item, the amounts  
 40 provided in Schedule (4) and Schedule (11), Reim-

- 1 bursements—Child Support Automation, are, pursuant
- 2 to Section 5 of Chapter 479 of the Statutes of 1999,
- 3 available for the 2008–09 and 2009–10 fiscal years.
- 4 6. It is the intent of the Legislature that the California
- 5 Child Support Automation System project shall receive
- 6 the highest commitment and priority of all of the
- 7 state’s child support automation activities.
- 8 7. The Legislature intends that the California Child
- 9 Support Automation System project shall support all
- 10 child support collections activities in compliance with
- 11 federal certification requirements.
- 12 8. Notwithstanding any other provision of law, upon re-
- 13 quest of the Franchise Tax Board, the Department of
- 14 Finance may transfer any amounts not fully expended
- 15 in Schedule (4)—Child Support Automation to the
- 16 Department of Child Support Services to provide for
- 17 unanticipated costs associated with the California
- 18 Child Support Automation System project. This provi-
- 19 sion may become effective no sooner than 30 days
- 20 after providing notification in writing to the chairper-
- 21 sons of the fiscal committees of each house of the
- 22 Legislature and the Chairperson of the Joint Legislative
- 23 Budget Committee, or not sooner than whatever lesser
- 24 time the chairperson of the joint committee, or his or
- 25 her designee, may in each instance determine.
- 26 9. Notwithstanding subdivision (b) of Section 19282 of
- 27 the Revenue and Taxation Code, the combined costs
- 28 to administer the Court- Ordered Debt Collection
- 29 Program and to fund the Court- Ordered Debt Expans-
- 30 ion Project may be funded from the Court Collection
- 31 Account in an amount that may exceed 15 percent of
- 32 annual collections.
- 33 10. *The Franchise Tax Board shall not redirect any funds*
- 34 *appropriated in this act to support the Ready Return*
- 35 *Program or any variation thereof.*

36  
 37 *SEC. 42. Item 1760-001-0001 of Section 2.00 of the Budget*  
 38 *Act of 2008 is amended to read:*

1	1760-001-0001—For support of Department of General Ser-	
2	vices, for payment to Item 1760-001-0666.....	9,833,000
3		7,833,000
4	Provisions:	
5	1. Of the amount appropriated in this item, <del>\$6,583,000</del>	
6	\$4,583,000 is for State Capitol repairs.	
7	2. Of the amount appropriated in this item, \$3,250,000	
8	is to repay the federal funds collected by the Depart-	
9	ment of General Services, through prior-year rates,	
10	for disallowed general government costs plus interest.	
11	Any funds not expended for this specific purpose as	
12	of June 30, 2009, shall revert to the General Fund.	

13  
14     *SEC. 43. Item 1760-001-0666 of Section 2.00 of the Budget*  
15 *Act of 2008 is amended to read:*

17	1760-001-0666—For support of Department of General Services,	
18	payable from the Service Revolving Fund.....	501,882,000
19	Schedule:	
20	(1) Program support.....	1,083,442,000
21		1,083,822,000
22	(2) Distributed services.....	-11,145,000
23	(3) Reimbursements—Lease revenue.....	-43,000
24	(4) <i>Reimbursements—FI\$Cal</i> .....	-2,380,000
25	(5) Amount payable from the General Fund	
26	(Item 1760-001-0001).....	<del>-9,833,000</del>
27		-7,833,000
28	(6) Amount payable from the General Fund	
29	(Item 1760-002-0001).....	-346,000
30	(7) Amount payable from the Property Ac-	
31	quisition Law Money Account (Item	
32	1760-001-0002).....	-3,247,000
33	(8) Amount payable from the Motor Vehicle	
34	Parking Facilities Moneys Account	
35	(Item 1760-001-0003).....	-2,404,000
36	(9) Amount payable from the State Emer-	
37	gency Telephone Number Account	
38	(Item 1760-001-0022).....	-2,471,000

1	(10) Amount payable from the State Motor	
2	Vehicle Insurance Account (Item 1760-	
3	001-0026).....	-6,066,000
4	(11) Amount payable from the Seismic Gas	
5	Valve Certification Fee Account (Item	
6	1760-001-0450).....	-75,000
7	(12) Amount payable from the Energy Re-	
8	sources Programs Account (Item 1760-	
9	001-0465).....	-1,659,000
10	(13) Amount payable from the Architecture	
11	Revolving Fund (Item 1760-001-	
12	0602).....	-43,632,000
13	(14) Amount payable from the State School	
14	Building Aid Fund (Item 1760-001-	
15	0739).....	-297,000
16	(15) Amount payable from the State School	
17	Deferred Maintenance Fund (Item	
18	1760-001-0961).....	-159,000
19	(16) Amount payable from the 2006 State	
20	School Facilities Fund (Item 1760-	
21	001-6057).....	-14,253,000
22	(17) Amount payable from the Motor Vehi-	
23	cle Parking Facilities Moneys Account	
24	(Item 1760-002-0003).....	-1,102,000
25	(18) Amount payable from the Service	
26	Revolving Fund (Item 1760-002-	
27	0666).....	-156,455,000
28	(19) Amount payable from the Service Re-	
29	volving Fund (Item 1760-003-	
30	0666).....	-14,498,000
31	(20) Amount payable from the Service	
32	Revolving Fund (Item 1760-004-	
33	0666).....	-313,875,000

34 Provisions:

- 35 1. Notwithstanding any other provision of law, revenues
- 36 from the sale of legislative bills and publications re-
- 37 ceived by the Legislative Bill Room shall be deposited
- 38 in the Service Revolving Fund.
- 39 2. Notwithstanding any other provision of law, if the
- 40 Director of General Services determines in writing

1 that there is insufficient cash in a special fund under  
 2 his or her authority to make one or more payments  
 3 currently due and payable, he or she may order the  
 4 transfer of moneys to that special fund in the amount  
 5 necessary to make payment or payments, as a loan  
 6 from the Service Revolving Fund. That loan shall be  
 7 subject to all of the following conditions:

8 (a) No loan shall be made that would interfere with  
 9 carrying out the object for which the Service Re-  
 10 volving Fund was created.

11 (b) The loan shall be repaid as soon as there are suf-  
 12 ficient moneys in the recipient fund to repay the  
 13 amount loaned, but no later than 18 months after  
 14 the date of the loan. The amount loaned shall not  
 15 exceed the amount that the fund or program is  
 16 authorized at the time of the loan to expend during  
 17 the 2008–09 fiscal year from the recipient fund  
 18 except as otherwise provided in Provisions 4, 5,  
 19 and 6.

20 (c) The terms and conditions of the loan are approved,  
 21 prior to the transfer of funds, by the Department  
 22 of Finance pursuant to appropriate fiscal stan-  
 23 dards.

24 3. The Director of General Services may augment this  
 25 item or any of Items 1760-001-0002, 1760-001-0003,  
 26 1760-001-0026, and 1760-001-0602, by up to an ag-  
 27 gregate of 10 percent in cases where (a) the Legislature  
 28 has approved funds for a customer for the purchase of  
 29 services or equipment through the Department of  
 30 General Services (DGS) and the corresponding expen-  
 31 diture authority has not been provided in this item or  
 32 (b) a local government entity or the federal government  
 33 has requested services from the DGS. Any augmenta-  
 34 tion that is deemed to be necessary on a permanent  
 35 basis shall be submitted for review as part of the nor-  
 36 mal budget development process. If the Director of  
 37 General Services augments this item or Item 1760-  
 38 001-0002, 1760-001-0003, 1760-001-0026, or 1760-  
 39 001-0602, the DGS shall notify the Department of Fi-  
 40 nance within 30 days after that augmentation is made

- 1 as to the amount, justification, and the program aug-  
2 mented. Any augmentation made in accordance with  
3 this provision shall not result in an increase in any rate  
4 charged to other departments for services or the pur-  
5 chase of goods without the prior written consent of  
6 the Department of Finance. The Director of General  
7 Services shall not use this provision to augment this  
8 item or Item 1760-001-0002, 1760-001-0003, 1760-  
9 001-0026, or 1760-001-0602 for costs that the Depart-  
10 ment of General Services had knowledge of in time  
11 to include in the May Revision.
- 12 4. If this item or Item 1760-001-0002, 1760-001-0003,  
13 1760-001-0026, or 1760-001-0602 is augmented pur-  
14 suant to Provision 3 by the maximum allowed under  
15 that provision, the Director of Finance may further  
16 augment the item or items in cases where (a) the Leg-  
17 isature has approved funds for a customer for the  
18 purchase of services or equipment through the Depart-  
19 ment of General Services (DGS) and the corresponding  
20 expenditure authority has not been provided in these  
21 items, or (b) a local government entity or the federal  
22 government has requested services from the DGS. Any  
23 augmentation that is deemed to be necessary on a  
24 permanent basis shall be submitted for review as part  
25 of the normal budget development process. The Direc-  
26 tor of Finance shall not use this provision to augment  
27 this item or Item 1760-001-0002, 1760-001-0003,  
28 1760-001-0026, or 1760-001-0602 for costs that the  
29 Departments of Finance or General Services had  
30 knowledge of in time to include in the May Revision.
- 31 5. The Director of General Services may augment this  
32 item and Items 1760-001-0003 and 1760-001-0026 to  
33 increase authorized expenditures by the Office of State  
34 Publishing, the Office of Risk and Insurance Manage-  
35 ment, the Office of Fleet Administration, the Office  
36 of Energy Management, and the Office of Public  
37 Safety Radio Services. The augmentation shall be for  
38 the specific purpose of enabling the Office of State  
39 Publishing, the Office of Risk and Insurance Manage-  
40 ment, the Office of Fleet Administration, the Energy

1 Services Program, and the Office of Public Safety  
 2 Radio Services to provide competitive services to their  
 3 customers (including local government entities or the  
 4 federal government) and may be made only if the of-  
 5 fice has sufficient operating reserves available to fund  
 6 the augmentation. If the Director of General Services  
 7 proposes to augment either of the items in this provi-  
 8 sion, the director shall notify the Department of Fi-  
 9 nance, the chairpersons of the fiscal committees of  
 10 each house of the Legislature, and the Chairperson of  
 11 the Joint Legislative Budget Committee 30 days prior  
 12 to making the augmentation, including the amount,  
 13 justification, and the office augmented. Any augmen-  
 14 tation that is deemed to be necessary on a permanent  
 15 basis shall be submitted for review as part of the nor-  
 16 mal budget development process.

17 6. Any augmentation made pursuant to Provisions 3 and  
 18 4 shall be reported in writing to the chairpersons of  
 19 the fiscal committees of each house of the Legislature  
 20 and the Chairperson of the Joint Legislative Budget  
 21 Committee within 30 days of the date the augmentation  
 22 is approved. This notification shall be provided in a  
 23 format consistent with normal budget change requests,  
 24 including identification of the amount of, and justifi-  
 25 cation for, the augmentation, and the program that has  
 26 been augmented. Copies of the notification shall be  
 27 provided to the Department of Finance.

28 7. Notwithstanding any other provision of law, the Direc-  
 29 tor of General Services or his or her designee, in lieu  
 30 of the Director of Finance, is authorized to approve  
 31 Budget Revision, Standard Form 26, subject to a copy  
 32 being provided to the Department of Finance.

33 8. Notwithstanding any other provision of law, due to  
 34 the inability to issue energy efficiency revenue bonds  
 35 pursuant to Chapter 2.7 (commencing with Section  
 36 15814.10) of Part 10b of Division 3 of Title 2 of the  
 37 Government Code, in order to repay the General Fund  
 38 for the cost of completing energy efficiency projects  
 39 on specified buildings, the Department of General  
 40 Services shall, within 10 fiscal years, recover an

1 amount sufficient to repay the costs associated with  
2 completed energy efficiency projects plus 5-percent  
3 interest, through utility rates charged to tenants. On  
4 August 1 of each fiscal year beginning with the  
5 2005–06 fiscal year, the Department of General Ser-  
6 vices shall transfer that amount to the General Fund.  
7 Once the General Fund has been fully repaid, the De-  
8 partment of General Services shall adjust utility rates  
9 for all tenants to accurately reflect the current rates.

10 9. The Director of Finance is authorized to increase this  
11 item for purposes of funding tenant improvement  
12 projects to facilitate the backfill of vacant space within  
13 stand-alone Department of General Services (DGS)  
14 bond-funded office buildings. This provision shall  
15 only be used to augment expenditure authority for  
16 DGS stand-alone individual rate office buildings where  
17 a \$0.03 tenant improvement surcharge has been ap-  
18 proved by the Department of Finance and is included  
19 in the monthly rental rate. Department of Finance ap-  
20 proval is contingent upon justification for the proposed  
21 tenant improvement projects to be provided by the  
22 DGS including an analysis of cost impacts and how  
23 the tenant improvements will improve the state’s uti-  
24 lization of the facility. Any augmentation made in ac-  
25 cordance with this provision shall not result in an in-  
26 crease in any rate charged to other departments for  
27 services without the prior written consent of the De-  
28 partment of Finance. Any augmentation made pursuant  
29 to this provision may be authorized not sooner than  
30 30 days after notification in writing to the chairpersons  
31 of the fiscal committees of each house of the Legisla-  
32 ture and the Chairperson of the Joint Legislative  
33 Budget Committee.

34 10. Notwithstanding subdivision (c) of Section 34 of  
35 Chapter 127 of the Statutes of 2000, the Department  
36 of General Services is authorized to pay Hearn Con-  
37 struction Company of Vacaville, California, up to  
38 \$498,000 for claims arising from the renovation of the  
39 Lincoln Theater in Yountville, California.  
40

1 SEC. 44. Item 1880-001-0001 of Section 2.00 of the Budget  
2 Act of 2008 is amended to read:

3  
4 1880-001-0001—For support of State Personnel Board..... 1,936,000

5 Schedule:

6 (1) 10-Merit System Administration..... ~~19,533,000~~

7 20,365,000

8 (2) 40-Local Government Services..... 2,937,000

9 (3) 50.01-Administration Services..... 4,042,298

10 (4) 50.02-Distributed Administration Ser-  
11 vices..... -1,959,298

12 (5) Reimbursements..... ~~-19,232,000~~

13 -20,064,000

14 (6) Amount payable from the Central Ser-  
15 vice Cost Recovery Fund (Item 1880-  
16 001-9740)..... -3,385,000

17 Provisions:

18 1. Notwithstanding any other provision of law, the Direc-  
19 tor of Finance may authorize a loan from the General  
20 Fund, in an amount not to exceed 35 percent of reim-  
21 bursements appropriated in this item to the State Per-  
22 sonnel Board, provided that:

23 (a) The loan is to meet cash needs resulting from the  
24 delay in receipt of reimbursements for services  
25 provided.

26 (b) The loan is for a short term and shall be repaid  
27 by September 30, 2009.

28 (c) Interest charges may be waived pursuant to subdi-  
29 vision (e) of Section 16314 of the Government  
30 Code.

31 (d) The Director of Finance may not approve the loan  
32 unless the approval is made in writing and filed  
33 with the Chairperson of the Joint Legislative  
34 Budget Committee and the chairpersons of the  
35 committees in each house of the Legislature that  
36 consider appropriations not later than 30 days  
37 prior to the effective date of the approval, or not  
38 sooner than whatever lesser time that the chairper-  
39 son of the joint committee, or his or her designee,  
40 may determine.

SEC. 45. Item 1955-001-9730 of Section 2.00 of the Budget Act of 2008 is amended to read:

1955-001-9730—For support of Department of Technology Services, payable from the Department of Technology Services Revolving Fund..... 278,223,000

Schedule:

- (1) 10-Administration of Technology Services..... 278,223,000
(2) Reimbursements..... 0
-359,000

Provisions:

- 1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the Department of Technology Services in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the joint committee, or his or her designee, may in each instance determine.
2. Expenditure authority provided in this item to support data center infrastructure projects may not be utilized for items outside the approved project scope. In addition, the Department of Technology Services shall report to the office of the State Chief Information Officer actual expenditures associated with the projects when purchase agreements have been executed. Changes in project scope must receive approval using the established administrative and legislative reporting requirements.
3. The Department of General Services, with the consent of the Department of Technology Services, may enter into a lease, lease-purchase agreement, or lease with an option to purchase for a build-to-suit facility to develop a data center in the central valley, subject to

1 Department of Finance approval of the terms and  
 2 conditions of the agreement. At least 30 days prior to  
 3 entering into any agreement, the Department of Gen-  
 4 eral Services shall notify the chairpersons of the  
 5 committees in each house of the Legislature that con-  
 6 sider appropriations and the Joint Legislative Budget  
 7 Committee of the terms and conditions of the agree-  
 8 ment. This notification shall include an analysis of the  
 9 associated rate impact to customer department invoic-  
 10 es. If the Joint Legislative Budget Committee does not  
 11 express any opposition, the Department of General  
 12 Services may proceed with the agreement after 30 days  
 13 from when the Department of General Services gave  
 14 notice to the chairpersons.  
 15

16 *SEC. 46. Item 2240-101-0001 of Section 2.00 of the Budget*  
 17 *Act of 2008 is amended to read:*  
 18

19 2240-101-0001—For local assistance, Department of Housing  
 20 and Community Development ..... 6,316,000  
 21 ..... 5,973,000

22 Schedule:  
 23 (1) 20-Financial Assistance Program..... 173,116,000  
 24 ..... 172,773,000  
 25 (2) Amount payable from the Federal  
 26 Trust Fund (Item 2240-101-0890)..... -166,800,000

27 Provisions:  
 28 †. ~~Notwithstanding any other provision of law, upon re-~~  
 29 ~~ceipt of federal funds for the rehabilitation of migrant~~  
 30 ~~farmworker housing, the Director of Finance may re-~~  
 31 ~~duce funding in this item for the Office of Migrant~~  
 32 ~~Services by an amount not to exceed \$343,000 or the~~  
 33 ~~level of federal funding awarded, whichever is less,~~  
 34 ~~not sooner than 30 days after notification in writing~~  
 35 ~~of the necessity therefor is provided to the chairpersons~~  
 36 ~~of the fiscal committees of each house of the Legisla-~~  
 37 ~~ture and the Chairperson of the Joint Legislative~~  
 38 ~~Budget Committee, or not sooner than whatever lesser~~  
 39 ~~time the chairperson of the joint committee, or his or~~  
 40 ~~her designee, may in each instance determine.~~

1  
 2 *SEC. 47. Item 2240-105-0001 of Section 2.00 of the Budget*  
 3 *Act of 2008 is amended to read:*

4  
 5 2240-105-0001—For transfer, as an expenditure, upon order  
 6 of the Director of Finance, to the Emergency Housing and  
 7 Assistance Fund..... 4,000,000  
 8 3,599,000

9 Provisions:

- 10 1. The amount transferred in this item to the Emergency  
 11 Housing and Assistance Fund shall be distributed  
 12 pursuant to Chapter 11.5 (commencing with Section  
 13 50800) of Part 2 of Division 31 of the Health and  
 14 Safety Code for operating facilities and capital devel-  
 15 opment grants.  
 16 2. Grants shall not be used to supplant existing emergen-  
 17 cy shelter or transitional housing funding. Notwith-  
 18 standing any regulatory provision to the contrary, op-  
 19 erating facilities grants shall not exceed \$100,000 nor  
 20 be less than \$30,000. For counties with an allocation  
 21 of greater than \$30,000, one grant of less than \$30,000  
 22 may be awarded if necessary to fully utilize the coun-  
 23 ty’s allocation. For counties with an allocation of up  
 24 to or equal to \$30,000, up to two grants of less than  
 25 \$30,000 may be awarded.

26  
 27 *SEC. 48. Item 2640-101-0046 of Section 2.00 of the Budget*  
 28 *Act of 2008 is amended to read:*

29  
 30 2640-101-0046—For local assistance, State Transit Assistance,  
 31 for allocation by the Controller pursuant to Section 99312  
 32 of the Public Utilities Code, payable from the Public  
 33 Transportation Account, State Transportation Fund..... 559,015,000  
 34 306,434,000

35 Provisions:

- 36 1. Notwithstanding Sections 99313 and 99314 of the  
 37 Public Utilities Code, not more than \$60,397 of the  
 38 amount appropriated in this item shall be used to reim-  
 39 burse the Controller for expenditures of administration  
 40 of State Transit Assistance funds.

1  
2     *SEC. 49. Item 2660-001-0042 of Section 2.00 of the Budget*  
3 *Act of 2008 is amended to read:*  
4  
5     2660-001-0042—For support of Department of Transporta-  
6         tion, payable from the State Highway Account, State  
7         Transportation Fund..... 2,545,975,000  
8     Schedule:  
9         (1) 10-Aeronautics..... 3,636,000  
10        (2) 20.10-Highway Transportation—  
11            Capital Outlay Support..... 1,657,615,000  
12        (3) 20.30-Highway Transportation— Local  
13            Assistance..... 43,964,000  
14        (4) 20.40-Highway Transportation— Pro-  
15            gram Development..... 76,077,000  
16        (5) 20.65-Highway Transportation— Le-  
17            gal..... 79,744,000  
18        (6) 20.70-Highway Transportation— Op-  
19            erations..... 200,891,000  
20        (7) 20.80-Highway Transportation—  
21            Maintenance..... 1,194,216,000  
22        (8) 30-Mass Transportation..... 130,033,000  
23        (9) 40-Transportation Planning..... 110,543,000  
24        (10) 50.00-Administration..... 421,974,000  
25        (11) 60.10-Equipment Service Program  
26            Costs..... 215,429,000  
27        (11.5) 60.20-Distributed Equipment Ser-  
28            vice Program Costs..... -215,429,000  
29        (12) Reimbursements..... -341,778,000  
30        (13) Amount payable from the Aeronautics  
31            Account, State Transportation Fund  
32            (Item 2660-001-0041)..... -3,596,000  
33        (14) Amount payable from the Bicycle  
34            Transportation Account, State Trans-  
35            portation Fund (Item 2660-001-  
36            0045)..... -10,000  
37        (15) Amount payable from the Public  
38            Transportation Account, State  
39            Transportation Fund (Item 2660-001-  
40            0046)..... -149,775,000

1	(16) Amount payable from the Historic	
2	Property Maintenance Fund (Item 2660-	
3	001-0365).....	-1,590,000
4	(16.5) Amount payable from the Seismic	
5	Retrofit Bond Fund of 1996 (Section	
6	8879.3 of the Government Code).....	-5,331,000
7	(17) Amount payable from the Federal	
8	Trust Fund (Item 2660-001-0890)....	-524,280,000
9	(18) Amount payable from the Transporta-	
10	tion Financing Subaccount, State	
11	Highway Account, State Transportation	
12	Fund (Item 2660-001-6801).....	-784,000
13	(18.5) Amount payable from the Trans-	
14	portation Investment Fund (Item	
15	2660-002-3008).....	-236,007,000
16	(19) Amount payable from the State Route	
17	99 Account, Highway Safety, Traffic	
18	Reduction, Air Quality, and Port Secu-	
19	rity Fund of 2006 (Item 2660-004-	
20	6072).....	-4,487,000
21	(21) Amount payable from the Corridor	
22	Mobility Improvement Account,	
23	Highway Safety, Traffic Reduction,	
24	Air Quality, and Port Security Fund of	
25	2006 (Item 2660-004-6055).....	-23,190,000
26	(22) Amount payable from the Trade Corri-	
27	dors Improvement Fund (Item 2660-	
28	004-6056).....	-3,511,000
29	(23) Amount payable from the Transporta-	
30	tion Facilities Account, Highway	
31	Safety, Traffic Reduction, Air Quality,	
32	and Port Security Fund of 2006 (Item	
33	2660-004-6058).....	-55,726,000
34	(24) Amount payable from the Public	
35	Transportation Modernization, Improve-	
36	ment, and Service Enhancement Ac-	
37	count, Highway Safety, Traffic Reduc-	
38	tion, Air Quality, and Port Security	
39	Fund of 2006 (Item 2660-004-6059)....	-1,303,000

1	(24.5) Amount payable from the State-Local	
2	Partnership Program Account, High-	
3	way Safety, Traffic Reduction, Air	
4	Quality, and Port Security Fund of	
5	2006 (Item 2660-004-6060).....	-496,000
6	(26) Amount payable from the Local Bridge	
7	Seismic Retrofit Account, Highway	
8	Safety, Traffic Reduction, Air Quality,	
9	and Port Security Fund of 2006 (Item	
10	2660-004-6062).....	-91,000
11	(27) Amount payable from the Highway-	
12	Railroad Crossing Safety Account,	
13	Highway Safety, Traffic Reduction, Air	
14	Quality, and Port Security Fund of 2006	
15	(Item 2660-004-6063).....	-621,000
16	(28) Amount payable from the Highway	
17	Safety, Rehabilitation, and Preserva-	
18	tion Account, Highway Safety, Traffic	
19	Reduction, Air Quality, and Port Secu-	
20	rity Fund of 2006 (Item 2660-004-	
21	6064).....	-20,142,000
22	Provisions:	
23	1. Notwithstanding any other provision of law, funds	
24	appropriated in this item from the State Highway Ac-	
25	count may be reduced and replaced by an equivalent	
26	amount of federal funds determined by the Department	
27	of Transportation to be available and necessary to	
28	comply with Section 8.50 and the most effective	
29	management of state transportation resources. Not	
30	more than 30 days after replacing the state funds with	
31	federal funds, the Director of Finance shall notify in	
32	writing the chairpersons of the committees in each	
33	house of the Legislature that consider appropriations	
34	and the Chairperson of the Joint Legislative Budget	
35	Committee of this action.	
36	2. Notwithstanding any other provision of law, funding	
37	appropriated in this item may be transferred to Item	
38	2660-005-0042 to pay for any necessary insurance,	
39	debt service, and other financing-related expenditures	
40	for Department of Transportation-owned office	

- 1 buildings. Any transfer will require the prior approval  
2 of the Department of Finance.
- 3 3. The funds appropriated in Schedule (2) for external  
4 consultant and professional services related to project  
5 delivery (also known as 232 contracts) that are unen-  
6 cumbered or encumbered but unexpended related to  
7 work that will not be performed during the fiscal year  
8 shall revert to the fund from which they were appropri-  
9 ated.
- 10 4. Notwithstanding any other provision of law, funds  
11 appropriated in this item may be supplemented with  
12 federal funding appropriation authority and with prior  
13 fiscal year State Highway Account appropriation bal-  
14 ances at a level determined by the Department of  
15 Transportation as required to process claims utilizing  
16 federal advance construction through the plan of finan-  
17 cial adjustment process pursuant to Sections 11251  
18 and 16365 of the Government Code.
- 19 5. Notwithstanding any other provision of law, funds  
20 appropriated in Item 2660-001-0042, 50.00-Adminis-  
21 tration from the State Highway Account, may be re-  
22 duced and replaced by an equivalent amount of reim-  
23 bursements determined by the Department of Trans-  
24 portation to be available and necessary to comply with  
25 Section 28.50 and the most effective management of  
26 state transportation resources. The reimbursements  
27 may also be reduced and replaced by an equivalent  
28 amount of funds from the State Highway Account.  
29 Not more than 30 days after replacing the State High-  
30 way Account funds with reimbursements and vice  
31 versa, the Director of Finance shall notify in writing  
32 the chairpersons of the committees in each house of  
33 the Legislature that consider appropriations and the  
34 Chairperson of the Joint Legislative Budget Committee  
35 of this action.
- 36 6. Not more than \$1,400,000 appropriated in this item is  
37 available for support of the Department of Transporta-  
38 tion's Owner Controlled Insurance Program to admin-  
39 ister insurance coverage for contractors on projects  
40 with combined total costs not to exceed \$750,000,000.

- 1        7. Of the funds appropriated in this item, \$214,000,000
- 2        is for major maintenance contracts for the preservation
- 3        of highway pavement, and shall not be used to supplant
- 4        any other funding that would have been used for major
- 5        pavement maintenance.
- 6        8. Of the funds appropriated in Schedule (5), \$48,556,000
- 7        is for the payment of tort lawsuit claims and awards.
- 8        Any funds for that purpose that are unencumbered as
- 9        of April 1, 2009, may be transferred to Item 2660-302-
- 10       0042. Any transfer shall require the prior approval of
- 11       the Department of Finance.
- 12       9. Of the funds appropriated in this item, transfers shall
- 13       be available to Items 2660-004-6055, 2660-004-6056,
- 14       2660-004-6058, 2660-004-6059, 2660-004-6060,
- 15       2660-004-6062, 2660-004-6063, 2660-004-6064, and
- 16       2660-004-6072. The Department of Finance shall au-
- 17       thorize the transfer not sooner than 30 days after noti-
- 18       fication in writing to the chairpersons of the commit-
- 19       tees in each house of the Legislature that consider ap-
- 20       propriations and the Chairperson of the Joint Legisla-
- 21       tive Budget Committee.
- 22       10. Of the funds appropriated in Schedule (7), \$5,000,000
- 23       shall be used to implement a parolee employment
- 24       program to pick up and remove litter along state
- 25       highways. The Department of Transportation will
- 26       evaluate the effectiveness of the parolee program and
- 27       present its findings to the Joint Legislative ~~Budge~~
- 28       *Budget* Committee by July 1, 2010. The report shall
- 29       also include a summary and evaluation of the overall
- 30       litter program, including information and enforcement
- 31       activities, which the Department of Transportation
- 32       shall compile in coordination with the Department of
- 33       the California Highway Patrol.
- 34       11. Of the funds appropriated in Schedule (7), \$2,301,000
- 35       shall be used to purchase three Balsi Beam systems
- 36       and three barrier guard systems to increase worker
- 37       safety.
- 38       12. Of the funds appropriated in Schedule (7), \$809,000
- 39       shall be used for traffic control operations for the

opening of the first segment of the managed lanes project on I-15 in San Diego County.

SEC. 50. Item 2660-104-6059 of Section 2.00 of the Budget Act of 2008 is amended to read:

2660-104-6059—For local assistance, Department of Transportation, payable from the Public Transportation Modernization, Improvement, and Service Enhancement Account, Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006..... 1,000

Schedule:

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

Provisions:

- 1. These funds shall be available for allocation by the California Transportation Commission until June 30, 2010, and available for encumbrance and liquidation until June 30, 2014.
2. Notwithstanding any other provision of law, funds appropriated in this item may be transferred to Item 2660-304-6059. These transfers require the prior approval of the Department of Finance.
3. (a) Funds made available in this item for capital improvements to the state's intercity rail program, including the purchase of new rolling stock, are necessary to implement a specific provision of the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, as that act was approved by the voters of the state State of California.
(b) From the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, paragraph (2) of subdivision (f) of Section 8879.23 of the Government Code makes funds available, upon appropriation of by the Legislature, for intercity rail improvements "including the procurement of additional intercity railcars and locomotives."
(c) It is the intent of the Legislature that funds appropriated for this purpose be spent prudently and

- 1 expeditiously to enhance the state’s intercity rail
- 2 service.
- 3 (d) It is further the intent of the Legislature that dur-
- 4 ing the 2008–09 fiscal year, and not later than
- 5 June 30, 2009, the Department of Transportation
- 6 shall release a Request for Proposal for the pro-
- 7 curement of rolling stock equipment as provided
- 8 for in paragraph (2) of subdivision (f) of Section
- 9 8879.23 of the Government Code.
- 10 (e) No later than January 1, 2009, the department
- 11 shall provide a report to the Joint Legislative
- 12 Budget Committee, describing the activities the
- 13 department has undertaken to allocate the funds
- 14 made available to it in this item.

15  
 16 *SEC. 51. Item 2660-304-6059 of Section 2.00 of the Budget*  
 17 *Act of 2008 is amended to read:*

18

<p>19 2660-304-6059—For capital outlay, Department of Transporta-</p> <p>20 tion, payable from the Public Transportation, Moderniza-</p> <p>21 tion, Improvement, and Service Enhancement Account,</p> <p>22 Highway Safety, Traffic Reduction, Air Quality, and Port</p> <p>23 Security Fund of 2006.....</p> <p>24 Schedule:</p> <p>25 (1) 30-Mass Transportation.....</p> <p>26 Provisions:</p> <p>27 1. These funds shall be available for allocation by the</p> <p>28 California Transportation Commission until June 30,</p> <p>29 2010, and available for encumbrance and liquidation</p> <p>30 until June 30, 2014.</p> <p>31 2. Notwithstanding any other provision of law, funds</p> <p>32 appropriated in this item may be transferred to Item</p> <p>33 2660-104-6059 upon the prior approval of the Depart-</p> <p>34 ment of Finance.</p> <p>35 4. (a) Funds made available in this item for capital im-</p> <p>36 provements to the state’s intercity rail program,</p> <p>37 including the purchase of new rolling stock, are</p> <p>38 necessary to implement a specific provision of</p> <p>39 the Highway Safety, Traffic Reduction, Air</p>	<p>70,999,000</p>
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1 Quality, and Port Security Bond Act of 2006, as  
2 that act was approved by the voters of California.

3 (b) From the Highway Safety, Traffic Reduction, Air  
4 Quality, and Port Security Bond Act of 2006,  
5 paragraph (2) of subdivision (f) of Section  
6 8879.23 of the Government Code makes funds  
7 available, upon appropriation ~~of~~ by the Legisla-  
8 ture, for intercity rail improvements “including  
9 the procurement of additional intercity railcars  
10 and locomotives.”

11 (c) It is the intent of the Legislature that funds appro-  
12 priated for this purpose be spent prudently and  
13 expeditiously to enhance the state’s intercity rail  
14 service.

15 (d) It is further the intent of the Legislature that dur-  
16 ing the 2008–09 fiscal year, and not later than  
17 June 30, 2009, the Department of Transportation  
18 shall release a Request for Proposal for the pro-  
19 curement of rolling stock equipment as provided  
20 for in paragraph (2) of subdivision (f) of Section  
21 8879.23 of the Government Code.

22 (e) No later than January 1, 2009, the department  
23 shall provide a report to the Joint Legislative  
24 Budget Committee, describing the activities the  
25 department has undertaken to allocate the funds  
26 made available to it in this item.

27  
28 *SEC. 52. Item 2660-492 of Section 2.00 of the Budget Act of*  
29 *2008 is amended to read:*

30  
31 2660-492—Reappropriation, Department of Transportation.

32 The amounts specified in the following citations are reap-  
33 propriated for the purposes provided for in the appropria-  
34 tions and are available for encumbrance or expenditure  
35 until June 30, 2009:

36 0042—State Highway Account, State Transportation Fund

37 (1) Item 2660-001-0042, Budget Act of 2001 (Ch. 106,  
38 Stats. 2001), as reappropriated by Item 2660-492,  
39 Budget Act of 2002 (Ch. 379, Stats. 2002), Budget  
40 Act of 2003 (Ch. 157, Stats. 2003), Budget Act of

- 1 2004 (Ch. 208, Stats. 2004), Budget Act of 2005 (Chs.  
2 38 and 39, Stats. 2005), Budget Act of 2006 (Chs. 47  
3 and 48, Stats. 2006), Budget Act of 2007 (Chs. 171  
4 and 172, Stats. 2007), 20.10-Highway Transportation  
5 —Capital Outlay Support, up to \$7,057,000 shall  
6 be available for the Project Resourcing and Schedule  
7 Management System.
- 8 (2) Item 2660-001-0042, Budget Act of 2006 (Chs. 47  
9 and 48, Stats. 2006), Budget Act of 2007 (Chs. 171  
10 and 172, Stats. 2007), 20.10-Highway Transportation  
11 —Capital Outlay Support, up to \$4,515,000 shall  
12 be available for the Project Resourcing and Schedule  
13 Management System.
- 14 (3) Item 2660-304-6059, Budget Act of 2007 (Chs. 171  
15 and 172, Stats. 2007), up to \$186,999,000 shall be  
16 available.
- 17 (4) Item 2660-104-6059, Budget Act of 2007 (Chs. 171  
18 and 172, Stats. 2007), up to \$1,000 shall be available.
- 19 Provisions:
- 20 1. Notwithstanding any other provision of law, funds  
21 appropriated in Schedule (1) or (2) may be increased  
22 by up to \$5,000,000 upon approval of the Director of  
23 Finance.
- 24 2. The funds available in Schedules (3) and (4) may be  
25 available for allocation by the California Transporta-  
26 tion Commission until June 30, 2010, and available  
27 for encumbrance and liquidation until June 30, 2013.  
28 Provision 3 of Item 2660-304-6059, Budget Act of  
29 2007 (Chs. 171 and 172, Stats. 2007), and Provision  
30 3 of Item 2660-104-6059, Budget Act of 2007 (Chs.  
31 171 and 172, Stats. 2007), shall not apply to the reap-  
32 propriated funds.
- 33 3. Notwithstanding any other provision of law, funds  
34 appropriated in Schedule (3) may be transferred to  
35 Item 2660-104-6059 upon approval of the Department  
36 of Finance.
- 37 4. Notwithstanding any other provision of law, funds  
38 appropriated in Schedule (4) may be transferred to  
39 Item 2660-304-6059 upon approval of the Department  
40 of Finance.



1	Schedule:	
2	(1) 10-Training and Work Program.....	65,032,000
3		62,032,000
4	(2) 20.01-Administration.....	7,662,000
5	(3) 20.02-Distributed Administration.....	-7,662,000
6	(4) Amount payable from the California	
7	Environmental License Plate Fund (Item	
8	3340-001-0140).....	-313,000
9	(5) Amount payable from the Public Re-	
10	sources Account, Cigarette and Tobacco	
11	Products Surtax Fund (Item 3340-001-	
12	0235).....	-307,000
13	(6) Amount payable from the Collins-	
14	Dugan California Conservation Corps	
15	Reimbursement Account (Item 3340-	
16	001-0318).....	-25,246,000
17		-24,246,000
18	(7) Amount payable from the Safe Drinking	
19	Water, Water Quality and Supply, Flood	
20	Control, River and Coastal Protection	
21	Fund of 2006 (Item 3340-001-6051).....	-3,292,000
22	Provisions:	
23	1. Of the funds appropriated in this item, \$2,725,000	
24	shall be available for use by the California Conserva-	
25	tion Corps to respond to natural disasters and other	
26	emergencies, including the fighting of forest fires. The	
27	Director of Finance may adjust this amount to the ex-	
28	tent indicated by corrections identified by the director	
29	in the reports of the past expenditures of the California	
30	Conservation Corps upon which the amounts appropri-	
31	ated by this item are based. The Director of Finance	
32	shall notify the Chairperson of the Joint Legislative	
33	Budget Committee at least 30 days prior to making	
34	that adjustment.	
35	2. To the extent that funds in excess of the amount iden-	
36	tified in Provision 1 are necessary in order for the	
37	California Conservation Corps to respond to one or	
38	more emergencies declared by the Governor, the De-	
39	partment of Finance shall transfer, from the funds	
40	available pursuant to Section 8690.6 of the Govern-	

1           ment Code, an amount not to exceed \$1,500,000 as  
 2           necessary to fund that response. If, after the Depart-  
 3           ment of Finance has transferred funds pursuant to this  
 4           provision, the California Conservation Corps receives  
 5           reimbursements or other amounts in payment of its  
 6           costs of response to one or more declared emergencies,  
 7           those amounts shall be deposited in the General Fund.

8  
 9        *SEC. 54. Item 3340-001-0318 of Section 2.00 of the Budget*  
 10 *Act of 2008 is amended to read:*

11	3340-001-0318—For support of California Conservation Corps,	
12	for payment to Item 3340-001-0001, payable from the	
13	Collins-Dugan California Conservation Corps Reimburse-	
14	ment Account.....	25,246,000
15		24,246,000
16		

17       Provisions:

- 18       1. Notwithstanding Section 14316 of the Public Re-
- 19       resources Code, the Department of Finance may make
- 20       a loan from the General Fund to the Collins-Dugan
- 21       California Conservation Corps Reimbursement Ac-
- 22       count for the purposes of this item, in the amount of
- 23       25 percent of the reimbursements anticipated in the
- 24       Collins-Dugan California Conservation Corps Reim-
- 25       bursement Account to be received by the California
- 26       Conservation Corps from each client agency, not to
- 27       exceed an aggregate total of \$5,963,000 to meet
- 28       cashflow needs due to delays in collecting reimburse-
- 29       ments. Any loan made by the Department of Finance
- 30       pursuant to this provision shall only be made if the
- 31       California Conservation Corps has a valid contract or
- 32       certification signed by the client agency, which
- 33       demonstrates that sufficient funds will be available to
- 34       repay the loan. All moneys so transferred shall be re-
- 35       paid to the General Fund as soon as possible, but not
- 36       later than one year from the date of the loan. On and
- 37       after a date of 90 days after the end of that year, the
- 38       Department of Finance shall charge interest to the
- 39       California Conservation Corps, at the rate earned in

1 the Pooled Money Investment Account, on any portion  
 2 of the loan that has not been repaid.  
 3 2. Notwithstanding Section 28.50, the Department of  
 4 Finance may augment this item to reflect increases in  
 5 reimbursements in the Collins-Dugan California  
 6 Conservation Corps Reimbursement Account received  
 7 from another officer, department, division, bureau, or  
 8 other agency of the state.  
 9

10 *SEC. 55. Item 3540-001-0001 of Section 2.00 of the Budget*  
 11 *Act of 2008 is amended to read:*  
 12

13	3540-001-0001—For support of Department of Forestry and	
14	Fire Protection.....	511,295,000
15		560,045,000
16	Schedule:	
17	(1) 10-Office of the State Fire Marshal.....	20,788,000
18		20,442,000
19	(2) 11-Fire Protection.....	910,409,000
20		880,623,000
21	(3) 12-Resource Management.....	62,597,000
22	(3.5) Board of Forestry.....	449,000
23	(4) 20.01-Administration.....	67,229,000
24		67,198,000
25	(5) 20.02-Distributed Administration.....	-66,567,000
26		-66,536,000
27	(6) Reimbursements.....	-259,797,000
28	(7) Less funding provided by capital out-	
29	lay.....	-14,209,000
30	(8) Amount payable from the General	
31	Fund (Item 3540-006-0001).....	-69,090,000
32	(9) Amount payable from the State Emer-	
33	gency Telephone Number Account	
34	(Item 3540-001-0022).....	-2,393,000
35	(10) Amount payable from the Unified Pro-	
36	gram Account (Item 3540-001-0028)....	-353,000
37	(11) Amount payable from the State Fire	
38	Marshal Licensing and Certification	
39	Fund (Item 3540-001-0102).....	-2,715,000

1	(12) Amount payable from the California	
2	Environmental License Plate Fund	
3	(Item 3540-001-0140).....	-504,000
4	(13) Amount payable from the California	
5	Fire and Arson Training Fund (Item	
6	3540-001-0198).....	-2,449,000
7	(14) Amount payable from the Hazardous	
8	Liquid Pipeline Safety Fund (Item	
9	3540-001-0209).....	-3,059,000
10	(16) Amount payable from the Public Re-	
11	sources Account, Cigarette and Tobacco	
12	Products Surtax Fund (Item 3540-001-	
13	0235).....	-419,000
14	(17) Amount payable from the Professional	
15	Forester Registration Fund (Item 3540-	
16	001-0300).....	-220,000
17	(18) Amount payable from the Federal	
18	Trust Fund (Item 3540-001-0890).....	-31,410,000
19	(19) Amount payable from the Forest Re-	
20	sources Improvement Fund (Item 3540-	
21	001-0928).....	-7,504,000
22	(20) Amount payable from the Timber Tax	
23	Fund (Item 3540-001-0965).....	-34,000
24	(20.5) Amount payable from the Emergen-	
25	cy Response Account (Item 3540-	
26	001-1014).....	-78,882,000
27		0
28	(22) Amount payable from the California	
29	Clean Water, Clean Air, Safe Neighbor-	
30	hood Parks, and Coastal Protection	
31	Fund (Item 3540-001-6029).....	-8,750,000
32	(23) Amount payable from the Water Secu-	
33	rity, Clean Drinking Water, Coastal and	
34	Beach Protection Fund of 2002 (Item	
35	3540-001-6031).....	-368,000
36	(24) Amount payable from the Safe Drinking	
37	Water, Water Quality and Supply,	
38	Flood Control, River and Coastal Pro-	
39	tection Fund of 2006 (Item 3540-001-	
40	6051).....	-1,454,000

- 1 Provisions:
- 2 1. Notwithstanding any other provision of law, the De-
- 3 partment of Finance may authorize the temporary or
- 4 permanent redirection of funds from this item for
- 5 purposes of emergency fire suppression and detection
- 6 costs and related emergency refutation costs.
- 7 2. Notwithstanding any other provision of law, the Direc-
- 8 tor of Finance may authorize a loan from the General
- 9 Fund, in an amount not to exceed 35 percent of reim-
- 10 bursements appropriated in this item, to the Depart-
- 11 ment of Forestry and Fire Protection, provided that:
- 12 (a) The loan is to meet cash needs resulting from the
- 13 delay in receipt of reimbursements for services
- 14 provided.
- 15 (b) The loan is for a short term and shall be repaid
- 16 by September 30 of the fiscal year following that
- 17 in which the loan was authorized.
- 18 (c) Interest charges may be waived pursuant to subdivi-
- 19 sion (e) of Section 16314 of the Government
- 20 Code.
- 21 (d) The Director of Finance may not approve the loan
- 22 unless the approval is made in writing and filed
- 23 with the Chairperson of the Joint Legislative
- 24 Budget Committee and the chairpersons of the
- 25 committees in each house of the Legislature that
- 26 consider appropriations not later than 30 days
- 27 prior to the effective date of the approval, or not
- 28 sooner than whatever lesser time that the chairper-
- 29 son of the joint committee, or his or her designee,
- 30 may determine.

31

32 *SEC. 56. Item 3540-001-1014 of Section 2.00 of the Budget*

33 *Act of 2008 is amended to read:*

34

35 3540-001-1014—For support of the Department of Forestry	
36 and Fire Protection, for payment to Item 3540-001-0001,	
37 payable from the Emergency Response Account.....	78,882,000
38	0
39	

1 SEC. 57. Item 3560-001-0001 of Section 2.00 of the Budget  
2 Act of 2008 is amended to read:

3  
4 3560-001-0001—For support of State Lands Commission..... 9,155,000  
5 8,514,000

6 Schedule:

- 7 (1) 10-Mineral Resources Management..... 9,493,000
- 8 9,158,000
- 9 (2) 20-Land Management..... 8,518,000
- 10 8,212,000
- 11 (3) 30.01-Executive and Administration..... 3,365,000
- 12 (4) 30.02-Distributed Administration..... -3,365,000
- 13 (5) 40-Marine Facilities Management..... 10,691,000
- 14 (6) Reimbursements..... -4,176,000
- 15 (7) Amount payable from the Marine Inva-
- 16 sive Species Control Fund (Item 3560-
- 17 001-0212)..... -3,341,000
- 18 (8) Amount payable from the Oil Spill
- 19 Prevention and Administration Fund
- 20 (Item 3560-001-0320)..... -11,115,000
- 21 (8.5) Amount payable from the School Land
- 22 Bank Fund (Item 3560-001-0347)..... -475,000
- 23 (9) Amount payable from the Land Bank
- 24 Fund (Item 3560-001-0943)..... -440,000

25 Provisions:

- 26 1. Notwithstanding subdivision (d) of Section 4 of
- 27 Chapter 138 of the Statutes of 1964, First Extraordi-
- 28 nary Session, all commission costs for administering
- 29 the Long Beach Tidelands, exclusive of any Attorney
- 30 General charges, shall be funded from revenues de-
- 31 posited into the General Fund pursuant to paragraph
- 32 (1) of subdivision (a) of Section 6217 of the Public
- 33 Resources Code.
- 34 2. All costs incurred to manage state school lands shall
- 35 be deducted from the revenues produced by those lands
- 36 and deposited into the General Fund pursuant to Sec-
- 37 tion 24412 of the Education Code.

38  
39 SEC. 58. Item 3600-001-0001 of Section 2.00 of the Budget  
40 Act of 2008 is amended to read:

1	3600-001-0001—For support of Department of Fish and	
2	Game.....	77,301,000
3		67,847,000
4	Schedule:	
5	(1) 20-Biodiversity Conservation Pro-	
6	gram.....	150,694,000
7		141,714,000
8	(2) 25-Hunting, Fishing, and Public Use....	71,276,000
9		70,802,000
10	(3) 30-Management of Department Lands	
11	and Facilities.....	48,009,000
12	(4) 40-Enforcement.....	61,764,000
13	(4.5) 45-Communication, Education, and	
14	Outreach.....	4,716,000
15	(5) 50-Spill Prevention and Response.....	31,418,000
16	(5.5) 61-Fish and Game Commission.....	1,345,000
17	(6) 70.01-Administration.....	44,359,000
18	(7) 70.02-Distributed Administration.....	-44,359,000
19	(8) Reimbursements.....	-38,080,000
20	(9) Amount payable from the Safe Neighbor-	
21	hood Parks, Clean Water, Clean Air,	
22	and Coastal Protection Bond Fund (Item	
23	3600-001-0005).....	-1,026,000
24	(10) Amount payable from the California	
25	Environmental License Plate Fund	
26	(Item 3600-001-0140).....	-17,435,000
27	(11) Amount payable from the Fish and	
28	Game Preservation Fund (Item 3600-	
29	001-0200).....	-87,690,000
30	(12) Amount payable from the Fish and	
31	Wildlife Pollution Account (Item 3600-	
32	001-0207).....	-2,681,000
33	(13) Amount payable from the California	
34	Waterfowl Habitat Preservation Ac-	
35	count, Fish and Game Preservation	
36	Fund (Item 3600-001-0211).....	-239,000
37	(14) Amount payable from the Marine Inva-	
38	sive Species Control Fund (Item 3600-	
39	001-0212).....	-1,312,000

1	(15) Amount payable from the Public Re-	
2	sources Account, Cigarette and Tobacco	
3	Products Surtax Fund (Item 3600-001-	
4	0235).....	-2,758,000
5	(16) Amount payable from the Oil Spill	
6	Prevention and Administration Fund	
7	(Item 3600-001-0320).....	-25,019,000
8	(17) Amount payable from the Environmen-	
9	tal Enhancement Fund (Item 3600-001-	
10	0322).....	-352,000
11	(18) Amount payable from the Central Val-	
12	ley Project Improvement Subaccount	
13	(Item 3600-001-0404).....	-57,000
14	(18.5) Amount payable from the Harbors	
15	and Watercraft Revolving Fund (Item	
16	3600-001-0004).....	-2,144,000
17	(19) Amount payable from the Federal	
18	Trust Fund (Item 3600-001-0890).....	-51,289,000
19	(20) Amount payable from the Special De-	
20	posit Fund (Item 3600-001-0942).....	-1,585,000
21	(21) Amount payable from the Hatchery	
22	and Inland Fisheries Fund (Item 3600-	
23	001-3103).....	-17,297,000
24	(22) Amount payable from the Coastal	
25	Wetlands Account (Item 3600-001-	
26	3104).....	-140,000
27	(24) Amount payable from the Interim Water	
28	Supply and Water Quality Infrastructure	
29	and Management Subaccount (Item	
30	3600-001-6027).....	-2,160,000
31	(25) Amount payable from the Water Secu-	
32	rity, Clean Drinking Water, Coastal and	
33	Beach Protection Fund of 2002 (Item	
34	3600-001-6031).....	-7,227,000
35	(26) Amount payable from the Safe Drink-	
36	ing Water, Water Quality and Supply,	
37	Flood Control, River and Coastal Pro-	
38	tection Fund of 2006 (Item 3600-001-	
39	6051).....	-19,698,000

1 (27) Amount payable from the Salton Sea  
 2 Restoration Fund (Item 3600-001-  
 3 8018)..... -13,605,000

4 (28) Amount payable from the California  
 5 Sea Otter Fund (Item 3600-001-  
 6 8047)..... -127,000

7 Provisions:

8 1. The funds appropriated in this item may be increased  
 9 with the approval of, and under the conditions set by,  
 10 the Department of Finance to meet current obligations  
 11 proposed to be funded in Schedules (8) and (19). The  
 12 funds appropriated in this item shall not be increased  
 13 until the Department of Fish and Game has a valid  
 14 contract, signed by the client agency, that provides  
 15 sufficient funds to finance the increased authorization.  
 16 This increased authorization may not be used to ex-  
 17 pand services or create new obligations.

18 Reimbursements received under Schedules (8) and  
 19 (19) shall be used in repayment of any funds used to  
 20 meet current obligations pursuant to this provision.

21 2. The funds appropriated in this item for purposes of  
 22 subdivision (n) of Section 75050 of the Public Re-  
 23 sources Code shall continue only so long as the United  
 24 States Bureau of Reclamation continues to provide  
 25 federal funds and continues to carry out federal actions  
 26 to implement the settlement agreement in Natural Re-  
 27 sources Defense Council v. Rodgers (2005) 381  
 28 F.Supp.2d 1212.

29  
 30 *SEC. 59. Item 3720-001-0001 of Section 2.00 of the Budget*  
 31 *Act of 2008 is amended to read:*

32  
 33 3720-001-0001—For support of California Coastal Commis-  
 34 sion..... ~~11,809,000~~  
 35 *11,584,000*

36 Schedule:

37 (1) 10-Coastal Management Program..... ~~16,630,000~~  
 38 *15,968,000*

39 (2) 20-Coastal Energy Program..... ~~1,112,000~~  
 40 *1,025,000*

1	(3) 30.01-Administration.....	1,914,000
2		1,656,000
3	(4) 30.02-Distributed Administration.....	-1,814,000
4		-1,556,000
5	(5) Reimbursements.....	-2,369,000
6	(6) Amount payable from California Beach	
7	and Coastal Enhancement Account	
8	(Item 3720-001-0371).....	-596,000
9	(8) Amount payable from the Federal Trust	
10	Fund (Item 3720-001-0890).....	-2,544,000
11	(9) Amount payable from the Coast Act	
12	Services Fund (Item 3720-001-3123)....	-524,000
13		0

14  
15 *SEC. 60. Item 3720-001-3123 of Section 2.00 of the Budget*  
16 *Act of 2008 is amended to read:*

17		
18	3720-001-3123—For support of the California Coastal Com-	
19	mission, for payment to Item 3720-001-0001, payable	
20	from the Coast Act Services Fund.....	524,000
21		0

22  
23 *SEC. 61. Item 3790-490 of Section 2.00 of the Budget Act of*  
24 *2008 is amended to read:*

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

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

29  
 30 *SEC. 62. Item 3790-494 is added to Section 2.00 of the Budget*  
 31 *Act of 2008, to read:*

32  
 33 *3790-494—Reappropriation, Department of Parks and Recre-*  
 34 *ation. Notwithstanding any other provision of law, the pe-*  
 35 *riod to liquidate encumbrances in the following citation is*  
 36 *extended to June 30, 2009:*  
 37 *6029—California Clean Water, Clean Air, Safe Neighbor-*  
 38 *hood Parks, and Coastal Protection Fund*

1 (1) Subdivision (b) of Section 2 of Chapter 1126 of  
 2 Statutes of 2002, for the \$333,333 grant to the City of  
 3 San Jose for the development of Japantown.

4  
 5 SEC. 63. Item 3860-001-0001 of Section 2.00 of the Budget  
 6 Act of 2008 is amended to read:

7  
 8 3860-001-0001—For support of Department of Water Re-  
 9 sources..... ~~65,630,000~~  
 10 ~~63,830,000~~

11 Schedule:

- 12 (1) 10-Continuing Formulation of the Cali-  
 13 fornia Water Plan..... 93,885,000
- 14 (2) 20-Implementation of the State Water  
 15 Resources Development System..... 5,489,000
- 16 (3) 30-Public Safety and Prevention of  
 17 Damage..... 107,366,000
- 18 (4) 35-Central Valley Flood Protection  
 19 Board..... ~~7,708,000~~  
 20 ~~5,908,000~~
- 21 (5) 40-Services..... 9,405,000
- 22 (6) 45-California Energy Resources  
 23 Scheduling (CERS)..... 26,279,000
- 24 (7) 50.01-Management and Administra-  
 25 tion..... 65,319,000
- 26 (8) 50.02-Distributed Management and  
 27 Administration..... -65,470,000
- 28 (9) Reimbursements..... -46,116,000
- 29 (10) Amount payable from the California  
 30 Environmental License Plate Fund  
 31 (Item 3860-001-0140)..... -330,000
- 32 (11) Amount payable from the Central Val-  
 33 ley Project Improvement Subaccount  
 34 (Item 3860-001-0404)..... -1,578,000
- 35 (12) Amount payable from the Feasibility  
 36 Projects Subaccount (Item 3860-001-  
 37 0445)..... -118,000
- 38 (13) Amount payable from the Water Con-  
 39 servation and Groundwater Recharge  
 40 Subaccount (Item 3860-001-0446)..... -125,000

1	(14) Amount payable from the Energy Re-	
2	sources Programs Account (Item 3860-	
3	001-0465).....	-2,364,000
4	(15) Amount payable from the Local Pro-	
5	jects Subaccount (Item 3860-001-	
6	0543).....	-101,000
7	(16) Amount payable from the Sacramento	
8	Valley Water Management and Habitat	
9	Protection Subaccount (Item 3860-001-	
10	0544).....	-27,000
11	(17) Amount payable from the 1986 Water	
12	Conservation and Water Quality Bond	
13	Fund (Item 3860-001-0744).....	-195,000
14	(18) Amount payable from the Federal	
15	Trust Fund (Item 3860-001-0890).....	-13,514,000
16	(19) Amount payable from the Dam Safety	
17	Fund (Item 3860-001-3057).....	-10,382,000
18	(20) Amount payable from the Department	
19	of Water Resources Electric Power	
20	Fund (Item 3860-001-3100).....	-26,229,000
21	(21) Amount payable from the Safe Drinking	
22	Water, Clean Water, Watershed Protec-	
23	tion, and Flood Protection Bond Fund	
24	(Item 3860-001-6001).....	-1,029,000
25	(21.5) Amount payable from the Flood Pro-	
26	tection Corridor Subaccount (Item	
27	3860-001-6005).....	-162,000
28	(22) Amount payable from the Water Con-	
29	servation Account (Item 3860-001-	
30	6023).....	-849,000
31	(23) Amount payable from the Conjunctive	
32	Use Subaccount (Item 3860-001-	
33	6025).....	-1,503,000
34	(24) Amount payable from the Bay-Delta	
35	Multipurpose Water Management	
36	Subaccount (Item 3860-001-6026).....	-10,646,000
37	(25) Amount payable from the Interim Water	
38	Supply and Water Quality Infrastructure	
39	and Management Subaccount (Item	
40	3860-001-6027).....	-2,796,000

1	(26) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3860-001-6031).....	-13,870,000
2		
3		
4		
5	(27) Amount payable from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006 (Item 3860-001-6051).....	-21,650,000
6		
7		
8		
9		
10	(28) Amount payable from the Disaster Preparedness and Flood Prevention Bond Fund of 2006 (Item 3860-001-6052).....	-30,767,000
11		
12		
13		
14	Provisions:	
15	1. The amounts appropriated in Items 3860-001-0001 to 3860-001-6052, inclusive, shall be transferred to the Water Resources Revolving Fund (0691) for direct expenditure in such amounts as the Department of Finance may authorize, including cooperative work with other agencies.	
16		
17		
18		
19		
20		
21	2. The funds appropriated in this item for purposes of subdivision (n) of Section 75050 of the Public Resources Code may be expended only so long as the United States Bureau of Reclamation continues to provide federal funds and continues to carry out federal actions to implement the settlement agreement in <i>Natural Resources Defense Council v. Rodgers</i> (2005) 381 F.Supp.2d 1212.	
22		
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30 *SEC. 64. Item 3900-001-0044 of Section 2.00 of the Budget*  
 31 *Act of 2008 is amended to read:*

32		
33	3900-001-0044—For support of State Air Resources Board, payable from the Motor Vehicle Account, State Transportation Fund.....	105,261,000
34		
35		
36		111,261,000
37	Schedule:	
38	(1) 15-Mobile Source.....	552,652,000
39		558,652,000
40	(2) 25-Stationary Source.....	57,232,000

1	(3) 30.01-Program Direction and Support....	14,941,000
2	(4) 30.02-Distributed Program Direction	
3	and Support.....	-14,941,000
4	(5) Reimbursements.....	-5,460,000
5	(6) Amount payable from the General Fund	
6	(Item 3900-001-0001).....	-2,189,000
7	(7) Amount payable from the Air Pollu-	
8	tion Control Fund (Item 3900-001-	
9	0115).....	-164,758,000
10	(8) Amount payable from the Vehicle In-	
11	spection and Repair Fund (Item 3900-	
12	001-0421).....	-14,271,000
13	(9) Amount payable from the Air Toxics	
14	Inventory and Assessment Account	
15	(Item 3900-001-0434).....	-936,000
16	(10) Amount payable from the Federal	
17	Trust Fund (Item 3900-001-0890).....	-14,924,000
18	(11) Amount payable from the Non-Toxic	
19	Dry Cleaning Incentive Trust Fund	
20	(Item 3900-001-3070).....	-1,514,000
21	(12) Amount payable from the Air Quality	
22	Improvement Fund (Item 3900-001-	
23	3119).....	-50,440,000
24	(13) Amount payable from the California	
25	Ports Infrastructure, Security, and	
26	Air Quality Improvement Account,	
27	Highway Safety, Traffic Reduction,	
28	Air Quality, and Port Security Fund	
29	of 2006 (Item 3900-001-6054).....	-250,131,000

30 Provisions:

- 31 1. *Of the funds appropriated pursuant to this item,*
- 32 *\$6,000,000 shall be expended pursuant to Section*
- 33 *7(a)(1), (c), (d)(1), (e), and (g) of Chapter 91 of the*
- 34 *Statutes of 2005. Notwithstanding subdivision (a) of*
- 35 *Section 1.80 of this act, these funds are available for*
- 36 *expenditure until June 30, 2011.*
- 37 2. *The State Air Resources Board shall provide to the*
- 38 *Legislature an update of the report identified in sub-*
- 39 *section (f) of Section 7 of Chapter 91 of the Statutes*
- 40 *of 2005 by February 1, 2009.*

SEC. 65. Item 3940-001-0001 of Section 2.00 of the Budget Act of 2008 is amended to read:

3940-001-0001—For support of State Water Resources Control	
Board.....	38,714,000
	28,714,000
Schedule:	
(1) 10-Water Quality.....	461,545,000
	451,545,000
(a) State Water Resources Control	
Board.....	(344,589,000)
	(342,697,000)
(b) Regional Water Quality Control	
Boards.....	(116,956,000)
	(108,848,000)
(1) Region 1-North Coast.....	(10,300,000)
	(9,163,000)
(2) Region 2-San Francisco Bay.....	(15,048,000)
	(13,861,000)
(3) Region 3-Central Coast.....	(8,302,000)
	(7,588,000)
(4) Region 4-Los Angeles.....	(16,743,000)
	(15,646,000)
(5) Region 5-Central Valley.....	(33,600,000)
	(32,399,000)
(6) Region 6-Lahontan.....	(9,569,000)
	(8,893,000)
(7) Region 7-Palm Desert.....	(5,222,000)
	(4,651,000)

1	(8) Region 8-Santa	
2	Ana.....	(9,668,000)
3		(8,739,000)
4	(9) Region 9-San	
5	Diego.....	(8,504,000)
6		(7,908,000)
7	(2) 20-Water Rights.....	11,377,000
8	(3) 30.01-Administration.....	20,888,000
9	(4) 30.02-Distributed Administration.....	-20,888,000
10	(5) Reimbursements.....	-5,914,000
11	(6) Amount payable from the Unified Pro-	
12	gram Account (Item 3940-001-0028)....	-623,000
13	(7) Amount payable from the Waste Dis-	
14	charge Permit Fund (Item 3940-001-	
15	0193).....	-75,619,000
16	(8) Amount payable from the Marine Inva-	
17	sive Species Control Fund (Item 3940-	
18	001-0212).....	-103,000
19	(9) Amount payable from the Public Re-	
20	sources Account, Cigarette and Tobacco	
21	Products Surtax Fund (Item 3940-001-	
22	0235).....	-2,437,000
23	(10) Amount payable from the Integrated	
24	Waste Management Account, Integrated	
25	Waste Management Fund (Item 3940-	
26	001-0387).....	-6,493,000
27	(11) Amount payable from the Water Recy-	
28	cling Subaccount (Item 3940-001-	
29	0419).....	-2,189,000
30	(12) Amount payable from the Drainage	
31	Management Subaccount (Item 3940-	
32	001-0422).....	-515,000
33	(13) Amount payable from the Seawater In-	
34	trusion Control Subaccount (Item 3940-	
35	001-0424).....	-97,000
36	(14) Amount payable from the Underground	
37	Storage Tank Tester Account (Item	
38	3940-001-0436).....	-64,000

1	(15) Amount payable from the Under-	
2	ground Storage Tank Cleanup Fund	
3	(Item 3940-001-0439).....	-278,051,000
4	(16) Amount payable from the Surface Im-	
5	poundment Assessment Account (Item	
6	3940-001-0482).....	-219,000
7	(17) Amount payable from the 1984 State	
8	Clean Water Bond Fund (Item 3940-	
9	001-0740).....	-322,000
10	(18) Amount payable from the Federal	
11	Trust Fund (Item 3940-001-0890).....	-34,608,000
12	(19) Amount payable from the Water Rights	
13	Fund (Item 3940-001-3058).....	-7,382,000
14	(20) Amount payable from the Watershed	
15	Protection Subaccount (Item 3940-001-	
16	6013).....	-1,069,000
17	(21) Amount payable from the Santa Ana	
18	River Watershed Subaccount (Item	
19	3940-001-6016).....	-1,062,000
20	(22) Amount payable from the Lake Elsinore	
21	and San Jacinto Watershed Subaccount	
22	(Item 3940-001-6017).....	-47,000
23	(23) Amount payable from the Nonpoint	
24	Source Pollution Control Subaccount	
25	(Item 3940-001-6019).....	-986,000
26	(24) Amount payable from the State Revolv-	
27	ing Fund Loan Subaccount (Item 3940-	
28	001-6020).....	-81,000
29	(25) Amount payable from the Wastewater	
30	Construction Grant Subaccount (Item	
31	3940-001-6021).....	-23,000
32	(26) Amount payable from the Coastal	
33	Nonpoint Source Control Subaccount	
34	(Item 3940-001-6022).....	-815,000
35	(27) Amount payable from the California	
36	Clean Water, Clean Air, Safe Neighbor-	
37	hood Parks, and Coastal Protection	
38	Fund (Item 3940-001-6029).....	-170,000

1	(28) Amount payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Item 3940-001-6031).....	-5,078,000
2		
3		
4		
5	(29) Amount payable from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006 (Item 3940-001-6051).....	-4,073,000
6		
7		
8		
9		
10	(30) Amount payable from the Petroleum Underground Storage Tank Financing Account (Item 3940-001-8026).....	-636,000
11		
12		
13	(31) Amount payable from the State Water Pollution Control Revolving Fund Administration Fund (Item 3940-001-9739).....	-5,532,000
14		
15		
16		

17 Provisions:

- 18 1. Notwithstanding any other provision of law, upon approval and order of the Director of Finance, the State Water Resources Control Board may borrow sufficient funds for cash purposes from special funds that otherwise provide support for the board. Any such loans are to be repaid with interest at the rate earned in the Pooled Money Investment Account.
- 19
- 20
- 21
- 22
- 23
- 24
- 25 2. The funds listed in Schedule (1) may be authorized for transfer among regional water quality control boards or the State Water Resources Control Board not sooner than 30 days after notification in writing to the Joint Legislative Budget Committee if the transfers collectively exceed \$100,000 during a 30-day period. Transfers of less than \$100,000 during a 30-day period may be executed at the discretion of the Director of Finance.
- 26
- 27
- 28
- 29
- 30
- 31
- 32
- 33

34  
35 *SEC. 66. Item 3940-490 of Section 2.00 of the Budget Act of*  
36 *2008 is repealed.*

1 ~~3940-490—Reappropriation, State Water Resources Control~~  
 2 ~~Board. Notwithstanding any other provision of law, the~~  
 3 ~~period to liquidate encumbrances of the following citations~~  
 4 ~~is extended to June 30, 2009:~~  
 5 ~~0235—Public Resources Account, Cigarette and Tobacco~~  
 6 ~~Products Surtax Fund~~  
 7 ~~(1) Item 3940-001-0235, Budget Act of 2005 (Chs. 38~~  
 8 ~~and 39, Stats. 2005)~~  
 9 ~~(2) 20-Water Rights~~

10 ~~Provisions:~~  
 11 ~~1. The State Water Resources Control Board shall con-~~  
 12 ~~duct at least two public hearings or workshops in the~~  
 13 ~~North Coast Region regarding its proposed principles~~  
 14 ~~and guidelines for maintaining instream flows required~~  
 15 ~~pursuant to Chapter 943 of the Statutes of 2004. At~~  
 16 ~~least one of the public hearings shall be conducted in~~  
 17 ~~the northern part of the region and one in the southern~~  
 18 ~~part.~~

19  
 20 *SEC. 67. Item 4170-101-0001 of Section 2.00 of the Budget*  
 21 *Act of 2008 is amended to read:*

22  
 23 4170-101-0001—For local assistance, Department of Aging.... 56,109,000  
 24 52,548,000

25 Schedule:  
 26 (1) 10-Nutrition..... 73,373,000  
 27 (2) 20-Senior Community Employment  
 28 Service..... 10,304,000  
 29 (3) 30-Supportive Services and Centers..... 71,894,000  
 30 (4) 40-Special Projects..... 50,003,000  
 31 46,642,000  
 32 (4.5) 97.20.004-Local Projects..... 200,000  
 33 (a) Legal Services of Northern California: Senior  
 34 Legal Hotline  
 35 (5) Reimbursements..... -4,559,000  
 36 (6) Amount payable from the State HICAP  
 37 Fund (Item 4170-101-0289)..... -2,246,000  
 38 (7) Amount payable from the Federal  
 39 Trust Fund (Item 4170-101-0890)..... -141,418,000

- 1 (8) Amount payable from the Federal
- 2 Health Facilities Citation Penalties Ac-
- 3 count, Special Deposit Fund (Item 4170-
- 4 103-0942)..... -1,442,000
- 5 Provisions:
- 6 1. Notwithstanding Section 26.00, the Department of
- 7 Finance, upon notification by the California Depart-
- 8 ment of Aging, may authorize transfers between Pro-
- 9 gram 10-Nutrition and Program 30-Supportive Ser-
- 10 vices and Centers in response to budget revisions
- 11 submitted by the Area Agencies on Aging.
- 12 2. To the extent the United States enacts a minimum
- 13 wage equal to or greater than that of California, state
- 14 funding provided in this item for the Senior Commu-
- 15 nity Service Employment Program shall revert to the
- 16 General Fund.
- 17 3. Of the funds appropriated in this item, the Controller
- 18 shall reimburse from Program 40-Special Projects,
- 19 ~~\$25,258,000~~ \$22,732,000 upon enactment of the
- 20 Budget Act to the State Department of Health Care
- 21 Services for support of the Multipurpose Senior Ser-
- 22 vices Program.

23

24 *SEC. 68. Item 4200-001-0001 of Section 2.00 of the Budget*

25 *Act of 2008 is amended to read:*

26

27 4200-001-0001—For support of Department of Alcohol and

28 Drug Programs..... 14,701,000

29 6,129,000

30 Schedule:

31 (1) 15-Alcohol and Other Drug Services

32 Program..... 57,702,000

33 48,385,000

34 (2) 30.01-Administration..... 11,999,000

35 (3) 30.02-Distributed Administration..... -11,999,000

36 (4) Reimbursements..... ~~-4,932,000~~

37 -4,544,000

38 (5) Amount payable from the Driving-Un-

39 der-the-Influence Program Licensing

40 Trust Fund (Item 4200-001-0139)..... -1,519,000

1	(6) Amount payable from the Narcotic	
2	Treatment Program Licensing Trust	
3	Fund (Item 4200-001-0243).....	-1,352,000
4	(7) Amount payable from Indian Gaming	
5	Special Distribution Fund (Item 4200-	
6	001-0367).....	-4,281,000
7	(8) Amount payable from the Audit Repay-	
8	ment Trust Fund (Item 4200-001-	
9	0816).....	-70,000
10	(9) Amount payable from the Federal Trust	
11	Fund (Item 4200-001-0890).....	-24,760,000
12	(10) Amount payable from the Substance	
13	Abuse Treatment Trust Fund (Item	
14	4200-001-3019).....	<del>-3,565,000</del>
15		-3,208,000
16	(11) Amount payable from the Mental	
17	Health Services Fund (Item 4200-001-	
18	3085).....	-507,000
19	(12) Amount payable from the Gambling	
20	Addiction Program Fund (Item 4200-	
21	001-3110).....	-150,000
22	(13) Amount payable from Residential and	
23	Outpatient Program Licensing Fund	
24	(Item 4200-001-3113).....	-1,865,000

25 Provisions:

26 1. Upon approval by the Department of Finance, the  
27 Controller shall transfer such funds as are necessary  
28 between this item and Items 4200-101-0001, 4200-  
29 102-0001, 4200-103-0001, and 4200-104-0001. In  
30 determining which transfers are necessary pursuant to  
31 this provision, the department shall assess those pro-  
32 grams and operations that have the most critical need.  
33 In making the assessment, the department shall consid-  
34 er such factors as caseload requirements, availability  
35 of personnel to provide essential services, other fund-  
36 ing sources, and relevant information provided by af-  
37 fected state agencies.

38  
39 *SEC. 69. Item 4200-001-3019 of Section 2.00 of the Budget*  
40 *Act of 2008 is amended to read:*

1 4200-001-3019—For support of Department of Alcohol and  
 2 Drug Programs, for payment to Item 4200-001-0001,  
 3 payable from the Substance Abuse Treatment Trust  
 4 Fund..... 3,565,000  
 5 3,208,000

6 Provisions:  
 7 1. Funds appropriated in this item are in lieu of the  
 8 amounts that otherwise would have been appropriated  
 9 for administration pursuant to Section 11999.6 of the  
 10 Health and Safety Code.

11  
 12 *SEC. 70. Item 4200-101-0001 of Section 2.00 of the Budget*  
 13 *Act of 2008 is amended to read:*

14  
 15 4200-101-0001—For local assistance, Department of Alcohol  
 16 and Drug Programs..... 89,197,000  
 17 86,648,000

18 Schedule:  
 19 (1) 15-Alcohol and Other Drug Services  
 20 Program..... 438,351,000  
 21 426,151,000  
 22 (2) Reimbursements..... -10,807,000  
 23 (2.5) Amount payable from the Indian  
 24 Gaming Special Distribution Fund  
 25 (Item 4200-101-0367)..... -4,000,000  
 26 (3) Amount payable from the Federal  
 27 Trust Fund (Item 4200-101-0890)..... -237,833,000  
 28 (4) Amount payable from the Substance  
 29 Abuse Treatment Fund (Item 4200-  
 30 101-3019)..... -96,514,000  
 31 -86,863,000

32 Provisions:  
 33 1. Upon approval by the Department of Finance, the  
 34 Controller shall transfer such funds as are necessary  
 35 between this item and Items 4200-001-0001, 4200-  
 36 102-0001, 4200-103-0001, and 4200-104-0001. In  
 37 determining which transfers are necessary pursuant to  
 38 this provision, the department shall assess those pro-  
 39 grams and operations that have the most critical need.  
 40 In making this assessment, the department shall con-

- 1 sider such factors as caseload requirements, availabil-
- 2 ity of personnel to provide essential services, other
- 3 funding sources, and relevant information provided
- 4 by affected state agencies.
- 5 2. Upon approval by the Department of Finance, one or
- 6 more short-term loans not to exceed a cumulative total
- 7 of \$59,745,000 may be made available from the Gen-
- 8 eral Fund when there is a delay in the allocation of
- 9 federal Substance Abuse Prevention and Treatment
- 10 (SAPT) Block Grant funds to California. Each loan
- 11 shall be repaid, with interest calculated pursuant to
- 12 subdivision (a) of Section 16314 of the Government
- 13 Code, upon receipt of the federal SAPT Block Grant.

14  
 15 *SEC. 71. Item 4200-101-3019 of Section 2.00 of the Budget*  
 16 *Act of 2008 is amended to read:*

17  
 18 4200-101-3019—For local assistance, Department of Alcohol  
 19 and Drug Programs, for payment to Item 4200-101-0001,  
 20 payable from the Substance Abuse Treatment Fund..... 96,514,000  
 21 86,863,000

22 Provisions:

- 23 1. Funds appropriated in this item are in lieu of the
- 24 amounts that otherwise would have been appropriated
- 25 for local assistance pursuant to Section 11999.6 of the
- 26 Health and Safety Code.

27  
 28 *SEC. 72. Item 4200-102-0001 of Section 2.00 of the Budget*  
 29 *Act of 2008 is amended to read:*

30  
 31 4200-102-0001—For local assistance, Department of Alcohol  
 32 and Drug Programs, for perinatal substance abuse treatment  
 33 programs (Drug Medi-Cal)..... 4,639,000  
 34 4,294,000

35 Schedule:

- 36 (1) 15-Alcohol and Other Drug Services
- 37 Program..... 9,278,000
- 38 8,588,000
- 39 (2) Reimbursements..... -4,639,000
- 40 -4,294,000

- 1 Provisions:
- 2 1. Upon approval by the Department of Finance, the
- 3 Controller shall transfer such funds as are necessary
- 4 between this item and Items 4200-001-0001, 4200-
- 5 101-0001, 4200-103-0001, and 4200-104-0001. In
- 6 determining which transfers are necessary pursuant to
- 7 this provision, the department shall assess those pro-
- 8 grams and operations that have the most critical need.
- 9 In making this assessment, the department shall con-
- 10 sider such factors as caseload requirements, availabil-
- 11 ity of personnel to provide essential services, other
- 12 funding sources, and relevant information provided
- 13 by affected state agencies.
- 14 2. The funds appropriated by this item are available to
- 15 provide funding for the state’s share of expenditures
- 16 for perinatal substance abuse services provided to
- 17 persons eligible for Medi-Cal.
- 18 3. Notwithstanding subdivision (a) of Section 1.80 and
- 19 Section 26.00, the Department of Finance may autho-
- 20 rize a transfer of expenditure authority between this
- 21 item and Item 4200-103-0001, so that the funds appro-
- 22 priated in either item may be used to pay the state and
- 23 federal share of prior fiscal years’ allowable Medi-Cal
- 24 costs that exceed the amount encumbered in prior fis-
- 25 cal years. The department shall notify the Legislature
- 26 within 10 days after authorizing a transfer pursuant to
- 27 this provision unless prior notification of the transfer
- 28 has been included in the Medi-Cal estimates submitted
- 29 pursuant to Section 14100.5 of the Welfare and Insti-
- 30 tutions Code.

31

32 *SEC. 73. Item 4200-103-0001 of Section 2.00 of the Budget*

33 *Act of 2008 is amended to read:*

34

35 4200-103-0001—For local assistance, Department of Alcohol	
36 and Drug Programs, Drug Medi-Cal Services.....	93,721,000
37	85,206,000

1	Schedule:	
2	(1) 15-Alcohol and Other Drug Services	
3	Program.....	180,812,000
4		164,442,000
5	(2) Reimbursements.....	-87,091,000
6		-79,236,000

- 7 Provisions:
- 8 1. Upon approval by the Department of Finance, the  
9 Controller shall transfer such funds as are necessary  
10 between this item and Items 4200-001-0001, 4200-  
11 101-0001, 4200-102-0001, and 4200-104-0001. In  
12 determining which transfers are necessary pursuant to  
13 this provision, the department shall assess those pro-  
14 grams and operations that have the most critical need.  
15 In making this assessment, the department shall con-  
16 sider such factors as caseload requirements, availabil-  
17 ity of personnel to provide essential services, other  
18 funding sources, and relevant information provided  
19 by affected state agencies.
  - 20 2. The funds appropriated in this item are available to  
21 provide funding for the state’s share of expenditures  
22 for substance abuse services provided to persons eligi-  
23 ble for Medi-Cal.
  - 24 3. Notwithstanding subdivision (a) of Section 1.80 and  
25 Section 26.00, the Department of Finance may autho-  
26 rize a transfer of expenditure authority between this  
27 item and Item 4200-102-0001 so that the funds appro-  
28 priated in either item may be used to pay the state and  
29 federal share of prior fiscal years’ allowable Medi-Cal  
30 costs that exceed the amount encumbered in prior fis-  
31 cal years. The department shall notify the Legislature  
32 within 10 days after authorizing a transfer pursuant to  
33 this provision unless prior notification of the transfer  
34 has been included in the Medi-Cal estimates submitted  
35 pursuant to Section 14100.5 of the Welfare and Insti-  
36 tutions Code.
  - 37 4. Notwithstanding any other provision of law, both the  
38 federal and nonfederal shares of any moneys recovered  
39 for previously paid Drug Medi-Cal program services  
40 provided pursuant to Chapter 7 (commencing with

1 Section 14000) of Part 3 of Division 9 of the Welfare  
 2 and Institutions Code are hereby appropriated and shall  
 3 be expended as soon as practicable for Drug Medi-Cal  
 4 program services, as defined in the Welfare and Insti-  
 5 tutions Code.

6  
 7 *SEC. 74. Item 4200-105-0001 of Section 2.00 of the Budget*  
 8 *Act of 2008 is amended to read:*

9  
 10 4200-105-0001—For transfer, as an expenditure, by the Con-  
 11 troller to the Substance Abuse Treatment Trust Fund..... ~~100,079,000~~  
 12 *90,071,000*

13  
 14 *SEC. 75. Item 4260-001-0001 of Section 2.00 of the Budget*  
 15 *Act of 2008 is amended to read:*

16  
 17 4260-001-0001—For support of Department of Health Care  
 18 Services..... 132,184,000  
 19 Schedule:  
 20 (1) 20-Health Care Services..... ~~383,834,000~~  
 21 *381,821,000*  
 22 (2) 30.01-Administration..... 26,317,000  
 23 (3) 30.02-Distributed Administration..... -26,488,000  
 24 (4) Reimbursements..... -20,644,000  
 25 (5) Amount payable from the Breast Cancer  
 26 Control Account (Item 4260-001-  
 27 0009)..... -90,000  
 28 (6) Amount payable from the Childhood  
 29 Lead Poisoning Prevention Fund (Item  
 30 4260-001-0080)..... -145,000  
 31 (7) Amount payable from the Unallocated  
 32 Account, Cigarette and Tobacco Prod-  
 33 ucts Surtax Fund (Item 4260-001-  
 34 0236)..... -775,000  
 35 (8) Amount payable from the Federal  
 36 Trust Fund (Item 4260-001-0890).... -227,017,000  
 37 (9) Amount payable from the Mental Health  
 38 Services Fund (Item 4260-001-3085).... -795,000

1       ~~(10) Amount payable from the California~~  
2           ~~Discount Prescription Drug Program~~  
3           ~~Fund (Item 4260-001-8040).....~~       -2,013,000

4       Provisions:

- 5       1.   Effective February 1, 2009, the State Department of  
6           Health Care Services shall report biennially in writing  
7           on the results of the additional positions established  
8           under the 2003 Medi-Cal Anti-Fraud Initiative to the  
9           chairpersons of the committees in each house of the  
10          Legislature that consider appropriations and the  
11          Chairperson of the Joint Legislative Budget Commit-  
12          tee. The report shall include the results of the most  
13          recently completed error rate study and random claim  
14          sampling process, the number of positions filled by  
15          division, and, for each of the components of the initia-  
16          tive, the amount of savings and cost avoidance  
17          achieved and estimated, the number of providers  
18          sanctioned, and the number of claims and beneficiary  
19          records reviewed.
- 20       2.   Of the funds appropriated for new information technol-  
21          ogy projects, no funds may be expended on a project  
22          prior to approval of a feasibility study report concern-  
23          ing that project by the office of the State Chief Infor-  
24          mation Officer. The State Department of Health Care  
25          Services shall notify the fiscal committees of both  
26          houses of the Legislature that a feasibility study report  
27          has been approved for a project within 30 days of the  
28          report's approval by the office of the State Chief Infor-  
29          mation Officer, and shall include with the notification  
30          a copy of the approved feasibility study report that  
31          reflects any changes.
- 32       3.   Of the funds appropriated in Item 4260-001-0001,  
33          \$594,000 is for the Provider Enrollment Automation  
34          Project. Upon completion of the procurement activities  
35          and prior to contract award, the department shall sub-  
36          mit a Special Project Report (SPR) to the office of the  
37          State Chief Information Officer. Except for project  
38          management and oversight activities, these funds shall  
39          not be encumbered or expended until the SPR has been  
40          approved by the office of the State Chief Information

1 Officer. If the amount approved is less than the amount  
 2 appropriated, the State Department of Health Care  
 3 Services shall only spend the amount approved, and  
 4 any remaining funds shall be reverted at the end of the  
 5 fiscal year.

6  
 7 *SEC. 76. Item 4260-001-8040 of Section 2.00 of the Budget*  
 8 *Act of 2008 is repealed.*

9  
 10 ~~4260-001-8040—For support of Department of Health Care~~  
 11 ~~Services, for payment to Item 4260-001-0001, payable~~  
 12 ~~from the California Discount Prescription Drug Program~~  
 13 ~~Fund.....~~ 2,013,000

- 14 Provisions:
- 15 1. Funds appropriated in this item shall be available for
  - 16 support of the California Discount Prescription Drug
  - 17 Program.
  - 18 2. The Department of Finance may augment this item
  - 19 not sooner than 30 days after notification in writing
  - 20 to the chairperson of the committee in each house of
  - 21 the Legislature that considers appropriations and the
  - 22 Chairperson of the Joint Legislative Budget Commit-
  - 23 tee, or not sooner than whatever lesser time the chair-
  - 24 person of the committee, or his or her designee, may
  - 25 determine.

26  
 27 *SEC. 77. Item 4260-006-0001 of Section 2.00 of the Budget*  
 28 *Act of 2008 is repealed.*

29  
 30 ~~4260-006-0001—For transfer by the Controller to the California~~  
 31 ~~Discount Prescription Drug Program Fund.....~~ 5,870,000

- 32 Provisions:
- 33 1. The Department of Finance may increase the amount
  - 34 of the transfer authorized by this item not sooner than
  - 35 30 days after notification in writing to the chairperson
  - 36 of the committee in each house of the Legislature that
  - 37 considers appropriations and the Chairperson of the
  - 38 Joint Legislative Budget Committee, or not sooner
  - 39 than whatever lesser time the chairperson of the com-
  - 40 mittee, or his or her designee, may determine.

SEC. 78. Item 4260-101-0001 of Section 2.00 of the Budget Act of 2008 is amended to read:

4260-101-0001—For local assistance, Department of Health Care Services, Medical Assistance Program, payable from the Health Care Deposit Fund (0912) after transfer from the General Fund.....	14,047,759,000
	<i>13,656,098,000</i>

Schedule:

- (1) 20.10.010-Eligibility (County Administration)..... ~~2,739,255,000~~  
2,572,681,000
- (2) 20.10.020-Fiscal Intermediary Management..... 268,647,000
- (3) 20.10.030-Benefits (Medical Care and Services)..... ~~32,737,727,000~~  
32,088,105,000
- (4) Reimbursements..... -203,216,000
- (5) Amount payable from Childhood Lead Poisoning Prevention Fund (Item 4260-101-0080)..... -160,000
- (6) Amount payable from the Hospital Services Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-101-0232)..... -18,000,000
- (7) Amount payable from the Unallocated Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-101-0236)..... -18,784,000
- (8) Amount payable from the Federal Trust Fund (Item 4260-101-0890)..... ~~-21,457,710,000~~  
-21,033,175,000

Provisions:

- 1. The aggregate principal amount of disproportionate share hospital general obligation debt that may be issued in the 2008–09 fiscal year pursuant to subparagraph (A) of paragraph (2) of subdivision (f) of Section

- 1           14085.5 of the Welfare and Institutions Code shall be  
 2           \$0.
- 3           2. Notwithstanding any other provision of law, both the  
 4           federal and nonfederal shares of any moneys recovered  
 5           for previously paid health care services, provided  
 6           pursuant to Chapter 7 (commencing with Section  
 7           14000) of Part 3 of Division 9 of the Welfare and In-  
 8           stitutions Code, are hereby appropriated and shall be  
 9           expended as soon as practicable for medical care and  
 10          services as defined in the Welfare and Institutions  
 11          Code.
- 12          3. Notwithstanding any other provision of law, accounts  
 13          receivable for recoveries as described in Provision 2  
 14          shall have no effect upon the positive balance of the  
 15          General Fund or the Health Care Deposit Fund.  
 16          Notwithstanding any other provision of law, moneys  
 17          recovered as described in this item that are required  
 18          to be transferred from the Health Care Deposit Fund  
 19          to the General Fund shall be credited by the Controller  
 20          to the General Fund without regard to the appropriation  
 21          from which it was drawn.
- 22          4. Without regard to fiscal year, the General Fund shall  
 23          make one or more loans available not to exceed a cu-  
 24          mulative total of \$45,000,000 to be transferred as  
 25          needed to the Health Care Deposit Fund to meet cash  
 26          needs. The loans are subject to the repayment provi-  
 27          sions of Section 16351 of the Government Code. Any  
 28          additional loan requirement in excess of \$45,000,000  
 29          shall be processed in the manner prescribed by Section  
 30          16351 of the Government Code.
- 31          5. Notwithstanding any other provision of law, the State  
 32          Department of Health Care Services may give public  
 33          notice relative to proposing or amending any rule or  
 34          regulation that could result in increased costs in the  
 35          Medi-Cal program only after approval by the Depart-  
 36          ment of Finance. Additionally, any rule or regulation  
 37          adopted by the State Department of Health Care Ser-  
 38          vices and any communication that increases costs in  
 39          the Medi-Cal program shall be effective only after the

- 1 date upon which it is approved by the Department of  
2 Finance.
- 3 6. Of the funds appropriated in this item, up to \$50,000  
4 may be allocated for attorney's fees awarded pursuant  
5 to state or federal law without prior notification to the  
6 Legislature. Individual settlements authorized under  
7 this language shall not exceed \$5,000. The semiannual  
8 estimates of Medi-Cal expenditures due to the Legis-  
9 lature in January and May shall reflect attorney's fees  
10 paid 15 or more days prior to the transmittal of the  
11 estimate. The semiannual estimates of Medi-Cal ex-  
12 penditures provided to the Legislature in January and  
13 May may constitute the notification required by this  
14 provision.
- 15 7. Change orders to the medical or the dental fiscal inter-  
16 mediary contract for amounts exceeding a total cost  
17 of \$250,000 shall be approved by the Department of  
18 Finance not sooner than 30 days after written notifica-  
19 tion of the change order is provided to the chairpersons  
20 of the fiscal and policy committees in each house of  
21 the Legislature and to the Chairperson of the Joint  
22 Legislative Budget Committee or not sooner than such  
23 lesser time as the chairperson of the joint committee,  
24 or his or her designee, may designate. The semiannual  
25 estimates of Medi-Cal expenditures provided to the  
26 Legislature in January and May may constitute the  
27 notification required by this provision.
- 28 8. Recoveries of advances made to counties in prior years  
29 pursuant to Section 14153 of the Welfare and Institu-  
30 tions Code are reappropriated to the Health Care De-  
31 posit Fund for reimbursement of those counties where  
32 allowable costs exceeded the amounts advanced. Re-  
33 coveries in excess of the amounts required to fully re-  
34 imburse allowable costs shall be transferred to the  
35 General Fund. When a projected deficiency exists in  
36 the Medical Assistance Program, these funds, subject  
37 to notification to the Chairperson of the Joint Legisla-  
38 tive Budget Committee, are appropriated and shall be  
39 expended as soon as practicable for the state's share

- 1 of payments for medical care and services, county  
 2 administration, and fiscal intermediary services.
- 3 9. The Department of Finance may transfer funds repre-  
 4 senting all or any portion of any estimated savings that  
 5 are a result of improvements in the Medi-Cal claims  
 6 processing procedures from the Medi-Cal services  
 7 budget or the support budget of the State Department  
 8 of Health Care Services (Item 4260-001-0001) to the  
 9 fiscal intermediary budget item for purposes of making  
 10 improvements to the Medi-Cal claims system.
- 11 10. Notwithstanding any other provision of law, the De-  
 12 partment of Finance may authorize the transfer of ex-  
 13 penditure authority between Schedules (1), (2), (3),  
 14 and (4) of this item and between this item and Items  
 15 4260-102-0001, 4260-111-0001, 4260-113-0001, and  
 16 4260-117-0001 in order to effectively administer the  
 17 programs funded in these items. The Department of  
 18 Finance shall notify the Legislature within 10 days of  
 19 authorizing such a transfer unless prior notification of  
 20 the transfer has been included in the Medi-Cal esti-  
 21 mates submitted pursuant to Section 14100.5 of the  
 22 Welfare and Institutions Code. The 10-day notification  
 23 to the Legislature shall include the reasons for the  
 24 transfer, the fiscal assumptions used in calculating the  
 25 transfer amount, and any potential fiscal effects on the  
 26 program from which funds are being transferred or for  
 27 which funds are being reduced.
- 28 11. Notwithstanding any other provision of law and Sec-  
 29 tion 26.00, the Department of Finance may authorize  
 30 the transfer of expenditure authority from Schedule  
 31 (3) to Schedule (1) for the purposes of implementing  
 32 changes required by the federal Deficit Reduction Act  
 33 of 2005, which shall include, but not be limited to,  
 34 providing assistance to individuals in meeting these  
 35 verification rules and for county eligibility activities.  
 36 It is the intent of the Legislature that these transfers  
 37 be provided on a timely basis in order to ensure the  
 38 health and safety of Californians. The Department of  
 39 Finance shall notify the Legislature within 15 days of  
 40 authorizing that transfer unless prior notification of

1 the transfer has been included in the Medi-Cal esti-  
2 mates submitted pursuant to Section 14100.5 of the  
3 Welfare and Institutions Code.

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

13 13. Of the funds appropriated in this item, up to  
14 \$9,150,000 may be utilized to resolve the deferral issue  
15 by the federal Centers for Medicare and Medicaid  
16 Services (Deferral No. CA/2006/3/E/15/MAP) related  
17 to the Fresno County Intergovernmental Transfer  
18 transaction.

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

28 *The options shall provide enrollees with the ability*  
29 *to select a medical home that provides primary and*  
30 *preventive care as well as comprehensive and coordi-*  
31 *nated care management, and ensures that care is*  
32 *provided in a timely and accessible manner in the least*  
33 *restrictive and most appropriate setting.*

34 *Any options provided to the Legislature by the*  
35 *DHCS shall, at a minimum, include the following*  
36 *specific components:*

- 37 (a) *Description of the health care delivery system*  
38 (b) *Method for determining eligibility and protocols*  
39 *for enrollment for services*

- 1 (c) *Description of health care networks, or any*
- 2 *medical home or interdisciplinary care team to*
- 3 *be used for preventive and primary care services*
- 4 *and case management*
- 5 (d) *Description of access to out-of-network services,*
- 6 *where applicable*
- 7 (e) *Protocols for referral practices, including special-*
- 8 *ty care services, tertiary care services, durable*
- 9 *medical equipment and pharmaceuticals*
- 10 (f) *Protocols for communication access, including*
- 11 *provision of content through methods that are*
- 12 *understandable and usable by this population*
- 13 (g) *Description of benefit management oversight and*
- 14 *monitoring processes*
- 15 (h) *Referral processes to other publicly funded pro-*
- 16 *grams, including those administered by the State*
- 17 *Departments of Mental Health, Social Services,*
- 18 *Developmental Services, Public Health, and*
- 19 *Health Care Services*
- 20 (i) *Role of advisory groups, including stakeholders*
- 21 *who historically represent this population, profes-*
- 22 *sional organizations, community-based organiza-*
- 23 *tions, foundation consultants or applicable others,*
- 24 *in actively designing any components to potential*
- 25 *options*
- 26 (j) *Training for providers on disability competency*
- 27 *and clinical components*
- 28 (k) *Descriptions of any Medi-Cal eligible beneficiary*
- 29 *outreach, health care educational information,*
- 30 *or related methods for engagement in health care*
- 31 *awareness and participation*
- 32 (l) *Criteria and assumptions used to calculate any*
- 33 *short-term and longer-term health care measure-*
- 34 *ments and outcomes, as well as fiscal estimates,*
- 35 *pertaining to any options.*

36  
 37 *SEC. 79. Item 4260-101-0890 of Section 2.00 of the Budget*  
 38 *Act of 2008 is amended to read:*

1 4260-101-0890—For local assistance, Department of Health  
 2 Care Services, for payment to Item 4260-101-0001,  
 3 payable from the Federal Trust Fund..... ~~21,457,710,000~~  
 4 ~~21,033,175,000~~

5 Provisions:  
 6 1. Any of the provisions in Item 4260-101-0001 that are  
 7 relevant to this item also apply to this item.  
 8

9 *SEC. 80. Item 4260-111-0001 of Section 2.00 of the Budget*  
 10 *Act of 2008 is amended to read:*

11  
 12 4260-111-0001—For local assistance, Department of Health  
 13 Care Services..... ~~208,191,000~~  
 14 ~~202,474,000~~

15 Schedule:  
 16 (1) 20.25-Children’s Medical Services..... ~~362,926,000~~  
 17 ~~351,314,000~~  
 18 (2) 20.35-Primary and Rural Health..... 50,389,000  
 19 (3) Reimbursements..... -55,353,000  
 20 (4) Amount payable from the Childhood  
 21 Lead Poisoning Prevention Fund (Item  
 22 4260-111-0080)..... -24,000  
 23 (5) Amount payable from the Physician  
 24 Services Account, Cigarette and Tobac-  
 25 co Products Surtax Fund (Item 4260-  
 26 111-0233)..... -774,000  
 27 (6) Amount payable from the Unallocated  
 28 Account, Cigarette and Tobacco Prod-  
 29 ucts Surtax Fund (Item 4260-111-  
 30 0236)..... -13,081,000  
 31 (7) Amount payable from the Federal  
 32 Trust Fund (Item 4260-111-0890)..... ~~-135,892,000~~  
 33 ~~-129,997,000~~

34 Provisions:  
 35 1. Program 20.25-Children’s Medical Services: Counties  
 36 may retain 50 percent of total enrollment and assess-  
 37 ment fees that are collected by the counties for the  
 38 California Children’s Services Program. Fifty percent  
 39 of the enrollment and assessment fee for each county  
 40 shall be offset from the state’s match for that county.





1	(12) Amount payable from the California	
2	Health Data and Planning Fund (Item	
3	4265-111-0143) .....	-240,000
4	(13) Amount payable from the Health Edu-	
5	cation Account, Cigarette and Tobacco	
6	Products Surtax Fund (Item 4265-111-	
7	0231) .....	-47,354,000
8	(14) Amount payable from the Hospital	
9	Services Account, Cigarette and Tobac-	
10	co Products Surtax Fund (Item 4265-	
11	111-0232) .....	-22,651,000
12	(15) Amount payable from the Physicians	
13	Services Account, Cigarette and Tobac-	
14	co Products Surtax Fund (Item 4265-	
15	111-0233) .....	-2,152,000
16	(16) Amount payable from the Unallocated	
17	Account, Cigarette and Tobacco	
18	Products Surtax Fund (Item 4265-111-	
19	0236) .....	-29,075,000
20	(17) Amount payable from the Child Health	
21	and Safety Fund (Item 4265-111-0279)	
22	.....	-1,405,000
23	(18) Amount payable from the Drinking	
24	Water Treatment and Research Fund	
25	(Item 4265-111-0622) .....	-4,374,000
26	(19) Amount payable from the Domestic	
27	Violence Training and Education Fund	
28	(Item 4265-111-0642) .....	-235,000
29	(20) Amount payable from the Federal	
30	Trust Fund (Item 4265-111-0890)	
31	.....	-1,333,388,000
32	(21) Amount payable from the WIC	
33	Manufacturer Rebate Fund (Item	
34	4265-111-3023) .....	-329,901,000
35	(22) Amount payable from the Water Secu-	
36	rity, Clean Drinking Water, Coastal	
37	and Beach Protection Fund of 2002	
38	(Item 4265-111-6031) .....	-90,951,000

1	(23) Amount payable from the Safe Drink-	
2	ing Water, Water Quality and Supply,	
3	Flood Control, River and Coastal Pro-	
4	tection Fund of 2006 (Item 4265-111-	
5	6051) .....	-36,200,000
6	(24) Amount payable from the California	
7	Sexual Violence Victim Fund (Item	
8	4265-111-8035) .....	-174,000

- 9 Provisions:
- 10 1. The Office of AIDS in the State Department of Public  
11 Health, in allocating and processing contracts and  
12 grants, shall comply with the same requirements that  
13 are established for contracts and grants for other public  
14 health programs. Notwithstanding any other provision  
15 of law, the contracts or grants administered by the  
16 Office of AIDS shall be exempt from the Public Con-  
17 tract Code and shall be exempt from approval by the  
18 Department of General Services prior to their execu-  
19 tion.
  - 20 2. In order to meet the needs of individuals with  
21 hemophilia who are at high risk of HIV infection or  
22 who have HIV/AIDS, the Office of AIDS shall contin-  
23 ue the existing state contract with the Hemophilia  
24 Council for the 2008–09 fiscal year as provided by the  
25 State Department of Mental Health as part of the  
26 transition period for consolidating programs.
  - 27 3. The Office of AIDS and the State Department of  
28 Public Health shall not exclude any drugs from the  
29 AIDS Drug Assistance Program (ADAP) formulary  
30 for the purpose of reducing ADAP expenditures to  
31 achieve the \$7,000,000 savings proposed in the  
32 2008–09 Governor’s Budget. Funding shall be main-  
33 tained using the AIDS Drug Assistance Program Re-  
34 bate Fund.

35  
36 *SEC. 84. Item 4280-101-0001 of Section 2.00 of the Budget*  
37 *Act of 2008 is amended to read:*

1	4280-101-0001—For local assistance, Managed Risk Medical	
2	Insurance Board, for the Healthy Families Program.....	371,781,000
3		361,766,000
4	Schedule:	
5	(1) 20-Access for Infants and Mothers Pro-	
6	gram.....	81,044,000
7	(2) 40-Healthy Families Program.....	<del>1,023,654,000</del>
8		997,670,000
9	(3) Amount payable from the Federal	
10	Trust Fund (Item 4280-101-0890).....	<del>-732,917,000</del>
11		-716,948,000

- 12 Provisions:
- 13 1. Upon order of the Department of Finance, the Con-
- 14 troller shall transfer such funds as are necessary be-
- 15 tween this item and Item 4280-102-0001 in order to
- 16 effectively administer the Healthy Families Program.

17

18 *SEC. 85. Item 4280-101-0890 of Section 2.00 of the Budget*

19 *Act of 2008 is amended to read:*

20		
21	4280-101-0890—For local assistance, Managed Risk Medical	
22	Insurance Board, for payment to Item 4280-101-0001,	
23	payable from the Federal Trust Fund, for the Healthy	
24	Families Program.....	<del>732,917,000</del>
25		716,948,000

- 26 Provisions:
- 27 1. Upon order of the Department of Finance, the Con-
- 28 troller shall transfer such funds as are necessary be-
- 29 tween this item and Item 4280-102-0890 in order to
- 30 effectively administer the Healthy Families Program.

31

32 *SEC. 86. Item 4280-102-0001 of Section 2.00 of the Budget*

33 *Act of 2008 is amended to read:*

34		
35	4280-102-0001—For local assistance, Managed Risk Medical	
36	Insurance Board, for the Healthy Families Program admin-	
37	istrative contracts.....	<del>25,680,000</del>
38		23,880,000

1 Schedule:

2 (1) 40-Healthy Families Program..... 72,955,000

3 65,255,000

4 (2) Reimbursements..... -7,191,000

5 (3) Amount payable from the Federal Trust

6 Fund (Item 4280-102-0890)..... -40,084,000

7 -34,184,000

8 Provisions:

9 1. Upon order of the Department of Finance, the Con-

10 troller shall transfer such funds as are necessary be-

11 tween this item and Item 4280-101-0001 in order to

12 effectively administer the Healthy Families Program.

13

14 *SEC. 87. Item 4280-102-0890 of Section 2.00 of the Budget*

15 *Act of 2008 is amended to read:*

16

17 4280-102-0890—For local assistance, Managed Risk Medical

18 Insurance Board, for payment to Item 4280-102-0001,

19 payable from the Federal Trust Fund, for Healthy Families

20 Program administrative contracts..... 40,084,000

21 34,184,000

22 Provisions:

23 1. Upon order of the Department of Finance, the Con-

24 troller shall transfer such funds as are necessary be-

25 tween this item and Item 4280-101-0890 in order to

26 effectively administer the Healthy Families Program.

27

28 *SEC. 88. Item 4300-101-0001 of Section 2.00 of the Budget*

29 *Act of 2008 is amended to read:*

30

31 4300-101-0001—For local assistance, Department of Devel-

32 opmental Services, for Regional Centers..... 2,374,808,000

33 2,384,027,000

34 Schedule:

35 (1) 10.10.010-Operations..... 527,816,000

36 (2) 10.10.020-Purchase of Services..... 3,383,130,000

37 3,372,900,000

38 (3) 10.10.060-Early Intervention Pro-

39 grams..... 20,095,000

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. 89. Item 4440-101-0001 of Section 2.00 of the Budget*  
15 *Act of 2008 is amended to read:*

16  
17 4440-101-0001—For local assistance, Department of Mental  
18 Health..... 480,163,000  
19 467,213,000

20 Schedule:

21 (1) 10.25-Community Services—Other  
22 Treatment..... 639,172,000  
23 626,942,000

24 (2) 10.30-Community Services—  
25 EPSDT..... 984,001,000  
26 959,705,000

27 (3) 10.47-Community Services—Children’s  
28 Mental Health Services..... 350,000

29 (4) 10.85-Community Services— AIDS..... 0

30 (5) 10.97-Community Services—Healthy  
31 Families Program..... 24,805,000  
32 24,653,000

33 (5.5) 10.98-Community Services—Contin-  
34 ued Implementation of the MHSA..... 40,000,000

35 (6) Reimbursements..... -1,208,165,000  
36 -1,184,437,000

37 Provisions:

38 1. Augmentations to reimbursements in this item from  
39 the Office of Emergency Services for Disaster Relief  
40 are exempt from Section 28.00. The State Department

- 1 of Mental Health shall provide written notification to
- 2 the Joint Legislative Budget Committee describing
- 3 the nature and planned expenditure of these augmen-
- 4 tations when the amount received exceeds \$200,000.
- 5 2. It is the intent of the Legislature that local expenditures
- 6 for mental health services for Medi-Cal eligible indi-
- 7 viduals serve as the match to draw down maximum
- 8 federal financial participation to continue the Short-
- 9 Doyle/Medi-Cal program.
- 10 3. Of the amount appropriated in this item, \$750,000
- 11 shall be used to provide a supplemental payment to
- 12 Community Treatment Facilities for the 2008–09 fiscal
- 13 year.
- 14 4. Of the amount appropriated in this item, a portion is
- 15 for costs and claims incurred by the San Mateo Phar-
- 16 macy and Laboratory Services Program in the 2004–05
- 17 and 2005–06 fiscal years.

18  
 19 *SEC. 90. Item 4440-103-0001 of Section 2.00 of the Budget*  
 20 *Act of 2008 is amended to read:*

21  
 22 4440-103-0001—For local assistance, Department of Mental  
 23 Health, for Mental Health Managed Care ..... ~~232,856,000~~  
 24 214,406,000

25 Schedule:

26 (1) 10.25-Community Services—Other  
 27 Treatment ..... ~~232,856,000~~  
 28 214,406,000

29 Provisions:

- 30 1. The allocation of funds appropriated in this item shall
- 31 be determined based on a methodology developed by
- 32 the State Department of Mental Health in consultation
- 33 with a statewide organization representing counties.
- 34 This methodology shall be based on a review of actual
- 35 and projected expenditures for mental health services
- 36 for Medi-Cal beneficiaries, by county.
- 37 2. Of the amount appropriated in this item, \$8,000,000
- 38 shall be transferred to the Mental Health Managed
- 39 Care Deposit Fund (Fund 0865).



1	Schedule:	
2	(1) 16-Welfare Programs.....	69,468,000
3		70,155,000
4	(2) 25-Social Services and Licensing.....	168,929,500
5	(3) 35-Disability Evaluation and Other	
6	Services.....	260,159,500
7		258,240,500
8	(4) 60.01-Administration.....	53,775,000
9	(5) 60.02-Distributed Administration.....	-53,775,000
10	(6) Reimbursements.....	-26,048,000
11		-25,458,000
12	(7) Amount payable from Foster Family	
13	Home and Small Family Home Insur-	
14	ance Fund (Item 5180-001-0131).....	-2,136,000
15	(8) Amount payable from the Federal	
16	Trust Fund (Item 5180-001-0890).....	-362,472,000
17		-362,069,000
18	(9) Amount payable from the Mental Health	
19	Services Fund (Item 5180-001-3085)....	-767,000
20	Provisions:	
21	1. The Department of Finance may authorize the transfer	
22	of funds from Schedule (2) of this item to Schedule	
23	(1), Program 25.30, of Item 5180-151-0001, Children	
24	and Adult Services and Licensing, in order to allow	
25	counties to perform the facilities evaluation function.	
26	2. The Department of Finance may authorize the transfer	
27	of funds from Schedule (2) of this item to Schedule	
28	(1), Program 25.30, of Item 5180-151-0001, Children	
29	and Adult Services and Licensing, in order to allow	
30	counties to perform the adoptions program function.	
31	3. 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	4. Notwithstanding paragraph (4) of subdivision (b) of	
40	Section 1778 of the Health and Safety Code, the State	

1 Department of Social Services may use no more than  
 2 20 percent of the fees collected pursuant to Chapter  
 3 10 (commencing with Section 1770) of Division 2 of  
 4 the Health and Safety Code for overhead costs, facili-  
 5 ties operation, and indirect department costs.

6 5. It is the intent of the Legislature to provide sufficient  
 7 funding to ensure that electronic benefit transfer state  
 8 administrative hearings are conducted to meet statutory  
 9 timeframes. Notwithstanding the 30-day notice require-  
 10 ment set forth in subdivision (d) of Section 28.00, upon  
 11 request by the State Department of Social Services,  
 12 the Department of Finance may augment expenditure  
 13 authority in this item to fund increased costs associated  
 14 with the state administrative hearing process at the  
 15 time the request is made. Concurrent with the Depart-  
 16 ment of Finance approval, written notification shall  
 17 be provided to the Chairperson of the Joint Legislative  
 18 Budget Committee and the chairpersons of the com-  
 19 mittees in each house of the Legislature that consider  
 20 appropriations.

21 6. Of the amount appropriated in this item, \$3,399,000  
 22 shall be available to support relocation efforts related  
 23 to the renovation of the State Department of Social  
 24 Services' headquarters (state-owned Office Buildings  
 25 No. 8 and No. 9). These funds may be expended only  
 26 to the extent that relocation costs materialize and are  
 27 necessary to accommodate the Department of General  
 28 Services' renovation project schedule.

29 ~~8. The State Department of Social Services shall continue~~  
 30 ~~to convene periodic meetings throughout the year so~~  
 31 ~~that stakeholders may receive information and have~~  
 32 ~~the opportunity to provide input to the department re-~~  
 33 ~~garding the quality assurance, program integrity, and~~  
 34 ~~program consistency efforts in the In-Home Supportive~~  
 35 ~~Services program (Article 7 (commencing with Section~~  
 36 ~~12300) of Chapter 3 of Part 3 of Division 9 of the~~  
 37 ~~Welfare and Institutions Code). In addition, the depart-~~  
 38 ~~ment shall provide an update during 2009 budget~~  
 39 ~~hearings on the impact of quality assurance regula-~~  
 40 ~~tions.~~

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*SEC. 94. Item 5180-001-0890 of Section 2.00 of the Budget Act of 2008 is amended to read:*

5180-001-0890—For support of Department of Social Services, for payment to Item 5180-001-0001, payable from the Federal Trust Fund.....	362,472,000
	362,069,000

Provisions:

1. The Department of Finance may authorize the transfer of federal funds from this item to Item 5180-151-0890 in order to allow counties to perform the adoption program functions and the facilities evaluation function in the Community Care Licensing Division of the State Department of Social Services.
2. Provision 5 of Item 5180-001-0001 also applies to this item.
3. Of the amount appropriated in this item, \$3,232,000 shall be available to support relocation efforts related to the renovation of the State Department of Social Services' headquarters (state-owned Office Buildings No. 8 and No. 9). These funds may be expended only to the extent that relocation costs materialize and are necessary to accommodate the Department of General Services' renovation project schedule.

*SEC. 95. Item 5180-101-0001 of Section 2.00 of the Budget Act of 2008 is amended to read:*

5180-101-0001—For local assistance, Department of Social Services.....	3,211,838,000
	2,249,319,000

Schedule:

- |   |               |
|---|---------------|
| (1) 16.30-CalWORKs.....                 | 5,665,554,000 |
|   | 4,734,645,000 |
| (2) 16.65-Other Assistance Payments.... | 1,360,039,000 |
|   | 1,357,039,000 |
| (3) Reimbursements.....                 | -3,990,000    |

- 1 (4) Amount payable from the Emergency
- 2 Food Assistance Program Fund (Item
- 3 5180-101-0122)..... -449,000
- 4 (5) Amount payable from the Employment
- 5 Training Fund (Item 5180-101-
- 6 0514)..... -35,000,000
- 7 (6) Amount payable from the Federal
- 8 Trust Fund (Item 5180-101-
- 9 0890)..... -3,763,287,000
- 10 -3,791,897,000
- 11 (7) Amount payable from the Child Sup-
- 12 port Collections Recovery Fund (Item
- 13 5180-101-8004)..... -11,029,000
- 14 Provisions:
- 15 1. (a) No funds appropriated in this item shall be encum-
- 16 bered unless every rule or regulation adopted and
- 17 every all-county letter issued by the State Depart-
- 18 ment of Social Services that adds to the costs of
- 19 any program is approved by the Department of
- 20 Finance as to the availability of funds before it
- 21 becomes effective. In making the determination
- 22 as to availability of funds to meet the expenditures
- 23 of a rule, regulation, or all-county letter that would
- 24 increase the costs of a program, the Department
- 25 of Finance shall consider the amount of the pro-
- 26 posed increase on an annualized basis, the effect
- 27 the change would have on the expenditure limita-
- 28 tions for the program set forth in this act, the ex-
- 29 tent to which the rule, regulation, or all-county
- 30 letter constitutes a deviation from the premises
- 31 under which the expenditure limitations were
- 32 prepared, and any additional factors relating to
- 33 the fiscal integrity of the program or the state's
- 34 fiscal situation.
- 35 (b) Notwithstanding Sections 28.00 and 28.50, the
- 36 availability of funds contained in this item for
- 37 rules, regulations, or all-county letters that add to
- 38 program costs funded from the General Fund in
- 39 excess of \$500,000 on an annual basis, including
- 40 those that are the result of a federal regulation but

- 1           excluding those that are (1) specifically required  
2           as a result of the enactment of a federal or state  
3           law or (2) included in the appropriation made by  
4           this act, shall not be approved by the Department  
5           of Finance sooner than 30 days after notification  
6           in writing to the chairpersons of the committees  
7           in each house of the Legislature that consider ap-  
8           propriations and the Chairperson of the Joint  
9           Legislative Budget Committee, or such lesser time  
10          as the chairperson of the joint committee, or his  
11          or her designee, may in each instance determine.
- 12        2. Notwithstanding Chapter 1 (commencing with Section  
13        18000) of Part 6 of Division 9 of the Welfare and In-  
14        stitutions Code, a loan not to exceed \$500,000,000  
15        shall be made available from the General Fund, from  
16        funds not otherwise appropriated, to cover the federal  
17        share of costs of a program or programs when the  
18        federal funds have not been received by this state prior  
19        to the usual time for transmitting that federal share to  
20        the counties of this state. This loan from the General  
21        Fund shall be repaid when the federal share of costs  
22        for the program or programs becomes available.
- 23        3. The Department of Finance may authorize the transfer  
24        of amounts from this item to Item 5180-001-0001 in  
25        order to fund the costs of the administrative hearing  
26        process associated with changes in aid payments in  
27        the CalWORKs program.
- 28        4. (a) The Department of Finance is authorized to ap-  
29        prove expenditures in those amounts made neces-  
30        sary by changes in either caseload or payments,  
31        or any rule or regulation adopted and any all-  
32        county letter issued as a result of the enactment  
33        of a federal or state law, the adoption of a federal  
34        regulation, or the following of a court decision,  
35        during the 2008–09 fiscal year that are within or  
36        in excess of amounts appropriated in this act for  
37        that year.
- 38        (b) If the Department of Finance determines that the  
39        estimate of expenditures will exceed the expendi-  
40        tures authorized for this item, the department shall

- 1 so report to the Legislature. At the time the report  
2 is made, the amount of the appropriation made in  
3 this item shall be increased by the amount of the  
4 excess unless and until otherwise provided by  
5 law.
- 6 5. Nonfederal funds appropriated in this item which have  
7 been budgeted to meet the state's Temporary Assis-  
8 tance for Needy Families maintenance-of-effort require-  
9 ment established pursuant to the federal Personal Re-  
10 sponsibility and Work Opportunity Reconciliation Act  
11 of 1996 (P.L. 104-193) may not be expended in any  
12 way that would cause their disqualification as a feder-  
13 ally allowable maintenance-of-effort expenditure.
- 14 6. In the event of declared disaster and upon county re-  
15 quest, the State Department of Social Services may  
16 act in the place of any county and assume direct respon-  
17 sibility for the administration of eligibility and grant  
18 determination. Upon recommendation of the Director  
19 of Social Services, the Department of Finance may  
20 authorize the transfer of funds from this item and 5180-  
21 101-0890, to Items 5180-001-0001 and 5180-001-  
22 0890, for this purpose.
- 23 7. Pursuant to the Electronic Benefit Transfer (EBT) Act  
24 (Chapter 3 (commencing with Section 10065) of Part  
25 1 of Division 9 of the Welfare and Institutions Code)  
26 and in accordance with the EBT System regulations  
27 (Manual of Policies and Procedures Section 16-  
28 401.15), in the event a county fails to reimburse the  
29 EBT contractor for settlement of EBT transactions  
30 made against the county's cash assistance programs,  
31 the state is required to pay the contractor. The State  
32 Department of Social Services may use funds from  
33 this item to reimburse the EBT contractor for settle-  
34 ment on behalf of the county. The county shall be re-  
35 quired to reimburse the department for county's settle-  
36 ment via direct payment or administrative offset.
- 37 8. The Department of Finance is authorized to approve  
38 expenditures for the California Food Assistance Pro-  
39 gram in those amounts made necessary by changes in  
40 the Food Stamp Program Standard Utility Allowance,

1 including those that result from midyear Standard  
2 Utility Allowance adjustments requested by the state.  
3 If the Department of Finance determines that the esti-  
4 mate of expenditures will exceed the expenditures  
5 authorized for this item, the department shall so report  
6 to the Legislature. At the time the report is made, the  
7 amount of the appropriation made by this item shall  
8 be increased by the amount of the excess unless and  
9 until otherwise provided by law.

10 9. Upon request of the Department of Finance, the Con-  
11 troller shall transfer funds between this item and Item  
12 5180-153-0001 as needed to reflect the estimated ex-  
13 penditure amounts for each county that opts into the  
14 Title IV-E Child Welfare Waiver Demonstration Pro-  
15 ject pursuant to Section 18260 of the Welfare and In-  
16 stitutions Code. The Department of Finance shall re-  
17 port to the Legislature the amount to be transferred  
18 pursuant to this provision. The transfer shall be autho-  
19 rized at the time the report is made.

20 ~~10. The Department of Finance shall increase this item up~~  
21 ~~to \$20,613,000 to the extent that unspent county per-~~  
22 ~~formance and fraud recovery incentive funds available~~  
23 ~~as of June 30, 2008, are less than \$20,613,000. The~~  
24 ~~increase shall be made not sooner than 30 days after~~  
25 ~~written notification of the increase is given to the~~  
26 ~~chairpersons of the fiscal committees of each house~~  
27 ~~of the Legislature and the Chairperson of the Joint~~  
28 ~~Legislative Budget Committee, or not sooner than~~  
29 ~~whatever lesser time the chairperson of the joint~~  
30 ~~committee may determine.~~

31 11. Notwithstanding any other provision of law, upon re-  
32 quest of the Department of Social Services, the Depart-  
33 ment of Finance may increase the expenditure author-  
34 ity in this item for the *propose purpose* of funding a  
35 supplemental payment to foster parents and families  
36 receiving adoption assistance payments for children  
37 served by both regional centers and child welfare  
38 agencies pursuant to Section 11464 of the Welfare and  
39 Institutions Code, as amended by Chapter 177 of the  
40 Statutes of 2007.

1  
 2 *SEC. 96. Item 5180-101-0890 of Section 2.00 of the Budget*  
 3 *Act of 2008 is amended to read:*

4  
 5 5180-101-0890—For local assistance, Department of Social  
 6 Services, for payment to Item 5180-101-0001, payable  
 7 from the Federal Trust Fund..... 3,763,287,000  
 8 3,791,897,000

- 9 Provisions:
- 10 1. Provisions 1, 4, 6, 7, 9, 10, and 11 of Item 5180-101-
  - 11 0001 also apply to this item.
  - 12 2. The Director of Finance may authorize the transfer of
  - 13 amounts from this item to Item 5180-001-0890 in order
  - 14 to fund the costs of the administrative hearing process
  - 15 associated with changes in aid payments in the Cal-
  - 16 WORKs program.
  - 17 3. For the purpose of broadening access to federal Child
  - 18 and Adult Care Food Program benefits for low-income
  - 19 children in proprietary child care centers, the State
  - 20 Department of Social Services may transfer up to
  - 21 \$10,000,000 of the funds appropriated in this item for
  - 22 Program 16.30—CalWORKs, from the Temporary
  - 23 Assistance for Needy Families (TANF) block grant to
  - 24 the Social Services Block Grant (Title XX) pursuant
  - 25 to authorization in the federal Personal Responsibility
  - 26 and Work Opportunity Reconciliation Act of 1996
  - 27 (P.L. 104-193). The Title XX funds shall be pooled
  - 28 with TANF funds appropriated in this item for Cal-
  - 29 WORKs Child Care. This transfer shall occur only if
  - 30 the Director of Finance approves the pooling of Title
  - 31 XX funds with Child Care and Development Fund or
  - 32 TANF funds, or both.
  - 33 4. Upon request of the State Department of Social Ser-
  - 34 vices, the Director of Finance may increase or decrease
  - 35 the expenditure authority in this item to offset any in-
  - 36 creases or decreases in collections deposited in the
  - 37 Child Support Collections Recovery Fund and appro-
  - 38 priated in Item 5180-101-8004. The Department of
  - 39 Finance shall provide notification of the adjustment
  - 40 to the Joint Legislative Budget Committee within 10

working days from the date of Department of Finance approval of the adjustment.

SEC. 97. Item 5180-111-0001 of Section 2.00 of the Budget Act of 2008 is amended to read:

5180-111-0001—For local assistance, Department of Social	
Services.....	5,568,028,000
	5,110,665,000

Schedule:

(1) 16.70-SSI/SSP.....	3,751,938,000
	3,571,238,000
(2) 25.15-IHSS.....	5,343,020,000
	4,972,377,000
(3) 25.20-Recipient Supplementary Pay-	
ment.....	44,176,000
	16,476,000
(4) Reimbursements.....	-3,571,106,000
	-3,449,426,000

Provisions:

1. Provisions 1 and 4 of Item 5180-101-0001 also apply to this item.
2. Notwithstanding Chapter 1 (commencing with Section 18000) of Part 6 of Division 9 of the Welfare and Institutions Code, a loan not to exceed \$240,000,000 shall be made available from the General Fund from funds not otherwise appropriated, to cover the federal share or reimbursable share, or both, of costs of a program or programs when the federal funds or reimbursements (from the Health Care Deposit Fund or counties) have not been received by this state prior to the usual time for transmitting payments for the federal or reimbursable share of costs for this state. That loan from the General Fund shall be repaid when the federal share of costs for the program or programs becomes available, or in the case of reimbursements, subject to Section 16351 of the Government Code. County reimbursements also shall be subject to Section 16314 of the Government Code, which specifies the rate of interest. The department may offset a county's share of

- 1 cost of the In-Home Supportive Services (IHSS) pro-  
 2 gram against local assistance payments made to the  
 3 county if the county fails to reimburse its share of cost  
 4 of the IHSS program to the state.
- 5 3. The State Department of Social Services shall provide  
 6 technical assistance to counties to ensure that they  
 7 maximize the receipt of federal funds for the In-Home  
 8 Supportive Services (IHSS) program, without compro-  
 9 mising the quality of the services provided to IHSS  
 10 recipients.
- 11 4. The Director of Finance may authorize the transfer of  
 12 amounts from this item to Item 5180-001-0001 in order  
 13 to fund increased costs due to workload associated  
 14 with the retroactive reimbursement of Medi-Cal ser-  
 15 vices for the In-Home Supportive Services program  
 16 to comply with the Conlan v. Shewry court decision.  
 17 The Department of Finance shall report to the Legisla-  
 18 ture the amount to be transferred pursuant to this pro-  
 19 vision and the number of positions to be established  
 20 by the State Department of Social Services. The  
 21 transfer shall be authorized at the time the report is  
 22 made. The State Department of Social Services shall  
 23 review the workload associated with the Conlan v.  
 24 Shewry decision during the 2008–09 fiscal year and  
 25 may administratively establish positions as the work-  
 26 load requires.
- 27 5. The Director of Finance may authorize the transfer of  
 28 amounts from this item to Item 5180-001-0001 in order  
 29 to fund the cost of the administrative hearing process  
 30 associated with changes in aid or service payments in  
 31 the In-Home Supportive Services program. The De-  
 32 partment of Finance shall report to the Legislature the  
 33 amount to be transferred pursuant to this provision.  
 34 The transfer shall be authorized at the time the report  
 35 is made.

36  
 37 *SEC. 98. Item 5180-141-0001 of Section 2.00 of the Budget*  
 38 *Act of 2008 is amended to read:*

1 5180-141-0001—For local assistance, Department of Social  
 2 Services..... 482,751,000  
 3 472,745,000

4 Schedule:

5 (1) 16.75-County Administration and  
 6 Automation Projects..... ~~1,215,750,000~~  
 7 1,178,812,000  
 8 (2) Reimbursements..... -59,427,000  
 9 (3) Amount payable from the Federal  
 10 Trust Fund (Item 5180-141-0890)..... ~~-673,572,000~~  
 11 -646,640,000

12 Provisions:

- 13 1. Notwithstanding Chapter 1 (commencing with Section  
 14 18000) of Part 6 of Division 9 of the Welfare and In-  
 15 stitutions Code, a loan not to exceed \$127,000,000  
 16 shall be made available from the General Fund, from  
 17 funds not otherwise appropriated, to cover the federal  
 18 share of costs of a program when the federal funds  
 19 have not been received by this state prior to the usual  
 20 time for transmitting that federal share to the counties  
 21 of this state. This loan from the General Fund shall be  
 22 repaid when the federal share of costs for the program  
 23 or programs becomes available.
- 24 2. In the event of declared disaster and upon county re-  
 25 quest, the State Department of Social Services may  
 26 act in the place of any county and assume direct respon-  
 27 sibility for the administration of eligibility and grant  
 28 determination. Upon recommendation of the Director  
 29 of Social Services, the Department of Finance may  
 30 authorize the transfer of funds from Items 5180-141-  
 31 0001 and 5180-141-0890, to Items 5180-001-0001  
 32 and 5180-001-0890, for this purpose.
- 33 3. Provision 1 of Item 5180-101-0001 also applies to this  
 34 item.
- 35 4. Pursuant to public assistance caseload estimates reflect-  
 36 ed in the annual Governor’s Budget, the Department  
 37 of Finance may approve expenditures in those amounts  
 38 made necessary by changes in caseload that are in ex-  
 39 cess of amounts appropriated in this act. If the Depart-  
 40 ment of Finance determines that the estimate of expen-

- 1           ditures will exceed the expenditures authorized for
- 2           this item, the department shall so report to the Legisla-
- 3           ture. At the time the report is made, the amount of the
- 4           appropriation made by this item shall be increased by
- 5           the amount of the excess unless and until otherwise
- 6           provided by law.
- 7        5. Nonfederal funds appropriated in this item which have
- 8           been budgeted to meet the state’s Temporary Assis-
- 9           tance for Needy Families maintenance-of-effort require-
- 10          ment established pursuant to the federal Personal Re-
- 11          sponsibility and Work Opportunity Reconciliation Act
- 12          of 1996 (P.L. 104-193) may not be expended in any
- 13          way that would cause their disqualification as a feder-
- 14          ally allowable maintenance-of-effort expenditure.
- 15        6. Section 11.00 shall apply to contracts entered into for
- 16          the development and implementation of the Consor-
- 17          tium IV, Interim Statewide Automated Welfare Sys-
- 18          tem, Los Angeles Eligibility, Automated Determina-
- 19          tion, Evaluation, and Reporting, and Welfare Client
- 20          Data Systems consortia of the Statewide Automated
- 21          Welfare System.
- 22        7. Upon request of the Department of Finance, the Con-
- 23          troller shall transfer funds between this item and Item
- 24          5180-153-0001 as needed to reflect the estimated ex-
- 25          penditure amounts for each county that opts into the
- 26          Title IV-E Child Welfare Waiver Demonstration Pro-
- 27          ject pursuant to Section 18260 of the Welfare and In-
- 28          stitutions Code. The Department of Finance shall re-
- 29          port to the Legislature the amount to be transferred
- 30          pursuant to this provision. The transfer shall be autho-
- 31          rized at the time the report is made.

32

33        *SEC. 99. Item 5180-141-0890 of Section 2.00 of the Budget*  
 34 *Act of 2008 is amended to read:*

35

36   5180-141-0890—For local assistance, Department of Social	
37    Services, for payment to Item 5180-141-0001, payable	
38    from the Federal Trust Fund.....	673,572,000
39	646,640,000

Provisions:

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

*SEC. 100. Item 5180-151-0001 of Section 2.00 of the Budget Act of 2008 is amended to read:*

5180-151-0001—For local assistance, Department of Social Services.....	757,135,000
	683,374,000

Schedule:

- (1) 25.30-Children and Adult Services and Licensing..... 2,173,290,000  
2,031,394,000
- (2) 25.35-Special Programs..... 22,682,000
- (3) Reimbursements..... -143,894,000
- (4) Amount payable from the Child Health and Safety Fund (Item 5180-151-0279)..... -1,264,000
- (5) Amount payable from the State Children’s Trust Fund (Item 5180-151-0803)..... -3,755,000
- (6) Amount payable from the Federal Trust Fund (Item 5180-151-0890)..... -1,285,924,000  
-1,217,789,000
- (7) Amount payable from the Child Welfare Services Program Improvement Fund (Item 5180-151-8023)..... -4,000,000

Provisions:

- 1. Provision 1 of Item 5180-101-0001 also applies to this item.
- 2. Notwithstanding Chapter 1 (commencing with Section 18000) of Part 6 of Division 9 of the Welfare and Institutions Code, a loan not to exceed \$50,000,000 shall be made available from the General Fund from funds not otherwise appropriated, to cover the federal share of costs of a program when the federal funds have not been received by this state prior to the usual time for transmitting that federal share to the counties of this

- 1 state. That loan from the General Fund shall be repaid  
2 when the federal share of costs for the program be-  
3 comes available.
- 4 3. The Department of Finance may authorize the estab-  
5 lishment of positions and transfer of amounts from  
6 this item to Item 5180-001-0001, in order to allow the  
7 state to perform the facilities evaluation function of  
8 Community Care Licensing in the event the counties  
9 fail to perform that function.
- 10 4. Nonfederal funds appropriated in this item which have  
11 been budgeted to meet the state’s Temporary Assis-  
12 tance for Needy Families maintenance-of-effort require-  
13 ment established pursuant to the federal Personal Re-  
14 sponsibility and Work Opportunity Reconciliation Act  
15 of 1996 (P.L. 104-193) may not be expended in any  
16 way that would cause their disqualification as a feder-  
17 ally allowable maintenance-of-effort expenditure.
- 18 5. The Department of Finance may authorize the estab-  
19 lishment of positions and transfer of amounts from  
20 this item to Item 5180-001-0001, in order to allow the  
21 state to perform the adoptions function in the event  
22 that a county notifies the State Department of Social  
23 Services that it intends to cease performing that func-  
24 tion.
- 25 6. (a) Of the amount appropriated in this item,  
26 \$57,836,000 shall be provided to counties to fund  
27 additional child welfare services activities and  
28 shall be allocated based on child welfare services  
29 caseload and county unit costs. However, no  
30 county shall receive less than \$100,000. These  
31 funds shall be expressly targeted for emergency  
32 response, family reunification, family mainte-  
33 nance, and permanent placement services and  
34 shall be used to supplement, and shall not be used  
35 to supplant, child welfare services funds. A  
36 county is not required to provide a match of the  
37 funds received pursuant to this provision if the  
38 county appropriates the required full match for  
39 the county’s child welfare services program exclu-  
40 sive of the funds received pursuant to this provi-

- 1 sion. These funds are available only to counties  
2 that have certified that they are fully utilizing the  
3 Child Welfare Services/Case Management System  
4 (CWS/CMS) or have entered into an agreed-upon  
5 plan with the State Department of Social Services  
6 outlining the steps that will be taken to achieve  
7 full utilization. The department shall reallocate  
8 any funds that counties choose not to accept under  
9 this provision, to other counties based on the allo-  
10 cation formula specified in this provision.
- 11 (b) The department, in collaboration with the County  
12 Welfare Directors Association and representatives  
13 from labor groups representing social workers,  
14 shall develop the definition of full utilization of  
15 the CWS/CMS, the method for measuring full  
16 utilization, the process for the state and counties  
17 to work together to move counties toward full  
18 utilization, and measurements of progress toward  
19 full utilization.
- 20 7. The State Department of Social Services shall consult  
21 with the counties, children’s advocates, and current  
22 and former foster youth in the development and imple-  
23 mentation of permanency and youth services initia-  
24 tives.
- 25 8. Upon request by the Department of Finance, the Con-  
26 troller shall transfer funds between this item and Item  
27 5180-153-0001 as needed to reflect the estimated ex-  
28 penditure amounts for each county that opts into the  
29 Title IV-E Child Welfare Waiver Demonstration Pro-  
30 ject pursuant to Section 18260 of the Welfare and In-  
31 stitutions Code. The Department of Finance shall re-  
32 port to the Legislature the amount to be transferred  
33 pursuant to this provision. The transfer shall be autho-  
34 rized at the time the report is made.
- 35 9. *Notwithstanding any other provision of law, in deter-*  
36 *mining the basic allocation to counties for the admin-*  
37 *istration of the Child Welfare Services Program, as*  
38 *established by Section 16500 of the Welfare and Insti-*  
39 *tutions Code, the unit cost developed in each county’s*  
40 *final 2001–02 fiscal year proposed county administra-*



2. Provision 9 of Item 5180-151-0001 also applies to this item.

SEC. 103. Item 5225-001-0001 of Section 2.00 of the Budget Act of 2008 is amended to read:

5225-001-0001—For support of Department of Corrections and Rehabilitation..... 6,830,378,000  
7,120,680,000

Schedule:

- (1) 10-Corrections and Rehabilitation Administration..... ~~461,767,995~~  
460,974,000
- (3) 15-Corrections Standards Authority..... 11,794,000
- (4) 20-Juvenile Operations..... 263,488,000
- (5) 21-Juvenile Education, Vocations, and Offender Programs..... 5,529,000
- (6) 22-Juvenile Paroles..... 34,098,000
- (7) 23-Juvenile Health Care..... 112,786,000
- (8) 25-Adult Corrections and Rehabilitation Operations..... ~~4,718,297,000~~  
4,932,406,000
- (9) 30-Parole Operations—Adult..... ~~752,323,000~~  
827,160,000
- (10) 35-Board of Parole Hearings..... ~~105,982,000~~  
116,482,000
- (11) 40-Community Partnerships..... ~~15,145,000~~  
15,030,000
- (12) 45-Education, Vocations, and Offender Programs—Adult..... ~~551,181,005~~  
545,046,000
- (13) Reimbursements..... ~~-126,998,000~~  
-129,098,000
- (14) Amount payable from the Corrections Training Fund (Item 5225-001-0170).... -2,608,000
- (15) Amount payable from the Federal Trust Fund (Item 5225-001-0890)..... -7,332,000
- (16) Amount payable from the Inmate Welfare Fund (Item 5225-001-0917)..... -65,075,000

- 1 Provisions:
- 2 1. Any funds recovered as a result of audits of locally  
3 operated return-to-custody centers shall revert to the  
4 General Fund.
- 5 2. When contracting with counties for vacant jail beds  
6 for any inmate under the jurisdiction of the Secretary  
7 of the Department of Corrections and Rehabilitation,  
8 the department shall not reimburse counties more than  
9 the average amount it costs the state to provide the  
10 same services in comparable state institutions. This  
11 restriction shall not apply to any existing contract, but  
12 shall apply to the extension or renewal of that contract.  
13 In addition, the total operational cost of incarcerating  
14 state inmates in leased county jail beds (which includes  
15 state costs, but is exclusive of one-time and capital  
16 outlay costs) shall not exceed the department's average  
17 cost for operating comparable institutions.
- 18 3. Notwithstanding any other provision of law, but sub-  
19 ject to providing 30 days' prior notification to the Joint  
20 Legislative Budget Committee, funds appropriated in  
21 Schedule (8) or (9), or both, may be transferred to Item  
22 5225-101-0001, Schedule (7), upon order of the Direc-  
23 tor of Finance, to provide funds for the reimbursement  
24 of counties for the cost of holding parole violators in  
25 local jail.
- 26 4. Not later than 60 days following enactment of this act,  
27 and subsequently on February 10 and upon release of  
28 the May Revision, the Secretary of the Department of  
29 Corrections and Rehabilitation shall submit to the Di-  
30 rector of Finance the Post Assignment Schedule for  
31 each adult institution, reconciled to budgeted authority  
32 and consistent with approved programs, along with  
33 allotments consistent with the reconciled Post Assign-  
34 ment Schedule for each adult institution.
- 35 5. Not later than February 17, 2009, the Secretary of the  
36 Department of Corrections and Rehabilitation shall  
37 submit to the chairpersons and vice chairpersons of  
38 the committees in both houses of the Legislature that  
39 consider the State Budget and to the Legislative Ana-  
40 lyst's Office an operating budget for each of the cor-

- 1           recreational facilities under the control of the department.  
2           Specifically, the report shall include: (a) year-end ex-  
3           penditures by program for each institution in the  
4           2007–08 fiscal year, (b) allotments and projected ex-  
5           penditures by program for each institution in the  
6           2008–09 fiscal year, (c) the number of authorized and  
7           vacant positions, estimated overtime budget, estimated  
8           benefits budget, and operating expense and equipment  
9           budget for each institution, and (d) a list of all capital  
10          outlay projects occurring or projected to occur during  
11          the 2008–09 fiscal year.
- 12         6. Funds appropriated to accommodate projected adult  
13          institutional and parolee population levels in excess  
14          of those that actually materialize, if any, shall revert  
15          to the General Fund.
- 16         7. Of the amount appropriated in this item, \$87,341,000  
17          is available for the Consolidated Information Technol-  
18          ogy Infrastructure Project. Upon determination of the  
19          project costs that can be financed using GS \$mart, any  
20          balance in excess of the amounts needed for 2008–09  
21          payments shall revert to the General Fund upon order  
22          of the Director of Finance. Up to \$45,856,000 may be  
23          reverted.
- 24         8. The Director of Finance may augment this item by up  
25          to \$15,000,000 upon approval of a Feasibility Study  
26          Report or a Special Project Report by the office of the  
27          State Chief Information Officer that identifies a gap  
28          and a need for an information technology solution  
29          between the development of the Strategic Offender  
30          Management System, the Disability and Effective  
31          Communication System, and the requirements of the  
32          Armstrong v. Schwarzenegger court orders. Any aug-  
33          mentation shall be authorized no sooner than 30 days  
34          after notification in writing to the Chairperson of the  
35          Joint Legislative Budget Committee, or not sooner  
36          than whatever lesser time the chairperson of the joint  
37          committee or his or her designee may determine.
- 38         9. Notwithstanding any other provision of law, upon or-  
39          der of the Director of Finance, funds appropriated in  
40          Schedules (8) and (12) may be transferred between

- 1 each other for the sole purpose of reconciling expendi-  
2 tures in the Division of Adult Institutions with expendi-  
3 tures in the Division of Adult Education, Vocation,  
4 and Offender Programs in order to comply with the  
5 April 3, 2007, court order, in the case of Valdivia v.  
6 Schwarzenegger. Transfers between Schedules (8) and  
7 (12) shall occur no sooner than 30 days after notifica-  
8 tion to the Joint Legislative Budget Committee of ac-  
9 tual utilization of In-Custody Treatment Program beds  
10 by parole region and how this utilization necessitates  
11 the transfer of funds.
- 12 10. The Department of Corrections and Rehabilitation  
13 (DCR) shall continue its efforts in consultation with  
14 legislative staff and the Department of Finance to  
15 create a more accurate and transparent population  
16 budget request for caseload-related funding. In partic-  
17 ular, DCR shall identify appropriate funding formulas  
18 to use to estimate staffing levels and funding associat-  
19 ed with changes in the projected inmate population.  
20 These formulas shall be presented to the Legislature  
21 no later than January 10, 2009, so as to be considered  
22 during budget deliberations. If approved, these formu-  
23 las shall be incorporated into DCR's budget request  
24 the following year.
- 25 11. Of the amount appropriated in Schedule (1),  
26 \$3,270,000 is for contract costs to provide employees  
27 of the Department of Corrections and Rehabilitation  
28 with tuberculosis testing and Hepatitis B vaccinations.  
29 Any funds not expended for this purpose by June 30,  
30 2009, shall revert to the General Fund. The Department  
31 of Corrections and Rehabilitation shall report actual  
32 contract expenditures to the Department of Finance.
- 33 12. The process to award local jail bond funding, autho-  
34 rized pursuant to Chapter 7 of the Statutes of 2007,  
35 shall be finalized by the Corrections Standard Author-  
36 ity prior to the activation of the Northern California  
37 Reentry Facility.
- 38 13. The Department of Corrections and Rehabilitation  
39 shall establish and implement a system for ensuring  
40 consistent reporting of the utilization of funding pro-

1 vided in this item for aftercare rehabilitation services.  
2 This information shall be reported to the Legislature  
3 in the Governor's 2009–10 January budget proposal.

- 4 14. (a) The funds appropriated in this item are restricted  
5 for use by the Department of Corrections and  
6 Rehabilitation for the specific programmatic and  
7 operational purposes specified in the Supplemental  
8 Report of the Budget Act of 2008. The depart-  
9 ment shall provide two reports identifying its  
10 progress toward expending these funds during the  
11 2008–09 fiscal year to the fiscal committees of  
12 both houses of the Legislature beginning on Octo-  
13 ber 1, 2008. The first report shall be due February  
14 1, 2009, and shall separately detail the activities  
15 of the first two quarters of the 2008–09 fiscal year.  
16 The second report shall be due May 1, 2009, and  
17 shall display the activities for the third quarter of  
18 the 2008–09 fiscal year. The funds identified in  
19 the Supplemental Report of the Budget Act of  
20 2008 shall be utilized for the purposes specified,  
21 and any unspent funds shall revert to the General  
22 Fund.
- 23 (b) In situations where fluctuations in population result  
24 in lower expenditure levels as identified in  
25 the department's population budget change pro-  
26 posals, these savings shall be captured in the  
27 population funding estimates and may be used to  
28 offset other population-related expenditure increas-  
29 es.
- 30 (c) After providing a 30-day notification period to  
31 the Joint Legislative Budget Committee, the de-  
32 partment may expend funds identified in the  
33 Supplemental Report of the Budget Act of 2008  
34 on other identified needs.

35  
36 *SEC. 104. Item 5225-002-0001 of Section 2.00 of the Budget*  
37 *Act of 2008 is amended to read:*

1 5225-002-0001—For support of Department of Corrections  
 2 and Rehabilitation..... 2,293,414,000  
 3 2,332,621,000

4 Schedule:

- 5 (1) 10-Corrections and Rehabilitation Ad-  
 6 ministration..... 8,314,000
- 7 (2) 25-Adult Corrections and Rehabilita-  
 8 tion operations..... 285,922,000
- 9 (3) 50.10-Medical Services—Adult..... ~~1,302,213,000~~  
 10 1,338,668,000
- 11 (4) 50.20-Dental Services—Adult..... ~~110,689,000~~  
 12 116,703,000
- 13 (5) 50.30-Mental Health Services—  
 14 Adult..... ~~311,820,000~~  
 15 311,658,000
- 16 (6) 50.40-Ancillary Health Care Ser-  
 17 vices—Adult..... 215,839,000
- 18 (7) 50.50-Dental and Mental Health Ser-  
 19 vices Administration—Adult..... ~~60,818,000~~  
 20 57,718,000
- 21 (8) Reimbursements..... -2,201,000

22 Provisions:

- 23 1. On February 14, 2006, the United States District Court  
 24 in the case of Plata v. Schwarzenegger (No. C01-1351  
 25 THE) suspended the exercise by the Secretary of the  
 26 Department of Corrections and Rehabilitation of all  
 27 powers related to the administration, control, manage-  
 28 ment, operation, and financing of the California prison  
 29 medical health care system. The court ordered that all  
 30 such powers vested in the Secretary of the Department  
 31 of Corrections and Rehabilitation were to be performed  
 32 by a Receiver appointed by the court commencing  
 33 April 17, 2006, until further order of the court. The  
 34 Director of the Division of Correctional Health Care  
 35 Services of the Department of Corrections and Reha-  
 36 bilitation is to administer this item to the extent direct-  
 37 ed by the Receiver.
- 38 2. Notwithstanding any other provision of law, the De-  
 39 partment of Corrections and Rehabilitation is not re-  
 40 quired to competitively bid for health services con-

- 1 tracts in cases where contracting experience or history  
2 indicates that only one qualified bid will be received.
- 3 3. Notwithstanding Section 13324 of the Government  
4 Code or Section 32.00 of this act, no state employee  
5 shall be held personally liable for any expenditure or  
6 the creation of any indebtedness in excess of the  
7 amounts appropriated therefor as a result of complying  
8 with the directions of the Receiver or orders of the  
9 United States District Court in *Plata v. Schwarzenegger*.  
10
- 11 4. The amounts appropriated in Schedules (3) and (6)  
12 are available for expenditure by the Receiver appointed  
13 by the *Plata v. Schwarzenegger* court to carry out its  
14 mission to deliver constitutionally adequate medical  
15 care to inmates.
- 16 5. The amounts appropriated in Schedules (4), (5), and  
17 (7) are available for expenditure by the Department  
18 of Corrections and Rehabilitation to provide mental  
19 health and dental services only.
- 20 6. Of the funds appropriated for the Receiver in Sched-  
21 ules (2), (3), and (6), \$253,807,000 is available for  
22 expenditure only for the purposes identified below and  
23 any unexpended funds shall revert to the General Fund:  
24 (a) Health Care Access Units: \$110,020,000  
25 (b) Health Care Guarding and Transportation:  
26 \$89,328,000  
27 (c) Central Fill Pharmacy: \$8,621,000  
28 (d) Pharmaceuticals and Medical Supplies:  
29 \$45,838,000
- 30 7. (a) The funds appropriated in this item are restricted  
31 for use by the Department of Corrections and re-  
32 habilitation for the specific programmatic and  
33 operational purposes specified in the Supplemental  
34 Report of the Budget Act of 2008. The depart-  
35 ment shall provide two reports identifying its  
36 progress toward expending these funds during the  
37 2008–09 fiscal year to the fiscal committees of  
38 both houses of the Legislature beginning on Octo-  
39 ber 1, 2008. The first report shall be due February  
40 1, 2009, and shall separately detail the activities

1 of the first two quarters of the 2008–09 fiscal year.  
 2 The second report shall be due May 1, 2009, and  
 3 shall display the activities for the third quarter of  
 4 the 2008–09 fiscal year. The funds identified in  
 5 the Supplemental Report of the Budget Act of  
 6 2008 shall be utilized for the purposes specified,  
 7 and any unspent funds shall revert to the General  
 8 Fund.

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

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

21 8. The Department of Corrections and Rehabilitation is  
 22 required to submit a Budget Change Proposal to re-  
 23 quest funding to support positions authorized in the  
 24 Mental Health Staffing Workload Study.  
 25

26 *SEC. 105. Item 5225-101-0001 of Section 2.00 of the Budget*  
 27 *Act of 2008 is amended to read:*  
 28

29	5225-101-0001—For local assistance, Department of Correc-	
30	tions and Rehabilitation.....	<del>64,217,000</del>
31		246,671,000
32	Schedule:	
33	(1) 15-Corrections Standards Authority....	<del>30,265,000</del>
34		182,107,000
35	(2) 20-Juvenile Operations.....	78,000
36	(3) 22-Juvenile Paroles.....	1,403,000
37	(4) 25.15.010-Adult Corrections and Reha-	
38	bilitation Operations—Transportation	
39	of Inmates.....	278,000

1	(5) 25.15.020-Adult Corrections and Reha-	
2	bilitation Operations—Return of Fugi-	
3	tives.....	2,593,000
4	(6) 25.30-Adult Corrections and Rehabilita-	
5	tion Operations—County Charges.....	16,480,000
6	(7) 30-Parole Operations—Adult.....	<del>13,120,000</del>
7		43,732,000

8 Provisions:

- 9 1. The amount appropriated in Schedules (4), (5), (6),  
10 and (7) is provided for the following purposes:
- 11 (a) To pay the transportation costs of prisoners to and  
12 between state prisons, including the return of pa-  
13 role violators to prison and for the conveying of  
14 persons under provisions of Division 3 (commenc-  
15 ing with Section 3000) of the Welfare and Institu-  
16 tions Code and the Western Interstate Corrections  
17 Compact (Section 11190 of the Penal Code), in  
18 accordance with Section 26749 of the Government  
19 Code. Claims filed by local jurisdictions shall be  
20 filed within six months after the end of the month  
21 in which those transportation costs are incurred.  
22 Expenditures shall be charged to either the fiscal  
23 year in which the claim is received by the Con-  
24 troller or the fiscal year in which the warrant is  
25 issued by the Controller. Claims filed by local  
26 jurisdictions directly with the Controller may be  
27 paid by the Controller.
- 28 (b) To pay the expenses of returning fugitives from  
29 justice from outside the state, in accordance with  
30 Sections 1389, 1549, and 1557 of the Penal Code.  
31 Claims filed by local jurisdictions shall be filed  
32 within six months after the end of the month in  
33 which expenses are incurred. Expenditures shall  
34 be charged to either the fiscal year in which the  
35 claim is received by the Controller or the fiscal  
36 year in which the warrant is issued by the Con-  
37 troller, and any restitution received by the state  
38 for those expenses shall be credited to the appro-  
39 priation of the year in which the Controller's re-  
40 ceipt is issued. Claims filed by local jurisdictions

- 1                   directly with the Controller may be paid by the
- 2                   Controller.
- 3           (c) To pay county charges, payable under Sections
- 4                   4700.1, 4750 to 4755, inclusive, and 6005 of the
- 5                   Penal Code. Claims shall be filed by local juris-
- 6                   dictions within six months after the end of the
- 7                   month in which a service is performed by the
- 8                   coroner, a hearing is held on the return of a writ
- 9                   of habeas corpus, the district attorney declines to
- 10                  prosecute a case referred by the Department of
- 11                  Corrections and Rehabilitation, a judgment is
- 12                  rendered for a court hearing or trial, an appeal
- 13                  ruling is rendered for the trial judgment, or an
- 14                  activity is performed as permitted by these sec-
- 15                  tions. Expenditures shall be charged to either the
- 16                  fiscal year in which the claim is received by the
- 17                  Controller or the fiscal year in which the warrant
- 18                  is issued by the Controller. Claims filed by local
- 19                  jurisdictions directly with the Controller may be
- 20                  paid by the Controller.
- 21           (d) To reimburse counties for the cost of detaining
- 22                  state parolees pursuant to Section 4016.5 of the
- 23                  Penal Code. Claims shall be filed by local juris-
- 24                  dictions within six months after the end of the
- 25                  month in which the costs are incurred. Claims
- 26                  filed by local jurisdictions may not include
- 27                  booking fees, may not recover detention costs in
- 28                  excess of \$77.17 per day, and shall be limited to
- 29                  the detention costs for those days on which
- 30                  parolees are held subject only to a Department of
- 31                  Corrections and Rehabilitation request pursuant
- 32                  to subdivision (b) of Section 4016.5 of the Penal
- 33                  Code. Expenditures shall be charged to either the
- 34                  fiscal year in which the claim is received by the
- 35                  Department of Corrections and Rehabilitation or
- 36                  the fiscal year in which the warrant is issued.
- 37           2. Notwithstanding any other provision of law, upon 30-
- 38                  day prior notification to the Chairperson of the Joint
- 39                  Legislative Budget Committee, funds appropriated in
- 40                  Schedule (7) of this item may be transferred to

Schedule (8) or (9), or both, of Item 5225-001-0001, upon order of the Director of Finance, to provide funds for the reimbursement of counties for the cost of holding parole violators in local jails or for the auditing or monitoring of local assistance costs.

3. The amounts appropriated in Schedules (2) and (3) are provided for the following purposes:

(a) To pay the transportation costs of persons committed to the Department of Corrections and Rehabilitation to or between its facilities, including the return of parole violators, provided that expenditures made under this item shall be charged to either the fiscal year in which the claim is received by the Controller or the fiscal year in which the warrant is issued by the Controller. However, claims shall be filed by local jurisdictions within six months after the end of the month in which the costs are incurred.

(b) To reimburse counties, pursuant to Section 1776 of the Welfare and Institutions Code, for the cost of the detention of the Department of Corrections and Rehabilitation parolees who are detained on alleged parole violations, provided that expenditures made under this item shall be charged to either the fiscal year in which the claim is received by the Controller or the fiscal year in which the warrant is issued by the Controller. However, claims shall be filed by local jurisdictions within six months after the end of the month in which the costs are incurred.

*SEC. 106. Item 5225-301-0001 of Section 2.00 of the Budget Act of 2008 is amended to read:*

5225-301-0001—For capital outlay, Department of Corrections and Rehabilitation, payable from the General Fund.....	58,319,000
--	------------

1	Schedule:	
2	(.6) 60.26.011-O.H. Close Youth Correctional Facility, Stockton: Inyo Behavioral Treatment Program Space—Construction.....	516,000
3		
4		
5		
6	(.7) 60.26.268-O.H. Close Youth Correctional Facility, Stockton: Humboldt Specialized Counseling Program Building—Construction.....	517,000
7		
8		
9		
10	(1) 60.26.269-N. A. Chaderjian Youth Correctional Facility, Stockton: Sexual Behavior Treatment Program Counseling Building No. 1—Construction.....	419,000
11		
12		
13		
14	(2) 60.26.270-N. A. Chaderjian Youth Correctional Facility, Stockton: Sexual Behavior Treatment Program Counseling Building No. 2—Construction.....	517,000
15		
16		
17		
18	(3) 61.01.001-Statewide: Budget Packages and Advance Planning—Study.....	3,000,000
19		
20	(4) 61.01.203-Statewide: Small Management Exercise Yards—Preliminary plans, working drawings, and construction.....	25,407,000
21		
22		
23		
24	(5) 61.05.038-Correctional Training Facility, Soledad: Solid Cell Fronts—Working drawings.....	498,000
25		
26		
27	(7) 61.07.107-Folsom State Prison, Represa: Renovate Branch Circuit Wiring, Building No. 5—Working drawings and construction.....	1,876,000
28		
29		
30		
31	(8) 61.09.038-California Medical Facility, Vacaville: Solid Cell Fronts—Construction.....	6,688,000
32		
33		
34	(9) 61.13.016-California Institution for Women, Frontera: 20-Bed Psychiatric Services Unit—Preliminary plans and working drawings.....	747,000
35		
36		
37		
38	(10) 61.14.030-Minor Projects .....	5,538,000

1	(11) 61.15.035-California Rehabilitation	
2	Center, Norco: Replace Men’s Dorms—	
3	Working drawings.....	343,000
4	(12) 61.15.039-California Rehabilitation	
5	Center, Norco: Install Bar Screen—	
6	Preliminary plans and working draw-	
7	ings.....	113,000
8	(13) 61.16.023-Sierra Conservation Center,	
9	Jamestown: Filtration/Sedimentation	
10	Structure—Construction.....	2,579,000
11	(14) 61.18.008-Mule Creek State Prison,	
12	Ione: Wastewater Treatment Plant Im-	
13	provements—Working drawings.....	542,000
14	(16) 61.34.004-Ironwood State Prison,	
15	Blythe: Heating, Ventilation, and Air	
16	Conditioning System— Preliminary	
17	plans .....	5,758,000
18	(17) 61.35.014-Salinas Valley State Prison,	
19	Soledad: 180 Housing Unit Conversion	
20	and Addition to the Mental Health Ser-	
21	vices Building—Preliminary plans.....	1,694,000
22	(18) 61.35.016- Salinas Valley State Prison,	
23	Soledad: Intermediate Care Facility	
24	Treatment Space—Preliminary plans	
25	and working drawings.....	399,000
26	(19) 61.47.007- California State Prison-	
27	Sacramento, Represa: Enhanced Outpa-	
28	tient Program, Facility B Program,	
29	Treatment, and Office Space—Prelimi-	
30	nary plans.....	1,168,000

31 Provisions:

32 1. The funds appropriated in Schedule (3) are to be allo-

33 cated by the Department of Corrections and Rehabili-

34 tation, upon approval by the Department of Finance,

35 to develop design and cost information for new pro-

36 jects for which funds have not been previously appro-

37 priated, but for which preliminary plan funds, working

38 drawings funds, or working drawings and construction

39 funds are expected to be included in the 2009–10 or

40 2010–11 Budget Act, and for which cost estimates or

- 1 preliminary plans can be developed prior to legislative  
2 hearings on the 2009–10 and 2010–11 Budget Acts,  
3 respectively. Upon approval by the Department of Fi-  
4 nance, these funds may also be used to develop scope  
5 and cost information for projects authorized by Section  
6 15819.40 of the Government Code. These funds may  
7 be used for all of the following: budget package devel-  
8 opment, environmental services, architectural program-  
9 ming, engineering assessments, schematic design, and  
10 preliminary plans. The amount appropriated in this  
11 item for these purposes is not to be construed as a  
12 commitment by the Legislature as to the amount of  
13 capital outlay funds it will appropriate in any future  
14 year. Before using these funds for preliminary plans,  
15 the Department of Corrections and Rehabilitation shall  
16 provide a 20-day notification to the Chairperson of  
17 the Joint Legislative Budget Committee, the chairper-  
18 sons of the respective fiscal committee of each house  
19 of the Legislature, and the legislative members of the  
20 State Public Works Board, discussing the scope, cost,  
21 and future implications of the use of funds for prelim-  
22 inary plans.
- 23 2. As used in this appropriation, studies shall include site  
24 studies and suitability reports, environmental studies,  
25 master planning, architectural programming and  
26 schematics.
  - 27 3. The unexpended portion of funds appropriated in  
28 Schedules (9), (17), and (18) shall be reverted if the  
29 projects for which they are appropriated are removed  
30 from the mental health bed plan, as approved by the  
31 Coleman Court, and are no longer necessary to meet  
32 the mental health space needs required by the Coleman  
33 Court.
  - 34 4. The Department of Corrections and Rehabilitation  
35 shall report to, in writing, the chairpersons of the  
36 committees in each house of the Legislature that con-  
37 sider appropriations and the Chairperson of the Joint  
38 Legislative Budget Committee by May 1, 2009, on  
39 the reconciliation of the funds appropriated in Schedule  
40 (10).

- 1 5. *Notwithstanding any other provision of law, the funds*  
2 *appropriated in Schedule (4) shall be subject to the*  
3 *following:*
- 4 (a) *Upon approval of the Department of Finance, the*  
5 *funds appropriated in Schedule (4) may be aug-*  
6 *mented by up to \$8,593,000 if doing so will enable*  
7 *the Department of Corrections and Rehabilitation*  
8 *to comply with the order in Coleman v. Wilson*  
9 *requiring completion of this project by June 30,*  
10 *2009. No such augmentation shall be approved*  
11 *until the Department of Finance has certified that*  
12 *bids have been received and that approving an*  
13 *augmentation will enable the Department of*  
14 *Corrections and Rehabilitation to comply with*  
15 *the court order. Upon making such a finding, the*  
16 *Department of Finance shall provide written no-*  
17 *tification to the Joint Legislative Budget Commit-*  
18 *tee and the chairpersons of the fiscal committees*  
19 *in each house of the Legislature at least 30 days*  
20 *prior to State Public Works Board approval of*  
21 *the augmentation, or any lesser time the chairper-*  
22 *son of the Joint Legislative Budget Committee, or*  
23 *his or her designee, may determine.*
- 24 (b) *In order to expedite the design and construction*  
25 *of the project, the Department of Corrections and*  
26 *Rehabilitation is authorized to perform any work*  
27 *to be done on this project using day labor, nego-*  
28 *tiated contract, contract made upon informal bids,*  
29 *or a combination thereof without the necessity of*  
30 *complying with the State Contract Act (Chapter*  
31 *1 (commencing with Section 10100) of Part 2 of*  
32 *Division 2 of the Public Contract Code) or any*  
33 *part thereof.*
- 34 (c) *Entities may be selected by the Department of*  
35 *Corrections and Rehabilitation subject to all of*  
36 *the following criteria:*
- 37 (1) *The Department of Corrections and Rehabil-*  
38 *itation shall utilize, as the primary selection*  
39 *criteria, the demonstrated competence and*  
40 *qualifications for the design, developing,*

- 1                    *construction, rebuilding, improvement, or*  
2                    *repair, or any combination thereof, of the*  
3                    *project.*  
4                    (2) *The Department of Corrections and Rehabil-*  
5                    *itation shall ensure that the construction of*  
6                    *the project is delivered under contracts en-*  
7                    *tered into pursuant to this section at a fair*  
8                    *and reasonable price.*  
9                    (d) *If an augmentation pursuant to subdivision (a) is*  
10                    *not approved, these funds shall be available for*  
11                    *augmentation by the State Public Works Board,*  
12                    *pursuant to subdivision (e) and (g) of Section*  
13                    *13332.11 of the Government Code. No other*  
14                    *provision of Section 13332.11 of the Government*  
15                    *Code shall apply.*  
16                    (e) *All plans and specifications for the project shall*  
17                    *comply with all applicable building codes for state*  
18                    *owned facilities.*  
19                    (f) *Notwithstanding the provisions of Section 3247*  
20                    *of the Civil Code, the contractor under any con-*  
21                    *tract made under this chapter need not provide a*  
22                    *payment bond before the commencement of the*  
23                    *work but must provide a payment bond as other-*  
24                    *wise required by law prior to payment under the*  
25                    *contract.*  
26                    (g) *Other than as provided in this provision, private*  
27                    *sector methods may be used to deliver the project.*  
28                    *Specifically, the design, procurement and contract-*  
29                    *ing of the project is not subject to the State Con-*  
30                    *tract Act (Chapter 1 (commencing with Section*  
31                    *10100) of Part 2 of Division 2 of the Public Con-*  
32                    *tract Code), Chapter 10 (commencing with Sec-*  
33                    *tion 4525) of Division 5 of Title 1 of the Govern-*  
34                    *ment Code, or any other provision of California*  
35                    *law governing public procurement or public*  
36                    *works projects.*  
37                    (h) *The provisions of Section 7003 of the Penal Code*  
38                    *shall not apply to the project.*  
39

1 SEC. 107. Item 5225-301-0660 of Section 2.00 of the Budget  
2 Act of 2008 is amended to read:

3  
4 5225-301-0660—For capital outlay, Department of Corrections  
5 and Rehabilitation, payable from the Public Buildings  
6 Construction Fund..... ~~62,355,000~~  
7 198,630,000

8 Schedule:

9 (.3) 61.07.029-Folsom State Prison, Represa:  
10 Convert Officer and Guards Building to  
11 Office Space—Construction..... 6,768,000

12 (.5) 61.10.101-California Men’s Colony, San  
13 Luis Obispo: Central Kitchen Replace-  
14 ment—Working drawings and construc-  
15 tion..... 15,263,000

16 (1) 61.12.027-San Quentin State Prison:  
17 Condemned Inmate Complex—Working  
18 drawings and construction..... 136,275,000

19 (2) 61.15.035-California Rehabilitation  
20 Center, Norco: Replace Men’s  
21 Dorms—Construction..... 14,993,000

22 (3) 61.22.006-Chuckwalla Valley State Pri-  
23 son, Blythe: Wastewater Treatment Plant  
24 Improvements—Construction..... 25,331,000

25 Provisions:

26 1. The State Public Works Board may issue lease-revenue  
27 bonds, notes, or bond anticipation notes pursuant to  
28 Chapter 5 (commencing with Section 15830) of Part  
29 10b of Division 3 of Title 2 of the Government Code  
30 to finance the construction of the projects authorized  
31 by this item.

32 2. The Department of Corrections and Rehabilitation and  
33 the State Public Works Board are authorized and di-  
34 rected to execute and deliver any and all leases, con-  
35 tracts, agreements, or other documents necessary or  
36 advisable to consummate the sale of bonds or other-  
37 wise effectuate the financing of the scheduled projects.

38 3. The State Public Works Board shall not be deemed a  
39 lead or responsible agency for purposes of the Califor-  
40 nia Environmental Quality Act (Division 13 (commenc-

1 ing with Section 21000) of the Public Resources Code)  
 2 for any activities under the State Building Construction  
 3 Act of 1955 (Part 10b (commencing with Section  
 4 15800) of Division 3 of Title 2 of the Government  
 5 Code). This provision does not exempt the Department  
 6 of Corrections and Rehabilitation from the require-  
 7 ments of the California Environmental Quality Act.  
 8 This provision is declaratory of existing law.

9 4. Notwithstanding any other provision of law, the funds  
 10 appropriated in this item shall be available for expen-  
 11 diture during the 2008–09 fiscal year, except appropri-  
 12 ations for acquisitions which shall be available for  
 13 expenditure until June 30, 2011, appropriations for  
 14 working drawings which shall be available for expen-  
 15 diture until June 30, 2010, and appropriations for  
 16 construction which shall be available for expenditure  
 17 until June 30, 2013. In addition, the balance of the  
 18 funds appropriated for construction that have not been  
 19 allocated, through fund transfer or approval to bid, by  
 20 the Department of Finance on or before June 30, 2011,  
 21 shall revert as of that date to the fund from which the  
 22 appropriation was made.

23  
 24 *SEC. 108. Item 6110-001-0001 of Section 2.00 of the Budget*  
 25 *Act of 2008 is amended to read:*

26			
27	6110-001-0001—For support of Department of Education.....		42,685,000
28			42,307,000
29	Schedule:		
30	(2) 20-Instructional Support.....	174,245,000	
31		174,201,000	
32	(3) 30-Special Programs.....	54,659,000	
33	(4) 40-Executive Management and Special		
34	Services.....	9,801,000	
35	(6) 42.01-Department Management and		
36	Special Services.....	33,345,000	
37	(7) 42.02-Distributed Department Manage-		
38	ment and Special Services.....	-33,345,000	
39	(8) Reimbursements.....	-19,511,000	
40	(8.5) Unallocated Reduction.....	-5,121,000	

- 1 (9) Amount payable from Federal Trust
- 2 Fund (Item 6110-001-0890)..... -170,681,000
- 3 -171,015,000
- 4 (10) Amount payable from Mental Health
- 5 Services Fund (Item 6110-001-3085).... -707,000
- 6 Provisions:
- 7 1. Notwithstanding Section 33190 of the Education Code,
- 8 or any other provision of law, the State Department
- 9 of Education shall expend no funds to prepare (a) a
- 10 statewide summary of student performance on school
- 11 district proficiency assessments or (b) a compilation
- 12 of information on private schools with five or fewer
- 13 pupils.
- 14 2. Funds appropriated in this item may be expended or
- 15 encumbered to make one or more payments under a
- 16 personal services contract of a visiting educator pur-
- 17 suant to Section 19050.8 of the Government Code, a
- 18 long-term special consultant services contract, or an
- 19 employment contract between an entity that is not a
- 20 state agency and a person who is under the direct or
- 21 daily supervision of a state agency, only if all of the
- 22 following conditions are met:
- 23 (a) The person providing service under the contract
- 24 provides full financial disclosure to the Fair Polit-
- 25 ical Practices Commission in accordance with the
- 26 rules and regulations of the commission.
- 27 (b) The service provided under the contract does not
- 28 result in the displacement of any represented civil
- 29 service employee.
- 30 (c) The rate of compensation for salary and health
- 31 benefits for the person providing service under
- 32 the contract does not exceed by more than 10
- 33 percent the current rate of compensation for salary
- 34 and health benefits determined by the Department
- 35 of Personnel Administration for civil service per-
- 36 sonnel in a comparable position. The payment of
- 37 any other compensation or any reimbursement
- 38 for travel or per diem expenses shall be in accord-
- 39 dance with the State Administrative Manual and

- 1           the rules and regulations of the California Victim  
2           Compensation and Government Claims Board.
- 3       3. The funds appropriated in this item may not be expend-  
4       ed for any REACH program.
- 5       4. The funds appropriated in this item may not be expend-  
6       ed for the development or dissemination of program  
7       advisories, including, but not limited to, program ad-  
8       visories on the subject areas of reading, writing, and  
9       mathematics, unless explicitly authorized by the State  
10      Board of Education.
- 11      5. Of the funds appropriated in this item, \$206,000 shall  
12      be available as matching funds for the Department of  
13      Rehabilitation to provide coordinated services to dis-  
14      abled pupils. Expenditure of the funds shall be identi-  
15      fied in the memorandum of understanding or other  
16      written agreement with the Department of Rehabilita-  
17      tion to ensure an appropriate match to federal vocation-  
18      al rehabilitation funds.
- 19      6. Of the funds appropriated in this item, no less than  
20      \$2,420,000 is available for support of child care ser-  
21      vices, including state preschool.
- 22      7. Of the funds appropriated in this item, \$164,000 is  
23      provided solely for the purpose of funding existing  
24      positions from within the State Department of Educa-  
25      tion to provide the Curriculum Development and  
26      Supplemental Materials Commission with subject  
27      matter specialists.
- 28      8. Of the funds appropriated in this item, \$200,000 is  
29      available for a review of proposals submitted by school  
30      districts that wish to participate in the Mathematics  
31      and Reading Professional Development Program. The  
32      selection of the reviewer shall be subject to the ap-  
33      proval of the State Board of Education.
- 34      9. Of the funds appropriated in this item, \$939,000, as  
35      subsequently adjusted for employee compensation,  
36      shall be available for costs associated with the admin-  
37      istration of the High Priority Schools Grant Program  
38      pursuant to Article 3.5 (commencing with Section  
39      52055.600) of Chapter 6.1 of Part 28 of Division 4 of  
40      Title 2 of the Education Code and the Immediate Inter-

- 1           vention/Underperforming Schools Program pursuant  
2           to Article 3 (commencing with Section 52053) of  
3           Chapter 6.1 of Part 28 of Division 4 of Title 2 of the  
4           Education Code.
- 5       10. By October 31 of each year, the State Department of  
6           Education (SDE) shall provide to the Department of  
7           Finance a file of all charter school average daily atten-  
8           dance (ADA) and state and local revenue associated  
9           with charter school general purpose entitlements as  
10          part of the P2 Revenue Limit File. By March 1, 2008,  
11          the SDE shall provide to the Department of Finance  
12          a file of all charter school ADA and state and local  
13          revenue associated with charter school general purpose  
14          entitlements as part of the P1 Revenue Limit File. It  
15          is the expectation that such reports will be provided  
16          annually.
- 17       11. On or before April 15, 2008, the State Department of  
18           Education (SDE) shall provide to the Department of  
19           Finance an electronic file that includes complete dis-  
20           trict- and county-level state appropriations limit infor-  
21           mation reported to the SDE. The SDE shall make every  
22           effort to ensure that all districts have submitted the  
23           necessary information requested on the relevant report-  
24           ing forms.
- 25       12. The State Department of Education shall make infor-  
26           mation available to the Department of Finance, the  
27           Legislative Analyst's Office, and the budget commit-  
28           tees of each house of the Legislature by October 31,  
29           March 31, and May 31 of each year regarding the  
30           amount of Proposition 98 savings estimated to be  
31           available for reversion by June 30 of that year.
- 32       13. Of the reimbursement funds appropriated in this item,  
33           \$2,000,000 shall be available to the State Department  
34           of Education for nutrition education and physical ac-  
35           tivity promotion pursuant to an interagency agreement  
36           with the State Department of Public Health.
- 37       14. The report required by Section 60800 of the Education  
38           Code for the physical performance test is not required  
39           to be printed and mailed, but shall be compiled and  
40           reported electronically.

- 1       15. Reimbursement expenditures pursuant to this item re-  
2       resulting from the imposition by the State Department  
3       of Education (SDE) of a commercial copyright fee  
4       may not be expended sooner than 30 days after the  
5       SDE submits to the Department of Finance a legal  
6       opinion affirming the authority to impose such fees  
7       and the arguments supporting that position against any  
8       objections or legal challenges to the fee filed with the  
9       SDE. Any funds received pursuant to imposition of a  
10      commercial copyright fee may only be expended as  
11      necessary for outside counsel contingent on a certifi-  
12      cation of the Superintendent of Public Instruction that  
13      sufficient expertise is not available within departmental  
14      legal staff. The SDE shall not expend greater than  
15      \$300,000 for such purposes without first notifying the  
16      Department of Finance of the necessity thereof, and  
17      upon receiving approval in writing.
- 18      16. Of the funds appropriated in this item, \$2,000,000 is  
19      provided on a one-time basis for legal representation  
20      from the office of the Attorney General in litigation  
21      related to the California High School Exit Examina-  
22      tion. The State Department of Education (SDE) shall  
23      provide a report to the Department of Finance and the  
24      Legislature detailing the expenditures of these funds  
25      and providing an update on any such litigation on  
26      November 1, 2008, and every four months thereafter,  
27      with the final report due on June 30, 2009. The office  
28      of the Attorney General shall provide the SDE any  
29      information, including budget and expenditure data,  
30      necessary for the SDE to complete its reports to the  
31      Department of Finance and the Legislature.  
32      (a) Of the funds in this provision, up to \$767,000 may  
33      be used for one-time costs related to the implemen-  
34      tation of Chapter 751 of the Statutes of 2006.
- 35      17. Of the funds appropriated in this item, \$175,000 shall  
36      only be available to support a \$175,000 interagency  
37      agreement with the California Career Resource Net-  
38      work to provide continuing support for the operations  
39      of that organization.

- 1 18. Of the amount appropriated in this item, \$139,000  
2 from reimbursement funds may be expended for ad-  
3 ministering the Education Technology K–12 Voucher  
4 Program pursuant to the Microsoft settlement.
- 5 19. Of the funds appropriated in this item, up to  
6 \$1,011,000 is for dispute resolution services, including  
7 mediation and fair hearing services, provided through  
8 contract for special education programs.
- 9 20. Of the reimbursement funds appropriated in this item,  
10 \$422,000 shall be available to the State Department  
11 of Education to contract for assistance in developing  
12 an approved listing of food and beverage items that  
13 comply with the nutrition standards of Chapters 235  
14 and 237 of the Statutes of 2005. In order to fund the  
15 development and maintenance of the approved product  
16 listing, the State Department of Education shall collect  
17 a fee, as it deems appropriate, from vendors seeking  
18 to have their product reviewed for potential placement  
19 on the approved product listing. Reimbursements col-  
20 lected in the 2008–09 fiscal year may be used to offset  
21 costs incurred in the 2006–07 and 2007–08 fiscal  
22 years.
- 23 23. Within 30 days after the enactment of this act, the State  
24 Department of Education (SDE) shall report to the  
25 fiscal committees of the Legislature and the Legislative  
26 Analyst’s Office regarding the reductions in positions  
27 and appropriations that were taken as a result of the  
28 unallocated reduction in this item. The report from the  
29 SDE shall include information regarding the division,  
30 position description, and position level of all position  
31 reductions. The SDE also shall identify the program  
32 supported by each position reduction. For every divi-  
33 sion experiencing a reduction, the SDE shall provide  
34 data on the total number of remaining positions, by  
35 position level and program supported. The SDE also  
36 shall provide a list of the divisions not experiencing  
37 any reductions.  
38 New SDE positions authorized by this act shall be  
39 filled for the purposes stated in this act and shall not  
40 be used to offset the unallocated reduction in this item.

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

7 These funds shall be transferred in amounts claimed  
 8 by the State Department of Education (SDE), for direct  
 9 disbursement by the SDE from the Instructional Mate-  
 10 rials Fund.

11 25. Of the reimbursement funds appropriated in Schedule  
 12 (8), \$500,000 is for the support of “Green” California  
 13 Partnership Academies pursuant to legislation enacted  
 14 in the 2007–08 Regular Session. These funds shall be  
 15 available for expenditure until June 30, 2011.

16  
 17 *SEC. 109. Item 6110-001-0890 of Section 2.00 of the Budget*  
 18 *Act of 2008 is amended to read:*

19  
 20 6110-001-0890—For support of Department of Education, for  
 21 payment to Item 6110-001-0001, payable from the Federal  
 22 Trust Fund..... ~~170,681,000~~  
 23 *171,015,000*

24 Provisions:

- 25 1. The funds appropriated in this item include federal  
 26 Carl D. Perkins Vocational and Technical Education  
 27 Act of 2006 funds for the 2007–08 fiscal year to be  
 28 transferred to community colleges by means of intera-  
 29 gency agreements. These funds shall be used by com-  
 30 munity colleges for the administration of career tech-  
 31 nical education programs.
- 32 2. Of the funds appropriated in this item, \$96,000 is  
 33 available to the Advisory Commission on Special Ed-  
 34 ucation for the in-state travel expenses of the commis-  
 35 sioners and the secretary to the commission.
- 36 3. Of the funds appropriated in this item, \$426,000 is  
 37 available for programs for homeless youth and adults  
 38 pursuant to the federal McKinney-Vento Homeless  
 39 Assistance Act (42 U.S.C. Sec. 11431 et seq.). The  
 40 State Department of Education shall consult with the

- 1 Department of Community Services and Development,  
2 the State Department of Mental Health, the Department  
3 of Housing and Community Development, and the  
4 Commission for Economic Development in operating  
5 this program.
- 6 4. Of the funds appropriated in this item, up to \$364,000  
7 shall be used to provide in-service training for special  
8 and regular educators and related persons, including,  
9 but not limited to, parents, administrators, and organi-  
10 zations serving severely disabled children. These funds  
11 are also to provide up to 4.0 positions for this purpose.
- 12 5. Of the funds appropriated in this item, \$318,000 shall  
13 be used to provide training in culturally nonbiased  
14 assessment and specialized language skills to special  
15 education teachers.
- 16 6. (a) Of the funds appropriated in this item,  
17 \$11,779,000 is from the Child Care and Develop-  
18 ment Block Grant Fund and is available for sup-  
19 port of child care services. Of this amount,  
20 \$1,547,000 is for 13.0 positions to address com-  
21 pliance monitoring and overpayments, which may  
22 contribute to early detection of fraud. This in-  
23 cludes 7.0 new positions in the 2008–09 fiscal  
24 year to audit all federally subsidized child care  
25 agencies pursuant to new federal regulations per  
26 Part 98 of Title 45 of the Code of Federal Regula-  
27 tions. The State Department of Education (SDE)  
28 shall provide information to the Legislature and  
29 Department of Finance each year that quantifies  
30 provider-by-provider level data, including in-  
31 stances and amounts of overpayments and fraud,  
32 as documented by the SDE’s compliance monitor-  
33 ing efforts for the prior fiscal year.
- 34 (b) As a condition of receiving the resources specified  
35 in subdivision (a), every alternative payment  
36 agency and subsidized general child care agency  
37 will be audited each year using sufficient sampling  
38 of provider records of the following: (1) family  
39 fee determinations, (2) income eligibility, (3) rate  
40 limits, and (4) basis for hours of care, to determine

- 1 compliance rates, any instances of misallocation  
2 of resources, and the amount of funds expected  
3 to be recovered from instances of both potential  
4 fraud and overpayment when no intent to defraud  
5 is suspected. This information will be contained  
6 in a separate report for each provider, with a sin-  
7 gle statewide summary report annually submitted  
8 to the Governor and the Legislature no later than  
9 April 15.
- 10 7. Of the funds appropriated in this item, \$1,066,000  
11 shall be used for administration of the federal Enhanc-  
12 ing Education Through Technology Grant Program.  
13 Of this amount:
- 14 (a) \$150,000 is available only for contracted technical  
15 support and evaluation services.
- 16 8. Of the funds appropriated in this item, \$9,206,000 is  
17 for dispute resolution services, including mediation  
18 and fair hearing services, provided through contract  
19 for the special education programs. The State Depart-  
20 ment of Education shall ensure the quarterly reports  
21 that the contractor submits on the results of its dispute  
22 resolution services include the same information as  
23 required by Provision 9 of Item 6110-001-0890 of  
24 Chapters 47 and 48 of the Statutes of 2006 and Section  
25 56504.5 of the Education Code and reflect year-to-  
26 date data and final yearend data.
- 27 9. Of the amount provided in this item, \$881,000 is pro-  
28 vided for staff for the Special Education Focused  
29 Monitoring Pilot Program to be established by the  
30 State Department of Education for the purpose of  
31 monitoring local educational agency compliance with  
32 state and federal laws and regulations governing spe-  
33 cial education.
- 34 10. Of the funds appropriated in this item, \$125,000 shall  
35 be allocated for increased travel costs associated with  
36 program reviews conducted by the Special Education  
37 Division Focused Monitoring and Technical Assistance  
38 units. Expenditure of these funds is subject to Depart-  
39 ment of Finance approval of an expenditure plan. The  
40 expenditure plan shall include the proposed travel costs

- 1 associated with focused monitoring and technical as-  
2 sistance provided by the State Department of Educa-  
3 tion. It shall also include the estimated type and num-  
4 ber of reviews to be conducted and shall provide an  
5 estimated average cost per type of review. Annual re-  
6 newal of this funding is subject to Department of Fi-  
7 nance approval of an annual focused monitoring final  
8 expenditure report. The report shall be submitted on  
9 or before September 30, 2008. It shall provide the total  
10 number of reviews conducted each fiscal year, the  
11 amount of staff and personnel days and hours associ-  
12 ated with each category of review, the travel costs as-  
13 sociated with the type and number of reviews conduct-  
14 ed, and an average cost per type of review.
- 15 11. Of the funds appropriated in this item, \$500,000 is for  
16 the State Department of Education to contract for an-  
17 nual evaluations of Reading First program effective-  
18 ness.
  - 19 12. Of the amount appropriated in this item, \$832,000  
20 (\$600,000 reimbursements and \$232,000 federal spe-  
21 cial education funds) shall be used to fund 6.0 posi-  
22 tions and implement the provisions of Chapter 914 of  
23 the Statutes of 2004 for increased monitoring of non-  
24 public, nonsectarian schools.
  - 25 13. Of the funds appropriated in this item, \$443,000 is for  
26 3.0 positions within the State Department of Education  
27 for increased monitoring associated with mental health  
28 services required by an individualized education plan  
29 pursuant to Chapter 493 of the Statutes of 2004.
  - 30 14. Of the funds appropriated in this item, \$1,874,000 is  
31 available on a one-time basis to implement the Child  
32 Nutrition Information and Payment System.
  - 33 15. Of the funds appropriated in this item, \$2,506,000  
34 shall be used for the administration of the 21st Century  
35 Community Learning Centers Program.
  - 36 16. Of the funds appropriated in this item, \$109,000 shall  
37 be made available to the Office of the Secretary for  
38 Education for state operation costs associated with  
39 federal and state accountability activities.

- 1 17. Of the funds appropriated in this item, \$175,000 in  
2 federal Carl D. Perkins Vocational and Technical Ed-  
3 ucation Act of 2006 funding shall only be available to  
4 support a \$175,000 interagency agreement with the  
5 California Career Resource Network to provide con-  
6 tinuing support for the operations of that organization.
- 7 18. Of the amount appropriated in this item, \$100,000 is  
8 available for an interagency agreement with the Cali-  
9 fornia Career Resource Network to develop career re-  
10 source materials and information pursuant to Provision  
11 1 of Item 6330-001-0001.
- 12 19. Of the funds appropriated in this item, \$1,244,000 is  
13 available on a one-time basis from federal Title II  
14 funds for the State Department of Education to extend  
15 1.0 limited-term position authorized in 2007 and fund  
16 2.0 additional limited-term positions through June 30,  
17 2009, and other costs associated with the development  
18 of the California Longitudinal Teacher Integrated  
19 Data Education System (CALTIDES). Of this amount,  
20 \$398,000 is available for an interagency agreement  
21 with the Commission on Teacher Credentialing to ex-  
22 tend 2.5 limited-term positions through June 30, 2009,  
23 and support other costs associated with the develop-  
24 ment of CALTIDES.
- 25 20. Of the funds appropriated in this item, \$945,000 of  
26 federal Title II funds is for the Compliance Monitoring,  
27 Intervention, and Sanctions (CMIS) Program. This  
28 program is designed to help school districts meet the  
29 highly qualified teacher requirements specified in the  
30 federal No Child Left Behind Act of 2001 (20 U.S.C.  
31 Sec. 6301 et seq.). By April 1, 2009, the State Depart-  
32 ment of Education shall submit a report on the CMIS  
33 Program to the budget and policy committees of the  
34 Legislature. The report shall identify (a) the number  
35 of school districts that received CMIS support in the  
36 2008–09 fiscal year, and (b) the major components of  
37 the plans that those districts developed to respond to  
38 the federal highly qualified teacher requirements. For  
39 each participating district, the report also shall provide  
40 longitudinal data on the number and percent of teach-

1 ers who are and are not highly qualified. At a mini-  
2 mum, the 2008–09 report shall include finalized data  
3 for the 2007–08 fiscal year and initial data for the  
4 2008–09 fiscal year. The report shall provide data  
5 separately for high- and low-poverty schools. For  
6 comparison, the report shall provide the same longitu-  
7 dinal data for the statewide average of all school dis-  
8 tricts as well as the average for school districts not  
9 receiving CMIS support.

- 10 21. The State Department of Education shall submit an  
11 independent evaluation of the Statewide System of  
12 School Support to the appropriate fiscal and policy  
13 committees of the Legislature, the Legislative Ana-  
14 lyst’s Office, and the Department of Finance no later  
15 than April 1, 2009.
- 16 22. The following funds appropriated in this item are for  
17 the development of a comprehensive strategy to ad-  
18 dress data reporting requirements and the development  
19 of the California Longitudinal Pupil Achievement  
20 Data System (CALPADS) to meet the requirements  
21 of the federal No Child Left Behind Act of 2001 (P.L.  
22 107-110) and Chapter 1002 of the Statutes of 2002:
- 23 (a) \$730,000 and 5.0 positions to support state oper-  
24 ations for a comprehensive strategy to address  
25 data reporting requirements.
  - 26 (b) \$2,544,000 and 1.0 position to support state oper-  
27 ations related to the development of CALPADS.  
28 Up to \$1,114,000 may be used to support the in-  
29 volvement of California School Information Ser-  
30 vices staff in the development of CALPADS.
  - 31 (c) \$606,000 from the Statewide Longitudinal Data  
32 System Grant for use in the development of  
33 CALPADS.
  - 34 (d) \$115,000 and 1.0 position to support workload  
35 associated with coordinating data collection and  
36 sharing for CALPADS and for the federal Educa-  
37 tion Data Exchange Network.
  - 38 (e) \$2,181,000 in one-time funding for hardware  
39 purchases, data center services, and software li-  
40 censing to develop CALPADS.

- 1 (f) \$3,225,000 is reserved for costs in the 2009–10
- 2 fiscal year associated with the development of
- 3 CALPADS.
- 4 (g) Of the funds appropriated in paragraphs (a) to (f),
- 5 inclusive, \$4,913,000 is provided in one-time
- 6 federal Title VI carryover funds.
- 7 (h) Subject to an approved special project report,
- 8 \$5,336,000 in one-time federal Title VI funds is
- 9 available for the California Longitudinal Pupil
- 10 Achievement Data System. Of this amount,
- 11 \$5,111,000 is for vendor contract costs and
- 12 \$225,000 is for data center costs.
- 13 23. Of the funds appropriated in this item, \$1,250,000 is
- 14 to develop and implement a standardized, evidence-
- 15 based assessment, pursuant to legislation, to allow el-
- 16 igible pupils with disabilities to demonstrate the com-
- 17 petence necessary to pass the California High School
- 18 Exit Examination.
- 19 24. Of the funds appropriated in this item, \$378,000 and
- 20 4.0 positions are provided to support workload for the
- 21 federal School Improvement Grant (SIG) Program.
- 22 ~~Funds shall be allocated pursuant to legislation~~ *school*
- 23 *improvement in accordance with legislation enacted*
- 24 *in the 2007–08 Regular Session related to federal*
- 25 *school improvement.*
- 26 25. Of the funds appropriated in this item, \$385,000 is
- 27 available to the State Department of Education on a
- 28 one-time basis for the cost of translating state proto-
- 29 type documents into languages other than English.
- 30 The department shall contract with appropriate trans-
- 31 lators or translator services to translate these docu-
- 32 ments. The department shall post all documents
- 33 translated pursuant to this provision on its existing
- 34 Internet-based electronic clearinghouse system of state
- 35 and locally translated parental notification documents.
- 36 26. Of the funds appropriated in this item, \$600,000 is
- 37 one-time federal Title I Migrant Education Program
- 38 carryover funds available to augment the contract for
- 39 a three-year program evaluation to meet federal Title
- 40 I Migrant Education Program requirements.

- 1 29. Of the funds appropriated in this item, \$285,000 is  
2 available from the Child Care and Development Block  
3 Grant Fund on a one-time basis to develop a request  
4 for proposals to seek a solution for replacement of the  
5 Provider Accounting and Reporting Information Sys-  
6 tem (PARI\$), and to contract for project management  
7 and oversight. The State Department of Education  
8 (SDE) shall require the vendor to propose a cost-effec-  
9 tive solution in which interim functions that are du-  
10 plicative of the Financial Information System for  
11 California (FI\$Cal) will be decommissioned when  
12 FI\$Cal is fully implemented. The SDE shall also re-  
13 quire the vendor to address any modifications to the  
14 child care contracting process that may be implement-  
15 ed through legislation enacted during the current leg-  
16 islative session or through regulations deemed neces-  
17 sary to more fully utilize available appropriations in  
18 the solution to rewrite PARI\$.
- 19 30. Of the funds appropriated in this item, \$308,000 is  
20 available from Title II funds for an interagency  
21 agreement with the Commission on Teacher Creden-  
22 tialing to support teacher misassignment monitoring  
23 activities.
- 24 31. Of the funds appropriated in this item, \$109,000 is  
25 provided in federal Title III funds to make permanent  
26 1.0 existing limited-term position to support the En-  
27 glish language learner component of the Mathematics  
28 and Reading Professional Development Program.
- 29 32. Of the funds appropriated in this item, \$500,000 in  
30 one-time federal Title III carryover funds is available  
31 to augment an evaluation of the English Language  
32 Learner Acquisition and Development Pilot Program  
33 as previously authorized in Provision 48 of Item 6110-  
34 001-0890 of the Budget Act of 2007 (Chs. 171 and  
35 172, Stats. 2007). Prior to the release of the request  
36 for applications for the evaluation required pursuant  
37 to subdivision (h) of Section 420 of the Education  
38 Code, the State Department of Education shall consult  
39 with the Department of Finance, the Legislative Ana-



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.*

*SEC. 111. Item 6110-103-0001 of Section 2.00 of the Budget Act of 2008 is amended to read:*

6110-103-0001—For local assistance, Department of Education (Proposition 98), Program 10.10.001.005-School Apportionments, for transfer to Section A of the State School Fund, for the purposes of Section 8152 of the Education Code.....	13,765,000
	<i>13,350,000</i>

Provisions:

- 1. Notwithstanding Section 8154 of the Education Code, or any other provision of law, the funds appropriated in this item shall be the only funds available for and allocated by the Superintendent of Public Instruction for the apprenticeship programs operated by school districts and county offices of education.
- 2. Notwithstanding Section 8152 of the Education Code, each 60-minute hour of teaching time devoted to each indentured apprentice enrolled in and attending classes of related and supplemental instruction as provided

- 1 under Section 3074 of the Labor Code shall be reim-  
 2 bursed at the rate of ~~\$5.17~~ \$5.06 per hour. For purposes  
 3 of this provision, each hour of teaching time may in-  
 4 clude up to 10 minutes for passing time and breaks.
- 5 3. No school district or county office of education shall  
 6 use funds allocated pursuant to this item to offer any  
 7 new or expanded apprenticeship program unless the  
 8 program has been approved by the Superintendent of  
 9 Public Instruction.
- 10 4. The Superintendent of Public Instruction shall report  
 11 to the Department of Finance and the Legislature not  
 12 later than February 1 of each year on the amount of  
 13 funds expended for, and the hours of related and sup-  
 14 plemental instruction offered in, the apprenticeship  
 15 program during the prior fiscal year, with information  
 16 to be provided by the school district, county office of  
 17 education, program sponsor, and trade. Expenditure  
 18 information shall distinguish between direct and indi-  
 19 rect costs, including administrative costs funded for  
 20 the State Department of Education, school districts,  
 21 and county offices of education. In addition, the report  
 22 shall identify the hours of related and supplemental  
 23 instruction proposed for the prior and current fiscal  
 24 years by the school district, county office of education,  
 25 program sponsor, and trade. As a condition of receiv-  
 26 ing funds for the apprenticeship programs, school  
 27 districts, county offices of education, and regional  
 28 occupational centers and programs shall report to the  
 29 Superintendent of Public Instruction the information  
 30 necessary for the completion of this report.
- 31 5. Notwithstanding Article 8 (commencing with Section  
 32 8150) of Chapter 1 of Part 6 of Division 1 of Title 1  
 33 of the Education Code, or any other provision of law,  
 34 the total number of hours eligible for state reimburse-  
 35 ment in apprenticeship programs operated by school  
 36 districts and county offices of education shall be lim-  
 37 ited to an amount equal to the amount of the total ap-  
 38 propriation made in this item divided by the hourly  
 39 rate specified in Provision 2. The Superintendent of  
 40 Public Instruction shall have the authority to determine

- 1 which apprenticeship programs and which hours of-
- 2 ferred in those programs are eligible for reimbursement.
- 3 6. An additional \$6,227,000 in expenditures for this item
- 4 has been deferred until the 2009–10 fiscal year.
- 5 7. The funds appropriated in this item reflect a reduction
- 6 to the base funding of 0.52 percent for a statewide
- 7 decline in average daily attendance.
- 8 8. Of the amount appropriated in this item, ~~\$415,000~~ \$0
- 9 is provided for a cost-of-living adjustment.

10  
 11 *SEC. 112. Item 6110-104-0001 of Section 2.00 of the Budget*  
 12 *Act of 2008 is amended to read:*

13  
 14 6110-104-0001—For local assistance, Department of Education  
 15 (Proposition 98), Program 10.10.011-School Apportion-  
 16 ments—Remedial Supplemental Instruction Programs, for  
 17 transfer to Section A of the State School Fund, for supple-  
 18 mental instruction and remedial programs..... 339,582,000  
 19 330,672,000

20 Schedule:

- 21 (1) 10.10.011.008-School Apportionments,
- 22 for Supplemental Instruction, Remedi-
- 23 al, Grades 7–12 for the purposes of
- 24 Section 37252 of the Education
- 25 Code..... 205,304,000
- 26 200,234,000
- 27 (2) 10.10.011.009-School Apportionments,
- 28 for Supplemental Instruction, Retained,
- 29 or Recommended for Retention, Grades
- 30 2–9 for the purposes of Section 37252.2
- 31 of the Education Code, as applicable.... 49,590,000
- 32 48,365,000
- 33 (3) 10.10.011.010-School Apportionments,
- 34 for Supplemental Instruction, Low
- 35 STAR-Grades 2–6 for the purposes of
- 36 Section 37252.8 of the Education
- 37 Code..... 16,959,000
- 38 16,491,000

1 (4) 10.10.011.011-School Apportionments,  
 2 for Supplemental Instruction, Core  
 3 Academic K-12 for the purposes of  
 4 Section 37253 of the Education Code.... ~~67,729,000~~  
 5 *65,582,000*

6 Provisions:

- 7 1. Notwithstanding any other provision of law, for the  
 8 fiscal year, the Superintendent of Public Instruction  
 9 shall allocate a minimum of \$8,900 for supplemental  
 10 summer school programs in each school district for  
 11 which the prior fiscal year enrollment was less than  
 12 500 and that, in the fiscal year, offers at least 1,500  
 13 hours of supplemental summer school instruction. A  
 14 small school district, as described above, that offers  
 15 less than 1,500 hours of supplemental summer school  
 16 offerings shall receive a proportionate reduction in its  
 17 allocation. For the purpose of this provision, supple-  
 18 mental summer school programs shall be defined as  
 19 programs authorized under paragraph (2) of subdivi-  
 20 sion (f) of Section 42239 of the Education Code as it  
 21 read on July 1, 1999.
- 22 2. Notwithstanding any other provision of law, for the  
 23 fiscal year, the maximum reimbursement to a school  
 24 district or charter school for the program listed in  
 25 Schedule (4) shall not exceed 5 percent of the district's  
 26 or charter school's enrollment multiplied by 120 hours,  
 27 multiplied by the hourly rate for the fiscal year.
- 28 3. Notwithstanding any other provision of law, the rate  
 29 of reimbursement shall be ~~\$4.17~~ *\$4.08* per hour of  
 30 supplemental instruction.
- 31 4. Notwithstanding any other provision of law, if the  
 32 funds in this item are insufficient to fund otherwise  
 33 valid claims, the Superintendent of Public Instruction  
 34 shall adjust the rates to conform to available funds.
- 35 5. Of the funds appropriated in this item, ~~\$8,910,000~~ *\$0*  
 36 is provided for the purpose of a cost-of-living adjust-  
 37 ment.
- 38 6. The funding appropriated in this item shall be consid-  
 39 ered offsetting revenues within the meaning of subdivi-  
 40 sion (e) of Section 17556 of the Government Code

- 1 for any reimbursable mandated cost claim for imple-
- 2 menting Section 37252.2 of the Education Code. Local
- 3 educational agencies accepting funding from this item
- 4 shall reduce their estimated and actual mandate reim-
- 5 bursement claims by the amount of funding provided
- 6 to them from this item.
- 7 7. Notwithstanding any other provision of law, an addi-
- 8 tional \$90,117,000 in expenditures for this item has
- 9 been deferred until the following fiscal year.
- 10 8. Rates or hours shall be adjusted in voluntary programs
- 11 as necessary to fully meet demand in mandatory pro-
- 12 grams and remain within the amount provided for this
- 13 purpose in the annual Budget Act.

14  
 15 *SEC. 113. Item 6110-105-0001 of Section 2.00 of the Budget*  
 16 *Act of 2008 is amended to read:*

17  
 18 6110-105-0001—For local assistance, Department of Education  
 19 (Proposition 98), Program 10.10-Instruction, for transfer  
 20 to Section A of the State School Fund, for the purposes of  
 21 Article 1 (commencing with Section 52300) of Chapter 9  
 22 of Part 28 of Division 4 of Title 2 of the Education Code.... 453,583,000  
 23 443,355,000

24 Schedule:  
 25 (1) 10.10.004-Instruction Program—  
 26 School Apportionments, Regional Oc-  
 27 cupational Centers and Programs..... 460,900,000  
 28 450,672,000  
 29 (2) Reimbursements..... -7,317,000

30 Provisions:  
 31 1. Notwithstanding any other provision of law, the funds  
 32 appropriated in this item are for transfer by the Con-  
 33 troller to Section A of the State School Fund, in lieu  
 34 of the amount that otherwise would be appropriated  
 35 for transfer from the General Fund in the State Treas-  
 36 ury to Section A of the State School Fund for the  
 37 current fiscal year pursuant to Sections 14002 and  
 38 14004 of the Education Code, in an amount as needed  
 39 for apportionment pursuant to Article 1 (commencing

- 1 with Section 52300) of Chapter 9 of Part 28 of Divi-
- 2 sion 4 of Title 2 of the Education Code.
- 3 2. Notwithstanding any other provision of law, the funds
- 4 appropriated in this item may not be expended for the
- 5 purposes of providing or continuing incentive funding
- 6 for a longer instructional year pursuant to Section
- 7 46200 of the Education Code.
- 8 3. Notwithstanding any other provision of law, funds
- 9 appropriated in this item for average daily attendance
- 10 (ADA) generated by participants in welfare-to-work
- 11 activities under the CalWORKs program established
- 12 in Article 3.2 (commencing with Section 11320) of
- 13 Chapter 2 of Part 3 of Division 9 of the Welfare and
- 14 Institutions Code may be appropriated on an advance
- 15 basis to local educational agencies based on anticipated
- 16 units of ADA if a prior application for this additional
- 17 ADA funding has been approved by the Superintendent
- 18 of Public Instruction.
- 19 4. Of the amount appropriated in this item, \$1,161,000
- 20 is to fund remedial educational services for participants
- 21 in welfare-to-work activities under the CalWORKs
- 22 program.
- 23 5. The funds appropriated in this item reflect a reduction
- 24 to the base funding of 0.55 percent for a statewide
- 25 decline in 11th and 12th grade average daily atten-
- 26 dance. If growth funds are insufficient, the State De-
- 27 partment of Education may adjust the per-pupil growth
- 28 rates to conform to available funds. Additionally,
- 29 ~~\$10,228,000~~ \$0 is for the purpose of providing a cost-
- 30 of-living adjustment.
- 31 6. An additional \$39,630,000 in expenditures for this
- 32 item has been deferred until the 2009–10 fiscal year.

33

34 *SEC. 114. Item 6110-107-0001 of Section 2.00 of the Budget*

35 *Act of 2008 is amended to read:*

36

<p>37 6110-107-0001—For local assistance, Department of Education</p> <p>38 (Proposition 98), Program 10.10-County Offices of Edu-</p> <p>39 cation Fiscal Oversight.....</p> <p>40</p>	<p><del>11,685,000</del></p> <p>11,438,000</p>
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1	Schedule:	
2	(1) 10.10.002-COE Oversight.....	5,565,000
3		5,450,000
4	(2) 10.10.005-FCMAT.....	3,879,000
5		3,798,000
6	(3) 10.10.012-FCMAT: CSIS.....	243,000
7		238,000
8	(4) 10.10.013-Audit Appeal Panel.....	54,000
9		53,000
10	(5) 10.10.015-Interim Reporting.....	1,022,000
11		1,001,000
12	(6) 10.10.016-Staff Development.....	1,164,000
13		1,140,000
14	(7) Amount payable from the Educational	
15	Telecommunication Fund (Item 6110-	
16	107-0349).....	-242,000

- 17 Provisions:
- 18 1. Funds appropriated in Schedule (1) are for the purpos-
  - 19 es provided in paragraph (1) of subdivision (a) of
  - 20 Section 29 of Chapter 1213 of the Statutes of 1991.
  - 21 2. Funds appropriated in Schedule (1) may be used by
  - 22 county offices of education for activities including,
  - 23 but not limited to, conducting reviews, examinations,
  - 24 and audits of districts and providing at least annual
  - 25 written notifications regarding the fiscal solvency of
  - 26 districts under fiscal distress, pursuant to Section
  - 27 42127.6 of the Education Code, or of districts with
  - 28 disapproved budgets, or qualified or negative certifica-
  - 29 tions. Written notifications regarding review, exami-
  - 30 nation, and audit results shall be provided at least an-
  - 31 nually to the district governing board, the Superinten-
  - 32 dent of Public Instruction, the Director of Finance,
  - 33 and the Office of the Secretary for Education.
  - 34 3. Funds appropriated in this item shall be considered
  - 35 offsetting revenues within the meaning of subdivision
  - 36 (e) of Section 17556 of the Government Code for any
  - 37 reimbursable mandated cost claim for school district
  - 38 and county office of education fiscal accountability
  - 39 reporting. Local educational agencies accepting fund-
  - 40 ing from this item shall reduce their estimated and

- 1 actual mandate reimbursement claims by the amount
- 2 of funding provided to them from this item.
- 3 4. Of the funds appropriated in Schedule (2):
- 4 (a) ~~\$3,229,000~~-\$3,054,000 shall be allocated by the
- 5 Controller directly to a county office of education
- 6 selected pursuant to subdivision (a) of Section
- 7 42127.8 of the Education Code to oversee Fiscal
- 8 Crisis and Management Assistance Team (FC-
- 9 MAT) responsibilities with respect to these funds
- 10 and to meet the costs of participation under Sec-
- 11 tion 42127.8 of the Education Code.
- 12 (b) ~~\$243,000~~-\$278,000 shall be available to develop
- 13 and implement the activities of regional teams of
- 14 fiscal experts to assist districts in fiscal distress.
- 15 (c) ~~\$407,000~~-\$466,000 shall be allocated to FCMAT
- 16 for the purpose of providing, through computer
- 17 technology, financial and demographic informa-
- 18 tion that is interactive and immediately accessible
- 19 to all local educational agencies to assist them in
- 20 their decisionmaking process. To ensure a com-
- 21 pletely integrated system, this computer informa-
- 22 tion should be developed in collaboration with
- 23 the State Department of Education, and should
- 24 be compatible with the hardware and software of
- 25 the State Department of Education, so that this
- 26 information may also assist state-level policymak-
- 27 ers in making comparable standardized financial
- 28 information available to the local educational
- 29 agencies and the public.
- 30 5. Of the funds appropriated in Schedule (3), ~~\$243,000~~
- 31 \$238,000 shall be available to the Fiscal Crisis and
- 32 Management Assistance Team to pay for project
- 33 management services for the California School Infor-
- 34 mation Services (CSIS) program. These funds shall
- 35 be used to supplement and not supplant other CSIS
- 36 funds available for project management services.
- 37 6. Funds appropriated in Schedule (4) are for the addi-
- 38 tional staff and resources needed for the Fiscal Crisis
- 39 and Management Assistance Team to ensure that
- 40 timely resolution of audit findings is achieved pursuant

- 1 to the directives of Section 41344 of the Education  
2 Code.
- 3 7. Of the funds appropriated in Schedule (5):
- 4 (a) ~~\$147,000~~ \$143,000 shall be available for no more  
5 than a 25-percent state reimbursement to county  
6 offices of education for fiscal oversight of school  
7 districts with audit exceptions, districts with  
8 qualified or negative interim reports, districts that  
9 may be unable to meet financial obligations for  
10 the current or subsequent fiscal years, or districts  
11 with disapproved budgets.
- 12 (b) Up to ~~\$875,000~~ \$858,000 of the funds may be  
13 used to fully reimburse county office of education  
14 activities for extraordinary costs of audits, exam-  
15 inations, or reviews of any school district or  
16 charter school in cases where fraud, misappropri-  
17 ation of funds, or other illegal fiscal practices re-  
18 quire review by the county offices of education,  
19 pursuant to Section 2 of Chapter 620 of the  
20 Statutes of 2001 and Section 1 of Chapter 357 of  
21 the Statutes of 2005. The State Board of Education  
22 may request any county superintendent of schools  
23 to initiate such an audit, examination, or review  
24 for any charter school or all-charter district for  
25 which the board has oversight responsibility. Al-  
26 location of the funds shall be administered by the  
27 Fiscal Crisis and Management Assistance Team  
28 on a reimbursement basis. All reimbursements  
29 shall be subject to the approval of both the Depart-  
30 ment of Finance and the State Department of Ed-  
31 ucation.
- 32 8. The amount appropriated in Schedule (5) shall remain  
33 available for expenditure for the 2008–09 and 2009–10  
34 fiscal years. Any unexpended balance as of September  
35 1, 2009, shall be available until July 30, 2010, for the  
36 following, in order of descending priority:
- 37 (a) Any review or audit jointly requested by the State  
38 Department of Education and the Department of  
39 Finance, to be conducted by a county superinten-  
40 dent of schools in cases where fraud, misappropri-

- 1                   ation of funds, or other illegal fiscal practices are
- 2                   suspected.
- 3           (b) Staff development pursuant to Provision 10.
- 4           (c) Regional assistance teams developed pursuant to
- 5                   Provision 4(b).
- 6    9. Notwithstanding Section 26.00, the funds appropriated
- 7           in this item shall be allocated in accordance with the
- 8           above schedule unless a revision to the allocations
- 9           contained herein has been approved by the Department
- 10           of Finance. The Department of Finance may not autho-
- 11           rize any such revision sooner than 30 days after notifi-
- 12           cation in writing of the necessity to the chairpersons
- 13           of the committees in each house of the Legislature that
- 14           consider appropriations and the Chairperson of the
- 15           Joint Legislative Budget Committee, or not sooner
- 16           than whatever lesser time the chairperson of the joint
- 17           committee, or his or her designee, may in each instance
- 18           determine.
- 19    10. Of the funds appropriated in Schedule (6):
- 20           (a) ~~\$831,000~~ \$813,000 is for the purpose of providing
- 21                   staff development to local educational agency
- 22                   school finance and business personnel, as provid-
- 23                   ed in Section 42127.8 of the Education Code.
- 24                   Funds appropriated in Schedule (6) shall be allo-
- 25                   cated by the Controller directly to a county office
- 26                   of education selected pursuant to subdivision (a)
- 27                   of Section 42127.8 of the Education Code to
- 28                   oversee the Fiscal Crisis and Management Assis-
- 29                   tance Team’s responsibilities with respect to these
- 30                   funds.
- 31           (b) ~~\$333,000~~ \$327,000 of the funds appropriated in
- 32                   Schedule (6) is for the purpose of providing
- 33                   training that shall be developed and facilitated
- 34                   pursuant to Section 42127.8 of the Education
- 35                   Code to increase school district and school-level
- 36                   capacity to implement and manage site-based
- 37                   budgeting and decisionmaking governance struc-
- 38                   tures.
- 39    11. Notwithstanding any other provision of law, funds
- 40           appropriated in Schedules (1), (2), (4), (5), and (6) to

1 a county office of education selected pursuant to sub-  
 2 division (a) of Section 42127.8 of the Education Code  
 3 to oversee the Fiscal Crisis and Management Assis-  
 4 tance Team responsibilities shall be allocated by the  
 5 Controller directly to that county office of education  
 6 as soon as possible but no later than 60 days after the  
 7 enactment of the Budget Act. Funds appropriated in  
 8 this item shall not be subject to grant allocation or re-  
 9 view processes on the part of the State Department of  
 10 Education nor the Superintendent of Public Instruction.  
 11 The county office of education that receives these  
 12 funds shall annually provide a report detailing past  
 13 year expenditures, identifying the local educational  
 14 agencies (LEA) assisted with these funds and a sum-  
 15 mary of progress for each. Additionally, the report  
 16 shall identify a plan for the proposed uses of the allo-  
 17 cations in this item, identifying estimated expenditures  
 18 for each LEA anticipated to be served. This report  
 19 shall be submitted to the State Department of Educa-  
 20 tion and to the Department of Finance by October 1  
 21 of each year.

22  
 23 *SEC. 115. Item 6110-108-0001 of Section 2.00 of the Budget*  
 24 *Act of 2008 is amended to read:*

25  
 26 6110-108-0001—For local assistance, Department of Education  
 27 (Proposition 98), Program 20-Instructional Support, the  
 28 Supplemental School Counseling Program, established  
 29 pursuant to Article 4.5 (commencing with Section 52378)  
 30 of Chapter 9 of Part 28 of Division 4 of Title 2 of the Ed-  
 31 ucation Code..... 213,487,000  
 32 209,060,000

- 33 Provisions:  
 34 1. Of the funds appropriated in this item, ~~\$4,427,000~~ \$0  
 35 is provided for the purpose of a cost-of-living adjust-  
 36 ment.  
 37

38 *SEC. 116. Item 6110-111-0001 of Section 2.00 of the Budget*  
 39 *Act of 2008 is amended to read:*

1 6110-111-0001—For local assistance, Department of Education  
 2 (Proposition 98), Program 10-Instruction, for transfer to  
 3 Section A of the State School Fund, Home to School  
 4 Transportation, pursuant to Article 10 (commencing with  
 5 Section 41850) of Chapter 5 of Part 24 of Division 3 of  
 6 Title 2 of the Education Code, and Small School District  
 7 Transportation, pursuant to Article 4.5 (commencing with  
 8 Section 42290) of Chapter 7 of Part 24 of Division 3 of  
 9 Title 2 of the Education Code..... 567,999,000  
 10 555,131,000

11 Schedule:  
 12 (1) 10.10.006-Pupil Transportation..... 561,913,000  
 13 549,045,000  
 14 (2) 10.10.008-Small School District Bus  
 15 Replacement..... 6,086,000

16 Provisions:  
 17 1. Of the funds appropriated in this item, ~~\$12,868,000~~  
 18 \$0 is for the purpose of providing a cost-of-living ad-  
 19 justment.  
 20 2. An additional \$52,583,000 in expenditures for this  
 21 item has been deferred until the 2009–10 fiscal year.  
 22 3. Notwithstanding any other provision of law, of the  
 23 funds appropriated in this item, an amount equal to  
 24 the amount of reimbursement to the General Fund  
 25 pursuant to Section 24.85 shall be used to provide  
 26 mass transportation services for pupils enrolled in  
 27 school districts that receive these funds.

28  
 29 *SEC. 117. Item 6110-119-0001 of Section 2.00 of the Budget*  
 30 *Act of 2008 is amended to read:*

31  
 32 6110-119-0001—For local assistance, Department of Education  
 33 (Proposition 98), for transfer to Section A of the State  
 34 School Fund, Program 20.40.060-Educational Services  
 35 for Foster Youth pursuant to Chapter 11.3 (commencing  
 36 with Section 42920) of Part 24 of Division 3 of Title 2 of  
 37 the Education Code ..... 19,291,000  
 38 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. 118. 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

Provisions:

- 1. Of the funds appropriated in this item, \$1,500,000 shall be allocated to Specialized Secondary Programs established prior to the 1991–92 fiscal year that operate in conjunction with the California State University.
- 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.
- 3. Of the amount appropriated in this item, ~~\$130,000~~ \$0 is provided for a cost-of-living adjustment.

*SEC. 119. Item 6110-123-0890 of Section 2.00 of the Budget Act of 2008 is amended to read:*

6110-123-0890—For local assistance, Department of Education, Program 20.60.030.035-Innovative Programs, Title V-ESEA, payable from the Federal Trust Fund.....	6,000,000
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Provisions:

- 1. The funds *appropriated* in this item are one-time ~~carryover funds that shall be used for purposes of federal Title I program improvement. Funds shall be programmed pursuant to legislation for local educational agencies to implement existing innovative programs~~



- 1 (2) 20.10.006-English Language Acquisition Program, pursuant to Chapter 4
- 2 (commencing with Section 400) of Part
- 3 1 of Division 1 of Title 1 of the Educa-
- 4 tion Code..... 64,603,000
- 5 63,263,000
- 6 (3) Reimbursements..... -1,649,000
- 7 Provisions:
- 8 1. Of the funds appropriated in this item, ~~\$1,340,000~~ \$0
- 9 is provided for the purpose of a cost-of-living adjust-
- 10 ment.
- 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
- 15

16 *SEC. 122. Item 6110-126-0890 of Section 2.00 of the Budget*  
 17 *Act of 2008 is amended to read:*

18  
 19 6110-126-0890—For local assistance, Department of Education,  
 20 Program 20.60.290-Instructional Support, Title I, Part B  
 21 of the federal Elementary and Secondary Education Act  
 22 (Reading First program), payable from the Federal Trust  
 23 Fund..... 57,433,000

- 24 Provisions:
- 25 1. The funds appropriated in this item are for Reading
  - 26 First programs pursuant to Article 1 (commencing
  - 27 with Section 51700) of Chapter 5 of Part 28 of Divi-
  - 28 sion 4 of Title 2 of the Education Code. It is the intent
  - 29 of the Legislature that all participating school districts
  - 30 receive funding at the rates established in paragraph
  - 31 (3) of subdivision (c) of Section 51700 *of the Educa-*
  - 32 *tion Code* for six years. A participating school district
  - 33 shall not receive funding from this item for more than
  - 34 six years.
  - 35 2. Of the funds appropriated in this item, \$3,658,000
  - 36 shall be available for Reading First’s statewide and
  - 37 regional infrastructure, including its six ~~Regional~~
  - 38 ~~Technical Assistance Centers~~ *regional technical assis-*
  - 39 *tance centers.*

- 1        3. By May 1, 2009, the State Department of Education
- 2        shall provide the Legislature with all of the following:
- 3        (a) the number of school districts receiving grants, (b)
- 4        the number of K–3 teachers funded, (c) the number of
- 5        K–12 special education teachers served, and (d) the
- 6        average per-teacher grant amount.
- 7        4. By May 1, 2009, the State Department of Education
- 8        shall provide the Legislature with the following: (a)
- 9        the number and percentage of all K–12 special educa-
- 10       tion teachers in Reading First schools receiving
- 11       Reading First professional development for each year,
- 12       2001–02 to 2006–07, inclusive, and (b) the number
- 13       and percentage of all K–12 special education classes
- 14       in Reading First schools that have appropriate reading
- 15       materials purchased using the state’s instructional
- 16       materials program as set forth in Article 3 (commenc-
- 17       ing with Section 60240) of Chapter 2 of Part 33 of
- 18       Division 4 of Title 2 of the Education Code.

19  
 20        *SEC. 123. Item 6110-128-0001 of Section 2.00 of the Budget*  
 21        *Act of 2008 is amended to read:*

22

23        6110-128-0001—For local assistance, Department of Educa- 24        tion (Proposition 98), for transfer to Section A of the 25        State School Fund, Program 10.30.070-Economic Impact 26        Aid pursuant to Article 2 (commencing with Section 27        54020) of Chapter 1 of Part 29 of Division 4 of Title 2 28        of the Education Code.....	1,015,333,000 994,279,000
29        Provisions:	
30        1. Of the funds appropriated in this item, <del>\$21,054,000</del> 31        \$0 is provided for the purpose of a cost-of-living ad- 32        justment. 33	

34  
 35        *SEC. 124. Item 6110-130-0001 of Section 2.00 of the Budget*  
 36        *Act of 2008 is amended to read:*

37

38        6110-130-0001—For local assistance, Department of Education, 39        Program 20.60.100-Advancement Via Individual Determi- 40        nation.....	9,035,000
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Provisions:

- 1. Of the funds appropriated, ~~\$1,170,000~~ \$1,300,000 is available for administration of the Advancement Via Individual Determination (AVID) centers.

SEC. 125. Item 6110-134-0890 of Section 2.00 of the Budget Act of 2008 is amended to read:

6110-134-0890—For local assistance, Department of Education, payable from the Federal Trust Fund.....	112,206,000
	1,820,750,000

Schedule:

- (1) 10.30.006-Statewide System of School Support..... 10,000,000
- (5)
- (7) ~~10.30.009-Program—Improvement—Local~~ 10.30.009-Title I, Corrective Action—Local Educational Agencies..... 55,206,000
- 101,872,000
- (8) ~~10.30.003-Program—10.30.004-School Improvement—Local Educational Agencies—Carryover Grants, Corrective Action~~..... 47,000,000
- 78,082,000
- (9) 10.30.060-Title I—ESEA..... 1,630,796,000

Provisions:

- 1. In administering the accountability system required by this item, the State Department of Education shall align the forms, processes, and procedures required of local educational agencies in a manner that they may be utilized for the purposes of implementing the Public Schools Accountability Act of 1999, as established by Chapter 6.1 (commencing with Section 52050) of Part 28 of Division 4 of Title 2 of the Education Code, so that duplication of effort is minimized at the local level.
- 2. The funds appropriated in Schedule (1) shall be available for the purposes established by Article 4.2 (commencing with Section 52059) of Chapter 6.1 of Part 28 of Division 4 of Title 2 of the Education Code.

- 1       4. The State Department of Education shall provide to
- 2       the Legislature, the Legislative Analyst’s Office, and
- 3       the Department of Finance, a letter by April 15, 2009,
- 4       reporting expenditures and anticipated savings for each
- 5       schedule, based on available information.
- 6       6. The funds appropriated in Schedules ~~(5)~~ (7) and (8)
- 7       shall be available for *meeting* requirements specified
- 8       in the federal No Child Left Behind Act of 2001 (20
- 9       U.S.C. Sec. 6301 et seq.) ~~and for local educational~~
- 10       ~~agencies that enter corrective action. The funds shall~~
- 11       ~~be programmed pursuant to legislation enacted in the~~
- 12       ~~2007–08 Regular Session related to federal school~~
- 13       ~~improvement.~~
- 14       9. ~~The funds appropriated in Schedule (8) are provided~~
- 15       ~~on a one-time carryover basis.~~
- 16       10. ~~Of the funds appropriated in Schedule (8), \$7,800,000~~
- 17       ~~is provided on a one-time basis for local educational~~
- 18       ~~agency data support.~~
- 19       11. *Of the funds appropriated in Schedule (7), \$47,000,000*
- 20       *is provided in one-time carryover funds.*
- 21       12. *Of the funds appropriated in Schedule (8), \$16,620,000*
- 22       *is provided in one-time carryover funds.*
- 23       13. *Of the funds appropriated in Schedules (7) and (8), the*
- 24       *State Department of Education shall, no later than*
- 25       *September 15, 2008, issue grant awards totaling*
- 26       *\$25,000,000 to local educational agencies identified*
- 27       *for corrective action. The grants shall be awarded to*
- 28       *local educational agencies consistent with legislation*
- 29       *enacted in the 2007–08 Regular Session related to*
- 30       *federal school improvement. Local educational agen-*
- 31       *cies shall have until November 1, 2008, to apply for*
- 32       *the remainder of their grant.*
- 33       14. *Of the funds appropriated in Schedule (9), \$19,252,000*
- 34       *is provided in one-time carryover funds to support the*
- 35       *existing program.*
- 36       15. *The funds appropriated in this item shall be considered*
- 37       *offsetting revenues within the meaning of subdivision*
- 38       *(e) of Section 17556 of the Government Code for any*
- 39       *reimbursable mandated cost claims for district assis-*
- 40       *tance and intervention teams and other technical as-*

1 assistance providers. Local educational agencies accept-  
2 ing funding from this item shall reduce their estimated  
3 and actual mandate reimbursement claims by the  
4 amount of funding provided to them from this item.  
5

6 SEC. 126. Item 6110-135-0890 of Section 2.00 of the Budget  
7 Act of 2008 is repealed.

8  
9 6110-135-0890—For local assistance, Department of Education,  
10 payable from the Federal Trust Fund..... 78,082,000

11 Schedule:

- 12 (1) 10.30.004-School—Improvement
- 13 Grants..... 61,462,000
- 14 (2) 10.30.001-School Improvement Grants
- 15 Carryover..... 16,620,000

16 Provisions:

- 17 1. The funds appropriated in this item shall be available
- 18 for requirements as specified in subsection (g) of
- 19 Section 6303 of Title 20 of the United States Code
- 20 and shall be programmed pursuant to legislation.
- 21 2. The funds appropriated in Schedule (2) are provided
- 22 on a one-time carryover basis.

23  
24 SEC. 127. Item 6110-136-0890 of Section 2.00 of the Budget  
25 Act of 2008 is amended to read:

26  
27 6110-136-0890—For local assistance, Department of Educa-  
28 tion, Program 10.30-Instruction, payable from the Fed-  
29 eral Trust Fund..... 1,647,819,000  
30 17,023,000

31 Schedule:

- 32 (1) 10.30.060-Title I-ESEA..... 1,630,796,000
- 33 (2) 10.30.065-McKinney-Vento Homeless
- 34 Children Education..... 8,526,000
- 35 (4) 10.30.030-Title I-Even Start Program.... 8,497,000

36 Provisions:

- 37 1. Of the funds appropriated in Schedule (1), \$19,252,000
- 38 is provided in one-time carryover funds to support the
- 39 existing program.

- 1        2. Of the funds appropriated in Schedule (2), \$1,333,000
- 2        is provided in one-time carryover funds to support the
- 3        existing program.
- 4        3. Of the funds appropriated in Schedule (4), \$1,500,000
- 5        is provided in one-time carryover funds to support the
- 6        existing program.

7

8        *SEC. 128. Item 6110-140-0001 of Section 2.00 of the Budget*

9        *Act of 2008 is amended to read:*

10

11	6110-140-0001—For local assistance, Department of Education	
12	(Proposition 98), Program 20-Instructional Support.....	0
13	Schedule:	
14	(1) 20.80.001-Student Friendly Services....	500,000
15	(2) 20.90.001.020-California School Infor-	
16	mation Services Administration.....	4,444,000
17	(3) 20.90.001.030-California School Infor-	
18	mation Services Administration Indepen-	
19	dent Project Oversight.....	150,000
20	(4) Amount payable from the <del>Education</del>	
21	<del>Telecommunications</del> <i>Educational</i>	
22	<i>Telecommunication</i> Fund (Item 6110-	
23	140-0349).....	- 5,094,000
24	Provisions:	
25	1. The Superintendent of Public Instruction shall allocate	
26	the funds appropriated in Schedule (1) for the Student	
27	Friendly Services program.	
28	2. The funds appropriated in Schedule (2) shall be for	
29	allocation to the Fiscal Crisis and Management Assis-	
30	tance Team for costs associated with administration	
31	of the California School Information Services project.	
32	3. The Superintendent of Public Instruction shall allocate	
33	the funds appropriated in Schedule (3) to the Sacramen-	
34	to County Office of Education, which shall use the	
35	funds to contract for independent project oversight of	
36	the California School Information Services (CSIS)	
37	program. The independent project oversight shall in-	
38	clude the submission of quarterly project reports on	
39	the progress of the CSIS program to the Legislature,	
40	the Department of Finance, the Superintendent of	

1 Public Instruction, the State Board of Education, the  
 2 Governor, the Legislative Analyst’s Office, and the  
 3 Fiscal Crisis and Management Assistance Team for  
 4 the duration of the program implementation. These  
 5 reports shall include, but not be limited to, information  
 6 on: (a) CSIS capacity for additional district cohorts,  
 7 (b) readiness of self-identified districts for participation  
 8 in new CSIS cohorts, (c) CSIS operations budget, and  
 9 (d) CSIS readiness to implement additional phases of  
 10 state reporting and records transfer.

11 4. Of the funds appropriated in Schedule (2), \$545,000  
 12 is available on a three-year limited-term basis to sup-  
 13 port positions and administrative costs associated with  
 14 the implementation plan developed pursuant to Provi-  
 15 sion 5 of Item 6110-101-0349 of the Budget Act of  
 16 2006 (Chs. 47 and 48, Stats. 2006).

17 5. The State Department of Education and CSIS shall  
 18 jointly report by October 1, 2008, to the Department  
 19 of Finance, the Legislative Analyst’s Office, and the  
 20 budget committees of the Legislature on the workload  
 21 activities performed by each entity to prepare for the  
 22 implementation of CALPADS.

23  
 24 *SEC. 129. Item 6110-150-0001 of Section 2.00 of the Budget*  
 25 *Act of 2008 is amended to read:*

26  
 27 6110-150-0001—For local assistance, Department of Education  
 28 (Proposition 98), for transfer to Section A of the State  
 29 School Fund, Program 10.30.051-American Indian Early  
 30 Childhood Education Program established pursuant to  
 31 Chapter 6.5 (commencing with Section 52060) of Part 28  
 32 of Division 4 of Title 2 of the Education Code..... 676,000  
 33 662,000

34 Provisions:  
 35 1. Of the funds appropriated in this item, ~~\$14,000~~ \$0 is  
 36 provided for the purpose of a cost-of-living adjustment.  
 37

38 *SEC. 130. Item 6110-151-0001 of Section 2.00 of the Budget*  
 39 *Act of 2008 is amended to read:*

1 6110-151-0001—For support of the Department of Education  
 2 (Proposition 98), Program 10.30.050-American Indian  
 3 Education Centers established pursuant to Article 6  
 4 (commencing with Section 33380) of Chapter 3 of Part  
 5 20 of Division 2 of Title 2 of the Education Code..... 4,636,000  
 6 4,540,000  
 7 Provisions:  
 8 1. Of the funds appropriated in this item, \$96,000 \$0 is  
 9 provided for the purpose of a cost-of-living adjustment.

10  
 11 *SEC. 131. Item 6110-156-0001 of Section 2.00 of the Budget*  
 12 *Act of 2008 is amended to read:*  
 13

14 6110-156-0001—For local assistance, Department of Education  
 15 (Proposition 98), Program 10.50.010-Instruction, for  
 16 transfer to Section A of the State School Fund, for alloca-  
 17 tion by the Superintendent of Public Instruction to school  
 18 districts, county offices of education, and other agencies  
 19 for the purposes of Proposition 98 educational programs  
 20 funded by this item, in lieu of the amount that otherwise  
 21 would be appropriated pursuant to statute..... 743,023,000  
 22 726,664,000

23 Schedule:  
 24 (1) 10.50.010.001-Adult Education..... 743,023,000  
 25 726,664,000  
 26 (2) 10.50.010.008-Remedial education ser-  
 27 vices for participants in the CalWORKs  
 28 program..... 8,739,000  
 29 (3) Reimbursements-CalWORKs..... -8,739,000

30 Provisions:  
 31 1. Credit for participating in adult education classes or  
 32 programs may be generated by a special day class  
 33 pupil only for days in which the pupil has met the  
 34 minimum day requirements set forth in Section 46141  
 35 of the Education Code.  
 36 2. The funds appropriated in Schedule (2) constitute the  
 37 funding for both remedial education and job training  
 38 services for participants in the CalWORKs program  
 39 (Article 3.2 (commencing with Section 11320) of  
 40 Chapter 2 of Part 3 of Division 9 of the Welfare and

- 1 Institutions Code). Funds shall be apportioned by the  
2 Superintendent of Public Instruction for direct instruc-  
3 tional costs only to school districts and regional occu-  
4 pational centers and programs (ROC/Ps) that certify  
5 that they are unable to provide educational services to  
6 CalWORKs recipients within their adult education  
7 block entitlement or ROC/P block entitlement, or both.  
8 Allocations shall be distributed by the Superintendent  
9 of Public Instruction as equal statewide dollar amounts,  
10 based on the number of CalWORKs-eligible family  
11 members served in the county.
- 12 3. Providers receiving funds under this item for adult  
13 basic education, English as a Second Language, and  
14 English as a Second Language-Citizenship for legal  
15 permanent residents, shall, to the extent possible, grant  
16 priority for services to immigrants facing the loss of  
17 federal benefits under the federal Personal Responsi-  
18 bility and Work Opportunity Reconciliation Act of  
19 1996 (P.L. 104-193). Citizenship and naturalization  
20 preparation services funded by this item shall include,  
21 to the extent consistent with applicable federal law,  
22 all of the following: (a) outreach services, (b) assess-  
23 ment of skills, (c) instruction and curriculum develop-  
24 ment, (d) professional development, (e) citizenship  
25 testing, (f) naturalization preparation and assistance,  
26 and (g) regional and state coordination and program  
27 evaluation.
- 28 4. The funds appropriated in Schedule (2) shall be subject  
29 to the following:
- 30 (a) The funds shall be used only for educational ac-  
31 tivities for welfare recipient students and those in  
32 transition off of welfare. The educational activities  
33 shall be limited to those designed to increase self-  
34 sufficiency, job training, and work. These funds  
35 shall be used to supplement and not supplant ex-  
36 isting funds and services provided for welfare re-  
37 cipient students and those in transition off of  
38 welfare.
- 39 (b) Notwithstanding any other provision of law, each  
40 local educational agency's individual cap for the

- 1 average daily attendance of adult education and  
 2 regional occupational centers and programs  
 3 (ROC/Ps) shall not be increased as a result of the  
 4 appropriations made by this section.
- 5 (c) Funds may be claimed by local educational  
 6 agencies for services provided to welfare recipient  
 7 students and those in transition off of welfare  
 8 pursuant to this section only if all of the following  
 9 occur:
- 10 (1) Each local educational agency has met the  
 11 terms of the interagency agreement between  
 12 the State Department of Education and the  
 13 State Department of Social Services pursuant  
 14 to Provision 2.
- 15 (2) Each local educational agency has fully  
 16 claimed its respective adult education or  
 17 ROC/Ps average daily attendance cap for the  
 18 current year.
- 19 (3) Each local educational agency has claimed  
 20 the maximum allowable funds available un-  
 21 der the interagency agreement pursuant to  
 22 Provision 2.
- 23 (d) Each local educational agency shall be reimbursed  
 24 at the same rate as it would otherwise receive for  
 25 services provided pursuant to this item or Item  
 26 6110-105-0001 or pursuant to Section 1.80, and  
 27 shall comply with the program requirements for  
 28 adult education pursuant to Chapter 10 (commenc-  
 29 ing with Section 52500) of Part 28 of Division 4  
 30 of Title 2 of the Education Code, and ROC/Ps  
 31 requirements pursuant to Article 1 (commencing  
 32 with Section 52300) of, and Article 1.5 (commenc-  
 33 ing with Section 52335) of, Chapter 9 of Part 28  
 34 of Division 4 of Title 2 of the Education Code,  
 35 respectively.
- 36 (e) Notwithstanding any other provision of law, funds  
 37 appropriated in this section for average daily at-  
 38 tendance (ADA) generated by participants in the  
 39 CalWORKs program may be apportioned on an  
 40 advance basis to local educational agencies based

1 on anticipated units of ADA if a prior application  
2 for this additional ADA funding has been ap-  
3 proved by the Superintendent of Public Instruc-  
4 tion.

5 (f) The Legislature finds the need for good informa-  
6 tion on the role of local educational agencies in  
7 providing services to individuals who are eligible  
8 for or recipients of CalWORKs assistance. This  
9 information includes the extent to which local  
10 educational programs serve public assistance re-  
11 cipients and the impact these services have on the  
12 recipients' ability to find jobs and become self-  
13 supporting.

14 (g) The State Department of Education shall develop  
15 a data and accountability system to obtain infor-  
16 mation on education and job training services  
17 provided through state-funded adult education  
18 programs and regional occupational centers and  
19 programs. The system shall collect information  
20 on (1) program funding levels and sources, (2)  
21 characteristics of participants, and (3) pupil and  
22 program outcomes. The department shall work  
23 with the office of the State Chief Information  
24 Officer and Legislative Analyst's Office in deter-  
25 mining the specific data elements of the system  
26 and shall meet all information technology report-  
27 ing requirements of the State Chief Information  
28 Officer.

29 (h) As a condition of receiving funds provided in  
30 Schedule (2) or any General Fund appropriation  
31 made to the State Department of Education  
32 specifically for education and training services to  
33 welfare recipient students and those in transition  
34 off of welfare, local adult education programs and  
35 regional occupational centers and programs shall  
36 collect program and participant data as described  
37 in this item and as required by the State Depart-  
38 ment of Education. The State Department of Edu-  
39 cation shall require that local providers submit to

- 1 the state aggregate data for the period July 1,
- 2 2008, to June 30, 2009, inclusive.
- 3 5. Of the funds appropriated in this item, \$18,843,000 is
- 4 provided for increases in average daily attendance. If
- 5 growth funds are insufficient, the State Department of
- 6 Education may adjust the per-pupil growth rates to
- 7 conform to available funds. Additionally, ~~\$16,359,000~~
- 8 \$0 is for the purpose of providing a cost-of-living ad-
- 9 justment.
- 10 6. An additional \$45,896,000 in expenditures for this
- 11 item has been deferred until the 2009–10 fiscal year.

12  
 13 *SEC. 132. Item 6110-158-0001 of Section 2.00 of the Budget*  
 14 *Act of 2008 is amended to read:*

15  
 16 6110-158-0001—For local assistance, Department of Education  
 17 (Proposition 98), for transfer by the Controller to Section  
 18 A of the State School Fund in lieu of the amount that oth-  
 19 erwise would be appropriated pursuant to Section 41841.5  
 20 of the Education Code, Program 10.50.010.002-Adults in  
 21 Correctional Facilities..... 18,601,000  
 22 18,215,000

- 23 Provisions:
- 24 1. Notwithstanding Section 41841.5 of the Education
  - 25 Code, or any other provision of law, all of the follow-
  - 26 ing shall apply:
  - 27 (a) The amount appropriated in this item and any
  - 28 amount allocated for this program in this act shall
  - 29 be the only funds available for allocation by the
  - 30 Superintendent of Public Instruction to school
  - 31 districts or county offices of education for the
  - 32 Adults in Correctional Facilities Program.
  - 33 (b) The amount appropriated in this item shall be al-
  - 34 located based upon prior year rather than current
  - 35 year expenditures.
  - 36 (c) Funding distributed to each local educational
  - 37 agency (LEA) for reimbursement of services
  - 38 provided in the prior fiscal year for the Adults in
  - 39 Correctional Facilities Program shall be limited
  - 40 to the amount received by the agency for services

1 provided in the 2006–07 fiscal year. Funding shall  
 2 be reduced or eliminated, as appropriate, for any  
 3 LEA that reduces or eliminates services provided  
 4 under this program in the prior fiscal year, as  
 5 compared to the level of services provided in the  
 6 2006–07 fiscal year. Any funds remaining as a  
 7 result of those decreased levels of service shall  
 8 be allocated to provide support for new programs  
 9 in accordance with Section 41841.8 of the Educa-  
 10 tion Code.

11 (d) Funding appropriated in this item for growth in  
 12 average daily attendance (ADA) first shall be al-  
 13 located to programs that are funded for 20 units  
 14 or less of ADA, up to a maximum of 20 additional  
 15 units of ADA per program.

16 2. \$444,000 is provided for increases in average daily  
 17 attendance. If growth funds are insufficient, the State  
 18 Department of Education may adjust the per-pupil  
 19 growth rates to conform to available funds. Addition-  
 20 ally, ~~\$386,000~~ \$0 is for the purpose of providing a  
 21 cost-of-living adjustment.

22  
 23 *SEC. 133. Item 6110-161-0001 of Section 2.00 of the Budget*  
 24 *Act of 2008 is amended to read:*

25  
 26 6110-161-0001—For local assistance, Department of Educa-  
 27 tion (Proposition 98), Program 10.60-Special Education  
 28 Programs for Exceptional Children..... 3,188,406,000  
 29 3,116,298,000

30 Schedule:

31 (1) 10.60.050.003-Special education in-  
 32 struction..... 3,116,310,000  
 33 3,046,014,000  
 34 (2) 10.60.050.080-Early Education Program  
 35 for Individuals with Exceptional  
 36 Needs..... 86,491,000  
 37 84,679,000  
 38 (3) Reimbursements for Early Education  
 39 Program, Part C..... -14,395,000

- 1 Provisions:
- 2 1. Funds appropriated by this item are for transfer by the
- 3 Controller to Section A of the State School Fund, in
- 4 lieu of the amount that otherwise would be appropriat-
- 5 ed for transfer from the General Fund in the State
- 6 Treasury to Section A of the State School Fund for
- 7 the 2008–09 fiscal year pursuant to Sections 14002
- 8 and 41301 of the Education Code, for apportionment
- 9 pursuant to Part 30 (commencing with Section 56000)
- 10 of Division 4 of Title 2 of the Education Code, super-
- 11 seding all prior law.
- 12 2. Of the funds appropriated in Schedule (1), up to
- 13 \$13,206,000, plus any cost-of-living adjustment, shall
- 14 be available for the purchase, repair, and inventory
- 15 maintenance of specialized books, materials, and
- 16 equipment for pupils with low-incidence disabilities,
- 17 as defined in Section 56026.5 of the Education Code.
- 18 3. Of the funds appropriated in Schedule (1), up to
- 19 \$10,080,000, plus any cost-of-living adjustment, shall
- 20 be available for the purposes of vocational training
- 21 and job placement for special education pupils through
- 22 Project Workability I pursuant to Article 3 (commenc-
- 23 ing with Section 56470) of Chapter 4.5 of Part 30 of
- 24 Division 4 of Title 2 of the Education Code. As a
- 25 condition of receiving these funds, each local educa-
- 26 tional agency shall certify that the amount of nonfed-
- 27 eral resources, exclusive of funds received pursuant
- 28 to this provision, devoted to the provision of vocational
- 29 education for special education pupils shall be main-
- 30 tained at or above the level provided in the 1984–85
- 31 fiscal year. The Superintendent of Public Instruction
- 32 may waive this requirement for local educational
- 33 agencies that demonstrate that the requirement would
- 34 impose a severe hardship.
- 35 4. Of the funds appropriated in Schedule (1), up to
- 36 \$5,258,000, plus any cost-of-living adjustment (CO-
- 37 LA), shall be available for regional occupational cen-
- 38 ters and programs that serve pupils having disabilities
- 39 ; up to \$87,617,000, plus any COLA, shall be available
- 40 for regionalized program specialist services ; and up

- 1 to \$2,573,000, plus any COLA, shall be available for  
2 small special education local plan areas (SELPAs)  
3 pursuant to Section 56836.24 of the Education Code.
- 4 5. Of the funds appropriated in Schedule (1), up to  
5 \$3,000,000 is provided for extraordinary costs associ-  
6 ated with single placements in nonpublic, nonsectarian  
7 schools, pursuant to Section 56836.21 of the Education  
8 Code. Pursuant to legislation, these funds shall also  
9 provide reimbursement for costs associated with pupils  
10 residing in licensed children’s institutes.
- 11 6. Of the funds appropriated in Schedule (1), up to  
12 \$205,213,000, plus any cost-of-living adjustment  
13 (COLA), is available to fund the costs of children  
14 placed in licensed children’s institutions who attend  
15 nonpublic schools based on the funding formula autho-  
16 rized in Chapter 914 of the Statutes of 2004.
- 17 7. Funds available for infant units shall be allocated with  
18 the following average number of pupils per unit:  
19 (a) For special classes and centers—16.  
20 (b) For resource specialist programs—24.  
21 (c) For designated instructional services—16.
- 22 8. Notwithstanding any other provision of law, early ed-  
23 ucation programs for infants and toddlers shall be of-  
24 fered for 200 days. Funds appropriated in Schedule  
25 (2) shall be allocated by the State Department of Edu-  
26 cation for the 2008–09 fiscal year to those programs  
27 receiving allocations for instructional units pursuant  
28 to Section 56432 of the Education Code for the Early  
29 Education Program for Individuals with Exceptional  
30 Needs operated pursuant to Chapter 4.4 (commencing  
31 with Section 56425) of Part 30 of Division 4 of Title  
32 2 of the Education Code, based on computing 200-day  
33 entitlements. Notwithstanding any other provision of  
34 law, funds in Schedule (2) shall be used only for the  
35 purposes specified in Provisions 10 and 11.
- 36 9. Notwithstanding any other provision of law, state  
37 funds appropriated in Schedule (2) in excess of the  
38 amount necessary to fund the deficiated entitlements  
39 pursuant to Section 56432 of the Education Code and  
40 Provision 10 shall be available for allocation by the

- 1 State Department of Education to local educational  
 2 agencies for the operation of programs serving solely  
 3 low-incidence infants and toddlers pursuant to Title  
 4 14 (commencing with Section 95000) of the Govern-  
 5 ment Code. These funds shall be allocated to each local  
 6 educational agency for each solely low-incidence child  
 7 through age two in excess of the number of solely low-  
 8 incidence children through age two served by the local  
 9 educational agency during the 1992–93 fiscal year and  
 10 reported on the April 1993 pupil count. These funds  
 11 shall only be allocated if the amount of reimbursement  
 12 received from the State Department of Developmental  
 13 Services is insufficient to fully fund the costs of oper-  
 14 ating the Early Intervention Program, as authorized  
 15 by Title 14 (commencing with Section 95000) of the  
 16 Government Code.
- 17 10. The State Department of Education, through coordina-  
 18 tion with the special education local plan areas, shall  
 19 ensure local interagency coordination and collaboration  
 20 in the provision of early intervention services, includ-  
 21 ing local training activities, child-find activities, public  
 22 awareness, and the family resource center activities.
- 23 11. Funds appropriated in this item, unless otherwise  
 24 specified, are available for the sole purpose of funding  
 25 2008–09 special education program costs and shall  
 26 not be used to fund any prior year adjustments, claims,  
 27 or costs.
- 28 12. Of the amount provided in Schedule (1), up to  
 29 \$188,000, plus any cost-of-living adjustment, shall be  
 30 available to fully fund the declining enrollment of  
 31 necessary small special education local plan areas  
 32 pursuant to Chapter 551 of the Statutes of 2001.
- 33 13. Pursuant to Section 56427 of the Education Code, of  
 34 the funds appropriated in Schedule (1) of this item, up  
 35 to \$2,324,000 may be used to provide funding for in-  
 36 fant programs, and may be used for those programs  
 37 that do not qualify for funding pursuant to Section  
 38 56432 of the Education Code.

- 1 14. Of the funds appropriated in Schedule (1), up to  
2 \$29,478,000 shall be allocated to local educational  
3 agencies for the purposes of Project Workability I.
- 4 15. Of the funds appropriated in Schedule (1), up to  
5 \$1,700,000 shall be used to provide specialized ser-  
6 vices to pupils with low-incidence disabilities, as de-  
7 fined in Section 56026.5 of the Education Code.
- 8 16. Of the funds appropriated in Schedule (1), up to  
9 \$1,117,000 shall be used for a personnel development  
10 program. This program shall include state-sponsored  
11 staff development for special education personnel to  
12 have the necessary content knowledge and skills to  
13 serve children with disabilities. This funding may in-  
14 clude training and services targeting special education  
15 teachers and related service personnel that teach core  
16 academic or multiple subjects to meet the applicable  
17 special education requirements of the Individuals with  
18 Disabilities Education Improvement Act of 2004 (20  
19 U.S.C. Sec. 1400 et seq.).
- 20 17. Of the funds appropriated in Schedule (1), up to  
21 \$200,000 shall be used for research and training in  
22 cross-cultural assessments.
- 23 18. Of the amount specified in Schedule (1), up to  
24 \$31,000,000 shall be used to provide mental health  
25 services required by an individual education plan  
26 pursuant to the federal Individuals with Disabilities  
27 Education Improvement Act of 2004 (20 U.S.C. Sec.  
28 1400 et seq.) and pursuant to Chapter 493 of the  
29 Statutes of 2004.
- 30 19. Of the amount provided in Schedule (1), ~~\$70,296,000~~  
31 \$0 is provided for cost-of-living adjustments.
- 32 20. Of the amount provided in Schedule (2), ~~\$1,812,000~~  
33 \$0 is provided for cost-of-living adjustments.
- 34 21. Of the amount appropriated in this item, up to  
35 \$1,480,000 is available for the state's share of costs  
36 in the settlement of Emma C. v. Delaine Eastin, et al.  
37 (N.D. Cal. No. C96-4179TEH). The State Department  
38 of Education shall report by January 1, 2009, to the  
39 fiscal committees of both houses of the Legislature,  
40 the Department of Finance, and the Legislative Ana-

1           lyst’s Office on the planned use of the additional spe-  
 2           cial education funds provided to the Ravenswood Ele-  
 3           mentary School District pursuant to this settlement.  
 4           The report shall also provide the State Department of  
 5           Education’s best estimate of when this supplemental  
 6           funding will no longer be required by the court. The  
 7           State Department of Education shall comply with the  
 8           requirements of Section 948 of the Government Code  
 9           in any further request for funds to satisfy this settle-  
 10          ment.

11          22. Of the funds appropriated in this item, up to  
 12          \$2,500,000 shall be allocated directly to special educa-  
 13          tion local plan areas for a personnel development  
 14          program that meets the highly qualified teacher require-  
 15          ments and ensures that all personnel necessary to carry  
 16          out this part are appropriately and adequately prepared,  
 17          subject to the requirements of paragraph (14) of subdivi-  
 18          sion (a) of Section 612 of the federal Individuals  
 19          with Disabilities Education Improvement Act of 2004  
 20          (20 U.S.C. Sec. 1400 et seq.), and Section 2122 of the  
 21          federal Elementary and Secondary Education Act of  
 22          1965 (20 U.S.C. Sec. 6301 et seq.). The local in-ser-  
 23          vice programs shall include a parent training compo-  
 24          nent and may include a staff training component, and  
 25          may include a special education teacher component  
 26          for special education service personnel and paraprofes-  
 27          sionals, consistent with state certification and licensing  
 28          requirements. Use of these funds shall be described in  
 29          the local plans. These funds may be used to provide  
 30          training in alternative dispute resolution and the local  
 31          mediation of disputes. All programs are to include  
 32          evaluation components.

33          23. Notwithstanding any other provision of law, state  
 34          funds appropriated in Schedule (1) in excess of the  
 35          amount necessary to fund the defined entitlement shall  
 36          be to fulfill other shortages in entitlements budgeted  
 37          in this schedule by the State Department of Education,  
 38          upon Department of Finance approval, to any program  
 39          funded under Schedule (1).

- 1 24. The funds appropriated in this item reflect a reduction
- 2 to the base funding of 0.52 percent for a statewide
- 3 decline in average daily attendance.
- 4 25. Of the funds appropriated in Schedule (1), the amount
- 5 resulting from increases in federal funds reflected in
- 6 the calculation performed in paragraph (1) of subdivi-
- 7 sion (c) of Section 56836.08 of the Education Code
- 8 shall be allocated based on an equal amount per aver-
- 9 age daily attendance and added to each special educa-
- 10 tion local plan area’s base funding, consistent with
- 11 paragraphs (1) to (4), inclusive, of subdivision (b) of
- 12 Section 56836.158 of the Education Code. This amount
- 13 may be up to \$19,000,000 less adjustments for state
- 14 operations and preschool. When the final amount is
- 15 determined, the State Department of Education shall
- 16 provide this information to the Department of Finance
- 17 and the budget committees of each house of the Legis-
- 18 lature.

19  
 20 *SEC. 134. Item 6110-167-0001 of Section 2.00 of the Budget*  
 21 *Act of 2008 is amended to read:*

22  
 23 6110-167-0001—For local assistance, Department of Education  
 24 (Proposition 98), for transfer to Section A of the State  
 25 School Fund, Program 10.70-Agricultural Career Technical  
 26 Education Incentive Program established pursuant to Arti-  
 27 cle 7.5 (commencing with Section 52460) of Chapter 9 of  
 28 Part 28 of Division 4 of Title 2 of the Education Code..... 5,284,000  
 29 5,174,000

- 30 Provisions:
- 31 1. As a condition of receiving funds appropriated in this
  - 32 item, a school district shall certify to the Superinten-
  - 33 dent of Public Instruction both of the following:
  - 34 (a) Agricultural Career Technical Education Incentive
  - 35 Program funds shall be expended for the items
  - 36 identified in its application, except that, in items
  - 37 of expenditure classification 4000, only the total
  - 38 cost of expenses shall be required and itemization
  - 39 shall not be required.

- 1 (b) The school district shall provide at least 50 per-
- 2 cent of the cost of the items and costs from expen-
- 3 diture classification 4000, as identified in its ap-
- 4 plication, from other funding sources. This provi-
- 5 sion does not limit the authority of the Superinten-
- 6 dent of Public Instruction to waive the local
- 7 matching requirement established by subdivision
- 8 (b) of Section 52461.5 of the Education Code.
- 9 2. The funds appropriated in this item reflect a reduction
- 10 to the base funding of 0.52 percent for a statewide
- 11 decline in average daily attendance.
- 12 3. Of the amount appropriated in this item, ~~\$110,000~~ \$0
- 13 is provided for a cost-of-living adjustment.

14  
 15 *SEC. 135. Item 6110-181-0001 of Section 2.00 of the Budget*  
 16 *Act of 2008 is amended to read:*

17  
 18 6110-181-0001—For local assistance, Department of Education  
 19 (Proposition 98), for transfer to Section A of the State  
 20 School Fund, Program 20.10.025-Educational Technology,  
 21 programs funded pursuant to Article 15 (commencing with  
 22 Section 51870) of Chapter 5 of Part 28 of Division 4 and  
 23 Chapter 3.34 (commencing with Section 44730) of Part  
 24 25 of Division 3 of Title 2 of the Education Code..... ~~17,984,000~~  
 25 *17,611,000*

- 26 Provisions:
- 27 1. Of the funds appropriated in this item, ~~\$373,000~~ \$0 is
  - 28 for the purpose of a cost-of-living adjustment.
  - 29 2. The funds appropriated in this item reflect a reduction
  - 30 to the base funding of 0.52 percent for a statewide
  - 31 decline in average daily attendance.
  - 32 3. *As a part of the support system authorized by para-*
  - 33 *graph (5) of subdivision (a) of Section 51871 of the*
  - 34 *Education Code, the California Technology Assistance*
  - 35 *Project regional consortia shall assist school districts*
  - 36 *in using pupil achievement data to inform instruction*
  - 37 *and improve pupil learning. The regional consortia*
  - 38 *shall also support the identification and dissemination*
  - 39 *of best practices in the area of data-driven instruction-*
  - 40 *al improvement.*

1  
2 *SEC. 136. Item 6110-189-0001 of Section 2.00 of the Budget*  
3 *Act of 2008 is amended to read:*

4  
5 6110-189-0001—For local assistance, Department of Education  
6 (Proposition 98), Program 20.20.020.005-Instructional  
7 Support, for transfer to State Instructional Materials Fund  
8 pursuant to Article 3 (commencing with Section 60240)  
9 of Chapter 2 of Part 33 of Division 4 of Title 2 of the Ed-  
10 ucation Code (Instructional Materials Block Grant)..... ~~426,433,000~~  
11 *417,591,000*

12 Provisions:

- 13 1. The funds in this item shall be allocated to school  
14 districts to purchase standards-aligned instructional  
15 materials.  
16 2. Of the funds appropriated in this item, ~~\$8,842,000~~ \$0  
17 is provided for the purpose of a cost-of-living adjust-  
18 ment.  
19 3. The funds appropriated in this item reflect a reduction  
20 to the base funding of 0.52 percent for a statewide  
21 decline in average daily attendance.

22  
23 *SEC. 137. Item 6110-190-0001 of Section 2.00 of the Budget*  
24 *Act of 2008 is amended to read:*

25  
26 6110-190-0001—For local assistance, Department of Education  
27 (Proposition 98), for transfer to Section A of the State  
28 School Fund, Program 10.10.021-School Apportionments,  
29 Community Day Schools established pursuant to Article  
30 3 (commencing with Section 48660) of Chapter 4 of Part  
31 27 of Division 4 of Title 2 of the Education Code..... ~~48,349,000~~  
32 *47,248,000*

33 Provisions:

- 34 1. Funds appropriated in this item shall not be available  
35 for the purposes of Section 41972 of the Education  
36 Code.  
37 2. Of the funds appropriated in this item, ~~\$1,101,000~~ \$0  
38 is for the purpose of providing a cost-of-living adjust-  
39 ment.

1 3. An additional \$4,751,000 in expenditures for this item  
2 has been deferred until the 2009–10 fiscal year.  
3

4 *SEC. 138. Item 6110-193-0001 of Section 2.00 of the Budget*  
5 *Act of 2008 is amended to read:*  
6

7 6110-193-0001—For local assistance, State Department of  
8 Education (Proposition 98), for transfer to Section A of  
9 the State School Fund, Program 20.60-Staff Develop-  
10 ment..... 33,172,000  
11 32,484,000

12 Schedule:

- 13 (1) 20.60.070-Instructional Support: Bilin-  
14 gual Teacher Training Assistance Pro-  
15 gram..... 2,183,000  
16 2,138,000
- 17 (2) 20.60.060-Instructional Support:  
18 Teacher Peer Review..... 30,578,000  
19 29,944,000
- 20 (3) 20.60.110-Instructional Support: Improv-  
21 ing School Effectiveness-Reader Ser-  
22 vices for Blind Teachers..... 411,000  
23 402,000

24 Provisions:

- 25 1. Notwithstanding any other provision of law, the  
26 amount appropriated in Schedule (1) shall be the  
27 maximum amount allocated for the purposes of the  
28 Bilingual Teacher Training Assistance Program estab-  
29 lished by Article 4 (commencing with Section 52180)  
30 of Chapter 7 of Part 28 of Division 4 of Title 2 of the  
31 Education Code.
- 32 2. Of the funds appropriated in Schedule (1), ~~\$45,000~~ \$0  
33 is for the purpose of providing a cost-of-living adjust-  
34 ment at a rate of 2.12 percent.
- 35 3. The funds appropriated in Schedule (2) shall be allo-  
36 cated in accordance with Article 4.5 (commencing  
37 with Section 44500) of Chapter 3 of Part 25 of Divi-  
38 sion 3 of Title 2 of the Education Code. If the funds  
39 are insufficient to fully fund growth in this program,  
40 the State Department of Education may adjust the per-

- 1 participant rate to conform to available funds. Funds
- 2 appropriated in Schedule (2) include ~~\$634,000~~ \$0 for
- 3 the purpose of providing a cost-of-living adjustment
- 4 at a rate of 2.12 percent.
- 5 4. Notwithstanding any other provision of law, the
- 6 amount appropriated in Schedule (3) shall be the
- 7 maximum amount allocated for the purposes of the
- 8 Reader Services for Blind Teachers Program, for
- 9 transfer to the Reader Employment Fund established
- 10 by Section 45371 of the Education Code for the pur-
- 11 poses of Section 44925 of the Education Code.
- 12 5. Of the funds appropriated in Schedule (3), ~~\$9,000~~ \$0
- 13 is for the purpose of providing a cost-of-living adjust-
- 14 ment at a rate of 2.12 percent.
- 15 6. The funds appropriated in this item reflect a reduction
- 16 to the base funding of 0.52 percent for a statewide
- 17 decline in average daily attendance.

18  
 19 *SEC. 139. Item 6110-196-0001 of Section 2.00 of the Budget*  
 20 *Act of 2008 is amended to read:*

21  
 22 6110-196-0001—For local assistance, Department of Educa-  
 23 tion (Proposition 98), for transfer by the Controller to  
 24 Section A of the State School Fund, for allocation by  
 25 the Superintendent of Public Instruction to school dis-  
 26 tricts, county offices of education, and other agencies  
 27 for the purposes of Proposition 98 educational programs  
 28 funded in this item, in lieu of the amount that otherwise  
 29 would be appropriated pursuant to any other statute..... ~~1,806,646,000~~  
 30 *1,772,364,000*

31 Schedule:  
 32 (1) 30.10.010-Special Program, Child De-  
 33 velopment, Preschool Education..... 441,854,000  
 34 (1.5) 30.10.020-Child Care Services..... 1,857,104,000  
 35 (a) 30.10.020.001-Spe-  
 36 cial Program, Child  
 37 Development, Gen-  
 38 eral Child Develop-  
 39 ment Programs..... 804,649,000

1	(c) 30.10.020.004-Spe-	
2	cial Program, Child	
3	Development, Mi-	
4	grant Day Care.....	40,570,000
5	(d) 30.10.020.007-Spe-	
6	cial Program, Child	
7	Development, Alter-	
8	native Payment Pro-	
9	gram.....	257,037,000
10	(e) 30.10.020.011-Spe-	
11	cial Program, Child	
12	Development, Alter-	
13	native Payment Pro-	
14	gram—Stage 2.....	369,960,000
15	(f) 30.10.020.012-Spe-	
16	cial Program, Child	
17	Development, Alter-	
18	native Payment Pro-	
19	gram—Stage 3 Seta-	
20	side.....	245,204,000
21	(g) 30.10.020.008-Spe-	
22	cial Program, Child	
23	Development, Re-	
24	source and Refer-	
25	ral.....	19,438,000
26	(i) 30.10.020.015-Spe-	
27	cial Program, Child	
28	Development, Extend-	
29	ed Day Care.....	35,890,000
30	(j) 30.10.020.096-Special	
31	Program, Child Devel-	
32	opment, Allowance for	
33	Handicapped.....	1,997,000
34	(k) 30.10.020.106-Special	
35	Program, Child Devel-	
36	opment, California	
37	Child Care Initia-	
38	tive.....	250,000

1	(l)	30.10.020.901-Spe-	
2		cial Program, Child	
3		Development, Quali-	
4		ty Improvement.....	67,572,000
5	(m)	30.10.020.911-Special	
6		Program, Child Devel-	
7		opment, Centralized	
8		Eligibility List.....	7,900,000
9	(n)	30.10.020.920-Special	
10		Program, Child Devel-	
11		opment, Local Plan-	
12		ning Councils.....	6,637,000
13	(3)	30.10.020.908-Special Program, Child	
14		Development, Cost-of-Living Adjust-	
15		ments.....	34,282,000
16			0
17	(4)	30.10.020.909-Special Program, Child	
18		Development, Growth Adjustments.....	10,917,000
19	(5)	Amount payable from the Federal	
20		Trust Fund (Item 6110-196-0890).....	-537,511,000
21		Provisions:	
22	1.	Notwithstanding Section 8278 of the Education Code,	
23		funds available for expenditure pursuant to that section	
24		shall be expended in the current fiscal year pursuant	
25		to the following schedule:	
26	(a)	\$4,000,000 or whatever lesser or greater amount	
27		is necessary for accounts payable pursuant to	
28		paragraph (1) of subdivision (b) of Section 8278	
29		of the Education Code.	
30	(b)	\$22,963,000 shall be available for CalWORKs	
31		Stage 3 child care.	
32	(c)	The Controller shall establish an account entitled	
33		“Section 8278 Expenditures in 2007” in Item	
34		6110-196-0001, Program 30.10.060. Any unex-	
35		pended General Fund balances as of June 30,	
36		2008, or subsequent abatements, from those	
37		amounts listed in Schedules (1), (1.5)(a), (1.5)(c),	
38		(1.5)(d), (1.5)(g), (1.5)(i), (1.5)(j), (1.5)(k),	
39		(1.5)(l), and (1.5)(n), that are available pursuant	
40		to Section 8278 of the Education Code, shall be	

- 1 transferred to the account for the purpose of  
 2 making expenditures pursuant to that section and  
 3 as specified in this provision.
- 4 2. (a) Notwithstanding any other provision of law, alter-  
 5 native payment child care programs shall be sub-  
 6 ject to the rate ceilings established in the Regional  
 7 Market Rate Survey of California child care and  
 8 development providers for provider payments.  
 9 When approved pursuant to Section 8447 of the  
 10 Education Code, any changes to the market rate  
 11 limits, adjustment factors, or regions shall be uti-  
 12 lized by the State Department of Education and  
 13 the State Department of Social Services in various  
 14 programs under the jurisdiction of either depart-  
 15 ment.
- 16 (b) Notwithstanding any other provision of law, the  
 17 funds appropriated in this item for the cost of li-  
 18 censed child care services provided through alter-  
 19 native payment or voucher programs, including  
 20 those provided under Article 3 (commencing with  
 21 Section 8220) and Article 15.5 (commencing with  
 22 Section 8350) of Chapter 2 of Part 6 of Division  
 23 1 of Title 1 of the Education Code, shall be used  
 24 only to reimburse child care costs up to the 85th  
 25 percentile of the rates charged by providers offer-  
 26 ing the same type of child care for the same age  
 27 child in that region effective March 1, 2009, based  
 28 on the 2007 Regional Market Rate Survey data.  
 29 The State Department of Education shall cause  
 30 to be developed rate limits at the 85th percentile,  
 31 based on the 2007 survey data, and submit for  
 32 approval in accordance with law to the Depart-  
 33 ment of Finance no later than October 1, 2008, to  
 34 enable the rate limits to be reviewed and then  
 35 implemented by March 1, 2009. The State Depart-  
 36 ment of Education may redirect funding from  
 37 funds normally reserved for new surveys to  
 38 achieve this goal, as necessary.
- 39 3. Of the amount appropriated in Schedule (1),  
 40 \$50,000,000 is available for Prekindergarten and

- 1 Family Literacy preschool programs pursuant to  
2 Chapter 211 of the Statutes of 2006. Of the amount  
3 appropriated in Schedule (1), \$5,000,000 is available  
4 for the provision of wraparound care to children en-  
5 rolled in state preschool programs. The Superintendent  
6 of Public Instruction shall assign priority for these  
7 funds to children enrolled in prekindergarten and  
8 family literacy programs authorized by Section 8238.4  
9 of the Education Code.
- 10 4. Funds in Schedule (1.5)(I) shall be reserved for activ-  
11 ities to improve the quality and availability of child  
12 care, pursuant to the following:
- 13 (a) \$2,014,056 is for the schoolage care and resource  
14 and referral earmark.
- 15 (b) \$11,359,176 is for the infant and toddler earmark  
16 and shall be used for increasing the supply of  
17 quality child care for infants and toddlers.
- 18 (c) \$7,237,000 in one-time federal funding is avail-  
19 able for use in the 2008–09 fiscal year. Of that  
20 amount, \$200,000 shall be used for Trustline  
21 registration workload (Chapter 3.35 (commencing  
22 with Section 1596.60) of Division 2 of the Health  
23 and Safety Code). The remaining funds shall be  
24 used for child care and development quality ex-  
25 penditures identified by the State Department of  
26 Education (SDE) and approved by the Department  
27 of Finance.
- 28 (d) From the remaining funds in Schedule (1.5)(I),  
29 the following amounts shall be allocated for the  
30 following purposes: \$4,000,000 to train former  
31 CalWORKs recipients as child care teachers,  
32 \$2,700,000 for contracting with the State Depart-  
33 ment of Social Services (DSS) for increased in-  
34 spections of child care facilities, \$1,000,000 for  
35 Trustline registration workload (Chapter 3.35  
36 (commencing with Section 1596.60) of Division  
37 2 of the Health and Safety Code), \$500,000 for  
38 health and safety training for licensed and exempt  
39 child care providers, \$300,000 for the Health  
40 Hotline, and \$300,000 to implement a technical

- 1 assistance program to child care providers in ac-  
2 ccessing financing for renovation, expansion, or  
3 construction of child care facilities.
- 4 (e) When developing the 2008–09 expenditure plan  
5 for proposed state and local activities to improve  
6 child care, the SDE shall follow these three prin-  
7 ciples: (1) preserve funding for activities that  
8 provide direct services and supports to families,  
9 (2) preserve funding for activities that provide  
10 direct services and supports to child care providers  
11 and teachers, and (3) comply with federal man-  
12 dates, including quality earmarks and set-asides.
- 13 5. Of the amount appropriated in Schedule (1.5)(l),  
14 \$15,000,000 shall be for child care worker recruitment  
15 and retention programs pursuant to Section 8279.7 of  
16 the Education Code, and \$320,000 shall be for the  
17 Child Development Training Consortium.
- 18 6. (a) The State Department of Education (SDE) shall  
19 conduct monthly analyses of CalWORKs Stage  
20 2 and Stage 3 caseloads and expenditures and  
21 adjust agency contract maximum reimbursement  
22 amounts and allocations as necessary to ensure  
23 funds are distributed proportionally to need. The  
24 SDE shall share monthly caseload analyses with  
25 the State Department of Social Services (DSS).
- 26 (b) The SDE shall provide quarterly information re-  
27 garding the sufficiency of funding for Stage 2 and  
28 Stage 3 to DSS. The SDE shall provide caseloads,  
29 expenditures, allocations, unit costs, family fees,  
30 and other key variables and assumptions used in  
31 determining the sufficiency of state allocations.  
32 Detailed backup by month and on a county-by-  
33 county basis shall be provided to the DSS at least  
34 on a quarterly basis for comparisons with Stage  
35 1 trends.
- 36 (d) By September 30 and March 30 of each year, the  
37 SDE shall ensure that detailed caseload and expen-  
38 diture data, through the most recent period for  
39 Stage 2 and Stage 3 Setaside along with all rele-  
40 vant assumptions, is provided to DSS to facilitate

1 budget development. The detailed data provided  
2 shall include actual and projected monthly  
3 caseload from Stage 2 scheduled to time off of  
4 their transitional child care benefit from the last  
5 actual month reported by agencies through the  
6 next two fiscal years as well as local attrition ex-  
7 perience. DSS shall utilize data provided by the  
8 SDE, including key variables from the prior fiscal  
9 year and the first two months of the current fiscal  
10 year, to provide coordinated estimates in  
11 November of each year for each of the three stages  
12 of care for preparation of the Governor’s Budget,  
13 and shall utilize data from at least the first two  
14 quarters of the current fiscal year, and any addi-  
15 tional monthly data as they become available for  
16 preparation of the May Revision. The DSS shall  
17 share its assumptions and methodology with the  
18 SDE in the preparation of the Governor’s Budget.

19 (e) The SDE shall coordinate with the DSS to identify  
20 annual general subsidized child care program ex-  
21 penditures for Temporary Assistance for Needy  
22 Families-eligible children. The SDE shall modify  
23 existing reporting forms as necessary to capture  
24 this data.

25 (f) The SDE shall provide to the DSS, upon request,  
26 access to the information and data elements nec-  
27 essary to comply with federal reporting require-  
28 ments and any other information deemed neces-  
29 sary to improve estimation of child care budgeting  
30 needs.

31 7. Notwithstanding any other provision of law, the funds  
32 in Schedule (1.5)(f) are reserved exclusively for con-  
33 tinuing child care for the following: (a) former Cal-  
34 WORKs families who are working, have left cash aid,  
35 and have exhausted their two-year eligibility for tran-  
36 sitional services in either Stage 1 or 2 pursuant to  
37 subdivision (c) of Section 8351 or Section 8353 of the  
38 Education Code, respectively, but still meet eligibility  
39 requirements for receipt of subsidized child care ser-  
40 vices, and (b) families who received lump-sum diver-

- 1 sion payments or diversion services under Section  
 2 11266.5 of the Welfare and Institutions Code and have  
 3 spent two years in Stage 2 off of cash aid, but still  
 4 meet eligibility requirements for receipt of subsidized  
 5 child care services.
- 6 8. Nonfederal funds appropriated in this item which have  
 7 been budgeted to meet the state’s Temporary Assis-  
 8 tance for Needy Families maintenance-of-effort require-  
 9 ment established pursuant to the federal Personal Re-  
 10 sponsibility and Work Opportunity Reconciliation Act  
 11 of 1996 (P.L. 104-193) may not be expended in any  
 12 way that would cause their disqualification as a feder-  
 13 ally allowable maintenance-of-effort expenditure.
- 14 9. (a) Notwithstanding any other provision of law, the  
 15 income eligibility limits pursuant to Section  
 16 8263.1 of the Education Code that were applicable  
 17 to the 2007–08 fiscal year shall remain in effect  
 18 for the 2008–09 fiscal year.
- 19 (b) Notwithstanding any other provision of law, the  
 20 State Department of Education (SDE) shall update  
 21 the 2006–07 family fee schedule by family size  
 22 for use in the 2008–09 fiscal year based on the  
 23 state median income at the level at which it has  
 24 been determined for the 2007–08 fiscal year for  
 25 a family of four, in accordance with law. The SDE  
 26 shall ensure fees are not charged to families with  
 27 incomes lower than 40 percent of state median  
 28 income.
- 29 10. Of the amounts provided in this item, ~~\$34,282,000~~ \$0  
 30 is available to provide a cost-of-living adjustment for  
 31 Schedules (1), (1.5)(a), (1.5)(c), (1.5)(d), (1.5)(g),  
 32 (1.5)(i), (1.5)(j), and (1.5)(n). The maximum standard  
 33 reimbursement rate shall not exceed ~~\$35.11~~ \$34.38  
 34 per day for general child care programs and ~~\$21.67~~  
 35 \$21.22 per day for state preschool programs. Further-  
 36 more, the migrant child care and Cal-SAFE child care  
 37 programs shall adhere to the maximum standard reim-  
 38 bursement rates as prescribed for the general child  
 39 care programs. All other rates and adjustment factors  
 40 shall be revised to conform.

- 1 11. Of the amounts provided in this item, \$10,917,000 is  
2 available to provide a growth adjustment for Schedules  
3 (1), (1.5)(a), (1.5)(c), (1.5)(d), (1.5)(i), and (1.5)(j).
- 4 12. (a) Notwithstanding any other provision of law, the  
5 funds in Schedule (1.5)(m) are appropriated exclu-  
6 sively for developing and maintaining a central-  
7 ized eligibility list in each county pursuant to  
8 Section 8227 of the Education Code. By Novem-  
9 ber 1 of each year, the State Department of Edu-  
10 cation shall provide a status report on implement-  
11 ing eligibility lists in each county, which shall  
12 include, but is not limited to, the cost of implemen-  
13 tation and operation of the eligibility lists in each  
14 county, and number of children and families on  
15 the list for each county.
- 16 13. Notwithstanding Section 8278.3 of the Education Code  
17 or any other provision of law, up to \$5,000,000 of the  
18 Child Care Facilities Revolving Fund balance may be  
19 allocated for use on a one-time basis for renovations  
20 and repairs to meet health and safety standards, to  
21 comply with the federal Americans with Disabilities  
22 Act of 1990 (42 U.S.C. Sec. 12101 et seq.), and to  
23 perform emergency repairs, that were the result of an  
24 unforeseen event and are necessary to maintain contin-  
25 ued normal operation of the child care and develop-  
26 ment program. These funds shall be made available  
27 to school districts and contracting agencies that provide  
28 subsidized center-based services pursuant to the Child  
29 Care and Development Services Act (Chapter 2  
30 (commencing with Section 8200) of Part 6 of Division  
31 1 of Title 1 of the Education Code).
- 32 14. It is the intent of the Legislature to fully fund the third  
33 stage of child care for former CalWORKs recipients.

34  
35 *SEC. 140. Item 6110-198-0001 of Section 2.00 of the Budget*  
36 *Act of 2008 is amended to read:*

1 6110-198-0001—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 to school dis-  
 4 tricts and county offices of education, in lieu of the amount  
 5 that otherwise would be appropriated pursuant to statute... 59,321,000  
 6 58,091,000

- 7 Schedule:  
 8 (1) 20.60.220-Cal-SAFE Academic and  
 9 Supportive Services..... 20,220,550  
 10 19,863,550  
 11 (2) 20.60.221-All Services for Non-convert-  
 12 ing Pregnant Minors Programs..... 13,673,750  
 13 13,369,750  
 14 (3) 30.10.020-Cal-SAFE Child Care..... 25,426,700  
 15 24,857,700

- 16 Provisions:  
 17 1. ~~Notwithstanding any other provision of law, a school~~  
 18 ~~district or county superintendent of schools operating,~~  
 19 ~~by October 1, 1999, a School Age Parent and Infant~~  
 20 ~~Development Program pursuant to Article 17 (com-~~  
 21 ~~mencing with Section 8390) of Chapter 2 of Part 6 of~~  
 22 ~~Division 1 of Title 1 of, a Pregnant Minors Program~~  
 23 ~~pursuant to Chapter 6 (commencing with Section 8900)~~  
 24 ~~of Part 6 of Division 1 of Title 1 of, and Section 2551.3~~  
 25 ~~of, or a Pregnant and Lactating Students Program~~  
 26 ~~pursuant to Sections 49553 and 49559 of, the Educa-~~  
 27 ~~tion Code, or any combination thereof, that chooses~~  
 28 ~~to participate in the Cal-SAFE program shall have~~  
 29 ~~priority for Cal-SAFE program funding for an amount~~  
 30 ~~up to the dollar amount provided under those provi-~~  
 31 ~~sions in the fiscal year prior to participation in the Cal-~~  
 32 ~~SAFE program, provided an application is submitted~~  
 33 ~~and approved.~~  
 34 2. The amounts appropriated in Schedules (1), (2), and  
 35 (3) are based on estimates of the amounts required by  
 36 existing programs for operation of Cal-SAFE programs  
 37 in the current year. By October 31 of each year, the  
 38 State Department of Education (SDE) shall submit to  
 39 the Department of Finance current expenditure data  
 40 for both the prior fiscal year and the current year

- 1 showing each agency's allocation and supporting detail  
2 including average daily attendance and child care at-  
3 tending and enrollment data. The SDE shall also  
4 provide estimates of average daily attendance and child  
5 care to be provided in the budget year.
- 6 3. Funds appropriated in Schedule (2) are available to  
7 provide funding for all child care, as well as both  
8 academic and supportive services for programs  
9 choosing to retain their Pregnant Minors Program  
10 revenue limit. Notwithstanding any other provision of  
11 law, the State Department of Education shall compute  
12 allocations to these agencies using the respective  
13 agencies' 1998-99 Pregnant Minors Program revenue  
14 limits. Further, notwithstanding any other provision  
15 of law, programs which choose to retain their Pregnant  
16 Minors Program revenue limit rather than convert to  
17 the Cal-SAFE revenue limit must provide child care  
18 within the revenue limit funding for children of pupils  
19 comprising base year average daily attendance.  
20 ~~Notwithstanding any other provision of law, programs~~  
21 ~~shall not be eligible for funding for enrolling additional~~  
22 ~~units of average daily attendance above the certified~~  
23 ~~1998-99 level.~~
- 24 4. Of the funds appropriated in this item, ~~\$1,230,000~~ \$0  
25 is for the purpose of providing a cost-of-living adjust-  
26 ment.
- 27 5. The funds appropriated in this item reflect a reduction  
28 to the base funding of 0.52 percent for a statewide  
29 decline in average daily attendance.
- 30 6. Notwithstanding Section 26.00, the State Department  
31 of Education may transfer expenditure authority be-  
32 tween Schedule (1) Cal-SAFE Academic and Support-  
33 ive Services and Schedule (2) All Services for Noncon-  
34 verting Pregnant Minors Programs, to accurately re-  
35 flect expenditures in these programs, upon approval  
36 of the Department of Finance and notification of the  
37 Legislature.
- 38 7. *In the event that funding in this item is insufficient to*  
39 *serve all eligible pupils, the State Department of Edu-*

1 cation shall prorate the amounts in Schedules (1) and  
2 (2).

3  
4 SEC. 141. Item 6110-201-0890 of Section 2.00 of the Budget  
5 Act of 2008 is amended to read:

6  
7 6110-201-0890—For local assistance, Department of Educa-  
8 tion, Program 30.20-Child Nutrition, payable from the  
9 Federal Trust Fund..... ~~1,754,152,000~~  
10 1,756,657,000

11 Schedule:

12 (1) 30.20.010-Child Nutrition Pro-  
13 grams..... ~~1,721,702,000~~  
14 1,724,207,000

15 (2) 30.20.040-Summer Food Service Pro-  
16 gram..... 32,450,000

17 Provisions:

18 1. Of the amount appropriated in Schedule (1), ~~\$250,000~~  
19 \$2,755,000 is provided from one-time federal funds  
20 for Fresh Fruit and Vegetable Program grants to local  
21 educational agencies.

22  
23 SEC. 142. Item 6110-202-0001 of Section 2.00 of the Budget  
24 Act of 2008 is amended to read:

25  
26 6110-202-0001—For local assistance, Department of Education,  
27 Program 30.20.010-Child Nutrition Programs..... ~~11,936,000~~  
28 11,742,000

29 Provisions:

30 1. Funds appropriated are for child nutrition programs  
31 pursuant to Section 41311 of the Education Code.  
32 Claims for reimbursement of meals pursuant to this  
33 appropriation shall be submitted no later than  
34 September 30, 2009, to be eligible for reimbursement.  
35 2. Funds appropriated shall be available for allocation in  
36 accordance with Section 49536 of the Education Code,  
37 except that the allocation shall not be made based on  
38 all meals served, but based on the number of meals  
39 that are served and that qualify as free or reduced-price

1 meals in accordance with Sections 49501, 49550, and  
 2 49552 of the Education Code.  
 3 3. Of the funds appropriated in this item, ~~\$194,000~~ \$0 is  
 4 for the purpose of providing a cost-of-living adjust-  
 5 ment.  
 6

7 *SEC. 143. Item 6110-203-0001 of Section 2.00 of the Budget*  
 8 *Act of 2008 is amended to read:*  
 9

10 6110-203-0001—For local assistance, Department of Education  
 11 (Proposition 98), for transfer to Section A of the State  
 12 School Fund, Program 30.20.010-Child Nutrition Pro-  
 13 grams, established pursuant to Sections 41311, 49501,  
 14 49536, 49550, 49552, and 49559 of the Education Code.... ~~128,346,000~~  
 15 *125,685,000*

16 Schedule:  
 17 (1) 30.20.010-Child Nutrition Programs.... ~~128,688,000~~  
 18 *126,027,000*

19 (2) Reimbursements..... -342,000  
 20 Provisions:

- 21 1. Funds appropriated in Schedule (1) shall be allocated  
 22 pursuant to Section 41311 of the Education Code.  
 23 Claims for reimbursement of meals pursuant to this  
 24 allocation shall be submitted by school districts on or  
 25 before September 30, 2009, to be eligible for reimburse-  
 26 ment.  
 27 2. Funds designated for child nutrition programs in  
 28 Schedule (1) shall be allocated in accordance with  
 29 Section 49536 of the Education Code; however, the  
 30 allocation shall be based not on all meals served, but  
 31 on the number of meals that are served and that qualify  
 32 as free or reduced-price meals in accordance with  
 33 Sections 49501, 49550, and 49552 of the Education  
 34 Code.  
 35 4. Of the funds appropriated in this item, ~~\$2,661,000~~ \$0  
 36 is for the purpose of providing a cost-of-living adjust-  
 37 ment.  
 38 5. Of the funds appropriated in this item, \$2,404,000 is  
 39 for the purpose of providing a growth adjustment due  
 40 to an increase in the projected number of meals served.



1 6110-209-0001—For local assistance, Department of Education  
 2 (Proposition 98), Program 10.10.090.002-Teacher Dis-  
 3 missal Apportionments, for transfer to Section A of the  
 4 State School Fund and allocation by the Controller for  
 5 payment of claims received pursuant to Section 44944 of  
 6 the Education Code..... 49,000

7 48,000

8 Provisions:

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

12  
 13 *SEC. 146. Item 6110-211-0001 of Section 2.00 of the Budget*  
 14 *Act of 2008 is amended to read:*

15  
 16 6110-211-0001—For local assistance, Department of Education  
 17 (Proposition 98), for transfer to Section A of the State  
 18 School Fund, Program 20.60.036 for Categorical Programs  
 19 for charter schools, in accordance with Sections 47634  
 20 and 47634.1 of the Education Code..... 187,884,000

21 183,865,000

22 Provisions:

- 23 1. The State Department of Education shall provide an  
 24 estimate of average daily attendance expected to be  
 25 claimed for this item for the 2009–10 fiscal year to  
 26 the Department of Finance and the Legislative Ana-  
 27 lyst’s Office by October 1 of each year, for use in de-  
 28 veloping the Governor’s Budget. The State Department  
 29 of Education shall provide an update of the estimate  
 30 by March 31 of each year, for preparation of the May  
 31 Revision.  
 32 2. An additional \$5,947,000 in expenditures for this item  
 33 has been deferred until the 2009–10 fiscal year.

34  
 35 *SEC. 147. Item 6110-224-0001 of Section 2.00 of the Budget*  
 36 *Act of 2008 is amended to read:*

1 6110-224-0001—For local assistance, Department of Education  
 2 (Proposition 98), for transfer to Section A of the State  
 3 School Fund, Year-Round School Grant Program estab-  
 4 lished pursuant to Article 3 (commencing with Section  
 5 42260) of Chapter 7 of Part 24 of Division 3 of Title 2 of  
 6 the Education Code..... 98,852,000

7 96,802,000

8 Schedule:

9 (1) 10.10.950.002-Operations Grants..... 98,852,000

10 96,802,000

11 Provisions:

12 1. The following provisions govern funds appropriated  
 13 for the Year-Round School Grant Program (Article 3  
 14 (commencing with Section 42260) of Chapter 7 of  
 15 Part 24 of Division 3 of Title 2 of the Education Code):

16 (a) Applications for year-round school grants pur-  
 17 suant to Section 42263 of the Education Code  
 18 shall be received annually by the Superintendent  
 19 of Public Instruction no later than September 1  
 20 of the year for which payment is sought; applica-  
 21 tions received after that date may not be pro-  
 22 cessed. If the funds available for a fiscal year are  
 23 insufficient to fully fund all eligible grants pur-  
 24 suant to Section 42263 of the Education Code,  
 25 the Superintendent shall at that time provide all  
 26 approved claims with a prorated share of the funds  
 27 made available for those grants pursuant to this  
 28 item.

29 2. The funds appropriated in this item reflect a reduction  
 30 to the base funding of 0.52 percent for a statewide  
 31 decline in average daily attendance.

32 3. Of the funds appropriated in this item, ~~\$2,050,000~~ \$0  
 33 is for the purpose of providing a cost-of-living adjust-  
 34 ment at a rate of 2.12 percent.

35  
 36 *SEC. 148. Item 6110-228-0001 of Section 2.00 of the Budget*  
 37 *Act of 2008 is amended to read:*

1 6110-228-0001—For local assistance, Department of Education  
 2 (Proposition 98), Program 20.60.020.011-School Safety  
 3 Block Grant, for transfer by the Controller to Section A  
 4 of the State School Fund for allocation by the Superinten-  
 5 dent of Public Instruction..... 63,428,000  
 6 61,310,000

7 Provisions:

- 8 1. The funds appropriated are available to fund block  
 9 grants for middle and junior high schools and high  
 10 schools that serve grades 8 to 12, inclusive, pursuant  
 11 to Article 3.6 (commencing with Section 32228) and  
 12 Article 3.8 (commencing with Section 32239.5) of  
 13 Chapter 2 of Part 19 of Division 1 of Title 1 of the  
 14 Education Code. An additional \$38,720,000 in expen-  
 15 ditures for this purpose has been deferred to the  
 16 2009–10 fiscal year. Of the amount deferred,  
 17 \$1,000,000 shall be made available for county offices  
 18 of education pursuant to Article 3.6 (commencing with  
 19 Section 32228) of Chapter 2 of Part 19 of Division 1  
 20 of Title 1 of the Education Code.  
 21 2. Of the funds appropriated in this item, ~~\$2,118,000~~ \$0  
 22 is for the purpose of providing a cost-of-living adjust-  
 23 ment.  
 24 3. 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 4. The funds appropriated in this item shall be considered  
 28 offsetting revenues within the meaning of subdivision  
 29 (e) of Section 17556 of the Government Code for any  
 30 reimbursable mandated cost claim for comprehensive  
 31 school safety plans. Local educational agencies accept-  
 32 ing funding from this item shall reduce their estimated  
 33 and actual mandate reimbursement claims by the  
 34 amount of funding provided to them from this item.

35  
 36 *SEC. 149. Item 6110-232-0001 of Section 2.00 of the Budget*  
 37 *Act of 2008 is amended to read:*

1 6110-232-0001—For local assistance, Department of Education  
 2 (Proposition 98), for transfer to Section A of the State  
 3 School Fund, Program 10.26, Program to Reduce Class  
 4 Size in Two Courses in Grade 9 pursuant to Chapter 6.8  
 5 (commencing with Section 52080) of Part 28 of Division  
 6 4 of Title 2 of the Education Code..... 98,166,000  
 7 96,130,000

8 Provisions:  
 9 1. Schools participating in this program shall receive a  
 10 per-pupil rate of ~~\$218~~ \$199 pursuant to Section 52086  
 11 of the Education Code, ~~based on a cost-of-living ad-~~  
 12 ~~justment at a rate of 1.65 percent.~~

13  
 14 *SEC. 150. Item 6110-234-0001 of Section 2.00 of the Budget*  
 15 *Act of 2008 is amended to read:*

16  
 17 6110-234-0001—For local assistance, Department of Educa-  
 18 tion (Proposition 98), Program 10.25, for transfer by the  
 19 Controller to Section A of the State School Fund, for  
 20 allocation by the Superintendent of Public Instruction  
 21 for the Class Size Reduction Program pursuant to  
 22 Chapter 6.10 (commencing with Section 52120) of Part  
 23 28 of Division 4 of Title 2 of the Education Code..... 1,830,101,000  
 24 1,792,153,000

25 Provisions:  
 26 1. Schools participating in Option One shall receive a  
 27 per-pupil rate of ~~\$1,094~~ \$1,063. Schools participating  
 28 in Option Two shall receive a per-pupil rate of \$546.  
 29 ~~These rates are based on a cost-of-living adjustment~~  
 30 ~~at a rate of 2.12 percent.~~

31  
 32 *SEC. 151. Item 6110-240-0001 of Section 2.00 of the Budget*  
 33 *Act of 2008 is amended to read:*

34  
 35 6110-240-0001—For local assistance, Department of Education  
 36 (Proposition 98)..... 3,122,000  
 37 3,057,000

1	Schedule:	
2	(1) 10.80.030-Instruction: International	
3	Baccalaureate Diploma Program.....	1,300,000
4		1,273,000
5	(2) 20.70-Instructional Support: Assess-	
6	ments (Advanced Placement Fee Waiver	
7	Program).....	1,822,000
8		1,784,000

- 9 Provisions:
- 10 1. The funds appropriated in Schedule (1) shall be for
  - 11 the International Baccalaureate Diploma Program au-
  - 12 thorized by Chapter 12.5 (commencing with Section
  - 13 52920) of Part 28 of Division 4 of Title 2 of the Edu-
  - 14 cation Code.
  - 15 2. The funds appropriated in Schedule (2) shall be for
  - 16 grants for advanced placement examination fees as
  - 17 authorized by Chapter 8.3 (commencing with Section
  - 18 52240) of Part 28 of Division 4 of Title 2 of the Edu-
  - 19 cation Code.
  - 20 3. Of the funds appropriated in this item, ~~\$65,000~~ \$0 is
  - 21 for the purpose of providing a cost-of-living adjust-
  - 22 ment.
  - 23 4. The funds appropriated in this item reflect a reduction
  - 24 to the base funding of 0.52 percent for a statewide
  - 25 decline in average daily attendance.

26

27 *SEC. 152. Item 6110-243-0001 of Section 2.00 of the Budget*

28 *Act of 2008 is amended to read:*

29

30	6110-243-0001—For local assistance, Department of Education	
31	(Proposition 98), for transfer by the Controller to Section	
32	A of the State School Fund for allocation by the Superin-	
33	tendent of Public Instruction for the unscheduled Pupil	
34	Retention Block Grant pursuant to Article 2 (commencing	
35	with Section 41505) of Chapter 3.2 of Part 24 of Division	
36	3 of Title 2 of the Education Code.....	99,007,000
37		96,954,000

- 1 Provisions:
- 2 1. Of the funds appropriated in this item, ~~\$2,053,000~~ \$0
- 3 is provided for the purpose of a cost-of-living adjust-
- 4 ment.
- 5 2. The funds appropriated in this item reflect a reduction
- 6 to the base funding of 0.52 percent for a statewide
- 7 decline in average daily attendance.

8

9 *SEC. 153. Item 6110-244-0001 of Section 2.00 of the Budget*  
 10 *Act of 2008 is amended to read:*

11

12 6110-244-0001—For local assistance, Department of Education  
 13 (Proposition 98), Program 20.60 for transfer by the Con-  
 14 troller to Section A of the State School Fund, for allocation  
 15 by the Superintendent of Public Instruction for the  
 16 Teacher Credentialing Block Grant pursuant to Article 4  
 17 (commencing with Section 41520) of Chapter 3.2 of Part  
 18 24 of Division 3 of Title 2 of the Education Code..... ~~131,395,000~~  
 19 *128,671,000*

- 20 Provisions:
- 21 1. Of the funds appropriated in this item, ~~-\$3,395,000~~
  - 22 \$3,329,000 is available to support the Teacher Creden-
  - 23 tialing Block Grant regional infrastructure.
  - 24 2. It is the intent of the Legislature that first-year holders
  - 25 of preliminary teaching credentials, as defined in
  - 26 subdivision (b) of Section 44259 of the Education
  - 27 Code, be afforded first priority for funding appropriat-
  - 28 ed in this item. To the extent that any funds appropri-
  - 29 ated in this item remain after all first-year holders of
  - 30 preliminary teaching credentials have been served,
  - 31 those funds may be used to serve second-year holders
  - 32 of preliminary teaching credentials.
  - 33 3. If funds are insufficient to service all second-year
  - 34 holders of preliminary teaching credentials, the State
  - 35 Department of Education shall prorate the funds to
  - 36 conform to the amount remaining in this item, consis-
  - 37 tent with Provision 2.
  - 38 4. Of the funds appropriated in this item, ~~\$2,654,000~~ \$0
  - 39 is provided for a cost-of-living adjustment ~~at a rate of~~



- 1 Provisions:
- 2 1. Of the funds appropriated in this item, ~~\$22,660,000~~
- 3 \$0 is provided for the purpose of a cost-of-living ad-
- 4 justment.
- 5 2. The funds appropriated in this item reflect a reduction
- 6 to the base funding of 0.52 percent for a statewide
- 7 decline in average daily attendance.
- 8 3. Notwithstanding any other provision of law, an addi-
- 9 tional \$100,118,000 in expenditures for this item has
- 10 been deferred until the following fiscal year.

11  
 12 *SEC. 156. Item 6110-247-0001 of Section 2.00 of the Budget*  
 13 *Act of 2008 is amended to read:*

14  
 15 6110-247-0001—For local assistance, Department of Education  
 16 (Proposition 98), for transfer by the Controller to Section  
 17 A of the State School Fund for allocation by the Superin-  
 18 tendent of Public Instruction for the unscheduled School  
 19 and Library Improvement Block Grant pursuant to Article  
 20 7 (commencing with Section 41570) of Chapter 3.2 of Part  
 21 24 of Division 3 of Title 2 of the Education Code..... 472,836,000  
 22 463,031,000

- 23 Provisions:
- 24 1. Of the funds appropriated in this item, ~~\$9,805,000~~ \$0
- 25 is provided for the purpose of a cost-of-living adjust-
- 26 ment.
- 27 2. The funds appropriated in this item also reflect a reduc-
- 28 tion to the base funding of 0.52 percent for a statewide
- 29 decline in average daily attendance.

30  
 31 *SEC. 157. Item 6110-248-0001 of Section 2.00 of the Budget*  
 32 *Act of 2008 is amended to read:*

1 6110-248-0001—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 Safety Consolidated Competitive Grant pursuant to Article  
 6 3 (commencing with Section 41510) of Chapter 3.2 of Part  
 7 24 of Division 3 of Title 2 of the Education Code..... 18,336,000  
 8 17,956,000

9 Provisions:

- 10 1. Of the funds appropriated in this item, ~~\$380,000~~ \$0 is  
 11 for the purpose of providing a cost-of-living adjust-  
 12 ment.  
 13 2. The funds appropriated in this item reflect a reduction  
 14 to the base funding of 0.52 percent for a statewide  
 15 decline in average daily attendance.  
 16 3. Notwithstanding any other provision of law, up to  
 17 \$400,000 of the funds appropriated in this item may  
 18 be used for contracts with county offices of education  
 19 to provide regional training in safe school planning  
 20 and crisis response and for statewide coordination of  
 21 such training.  
 22 4. The funds contained in this item shall first be used to  
 23 offset any state-mandated reimbursable costs that may  
 24 otherwise be claimed for the state mandates reim-  
 25 burvable process of implementing Chapter 996 of the  
 26 Statutes of 1999. Local educational agencies accepting  
 27 funding from this item shall reduce their estimated  
 28 and actual mandate reimbursement claims by the  
 29 amount of funding provided to them from this item.  
 30

31 *SEC. 158. Item 6110-260-0001 of Section 2.00 of the Budget*  
 32 *Act of 2008 is amended to read:*  
 33

34 6110-260-0001—For local assistance, Department of Education  
 35 (Proposition 98), 20.11-Instructional Support: Physical  
 36 Education Teacher Incentive Grants..... 42,697,000  
 37 41,812,000

38 Provisions:

- 39 1. The funds appropriated in this item are for transfer by  
 40 the Controller to the Superintendent of Public Instruc-

1 tion to provide incentive grants to schools serving  
2 kindergarten or any of grades 1 to 8, inclusive, to  
3 support the hiring of more credentialed physical edu-  
4 cation teachers.

5 These grants shall be allocated in the amount of  
6 ~~\$37,355~~ \$36,586 per schoolsite to the districts that  
7 were randomly selected in 2006–07 in order to hire  
8 teachers to provide instruction in physical education  
9 courses.

10 2. As a condition of receipt of funds, school districts  
11 identified through the process required pursuant to  
12 Section 41020 of the Education Code as not meeting  
13 the required physical education instruction minutes  
14 required in Sections 51210, 51222, and 51223 of the  
15 Education Code, shall be required to provide a plan  
16 to the county office of education that corrects the defi-  
17 cient physical education minutes for the following  
18 school year and, to the extent practicable, make up the  
19 deficient minutes identified.

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

23  
24 *SEC. 159. Item 6110-265-0001 of Section 2.00 of the Budget*  
25 *Act of 2008 is amended to read:*

27	6110-265-0001—For local assistance, Department of Education	
28	(Proposition 98), Program 20.15—Arts and Music Block	
29	Grant.....	112,081,000
30		109,757,000

31 Provisions:

32 1. The funds appropriated in this item shall be for the  
33 purpose of providing block grants to school districts,  
34 charter schools, and county offices of education to  
35 support standards-aligned arts and music instruction  
36 in kindergarten and grades 1 to 12, inclusive. Local  
37 educational agencies shall use these funds to supple-  
38 ment, and not supplant, existing resources for arts and  
39 music.

- 1       2. (a) (1) The State Department of Education shall al-  
2               locate the funding to districts, charter schools,  
3               and county offices of education on the basis  
4               of an equal amount per pupil, provided that  
5               a minimum of \$2,228 shall be allocated for  
6               schoolsites with 20 or fewer pupils and a  
7               minimum of \$3,564 shall be allocated for  
8               schoolsites with more than 20 pupils.  
9               (2) Except as provided in subdivision (b), the  
10              governing board of a district, charter school,  
11              or county office of education shall distribute  
12              funds received pursuant to this item to all  
13              schoolsites on the basis of an equal amount  
14              per pupil or the schoolsite minimums as set  
15              forth in paragraph (1), whichever of the two  
16              amounts is greatest.  
17           (b) If the governing board elects not to allocate funds  
18              to schoolsites in the amounts specified pursuant  
19              to paragraph (2) of subdivision (a), the governing  
20              board shall do both of the following:  
21              (1) Adopt a resolution to that effect at a public  
22              meeting. The resolution shall specify how  
23              the funds are to be allocated among school-  
24              sites and for districtwide purposes and the  
25              reasons for those allocations.  
26              (2) Prior to the public meeting, inform schoolsite  
27              councils, schoolwide advisory groups, or  
28              school support groups, as applicable, of the  
29              content of the proposed resolution and of the  
30              time and location where the resolution is  
31              proposed to be adopted.  
32           (c) By February 2, 2009, as a condition of receipt of  
33              funds, the governing board of each school district  
34              shall provide a summary report to the State De-  
35              partment of Education of how these funds were  
36              expended or are proposed to be expended, the  
37              number of pupils, and the grade levels served.  
38              The department shall collect and compile this  
39              data and report that information to the Legislature  
40              and the Governor.

- 1 (d) For purposes of this provision, “school district”
- 2 means a school district, county office of educa-
- 3 tion, state special school, or direct-funded charter
- 4 school, as described in paragraph (1) of subdivi-
- 5 sion (a) of Section 47651 of the Education Code.
- 6 3. The funds appropriated in this item may be used for
- 7 hiring of additional staff and for ongoing support of
- 8 staff hired under the grant program, purchase of new
- 9 or used materials, books, supplies, and equipment, and
- 10 implementing or increasing staff development oppor-
- 11 tunities, as necessary to support standards-aligned arts
- 12 and music instruction.
- 13 4. Of the funds appropriated in this item, ~~\$2,324,000~~ \$0
- 14 is provided for the purpose of a cost-of-living adjust-
- 15 ment.

16  
 17 *SEC. 160. Item 6110-267-0001 of Section 2.00 of the Budget*  
 18 *Act of 2008 is amended to read:*

19  
 20 6110-267-0001—For local assistance, Department of Education  
 21 (Proposition 98), Program 20-Instructional Support for  
 22 Certificated Staff Mentoring Program..... ~~11,955,000~~  
 23 *11,707,000*

- 24 Provisions:
- 25 1. The funds appropriated in this item shall be allocated
  - 26 by the Superintendent of Public Instruction to school
  - 27 districts for the purpose of encouraging excellent, ex-
  - 28 periented teachers to teach in staff priority schools
  - 29 and to assist teacher interns during their induction and
  - 30 first years of teaching, pursuant to Article 6 (commenc-
  - 31 ing with Section 44560) of Chapter 3 of Part 25 of
  - 32 Division 3 of Title 2 of the Education Code.
  - 33 2. Of the funds appropriated in this item, ~~\$248,000~~ \$0 is
  - 34 provided for a cost-of-living adjustment ~~at a rate of~~
  - 35 ~~2.12 percent~~ for a total per-participant rate of ~~\$6,407~~
  - 36 ~~\$6,273~~.

37  
 38 *SEC. 161. Item 6110-488 of Section 2.00 of the Budget Act of*  
 39 *2008 is amended to read:*

1 6110-488—Reappropriation (Proposition 98), Department of  
2 Education. Notwithstanding any other provision of law,  
3 the unobligated balances from the following items are  
4 available for reappropriation for the purposes specified in  
5 Provisions 1, 2, and 3:

6 0001—General Fund

- 7 (1) \$12,000 or whatever greater or lesser amount reflects  
8 the unexpended balance of the amount appropriated  
9 for preschool education and child care programs in  
10 Schedules (1) and (1.5) of Item 6110-196-0001 of the  
11 Budget Act of 2003 (Ch. 157, Stats. 2003), as carried  
12 forward per Provision 1 of Item 6110-196-0001 of the  
13 Budget Act of 2005 (Chs. 38 and 39, Stats. 2005).
- 14 (2) \$1,441,000 or whatever greater or lesser amount re-  
15 flects the unexpended balance of the amount appropri-  
16 ated for preschool education and child care programs  
17 in Schedules (1) and (1.5) of Item 6110-196-0001 of  
18 the Budget Act of 2004 (Ch. 208, Stats. 2004), as  
19 carried forward per Provision 1 of Item 6110-196-0001  
20 of the Budget Act of 2006 (Chs. 47 and 48, Stats.  
21 2006).
- 22 (3) \$3,663,000 or whatever greater or lesser amount re-  
23 flects the unexpended balance of the amount appropri-  
24 ated for preschool education and child care programs  
25 in Schedules (1) and (1.5) of Item 6110-196-0001 of  
26 the Budget Act of 2005 (Chs. 38 and 39, Stats. 2005),  
27 \$1,749,000 of which was carried forward per Provision  
28 1 of Item 6110-196-0001 of the Budget Act of 2007  
29 (Chs. 171 and 172, Stats. 2007).
- 30 (4) \$12,921,000 or whatever greater or lesser amount re-  
31 flects the unexpended balance of the amount appropri-  
32 ated for CalWORKs Stage 2 and Stage 3 child care in  
33 Schedules (1.5)(e) and (1.5)(f) of Item 6110-196-0001  
34 of the Budget Act of 2006 (Chs. 47 and 48, Stats.  
35 2006).
- 36 (6) \$18,120,000 or whatever greater or lesser amount re-  
37 flects the unexpended balance of the amount appropri-  
38 ated for preschool education and child care programs  
39 in Schedules (1) and (1.5) of Item 6110-196-0001 of  
40 the Budget Act of 2007 (Chs. 171 and 172, Stats.

- 1           2007), with the exception of Schedules (1.5)(e) and  
2           (1.5)(f) for CalWORKs child care programs.
- 3           (7) \$8,000,000 of the amount appropriated to the Child  
4           Care Facilities Revolving Fund established pursuant  
5           to Section 8278.3 of the Education Code from Section  
6           2.00 of the Budget Act of 2007 (Chs. 171 and 172,  
7           Stats. 2007).
- 8           (8) \$5,000,000 or whatever greater or lesser amount re-  
9           flects the unexpended balance of the amount appropri-  
10          ated for the provision of wraparound care to children  
11          enrolled in preschool programs pursuant to Section  
12          8238.6 of the Education Code (Ch. 211, Stats. 2006).
- 13          (9) \$48,000 or whatever greater or lesser amount reflects  
14          the unexpended funds from subdivision (a) of Section  
15          9 of Chapter 734 of the Statutes of 1999.
- 16          (10) \$21,000 or whatever greater or lesser amount reflects  
17          the unexpended balance of the amount appropriated  
18          for Community-Based English Tutoring pursuant to  
19          Section 315 of the Education Code, as enacted by  
20          Proposition 227 in 1998.
- 21          (11) \$9,200,000 or whatever greater or lesser amount re-  
22          flects the unexpended balance of the amount appropri-  
23          ated for juvenile education in Item 5225-011-0001 of  
24          the Budget Act of 2007 (Chs. 171 and 172, Stats.  
25          2007).
- 26          (12) \$76,000 or whatever greater or lesser amount reflects  
27          the unexpended balance of the amount appropriated  
28          for Small School District Bus Replacement in  
29          Schedule (2) of Item 6110-111-0001 of the Budget  
30          Act of 2005 (Chs. 38 and 39, Stats. 2005).
- 31          (13) \$488,000 or whatever greater or lesser amount reflects  
32          the unexpended balance of the amount appropriated  
33          for Home to School Transportation in Schedule (1)  
34          of Item 6110-111-0001 of the Budget Act of 2006  
35          (Chs. 47 and 48, Stats. 2006).
- 36          (14) \$545,000 or whatever greater or lesser amount reflects  
37          the unexpended balance of the amount appropriated  
38          for the California High School Exit Examination in  
39          Schedule (4) of Item 6110-113-0001 of the Budget  
40          Act of 2006 (Chs. 47 and 48, Stats. 2006).

- 1 (15) \$2,060,000 or whatever greater or lesser amount re-  
2 flects the unexpended balance of the amount appropri-  
3 ated for Assessment Review and Reporting and the  
4 STAR Program in Schedules (1) and (2) of Item 6110-  
5 113-0001 of the Budget Act of 2007 (Chs. 171 and  
6 172, Stats. 2007).
- 7 (16) \$19,000 or whatever greater or lesser amount reflects  
8 the unexpended balance of the amount appropriated  
9 for transfer to the State School Fund for specialized  
10 secondary programs in Item 6110-122-0001 of the  
11 Budget Act of 2006 (Chs. 47 and 48, Stats. 2006).
- 12 (17) \$17,000 or whatever greater or lesser amount reflects  
13 the unexpended balance of the amount appropriated  
14 for the Immediate Intervention/Underperforming  
15 Schools Program Corrective Actions in Schedule (3)  
16 of Item 6110-123-0001 of the Budget Act of 2005  
17 (Chs. 38 and 39, Stats. 2005).
- 18 (18) \$2,993,000 or whatever greater or lesser amount re-  
19 flects the unexpended balance of the amount appropri-  
20 ated for the implementation of the Public Schools  
21 Accountability Act of 1999 for the Immediate Inter-  
22 vention/Underperforming Schools Program Corrective  
23 Actions in Schedule (2) of Item 6110-123-0001 of the  
24 Budget Act of 2006 (Chs. 47 and 48, Stats. 2006).
- 25 (19) \$615,000 or whatever greater or lesser amount reflects  
26 the unexpended balance of the amount appropriated  
27 for the implementation of the Public Schools Account-  
28 ability Act of 1999 for the Immediate Intervention/Un-  
29 derperforming Schools Program Corrective Actions  
30 in Schedule (2) of Item 6110-123-0001 of the Budget  
31 Act of 2007 (Chs. 171 and 172, Stats. 2007).
- 32 (20) \$5,149,000 or whatever greater or lesser amount re-  
33 flects the unexpended balance of the amount appropri-  
34 ated for the English Language Learners Program in  
35 Schedule (2) of Item 6110-125-0001 of the Budget  
36 Act of 2006 (Chs. 47 and 48, Stats. 2006).
- 37 (21) \$5,149,000 or whatever greater or lesser amount re-  
38 flects the unexpended balance of the amount appropri-  
39 ated for the English Language Acquisition Program

- 1 in Schedule (2) of Item 6110-125-0001 of the Budget  
 2 Act of 2007 (Chs. 171 and 172, Stats. 2007).
- 3 (22) \$109,000 or whatever greater or lesser amount reflects  
 4 the unexpended balance of the amount appropriated  
 5 for transfer to the State School Fund for Economic  
 6 Impact Aid in Schedule (1) of Item 6110-128-0001  
 7 of the Budget Act of 2005 (Chs. 38 and 39, Stats.  
 8 2005).
- 9 (23) \$4,000 or whatever greater or lesser amount reflects  
 10 the unexpended balance of the amount appropriated  
 11 for transfer to the State School Fund for Economic  
 12 Impact Aid in Item 6110-128-0001 of the Budget Act  
 13 of 2006 (Chs. 47 and 48, Stats. 2006).
- 14 (24) \$1,500,000 or whatever greater or lesser amount re-  
 15 flects the unexpended balance of the amount appropri-  
 16 ated for the Administrator Training Program in Item  
 17 6110-144-0001 of the Budget Act of 2007 (Chs. 171  
 18 and 172, Stats. 2007).
- 19 (25) \$7,000 or whatever greater or lesser amount reflects  
 20 the unexpended balance of the amount appropriated  
 21 for the American Indian Early Childhood Education  
 22 Program in Item 6110-150-0001 of the Budget Act  
 23 of 2006 (Chs. 47 and 48, Stats. 2006).
- 24 (26) \$110,000 or whatever greater or lesser amount reflects  
 25 the unexpended balance of the amount appropriated  
 26 for American Indian Education Centers in Schedule  
 27 (1) of Item 6110-151-0001 of the Budget Act of 2005  
 28 (Chs. 38 and 39, Stats. 2005).
- 29 (27) \$177,000 or whatever greater or lesser amount reflects  
 30 the unexpended balance of the amount appropriated  
 31 for American Indian Education Centers in Item 6110-  
 32 151-0001 of the Budget Act of 2006 (Chs. 47 and 48,  
 33 Stats. 2006).
- 34 (28) \$1,385,000 or whatever greater or lesser amount re-  
 35 flects the unexpended balance of the amount appropri-  
 36 ated for adults in correctional facilities in Item 6110-  
 37 158-0001 of the Budget Act of 2006 (Chs. 47 and 48,  
 38 Stats. 2006).
- 39 (29) \$107,000 or whatever greater or lesser amount reflects  
 40 the unexpended balance of the amount appropriated

- 1 for special education instruction in Schedule (1) of  
2 Item 6110-161-0001 of the Budget Act of 2005 (Chs.  
3 38 and 39, Stats. 2005).
- 4 (30) \$21,919,000 or whatever greater or lesser amount re-  
5 flects the unexpended balance of the amount appropri-  
6 ated for special education instruction in Schedule (1)  
7 of Item 6110-161-0001 of the Budget Act of 2006  
8 (Chs. 47 and 48, Stats. 2006).
- 9 (31) \$57,000 or whatever greater or lesser amount reflects  
10 the unexpended balance of the amount appropriated  
11 for vocational education for partnership academies in  
12 Item 6110-166-0001 of the Budget Act of 2006 (Chs.  
13 47 and 48, Stats. 2006).
- 14 (32) \$23,000 or whatever greater or lesser amount reflects  
15 the unexpended balance of the amount appropriated  
16 for the Agricultural Vocational Education Incentive  
17 Program in Item 6110-167-0001 of the Budget Act  
18 of 2005 (Chs. 38 and 39, Stats. 2005).
- 19 (33) \$369,000 or whatever greater or lesser amount reflects  
20 the unexpended balance of the amount appropriated  
21 for educational technology programs in Item 6110-  
22 181-0001 of the Budget Act of 2005 (Chs. 38 and 39,  
23 Stats. 2005).
- 24 (34) \$369,000 or whatever greater or lesser amount reflects  
25 the unexpended balance of the amount transferred to  
26 the State School Fund for educational technology  
27 programs in Item 6110-181-0001 of the Budget Act  
28 of 2006 (Chs. 47 and 48, Stats. 2006).
- 29 (35) \$27,000 or whatever greater or lesser amount reflects  
30 the unexpended balance of the amount appropriated  
31 for staff development for teacher peer review in  
32 Schedule (2) of Item 6110-193-0001 of the Budget  
33 Act of 2005 (Chs. 38 and 39, Stats. 2005).
- 34 (36) \$95,000 or whatever greater or lesser amount reflects  
35 the unexpended balance of the ~~amounts~~ *amount* appro-  
36 priated for the Bilingual Teacher Training Assistance  
37 Program and teacher peer review in Schedules (1) and  
38 (2) of Item 6110-193-0001 of the Budget Act of 2006  
39 (Chs. 47 and 48, Stats. 2006).

- 1       (37) \$43,000 or whatever greater or lesser amount reflects
- 2           the unexpended balance of the amount appropriated
- 3           for transfer to the State School Fund for teacher dis-
- 4           missal apportionments in Item 6110-209-0001 of the
- 5           Budget Act of 2006 (Chs. 47 and 48, Stats. 2006).
- 6       (38) \$13,000 or whatever greater or lesser amount reflects
- 7           the unexpended balance of the amount appropriated
- 8           for School Community Policing Partnership Compet-
- 9           itive Grants Program in Schedule (5) of Item 6110-
- 10          228-0001 of the Budget Act of 2004 (Ch. 208, Stats.
- 11          2004).
- 12       (39) \$21,000 or whatever greater or lesser amount reflects
- 13           the unexpended balance of the amount appropriated
- 14           for the International Baccalaureate Diploma Program
- 15           in Schedule (1) of Item 6110-240-0001 of the Budget
- 16           Act of 2005 (Chs. 38 and 39, Stats. 2005).
- 17       (40) \$6,000 or whatever greater or lesser amount reflects
- 18           the unexpended balance of the amount appropriated
- 19           for the Teacher Credentialing Block Grant Program
- 20           in Item 6110-244-0001 of the Budget Act of 2006
- 21           (Chs. 47 and 48, Stats. 2006).
- 22       (41) \$79,000 or whatever greater or lesser amount reflects
- 23           the unexpended balance of the amount appropriated
- 24           for the School and Library Improvement Block Grant
- 25           Program in Item 6110-247-0001 of the Budget Act
- 26           of 2006 (Chs. 47 and 48, Stats. 2006).
- 27       (42) \$186,000 or whatever greater or lesser amount reflects
- 28           the unexpended balance of the amount appropriated
- 29           for the School and Library Improvement Block Grant
- 30           Program in Item 6110-247-0001 of the Budget Act
- 31           of 2007 (Chs. 171 and 172, Stats. 2007).
- 32       (43) \$30,000 or whatever greater or lesser amount reflects
- 33           the unexpended balance of the amount appropriated
- 34           for the Physical Education Teacher Incentive Grant
- 35           Program in Item 6110-260-0001 of the Budget Act
- 36           of 2006 (Chs. 47 and 48, Stats. 2006).
- 37       (44) \$641,000 or whatever greater or lesser amount reflects
- 38           the unexpended balance of the amount appropriated
- 39           to county offices of education for site visits for

- 1 Williams audits in Item 6110-266-0001 of the Budget  
2 Act of 2007 (Chs. 171 and 172, Stats. 2007).
- 3 (45) \$101,000 or whatever greater or lesser amount reflects  
4 the unexpended balance of the amount appropriated  
5 for the Charter School Facility Grant Program in  
6 Schedule (7) of Item 6110-485 of the Budget Act of  
7 2005 (Chs. 38 and 39, Stats. 2005).
- 8 (46) \$600,000 or whatever greater or lesser amount reflects  
9 the unexpended balance of the amount appropriated  
10 for the Principal Training Program in Schedule (8) of  
11 Item 6110-485 of the Budget Act of 2006 (Chs. 47  
12 and 48, Stats. 2006).
- 13 (47) \$25,645,000 or whatever greater or lesser amount re-  
14 flects the unexpended balance for the After School  
15 Education and Safety Program in Item 6110-649-0001  
16 from the 2004–05 fiscal year appropriation pursuant  
17 to Section 8483.5 of the Education Code, as enacted  
18 by Proposition 49 in 2002.
- 19 (48) \$178,352,000 or whatever greater or lesser amount  
20 reflects the unexpended balance for the After School  
21 Education and Safety Program in Item 6110-649-0001  
22 from the 2007–08 fiscal year appropriation pursuant  
23 to Section 8483.5 of the Education Code, as enacted  
24 by Proposition 49 in 2002, and pursuant to Section  
25 8483.51 of the Education Code as enacted by Chapter  
26 2 of the Statutes of 2008, Third Extraordinary Session.
- 27 (49) \$20,000,000 or whatever greater or lesser amount re-  
28 flects the unexpended balance of the amount appropri-  
29 ated for special education instruction in Schedule (1)  
30 of Item 6110-161-0001 of the Budget Act of 2007  
31 (Chs. 171 and 172, Stats. 2007).
- 32 (50) \$520,000 or whatever greater or lesser amount reflects  
33 the unexpended balance for the After School Educa-  
34 tion and Safety Program in Item 6110-649-0001 from  
35 the 2006–07 fiscal year appropriation pursuant to  
36 Section 8483.5 of the Education Code, as enacted by  
37 Proposition 49 in 2002, and pursuant to Section  
38 8483.51 of the Education Code, as enacted by Chapter  
39 2 of the Statutes of 2008, Third Extraordinary Session.

- 1 Provisions:
- 2 2. The sum of \$295,000 is hereby reappropriated to the
- 3 State Department of Education for transfer by the
- 4 Controller to Section A of the State School Fund for
- 5 allocation by the Superintendent of Public Instruction,
- 6 on a one-time basis, to the County Office Fiscal Crisis
- 7 and Management Assistance Team (FCMAT) to con-
- 8 duct comprehensive assessments pursuant to Section
- 9 41327.1 of the Education Code. Of the amount appro-
- 10 priated in this paragraph, FCMAT shall use \$60,000
- 11 for the assessment of the Oakland Unified School
- 12 District, \$125,000 for an assessment of the Vallejo
- 13 City Unified School District, and \$110,000 for an as-
- 14 sessment of the West Fresno Elementary School Dis-
- 15 trict. FCMAT shall provide a copy of the written report
- 16 to the appropriate fiscal and policy committees of the
- 17 Legislature, the Members of the Legislature represent-
- 18 ing those school districts, any advisory councils of
- 19 those school districts, the Superintendent of Public
- 20 Instruction, the county superintendents of schools with
- 21 jurisdiction over those school districts, the Department
- 22 of Finance, and the Office of the Secretary for Educa-
- 23 tion. The amount reappropriated pursuant to this sec-
- 24 tion is for use in the 2008–09 fiscal year.
- 25 3. The sum of \$163,051,000 is hereby reappropriated to
- 26 the State Department of Education for transfer by the
- 27 Controller to Section A of the State School Fund for
- 28 allocation by the Superintendent of Public Instruction
- 29 for the purpose of funding CalWORKs Stage 2 child
- 30 care. The amount reappropriated pursuant to this pro-
- 31 vision is for use in the 2008–09 fiscal year.
- 32 4. The sum of \$164,686,000 is hereby reappropriated to
- 33 the State Department of Education for transfer by the
- 34 Controller to Section A of the State School Fund for
- 35 allocation by the Superintendent of Public Instruction
- 36 for the purpose of funding CalWORKs Stage 3 child
- 37 care. The amount reappropriated pursuant to this pro-
- 38 vision is for use in the 2008–09 fiscal year.
- 39

1 SEC. 162. Item 6120-150-0001 of Section 2.00 of the Budget  
2 Act of 2008 is amended to read:

3		
4	6120-150-0001—For local assistance, California State Library,	
5	competitive grants for the California Civil Liberties Public	
6	Education Program, pursuant to the provisions of Part 8.5	
7	(commencing with Section 13000) of Division 1 of Title	
8	1 of the Education Code.....	475,000
9		450,000

10  
11 SEC. 163. Item 6120-160-0001 of Section 2.00 of the Budget  
12 Act of 2008 is amended to read:

13		
14	6120-160-0001—For local assistance, California State Library,	
15	Program 20-Library Development Services—California	
16	Newspaper Project.....	228,000
17		0

18  
19 SEC. 164. Item 6120-211-0001 of Section 2.00 of the Budget  
20 Act of 2008 is amended to read:

21		
22	6120-211-0001—For local assistance, California State Library,	
23	Program 20-Library Development Services.....	13,625,000
24		12,908,000

25 Schedule:

26	(1) 20.30-Direct Loan and Interlibrary Loan	
27	Programs pursuant to Chapter 4 (com-	
28	mencing with Section 18700) of Part 11	
29	of Division 1 of Title 1 of the Education	
30	Code.....	10,899,000
31		10,182,000
32	(2) 20.50-California Library Services Act	
33	pursuant to Chapter 4 (commencing with	
34	Section 18700) of Part 11 of Division 1	
35	of Title 1 of the Education Code.....	2,726,000

36  
37 SEC. 165. Item 6120-213-0001 of Section 2.00 of the Budget  
38 Act of 2008 is amended to read:

1 6120-213-0001—For local assistance, California State Library,  
 2 Program 20-Library Development Services-California  
 3 English Acquisition and Literacy Program, pursuant to  
 4 Section 18880 of the Education Code..... 4,811,000  
 5 0  
 6

7 *SEC. 166. Item 6120-221-0001 of Section 2.00 of the Budget*  
 8 *Act of 2008 is amended to read:*  
 9

10 6120-221-0001—For local assistance, California State Library,  
 11 Program 20-Library Development Services-Public Library  
 12 Foundation Program, pursuant to Section 18025 of the  
 13 Education Code ..... ~~13,642,000~~  
 14 12,924,000

15 Provisions:

- 16 1. Notwithstanding any other provision of law, for the  
 17 2008–09 fiscal year, the date on or before which the  
 18 fiscal officer of each public library shall report to the  
 19 State Librarian the information specified in Section  
 20 18023 of the Education Code shall be December 1,  
 21 2008.
- 22 2. Notwithstanding any other provision of law, for the  
 23 2008–09 fiscal year, the date on or before which the  
 24 Controller shall distribute funds to the fiscal officer  
 25 of each public library as specified in Section 18026  
 26 of the Education Code shall be February 15, 2009.
- 27 3. Notwithstanding subdivision (d) of Section 18025 of  
 28 the Education Code or any other provision of law, in  
 29 the 2008–09 fiscal year, any city, county, district, or  
 30 city and county that reduces local revenues required  
 31 to meet the maintenance of effort for its public library  
 32 for the 2008–09 fiscal year shall continue to receive  
 33 state funds appropriated under this item for the  
 34 2008–09 fiscal year only, provided that the amount of  
 35 the local reduction to that public library for the  
 36 2008–09 fiscal year is no more than a specified percent  
 37 of the 2007–08 fiscal year local revenues required to  
 38 meet the maintenance of effort for that public library,  
 39 as certified by the fiscal officer of the public library  
 40 and transmitted to the State Librarian pursuant to

1 Section 18025 of the Education Code. The specified  
 2 percent in this provision shall be the percentage reduc-  
 3 tion for this item from the Budget Act of 2007 (Chs.  
 4 171 and 172, Stats. 2007) to the Budget Act of 2008.

5  
 6 *SEC. 167. Item 6420-001-0001 of Section 2.00 of the Budget*  
 7 *Act of 2008 is amended to read:*

8  
 9 6420-001-0001—For support of California Postsecondary Ed-  
 10 ucation Commission..... 2,005,000  
 11 1,671,000

12 Schedule:  
 13 (1) 100000-Personal Services..... 2,049,000  
 14 (2) 300000-Operating Expenses and  
 15 Equipment..... 641,000  
 16 (2.5) 555000-Unallocated Reduction..... -223,000  
 17 -557,000  
 18 (3) Reimbursements..... -3,000  
 19 (4) Amount payable from the Federal Trust  
 20 Fund (Item 6420-001-0890)..... -459,000

- 21 Provisions:  
 22 1. To the extent that the funding in this item is not ade-  
 23 quate to fulfill all of the California Postsecondary  
 24 Education Commission’s statutory responsibilities, it  
 25 is the intent of the Legislature that the commission  
 26 prioritize its workload to ensure at a minimum that the  
 27 following statutory responsibilities are completed in  
 28 a timely manner during the 2008–09 fiscal year:  
 29 (a) All reviews and recommendations of the need for  
 30 new institutions for the public higher education  
 31 segments, inclusive of community colleges, pur-  
 32 suant to subdivision (e) of Section 66903 of the  
 33 Education Code.  
 34 (b) All reviews and recommendations of the need for  
 35 new programs for the public higher education  
 36 segments, inclusive of community colleges, pur-  
 37 suant to subdivision (f) of Section 66903 of the  
 38 Education Code.  
 39 (e) ~~Consistent with the role of the commission pur-~~  
 40 ~~suant to Section 67002, serve as the designated~~

1 state educational agency to carry out federal edu-  
 2 cation programs, pursuant to subdivision (o) of  
 3 Section 66903 of the Education Code.  
 4 (d) All data management responsibilities pursuant to  
 5 subdivision (m) of Section 66903 of the Education  
 6 Code and data reporting pursuant to the enactment  
 7 of legislation establishing a higher education ac-  
 8 countability framework.  
 9

10 *SEC. 168. Item 6440-001-0001 of Section 2.00 of the Budget*  
 11 *Act of 2008 is amended to read:*

12  
 13 6440-001-0001—For support of University of California..... 3,000,920,000  
 14 2,994,920,000

15 Schedule:

- 16 (1) Support..... 3,123,516,000
- 17 3,118,116,000
- 18 (2) Charles R. Drew Medical Program..... 8,738,000
- 19 (3) Acquired Immune Deficiency Syndrome
- 20 (AIDS) Research..... 9,214,000
- 21 (4) Student Financial Aid..... 52,199,000
- 22 (5) Loan Repayments..... 5,105,000
- 23 (6) San Diego Supercomputer Center..... 3,240,000
- 24 (8) Unallocated Reduction..... -201,092,000
- 25 -201,692,000

26 Provisions:

- 27 1. The appropriations made in this item are exempt from
- 28 Section 31.00.
- 29 2. None of the funds appropriated in this item may be
- 30 expended to initiate major capital outlay projects by
- 31 contract without prior legislative approval, except for
- 32 cogeneration and energy conservation projects. Funds
- 33 appropriated in this item may be used for capital ex-
- 34 penditures as well as payment of debt service for such
- 35 exempted capital projects. Exempted projects shall be
- 36 reported in a manner consistent with the reporting
- 37 procedures in subdivision (e) of Section 28.00.

38 Funds appropriated in this item may be used for  
 39 capital expenditures as well as payment of debt service  
 40 associated with the Energy Partnership Program,

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

34          3. The funds appropriated in Schedule (2) are for support  
35          of University of California programs of clinical health  
36          sciences education, research, and public service, con-  
37          ducted in conjunction with the Charles R. Drew Uni-  
38          versity of Medicine and Science, as provided for in  
39          Sections 1, 2, and 3 of Chapter 1140 of the Statutes  
40          of 1973. Of the funds appropriated, \$500,000 is con-

- 1           tingent upon the provision by the University of Cali-  
2           fornia of an equal amount of matching funds from its  
3           own resources. The University of California shall en-  
4           sure by adequate controls that funds appropriated in  
5           Schedule (2) are expended solely for the support of  
6           the program identified in that schedule.
- 7           4. The funds appropriated in Schedule (4) are for support  
8           of Program 45, Student Financial Aid, to provide fi-  
9           nancial aid to needy students attending the University  
10          of California, according to the nationally accepted  
11          needs analysis methodology.
- 12          5. Of the funds appropriated in Schedule (1), \$2,762,129  
13          is for payment of energy service contracts in connec-  
14          tion with the issuance of State Public Works Board  
15          Energy Efficiency Revenue Bonds.
- 16          6. Of the funds appropriated in Schedule (5), \$2,700,000  
17          is for repayment of \$25,000,000 borrowed by the  
18          University of California for deferred maintenance in  
19          the 1994–95 fiscal year. It is the intent of the Legisla-  
20          ture to annually provide funds for that repayment  
21          purpose through the 2009–10 fiscal year.
- 22          7. Of the funds appropriated in Schedule (5), \$2,405,000  
23          is for repayment of \$25,000,000 borrowed by the  
24          University of California for deferred maintenance in  
25          the 1995–96 fiscal year. It is the intent of the Legisla-  
26          ture to annually provide funds for that repayment  
27          purpose through the 2010–11 fiscal year.
- 28          8. Of the funds appropriated in Schedule (1), \$1,897,200  
29          is for the California State Summer School for ~~Math~~  
30          *Mathematics* and Science (COSMOS). The University  
31          of California shall report on the outcomes and effec-  
32          tiveness of COSMOS every five years, commencing  
33          April 1, 2011.
- 34          9. The University of California (UC) shall report to the  
35          Legislature and the Governor by February 1 of each  
36          year on its progress toward increasing the quality and  
37          supply of science and mathematics teachers resulting  
38          from implementation of the Science and Math Teacher  
39          Initiative. This report shall include the following infor-  
40          mation: (a) annual number of mathematics and science

- 1 teachers awarded credentials (by each UC campus)  
2 beginning with the 2004–05 academic year (before  
3 the state first provided funding for the initiative), (b)  
4 an expenditure plan on the use of the funds appropri-  
5 ated in this item, (c) the effectiveness of the initiative’s  
6 different components and activities, including an  
7 identification of best practices, and (d) the job place-  
8 ment of students who earn a mathematics or science  
9 teaching credential, including the location of the K–12  
10 school of employment and whether it is in an urban,  
11 rural, or suburban setting.
- 12 10. The University of California shall report to the Legis-  
13 lature by March 15, 2009, on whether it has met its  
14 2008–09 academic year enrollment goal.
- 15 11. Of the funds appropriated in Schedule (1), \$1,050,000  
16 is to support 70 full-time equivalent students in the  
17 Program in Medical Education (PRIME) at the Irvine,  
18 Davis, San Diego, and San Francisco campuses. The  
19 primary purpose of this program is to train physicians  
20 specifically to serve in underrepresented communities.  
21 The University of California shall report to the Legis-  
22 lature by March 15, 2009, on (a) its progress in imple-  
23 menting the PRIME program and (b) the use of the  
24 total funds provided for this program from both state  
25 and nonstate resources.
- 26 12. The university shall report to the Legislature and the  
27 Governor by May 1, 2009, on the total enrollment in  
28 the 2007–08 and 2008–09 academic years in the entry-  
29 level clinical and master’s degree nursing programs  
30 and the master’s of science nursing degree programs.
- 31 13. It is the intent of the Legislature that the University of  
32 California submit an annual report by March 1 of each  
33 year through the 2010–11 fiscal year to the Joint Leg-  
34 islative Budget Committee, legislative fiscal subcom-  
35 mittees, and the Department of Finance on the univer-  
36 sity’s progress in reforming its compensation policies  
37 and practices, reflecting the criteria specified in Provi-  
38 sion 27 of Item 6440-001-0001 of Section 2.00 of the  
39 Budget Act of 2006 (Chs. 47 and 48, Stats. 2006).

- 1 14. Of the funds appropriated in Schedule (1), \$19,300,000  
2 is for student academic preparation and education  
3 programs (SAPEP) and is to be matched with  
4 \$12,000,000 from existing university resources, for a  
5 total of \$31,300,000 for these programs. The Univer-  
6 sity of California shall provide a plan to the Depart-  
7 ment of Finance and the fiscal committees of each  
8 house of the Legislature for expenditure of both state  
9 and university funds for SAPEP by September 1 of  
10 each year. It is the intent of the Legislature that the  
11 university report on the use of state and university  
12 funds provided for these programs, including detailed  
13 information on the outcomes and effectiveness of  
14 academic preparation programs consistent with the  
15 accountability framework developed by the university  
16 in April 2005. The report shall be submitted to the  
17 fiscal committees of each house of the Legislature no  
18 later than April 1, 2009.
- 19 15. The amount appropriated in Schedule (1) reflects a  
20 reduction of \$32,300,000 to institutional support.
- 21 ~~16. Of the amount appropriated in Schedule (1),~~  
22 ~~\$15,000,000 shall be redirected from funds budgeted~~  
23 ~~for compensation of administrators of the University~~  
24 ~~of California, including administrators at the campuses~~  
25 ~~and in the Office of the President, to support salary~~  
26 ~~increases and a step pay system for low wage service~~  
27 ~~employees.~~
- 28 17. Of the funds appropriated in Schedule (1), \$693,000  
29 is for the Welfare Policy Research Project, pursuant  
30 to Article 9.7 (commencing with Section 11526) of  
31 Chapter 2 of Part 3 of Division 9 of the Welfare and  
32 Institutions Code.
- 33 18. Of the funds appropriated in Schedule (1), \$427,500  
34 shall be expended for the Center for Earthquake Engi-  
35 neering Research, contingent upon the center continu-  
36 ing to receive federal matching funds from the Nation-  
37 al Science Foundation.
- 38 19. Of the funds appropriated in Schedule (1), \$346,500  
39 shall be expended for viticulture and enology research,

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

27

28 *SEC. 169. Item 6440-302-6041 of Section 2.00 of the Budget*

29 *Act of 2008 is amended to read:*

30

31 6440-302-6041—For capital outlay, University of California,

32 payable from the 2004 Higher Education Capital Outlay

33 Bond Fund..... 5,802,000

34 Schedule:

35 Los Angeles Campus:

36 (1) 99.04.265-Life Sciences Replacement

37 Building—Construction..... 5,802,000

38 Provisions:

39 1. Notwithstanding Section 13332.11 of the Government

40 Code or any other provision of law, the University of

- 1 California may proceed with any phase of any project  
2 identified in the above schedule, including preparation  
3 of preliminary plans, working drawings, construction,  
4 or equipment purchase, without the need for any fur-  
5 ther approvals.
- 6 2. The University of California shall complete each pro-  
7 ject identified in the above schedule within the total  
8 funding amount specified in the schedule for that  
9 project. Notwithstanding Section 13332.11 of the  
10 Government Code or any other provision of law, the  
11 budget for any project to be funded from this item may  
12 be augmented by the University of California within  
13 the total appropriation made in this item, in an amount  
14 not to exceed 10 percent of the amount appropriated  
15 for that project. No funds appropriated in this item for  
16 equipment may be used for an augmentation under  
17 this provision, or be augmented from any other funds  
18 appropriated in this item. This condition does not  
19 limit the authority of the University of California to  
20 use nonstate funds.
- 21 3. The University of California shall complete each pro-  
22 ject identified in the above schedule without any  
23 change to its scope. The scope of a project, in this re-  
24 spect, means the intended purpose of the project as  
25 determined by reference to the following elements of  
26 the budget request for that project submitted by the  
27 University of California to the Department of Finance:  
28 (a) the program elements related to project type; and  
29 (b) the functional description of spaces required to  
30 deliver the academic and supporting programs as ap-  
31 proved by the Legislature.
- 32 4. Notwithstanding any other provision of law, the appro-  
33 priation made in this item is available for encumbrance  
34 until June 30, 2010, except that funds appropriated for  
35 construction only must be bid by June 30, 2009, and  
36 are available for expenditure until June 30, 2010, and  
37 that funds appropriated for equipment purposes are  
38 available for encumbrance until June 30, 2011. For  
39 the purpose of encumbrance, funds appropriated for  
40 construction management and project contingencies

1 purposes, as well as any bid savings, shall be deemed  
2 to be encumbered at the time a contract for that pur-  
3 pose is awarded; these funds also may be used to initi-  
4 ate consulting contracts necessary for management of  
5 the project during the liquidation period. Any savings  
6 identified at the completion of the project also may be  
7 used during the liquidation period to fund the purposes  
8 described in Provision 5.

9 5. Identified savings in a budget for a capital outlay pro-  
10 ject, as appropriated in this item, remaining after  
11 completion of a capital outlay project and upon reso-  
12 lution of all change orders and claims, may be used  
13 without further approval: (a) to augment projects  
14 consistent with Provision 2, (b) to proceed further with  
15 the underground storage tank correction program, (c)  
16 to perform engineering evaluations on buildings that  
17 have been identified as potentially in need of seismic  
18 retrofitting, (d) to proceed with the design and construc-  
19 tion of projects to meet requirements under the federal  
20 Americans with Disabilities Act of 1990 (42 U.S.C.  
21 Sec. 12101 et seq.), or (e) to fund minor capital outlay  
22 projects.

23 6. No later than December 1 of each year, the University  
24 of California shall submit a report outlining the expen-  
25 ditures for each project of the funds appropriated in  
26 this item to the Chairperson of the Joint Legislative  
27 Budget Committee, the chairpersons of the fiscal  
28 committees of each house of the Legislature, the Leg-  
29 islative Analyst, and the Director of Finance. The re-  
30 port also shall include the following elements: (a) a  
31 statement of the identified savings by project, and the  
32 purpose for which the identified savings were used;  
33 (b) a certification that each project, as proceeding or  
34 as completed, has remained within its scope and the  
35 amount funded for that project under this item; and  
36 (c) an evaluation of the outcome of the project mea-  
37 sured against performance criteria.

38  
39 *SEC. 170. Item 6440-304-6048 of Section 2.00 of the Budget*  
40 *Act of 2008 is amended to read:*

1	6440-304-6048—For capital outlay, University of California,	
2	payable from the 2006 University Capital Outlay Bond	
3	Fund.....	39,850,000
4	Schedule:	
5	Statewide:	
6	(.5) 99.00.100-Statewide Telemedicine Ser-	
7	vices Expansion—Equipment.....	10,000,000
8	San Francisco <i>Campus</i> :	
9	(1) 99.02.155-Telemedicine and PRIME	
10	Urban Underserved Education Facili-	
11	ties—Construction and equipment.....	29,100,000
12	Davis <i>Campus</i> :	
13	(2) 99.03.365-Telemedicine Resource Cen-	
14	ter and Rural PRIME Facility—Equip-	
15	ment.....	750,000

16 Provisions:

17 1. If savings are identified in funds encumbered from  
18 this general obligation bond fund for construction  
19 contracts for capital outlay projects, remaining after  
20 completion of a capital outlay project and upon reso-  
21 lution of all change orders and claims, those savings  
22 may be used for the following purposes: (a) to begin  
23 working drawings for a project for which preliminary  
24 plan funds have been appropriated and the plans have  
25 been approved by the State Public Works Board con-  
26 sistent with the scope and cost approved by the Legis-  
27 lature as adjusted for inflation only, (b) to proceed  
28 further with the underground tank corrections program,  
29 (c) to perform engineering evaluations on buildings  
30 that have been identified as potentially in need of  
31 seismic retrofitting, (d) to proceed with design and  
32 construction of projects to meet requirements under  
33 the federal Americans with Disabilities Act of 1990  
34 (42 U.S.C. Sec. 12101 et seq.), or (e) to fund minor  
35 capital outlay projects.

36 Not later than November 1 of each year, the Univer-  
37 sity of California shall prepare a report showing the  
38 identified savings, by project, and the purpose for  
39 which the identified savings were used. This report  
40 shall be submitted to the Chairperson of the Joint

- 1 Legislative Budget Committee and to the chairpersons
- 2 of the fiscal committees in each house of the Legisla-
- 3 ture.
- 4 2. The funds appropriated in this item shall be available
- 5 for expenditure only if the University of California
- 6 requires the payment of prevailing wage rates by the
- 7 contractors and subcontractors on all projects in this
- 8 item and on all other capital outlay projects undertaken
- 9 by the University of California that are funded using
- 10 nonstate funds or are otherwise not financed with the
- 11 funds appropriated in this item. This requirement shall
- 12 represent a moratorium on granting further exceptions
- 13 to paying prevailing wage rates until June 30, 2009.

14  
 15 *SEC. 171. Item 6870-001-0001 of Section 2.00 of the Budget*  
 16 *Act of 2008 is amended to read:*

17  
 18 6870-001-0001—For support of Board of Governors of the  
 19 California Community Colleges..... ~~10,109,000~~  
 20 ~~9,278,000~~

- 21 Schedule:
- 22 (1) 10-Appportionments..... 907,000
  - 23 (2) 20-Special Services and Operations..... 18,146,000
  - 24 (3) 30.01-Administration..... 4,410,000
  - 25 (4) 30.02-Administration—Distributed..... -4,410,000
  - 26 (4.5) 97.20.001-Unallocated Reduction..... ~~-200,000~~
  - 27 ~~-1,031,000~~
  - 28 (5) Reimbursements..... -8,744,000

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

- 1            ical Practices Commission in accordance with the
- 2            rules and regulations of the Commission.
- 3            (b) The service provided under the contract does not
- 4            result in the displacement of any represented civil
- 5            service employee.
- 6            (c) The rate of compensation for salary and health
- 7            benefits for the person providing service under
- 8            the contract does not exceed by more than 10
- 9            percent the current rate of compensation for salary
- 10           and health benefits determined by the Department
- 11           of Personnel Administration for civil service per-
- 12           sonnel in a comparable position. The payment of
- 13           any other compensation or any reimbursement
- 14           for travel or per diem expenses shall be in accord-
- 15           ance with the State Administrative Manual and
- 16           the rules and regulations of the Department of
- 17           Personnel Administration.
- 18           2. The funds appropriated in Schedule (5) reflect an in-
- 19           teragency agreement with the Office of Homeland
- 20           Security for \$400,000 to conduct emergency planning
- 21           and preparedness training for community college dis-
- 22           tricts.
- 23           3. The funds appropriated in Schedule (5) reflect
- 24           \$140,000 to support a position through an interagency
- 25           agreement with the Department of Corrections and
- 26           Rehabilitation for the purpose of coordinating and
- 27           administering funds to districts for department staff
- 28           training and instruction services.

29

30            *SEC. 172. Item 6870-101-0001 of Section 2.00 of the Budget*

31            *Act of 2008 is amended to read:*

32

33            6870-101-0001—For local assistance, Board of Governors	
34            of the California Community Colleges (Proposition	
35            98).....	4,120,653,000
36	3,989,230,000
37            Schedule:	
38            (1) 10.10.010-Apportionments.....	3,294,493,000
39	3,170,717,000

1	(2) 10.10.020-Apprenticeship.....	<del>14,963,000</del>
2		<i>14,641,000</i>
3	(3) 10.10.030-Growth for Apportion-	
4	ments.....	113,500,000
5	(4) 20.10.004-Student Success for Basic	
6	Skills Students.....	33,100,000
7	(5) 20.10.005-Student Financial Aid Admin-	
8	istration.....	51,269,000
9	(6) 20.10.020-Disabled Students.....	<del>117,446,000</del>
10		<i>115,011,000</i>
11	(7) 20.10.045-Special Services for Cal-	
12	WORKs Recipients.....	43,580,000
13	(8) 20.10.060-Foster Care Education Pro-	
14	gram.....	5,254,000
15	(9) 20.10.070-Matriculation.....	<del>103,959,000</del>
16		<i>101,803,000</i>
17	(10) 20.20.020-Academic Senate for the	
18	Community Colleges.....	467,000
19	(11) 20.20.041-Equal Employment Opportu-	
20	nity pursuant to Ch. 1169, Stats.	
21	2002.....	1,747,000
22	(12) 20.20.050-Part-time Faculty Health In-	
23	surance.....	1,000,000
24	(13) 20.20.051-Part-time Faculty Compensa-	
25	tion.....	50,828,000
26	(14) 20.20.055-Part-time Faculty Office	
27	Hours.....	7,172,000
28	(15) 20.30.011-Telecommunications and	
29	Technology Services.....	26,197,000
30	(16) 20.30.050-Economic Development....	46,790,000
31	(17) 20.30.070-Transfer Education and Ar-	
32	ticulation.....	1,424,000
33	(18) 20.40.026-Physical Plant and Instruc-	
34	tional Support.....	27,345,000
35	(19) 20.10.010-Extended Opportunity Pro-	
36	grams and Services and Special Ser-	
37	vices.....	<del>124,880,000</del>
38		<i>122,291,000</i>
39	(20) 20.30.045-Fund for Student Success....	6,158,000

1	(21) 20.70.010-Career Technical Educa-	
2	tion.....	20,000,000
3	(22) 20.80.010-Campus Childcare Tax	
4	Bailout.....	6,981,000
5		6,836,000
6	(23) 20.95.010-Nursing Program Support....	22,100,000
7	Provisions:	
8	1. The funds appropriated in Schedules (1), (2), (3), (4),	
9	(5), (6), (7), (8), (9), (11), (12), (13), (14), (15), (16),	
10	(18), (19), and (22) are for transfer by the Controller	
11	during the 2008–09 fiscal year to Section B of the	
12	State School Fund.	
13	2. Notwithstanding any other provision of law, apportion-	
14	ment funding for community college districts shall be	
15	based on the greater of the current year or prior year	
16	level of full-time equivalent students (FTES), consis-	
17	tent with K–12 declining enrollment practices pursuant	
18	to Section 42238.5 of the Education Code. Decreases	
19	in FTES shall result in a revenue reduction at the dis-	
20	trict’s average level of apportionment funding per	
21	FTES and shall be made in the year following the ini-	
22	tial year of decrease in FTES.	
23	3. The funds appropriated in Schedule (1) for Apportion-	
24	ments include \$31,409,000 to encourage district-level	
25	accountability efforts pursuant to Section 84754.5 of	
26	the Education Code. It is intended that the Chancellor	
27	of the California Community Colleges submit an an-	
28	nuual report on district-specific accountability measures	
29	by March 19 of each year. This report shall reflect	
30	outcomes from the most recently completed fiscal year	
31	for which data is available pursuant to Section 84754.5	
32	of the Education Code.	
33	4. Of the funds appropriated in Schedule (1), Apportion-	
34	ments:	
35	(a) Up to \$100,000 is for a maintenance allowance,	
36	pursuant to Section 54200 of Title 5 of the Cali-	
37	fornia Code of Regulations.	
38	(b) Up to \$500,000 is to reimburse colleges for the	
39	costs of federal aid repayments related to assessed	
40	fees for fee waiver recipients. This reimbursement	

- 1           only applies to students who completely withdraw  
2           from college before the census date pursuant to  
3           Section 58508 of Title 5 of the California Code  
4           of Regulations.
- 5       5. Notwithstanding any other provision of law, the  
6       Chancellor of the California Community Colleges  
7       shall not reduce district workload obligations for a  
8       lack of a funded cost-of-living adjustment.
- 9       6. (a) Of the amount appropriated in Schedule (2) for  
10      the Apprenticeship Program, up to ~~\$14,963,000~~  
11      \$14,641,000 shall be available as necessary upon  
12      certification by the Chancellor of the California  
13      Community Colleges for the purpose of funding  
14      community college-related and supplemental in-  
15      struction pursuant to Section 3074 of the Labor  
16      Code, as provided in Section 8152 of the Educa-  
17      tion Code. No community college district shall  
18      use funds available under this provision to offer  
19      any new apprenticeship training program or the  
20      expansion of any existing program unless the new  
21      program or expansion has been approved by the  
22      chancellor.
- 23      (b) Notwithstanding Section 8152 of the Education  
24      Code, each 60-minute hour of teaching time de-  
25      voted to each indentured apprentice enrolled in  
26      and attending classes of related and supplemental  
27      instruction as provided under Section 3074 of the  
28      Labor Code shall be reimbursed at the rate of  
29      ~~\$5.17~~ \$5.06 per hour. For purposes of this provi-  
30      sion, each hour of teaching time may include up  
31      to 10 minutes for passing time and breaks.
- 32      7. Funds appropriated in Schedule (3), Growth for Ap-  
33      portionments, shall be available first to any districts  
34      bringing online in the current fiscal year newly accred-  
35      ited colleges or California Postsecondary Education  
36      Commission-approved educational centers. It is the  
37      intent of the Legislature that increases in basic founda-  
38      tion allocations to each college be funded prior to ad-  
39      ditional growth in full-time equivalent students. The  
40      Chancellor of the California Community Colleges

- 1 shall provide a report by November 1 of each year, to  
2 the Department of Finance and the Legislative Analyst,  
3 on the number of new centers and colleges added for  
4 the current fiscal year and those anticipated to be added  
5 for the prospective budget year. This report shall also  
6 detail the specific funding adjustments provided for  
7 basic foundation allocations to each college and center  
8 for the current fiscal year.
- 9 8. Notwithstanding any other provision of law, funds  
10 appropriated in Schedule (3) for Growth for Apportion-  
11 ments shall only be allocated for growth in full-time  
12 equivalent students (FTES), on a district-by-district  
13 basis, as determined by the Chancellor of the Califor-  
14 nia Community Colleges. The chancellor shall not in-  
15 clude any FTES from concurrent enrollment in physi-  
16 cal education, dance, recreation, study skills, and per-  
17 sonal development courses and other courses in con-  
18 flict with existing law for the purpose of calculating  
19 a district's three-year overcap adjustment. The Board  
20 of Governors of the California Community Colleges  
21 shall implement the criteria required by subdivision  
22 (a) of Provision 5 of Item 6870-101-0001 of the Bud-  
23 get Act of 2003 (Ch. 157, Stats. 2003) for the alloca-  
24 tion of funds appropriated in Schedules (1) and (3),  
25 so as to ensure that courses related to student needs  
26 for transfer, basic skills, and vocational/workforce  
27 training are accorded the highest priority and are pro-  
28 vided to the maximum extent possible within budgeted  
29 funds.
- 30 10. Of the amount appropriated in Schedule (1),  
31 \$10,000,000 shall only be available for noncredit in-  
32 struction to prepare pupils to pass the California High  
33 School Exit Examination (CAHSEE). The first priority  
34 shall be to serve high school pupils from the class of  
35 2007 who met all other graduation requirements except  
36 for passage of the CAHSEE. Remaining funds may  
37 be used to support other necessary noncredit courses  
38 for other pupils who not only did not pass the CAH-  
39 SEE, but who did not complete other coursework  
40 necessary to meet high school graduation requirements.

- 1           These funds are intended to supplement but not sup-  
2           plant existing funding for these purposes.
- 3       11. The funds appropriated in Schedule (4), Student Suc-  
4           cess for Basic Skills Students, shall be allocated as  
5           follows:
- 6           (a) \$1,600,000 for faculty and staff development to  
7               improve curriculum, instruction, student services,  
8               and program practices in the areas of basic skills  
9               and English as a Second Language (ESL) pro-  
10              grams. The Office of the Chancellor of the Cali-  
11              fornia Community Colleges shall select a district,  
12              utilizing a competitive process, to carry out these  
13              faculty and staff development activities. All col-  
14              leges receiving funds pursuant to subdivision (b)  
15              shall be provided with the opportunity to partici-  
16              pate in the faculty and staff development programs  
17              specified in this subdivision. The chancellor shall  
18              report on the use of these funds by the selected  
19              district to the Legislative Analyst and the Depart-  
20              ment of Finance not later than September 1, 2009.
- 21           (b) \$31,500,000 for allocation by the chancellor to  
22              community college districts for improving out-  
23              comes of students who enter college needing at  
24              least one course in ESL or basic skills, with par-  
25              ticular emphasis on students transitioning from  
26              high school.
- 27           (c) Funding specified in subdivisions (a) and (b) shall  
28              be distributed to eligible applicants pursuant to  
29              Chapter 489 of the Statutes of 2007.
- 30           (d) The Office of the Chancellor shall work jointly  
31              with the Department of Finance and the Legisla-  
32              tive Analyst to develop annual accountability  
33              measures for this program. It is the intent of the  
34              Legislature that annual performance accountabil-  
35              ity measures for this program utilize, to the extent  
36              possible, data available as part of the accountabil-  
37              ity system developed pursuant to Section 84754.5  
38              of the Education Code. By November 1, 2009,  
39              the chancellor shall submit a report to the Gover-

- 1 nor and Legislature on the annual accountability  
 2 measures developed pursuant to this process.
- 3 12. (a) Of the funds appropriated in Schedule (5) for  
 4 Student Financial Aid Administration, not less  
 5 than \$9,864,000 is available to provide \$0.91 per  
 6 unit reimbursement to community college districts  
 7 for the provision of board of governors (BOG)  
 8 fee waiver awards pursuant to paragraph (2) of  
 9 subdivision (m) of Section 76300 of the Education  
 10 Code.
- 11 (b) Of the funds appropriated in Schedule (5), not  
 12 less than \$4,405,000 is available to provide reim-  
 13 bursement of 2 percent of total waiver value to  
 14 community college districts for the provision of  
 15 BOG fee waiver awards pursuant to paragraph  
 16 (2) of subdivision (m) of Section 76300 of the  
 17 Education Code.
- 18 (c) Funding provided to community college districts  
 19 in subdivisions (a) and (b) of Provision 15 is  
 20 provided to directly offset any mandated costs  
 21 claimed by community college districts pursuant  
 22 to Commission on State Mandates Test Claims  
 23 99-TC-13 (Enrollment Fee Collection) and 00-  
 24 TC-15 (Enrollment Fee Waivers).
- 25 (d) (1) Of the amount appropriated in Schedule (5),  
 26 \$2,800,000 shall be for a contract with a  
 27 community college district to conduct a  
 28 statewide media campaign to promote the  
 29 general message to prospective students as  
 30 follows: (A) the California Community Col-  
 31 leges (CCC) remain affordable, (B) financial  
 32 aid and tax credits are available to cover en-  
 33 rollment fees and help with books and other  
 34 costs, and (C) the active encouragement of  
 35 contact between pupils and local CCC finan-  
 36 cial aid offices. Any funds used from this  
 37 source to produce radio, television, or mail  
 38 campaigns must emphasize the availability  
 39 of financial aid, the easiest and most reliable  
 40 method of accessing the aid, a contact tele-

1 phone number, an Internet Web site address,  
2 where applicable, and the physical location  
3 of a financial aid office. Any mail campaign  
4 must give priority to existing pupils, recent  
5 high school graduates, and 12th graders. The  
6 outreach and information campaign should  
7 target its efforts in high schools, welfare of-  
8 fices, unemployment offices, churches,  
9 community centers, and any other location  
10 that will most effectively reach low-income  
11 and disadvantaged students who must over-  
12 come barriers in accessing postsecondary  
13 education. The community college district  
14 awarded the contract shall consult with the  
15 Chancellor of the California Community  
16 Colleges and the Student Aid Commission  
17 prior to performing any activities to ensure  
18 appropriate coordination with any other state  
19 efforts in this area and ensure compliance  
20 with this provision.

- 21 (2) Of the amount appropriated in Schedule (5),  
22 not more than \$34,200,000 shall be for direct  
23 contact with potential and current financial  
24 aid applicants. Each CCC campus shall re-  
25 ceive a minimum allocation of \$50,000. The  
26 remainder of the funding shall be allocated  
27 to campuses based upon a formula reflecting  
28 full-time equivalent students (FTES)  
29 weighted by a measure of low-income popu-  
30 lations as demonstrated by BOG fee waiver  
31 program participation within a district. It is  
32 the intent of the Legislature, to the extent that  
33 funds are provided in this item, that all cam-  
34 puses provide additional staff resources to  
35 increase both financial aid participation and  
36 student access to low-income and disadvan-  
37 taged students who must overcome barriers  
38 in accessing postsecondary education. Funds  
39 may be used for screening current students  
40 for possible financial aid eligibility and offer-

- 1           ing personal assistance to these students in
- 2           accessing financial aid, providing individual
- 3           help in multiple languages for families and
- 4           students in filling out the necessary paper-
- 5           work to apply for financial aid, and increas-
- 6           ing financial aid staff to process additional
- 7           financial aid forms.
- 8           (3) Funds allocated to a community college dis-
- 9           trict for financial aid personnel, outreach de-
- 10          termination of financial need, and delivery
- 11          of student financial aid services shall supple-
- 12          ment, and shall not supplant, the level of
- 13          funds allocated for the administration of stu-
- 14          dent financial aid programs during the
- 15          2001–02 fiscal year.
- 16          (4) It is the intent of the Legislature that the Of-
- 17          fice of the Chancellor of the California
- 18          Community Colleges provide the Legislature
- 19          with a report not later than April 1, 2009, on
- 20          the use of the funds allocated pursuant to
- 21          paragraphs (1) and (2) of this subdivision (d),
- 22          including the distribution of the funds, specif-
- 23          ic uses of the funds, strategies employed to
- 24          reach low-income and disadvantaged students
- 25          potentially eligible for financial aid, and the
- 26          extent to which districts were successful in
- 27          increasing the number of students accessing
- 28          financial aid, particularly the maximum Pell
- 29          Grant award.
- 30          (5) It is the intent of the Legislature that the
- 31          chancellor report by September 1, 2008, in
- 32          the manner and using the factors set forth in
- 33          paragraph (5) of subdivision (b) of Provision
- 34          11 of Item 6870-101-0001 of Section 2.00 of
- 35          the Budget Act of 2004 (Ch. 208, Stats.
- 36          2004), on the impact of outreach efforts on
- 37          student headcount and FTES enrollment for
- 38          the 2005–06 and 2006–07 academic years.
- 39          13. Of the funds appropriated in Schedule (19) for Extend-
- 40          ed Opportunity Programs and Services, ~~\$109,047,000~~

1           \$106,786,000 is for Extended Opportunity Programs  
2           and Services (EOPS) in accordance with Article 8  
3           (commencing with Section 69640) of Chapter 2 of  
4           Part 42 of Division 5 of Title 3 of the Education Code.  
5           Funds provided in this item for EOPS shall be avail-  
6           able to students on all campuses within the California  
7           Community College system, including those students  
8           on new campuses or in new districts. In addition,  
9           ~~\$15,833,000~~ \$15,505,000 is for funding, at all colleges,  
10          the Cooperative Agencies Resources for Education  
11          (CARE) program in accordance with Article 4 (com-  
12          mencing with Section 79150) of Chapter 9 of Part 48  
13          of Division 7 of Title 3 of the Education Code. The  
14          Board of Governors of the California Community  
15          Colleges shall allocate funds on a priority basis to local  
16          programs on the basis of need for student services.

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

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

27                  (a) \$1,921,000 is for the Puente Project to support up  
28                  to 75 colleges. These funds are available if  
29                  matched by \$200,000 of private funds and the  
30                  participating community colleges and University  
31                  of California campuses maintain their 1995–96  
32                  fiscal year support level for the Puente Project.  
33                  All funding shall be allocated directly to partici-  
34                  pating districts in accordance with their participa-  
35                  tion agreement.

36                  (b) Up to \$2,459,000 is for the Mathematics, Engi-  
37                  neering and Science Achievement (MESA) Pro-  
38                  gram. For each dollar allocated, the recipient dis-  
39                  trict shall provide \$1 in matching funds.

- 1 (c) No less than \$1,778,000 is for the Middle College  
 2 High School Program. With the exception of fully  
 3 compliant special part-time students at the com-  
 4 munity colleges pursuant to Sections 48802 and  
 5 76001 of the Education Code, student workload  
 6 based on participation in the Middle College High  
 7 School Program shall not be eligible for commu-  
 8 nity college state apportionment. Further, no  
 9 community college state apportionment shall be  
 10 made available for physical education classes,  
 11 noncredit classes, nor other courses specified in  
 12 Provision 8.
- 13 16. (a) The funds appropriated in Schedule (6) for the  
 14 Disabled Students Program are for assisting dis-  
 15 tricts in funding the excess direct instructional  
 16 cost of providing special support services or in-  
 17 struction, or both, to disabled students enrolled at  
 18 community colleges, and for state hospital pro-  
 19 grams, as mandated by federal law.
- 20 (b) Of the amount appropriated in Schedule (6), no  
 21 less than \$3,945,000 shall be used to address de-  
 22 ficiencies identified by the federal Office of Civil  
 23 Rights (OCR), as determined by the Office of the  
 24 Chancellor of the California Community Colleges.
- 25 (c) Of the amount appropriated in Schedule (6), at  
 26 least \$943,000 shall be used for support of the  
 27 High Tech Centers for activities including, but  
 28 not limited to, training of district employees, staff,  
 29 and students in the use of specialized computer  
 30 equipment for the disabled. All High Tech Centers  
 31 shall meet standards developed by the Office of  
 32 the Chancellor. Colleges that receive these aug-  
 33 mentations shall not supplant existing resources  
 34 provided to the centers.
- 35 (d) Notwithstanding any other provision of law, of  
 36 the funds appropriated in Schedule (6), \$1,246,000  
 37 shall be for state hospital adult education pro-  
 38 grams at the hospitals served by the Coast and  
 39 Kern Community College Districts since the  
 40 1986–87 fiscal year. If adult education services

1 at any of the three hospitals are not supported by  
2 the community colleges in any portion of the  
3 2008–09 fiscal year, remaining funds shall, upon  
4 order of the Department of Finance, after 30 days’  
5 notice to the Chairperson of the Joint Legislative  
6 Budget Committee, be transferred to the State  
7 Department of Developmental Services (DDS).  
8 For any transfer of funds to DDS during the  
9 2008–09 fiscal year, the Proposition 98 base  
10 funding levels for community colleges and DDS  
11 shall be adjusted accordingly.

12 (e) Of the funds appropriated in Schedule (6) for the  
13 Disabled Student Services, no less than  
14 \$9,600,000 shall be allocated to support high-cost  
15 sign language interpreter services and real-time  
16 captioning equipment or other communication  
17 accommodations for hearing-impaired students  
18 based on a 4-to-1 state-to-local district match.

19 17. The funds appropriated in Schedule (7), Special Ser-  
20 vices for CalWORKs Recipients, are for the purpose  
21 of assisting welfare recipient students and those in  
22 transition off of welfare to achieve long-term self-  
23 sufficiency through coordinated student services of-  
24 fered at community colleges, including workstudy,  
25 other educational related work experience, job place-  
26 ment services, child care services, and coordination  
27 with county welfare offices to determine eligibility  
28 and availability of services. All services funded in  
29 Schedule (7) shall be for current CalWORKs recipients  
30 or prior CalWORKs recipients who are in transition  
31 off of cash assistance for no more than two years.  
32 Current cash-assistance recipients may utilize these  
33 services until their initial educational objectives are  
34 met. Former recipients in transition off of cash assis-  
35 tance may utilize these services for a period of up to  
36 two years after leaving cash assistance subject to the  
37 conditions of this provision. These funds shall be used  
38 to supplement and not supplant existing funds and  
39 services provided for CalWORKs recipients attending  
40 community colleges. The Chancellor of the California

1 Community Colleges shall develop an equitable  
2 method for allocating funds to all districts and colleges  
3 based on the relative numbers of CalWORKs recipients  
4 in attendance and shall allocate funds for the following  
5 purposes:

- 6 (a) Job placement.
- 7 (b) Coordination with county welfare offices and  
8 other local agencies, including local workforce  
9 investment boards.
- 10 (c) Curriculum development and redesign.
- 11 (d) Child care and workstudy.
- 12 (e) Instruction.
- 13 (f) Postemployment skills training and related skills.
- 14 (g) Campus-based case management, limited to on-  
15 campus assistance and services not provided by  
16 county case workers that do not supplant other  
17 counseling and academic support services funded  
18 through existing California Community Colleges  
19 categorical programs.

20 Of the amount appropriated in Schedule (7),  
21 \$15,000,000 is for child care and does not require a  
22 district match. For the remaining funds, districts shall,  
23 as a condition of receipt of these funds, provide a \$1  
24 match for every \$1 provided by the state.

25 Funds utilized for subsidized child care shall be for  
26 children of CalWORKs recipients through campus-  
27 based centers or parental choice vouchers at rates and  
28 with rules consistent with those applied to related  
29 programs operated by the State Department of Educa-  
30 tion in the 2008–09 fiscal year, including eligibility,  
31 reimbursement rates, and parental contribution  
32 schedules. Subsidized campus child care for Cal-  
33 WORKs recipients may be provided during the period  
34 they are engaged in qualifying state and federal work  
35 activities through attainment of their initial education  
36 and training plan and for up to three months thereafter  
37 or until the end of the academic year, whichever period  
38 of time is greater.

39 Funds utilized for workstudy shall be used solely  
40 for payments to employers that currently participate

1 in campus-based workstudy programs or are providing  
2 work experiences that are directly related to and in  
3 furtherance of student educational programs and work  
4 participation requirements, provided that those pay-  
5 ments may not exceed 75 percent of the wage for the  
6 workstudy positions, and the employers shall pay at  
7 least 25 percent of the wage for the workstudy posi-  
8 tions. These funds may be expended only if the total  
9 hours of education, employment, and workstudy for  
10 the student are sufficient to meet both state and federal  
11 minimum requirements for qualifying work-related  
12 activities.

13 Funds may be used to provide credit or noncredit  
14 classes for CalWORKs students if a district has com-  
15 mitted all of its funded full-time equivalent students  
16 (FTES) and is unable to offer the additional instruc-  
17 tional services to meet the demand for CalWORKs  
18 students. This determination shall be based on fall  
19 enrollment information. Districts shall submit applica-  
20 tions to the Office of the Chancellor by October 15 of  
21 each year. If the chancellor approves the use of funds  
22 for direct instructional workload, the Office of the  
23 Chancellor shall submit a report to the Department of  
24 Finance and the Joint Legislative Budget Committee  
25 by November 15, 2008, that (a) identifies the enroll-  
26 ment of new CalWORKs students, (b) states whether  
27 and why additional classes were needed to accommo-  
28 date the needs of CalWORKs students, and (c) sets  
29 forth an expenditure plan for the balance of funds.

30 As a condition of receipt of the funds appropriated  
31 in Schedule (7), by the fourth week following the end  
32 of the semester or quarter term commencing in January  
33 2009, each participating community college shall  
34 submit to the Office of the Chancellor a report, in the  
35 format specified by the chancellor in consultation with  
36 the State Department of Social Services, that includes,  
37 but is not limited to, the funded components, the  
38 number of hours of child care provided, the average  
39 monthly enrollment of CalWORKs dependents served  
40 in child care, the number of workstudy hours provided,

1 the hourly salaries and type of jobs, the number of  
 2 students being case managed, the short-term programs  
 3 available, the student participation rates, and other  
 4 outcome data. It is intended that, to the extent practical,  
 5 reporting from colleges utilize data gathered for federal  
 6 reporting requirements at the state and local level.  
 7 Further, it is intended that the Office of the Chancellor  
 8 compile the information for annual reports to the  
 9 Legislature, the Governor, the Legislative Analyst, the  
 10 Department of Finance, and the State Department of  
 11 Social Services by November 15 of each year.

12 First priority for expenditures of any funds appropri-  
 13 ated in Schedule (7) shall be in support of current  
 14 CalWORKs recipients. However, if caseloads are in-  
 15 sufficient to fully utilize all of the funding in this  
 16 schedule in a cost-beneficial way, it is intended that  
 17 up to \$5,000,000 of the funds subject to local matching  
 18 requirements may be allocated for providing postem-  
 19 ployment services to former CalWORKs recipients  
 20 who have been off of cash assistance for no longer  
 21 than two years to assist them in upgrading skills, job  
 22 retention, and advancement. Allowable services in-  
 23 clude direct instruction that cannot be funded under  
 24 available growth funding, child care to support atten-  
 25 dance in these classes consistent with this provision,  
 26 job development and placement services, and career  
 27 counseling and assessment activities which cannot be  
 28 funded through other programs. Child care services  
 29 may only be provided for periods commensurate with  
 30 a student's need for postemployment training within  
 31 the two-year transitional period.

32 Prior to allocation of funds for postemployment  
 33 services, the chancellor shall first secure the approval  
 34 of the Department of Finance for the allocations,  
 35 complete a cumulative report on the outcomes, activi-  
 36 ties, and cost-effectiveness of the program no later  
 37 than November 15, 2008, in compliance with the  
 38 Budget Acts of 1998 (Ch. 324, Stats. 1998) and 1999  
 39 (Ch. 50, Stats. 1999) and this act, and shall provide  
 40 the rationale and justification for the proposed alloca-

1 tion of postemployment services to districts for transi-  
2 tional students.

3 If a district is unable to fully expend its share of child  
4 care funds, it may request that the Office of the  
5 Chancellor approve a reallocation to other CalWORKs  
6 purposes authorized by this provision, subject to all  
7 pertinent limitations and district match required for  
8 these purposes under this provision.

9 Of the funds appropriated in Schedule (7) for the  
10 Special Services for CalWORKs Recipients Program,  
11 no less than \$8,000,000 is to provide direct workstudy  
12 wage reimbursement for students served under this  
13 program, and \$1,000,000 is available for campus job  
14 development and placement services.

15 18. Funds appropriated in Schedule (7) for the Special  
16 Services for CalWORKs Recipients Program have  
17 been budgeted to meet the state’s Temporary Assis-  
18 tance for Needy Families maintenance-of-effort require-  
19 ment pursuant to the federal Personal Responsibility  
20 and Work Opportunity Reconciliation Act of 1996  
21 (P.L. 104-193) and may not be expended in any way  
22 that would cause their disqualification as a federally  
23 allowable maintenance-of-effort expenditure.

24 19. (a) Funds provided in Schedule (8) for the Foster  
25 Care Education Program shall be allocated to  
26 provide foster and relative/kinship care education  
27 and training. Districts shall ensure that education  
28 and training required by Sections 1529.1 and  
29 1529.2 of the Health and Safety Code and Section  
30 16003 of the Welfare and Institutions Code re-  
31 ceive priority. Districts may use any remaining  
32 funds for additional parenting skills training.

33 (b) Funds provided in Schedule (8) shall be used for  
34 foster parent and relative/kinship care provider  
35 education training services consistent with the  
36 following criteria:

37 (1) The Chancellor of the California Community  
38 Colleges shall use these funds exclusively  
39 for foster parent and relative/kinship care  
40 provider education and training, as specified

- 1 by the chancellor in consultation with an ad-
- 2 visory committee that includes foster parents,
- 3 representatives of statewide foster parent or-
- 4 ganizations, parent and relative/kinship care
- 5 providers, and representatives from the State
- 6 Department of Social Services.
- 7 (2) Acceptance of funds under this program shall
- 8 constitute agreement by the district to comply
- 9 with such reporting requirements, guidelines,
- 10 and other conditions for receipt of funding
- 11 as the chancellor may establish.
- 12 (3) Each college plan for foster and relative/kin-
- 13 ship care education programs shall include
- 14 the provision of training to facilitate the de-
- 15 velopment of foster family homes, small
- 16 family homes, and relative/kinship homes to
- 17 care for no more than six children who have
- 18 special mental, emotional, developmental, or
- 19 physical needs.
- 20 (4) The State Department of Social Services shall
- 21 facilitate the participation of county welfare
- 22 departments in the foster and relative/kinship
- 23 care education program.
- 24 20. (a) Funds appropriated in Schedule (9) for the Matric-
- 25 ulation Program are for the purpose of student
- 26 matriculation pursuant to Article 1 (commencing
- 27 with Section 78210) of Chapter 2 of Part 48 of
- 28 Division 7 of Title 3 of the Education Code.
- 29 (b) Of the amount appropriated in Schedule (9),
- 30 \$20,000,000 shall be allocated to community
- 31 college districts on a one-to-one matching funds
- 32 basis to provide matriculation services, including,
- 33 but not limited to, orientation, assessment, and
- 34 counseling, for students enrolled in designated
- 35 noncredit classes and programs who may benefit
- 36 most, as determined by the Chancellor of the
- 37 California Community Colleges pursuant to Sec-
- 38 tions 78216 to 78218, inclusive, of the Education
- 39 Code.

- 1 21. The funds in Schedule (13) for the Part-time Faculty  
2 Compensation Program shall be allocated solely to  
3 increase compensation for part-time faculty from the  
4 amounts previously authorized. Funds shall be distribut-  
5 ed to districts based on the total actual full-time  
6 equivalent students served in the previous fiscal year  
7 and include a small district factor as determined by  
8 the Chancellor of the California Community Colleges.  
9 These funds are to be used to assist districts in making  
10 part-time faculty salaries more comparable to full-time  
11 salaries for similar work, as determined through each  
12 district’s local collective bargaining process. These  
13 funds shall not supplant the amount of resources each  
14 district used to compensate part-time faculty or be  
15 used to exceed parity of each part-time faculty em-  
16 ployed by each district with regular full-time faculty  
17 at the same district, as certified by the chancellor. If  
18 a district achieves parity, its allocation may be used  
19 for any other educational purpose.
- 20 22. (a) \$24,197,000 of the funds provided in Schedule  
21 (15) for the Telecommunications and Technology  
22 Services Program shall be for the purpose of  
23 supporting technical and application innovations  
24 and for coordination of activities that serve to  
25 maximize the utility of the technology investments  
26 of the community college system towards improv-  
27 ing learning outcomes. Allocations shall be made  
28 by the Chancellor of the California Community  
29 Colleges, based on criteria and guidelines as de-  
30 veloped by the chancellor, on a competitive basis  
31 through the RFA/RFP application process for the  
32 following purposes:
  - 33 (1) Provision of access to statewide multimedia  
34 hosting and delivery services for system col-  
35 leges and districts.
  - 36 (2) Provision of systemwide Internet, audio  
37 bridging, and telephony.
  - 38 (3) Technical assistance and planning, coopera-  
39 tive purchase agreements, and faculty and  
40 staff development in a manner consistent with

1 paragraph (3) of subdivision (b) of Provision  
2 17 of Item 6870-101-0001 of Section 2.00 of  
3 the Budget Act of 1996 (Ch. 162, Stats.  
4 1996).

5 (4) Ongoing support for the California Virtual  
6 University Distance Education Program.

7 (5) Ongoing support for programs designed to  
8 use technology in assisting accreditation and  
9 the alignment of curricula across K–20 seg-  
10 ments in California.

11 (6) Support for technology pilots and ongoing  
12 technology programs and applications that  
13 serve to maximize the utility and economy  
14 of scale of the technology investments of the  
15 community college system towards improv-  
16 ing learning outcomes.

17 In addition, a portion of the funds provided in  
18 this subdivision shall be available for allocations  
19 to districts. It is the intent of the Legislature that  
20 these funds be used by colleges to maintain the  
21 technology capabilities specified in subdivision  
22 (a) of Provision 21 of Item 6870-101-0001 of the  
23 Budget Act of 2003 (Ch. 157, Stats. 2003). These  
24 funds shall not supplant existing funds used for  
25 those purposes, and colleges shall match mainte-  
26 nance and ongoing costs with other funds as pro-  
27 vided by Provision 21(a) of Item 6870-101-0001  
28 of the Budget Act of 2003 (Ch. 157, Stats. 2003).

29 (b) The Office of the Chancellor of the California  
30 Community Colleges shall develop the reporting  
31 criteria for all programs funded by this item and  
32 shall submit that for review along with an annual  
33 progress report on program implementation to the  
34 Legislative Analyst, the Office of the Secretary  
35 for Education, and the Department of Finance no  
36 later than December 1 of each year. Reporting  
37 shall include summaries of allocations and expen-  
38 ditures by program and by district, where applica-  
39 ble.

- 1 (c) Of the funds provided in Schedule (15),  
2 \$2,000,000 is for ongoing support and expansion  
3 of the California Partnership for Achieving Stu-  
4 dent Success (Cal-PASS) program. As a condition  
5 of receipt of these funds, the grantee shall submit  
6 to the Office of the Chancellor, by October 15 of  
7 each year, all of the following: (1) a report that  
8 includes the numbers and percentages of institu-  
9 tions and school districts that have signed agree-  
10 ments and the number and percentage that have  
11 actively submitted data in the current year, (2) the  
12 results of an annual program evaluation, as pre-  
13 scribed by the chancellor, that sufficiently docu-  
14 ments the value and productivity of the program,  
15 and (3) an annual financial audit, as prescribed  
16 by the chancellor, that includes an accounting of  
17 all funding sources and all uses of funds by  
18 funding source. It is the intent of the Legislature  
19 that all reporting requirements contained in this  
20 subdivision shall be completed using funds pro-  
21 vided to the grantee.
- 22 23. Of the funds provided in Schedule (16) for the Eco-  
23 nomic and Workforce Development Program:
  - 24 (a) \$22,830,000 is allocated for grants for regional  
25 business resources assistance and innovation net-  
26 work centers. Each grant awarded to a district for  
27 Centers for International Development shall con-  
28 tain sufficient funds, as determined by the Chan-  
29 cellor of the California Community Colleges, for  
30 the continued operation of Mexican International  
31 Trade Centers.
  - 32 (b) \$7,822,000 is allocated for industry-driven region-  
33 al education and training collaboratives. These  
34 grants shall be made on a competitive basis and  
35 the award amounts shall not be restricted to any  
36 predetermined limit, but rather shall be funded on  
37 their individual merits.
  - 38 (c) \$3,609,000 is allocated for statewide network  
39 leadership, organizational development, coordina-

- 1                   tion, information and support services, or other  
2                   program purposes.
- 3           (d) \$4,529,000 is available for Job Development In-  
4           centive Training programs focused on job creation  
5           for public assistance recipients. Any annual sav-  
6           ings from this subdivision shall only be available  
7           for expenditure for one-time activities listed under  
8           subdivision (j) of Section 88531 of the Education  
9           Code.
- 10           (e) \$8,000,000 is allocated for the establishment of  
11           a Responsive Incumbent Worker Training Fund,  
12           which will serve to expand the delivery of perfor-  
13           mance improvement training to employers and  
14           incumbent workers in high-growth industries.  
15           Funds shall also be used to develop programs that  
16           integrate basic skills and career technical educa-  
17           tion curriculum in ways that provide students with  
18           seamless educational coursework that transitions  
19           students into high-tech and high-demand job sec-  
20           tors.
- 21           (f) The following provisions apply to the expenditure  
22           of funds within subdivisions (a) and (b): Funds  
23           allocated for centers and regional collaboratives  
24           shall seek to maximize the use of state funds for  
25           subdivisions (g) to (j), inclusive, of Section 88531  
26           of the Education Code. Funds allocated to districts  
27           for purposes of subdivisions (g) and (i) of Section  
28           88531 of the Education Code for performance-  
29           based training and student internships shall be  
30           matched by a minimum of \$1 of private business  
31           and industry funding for each \$1 of state funds.  
32           Funds allocated for purposes of subdivision (h)  
33           of Section 88531 of the Education Code for  
34           credit and noncredit instruction may be transferred  
35           to Schedule (1) or (3) to facilitate distribution at  
36           the chancellor’s discretion. Any funds that become  
37           available from network centers due to savings,  
38           discontinuance, or reduction of amounts shall first  
39           be made available for additional allocations in

- 1 subdivision (b) to increase the level of subsidized  
2 training otherwise available.
- 3 (g) Funds allocated by the Board of Governors of the  
4 California Community Colleges under this provi-  
5 sion may not be used by community college dis-  
6 tricts to supplant existing courses or contract edu-  
7 cation offerings. The chancellor shall ensure that  
8 funds are spent only for expanded services and  
9 shall implement accountability reporting for dis-  
10 tricts receiving these funds to ensure that training,  
11 credit, and noncredit programs remain relevant  
12 to business needs. Programs that do not demon-  
13 strate continued relevance and support by business  
14 shall not be eligible for continued funding. The  
15 board of governors shall consider the level of in-  
16 volvement and financial commitments of business  
17 and industry as primary factors in making awards.  
18 The chancellor shall incorporate grant require-  
19 ments into the guidelines for audits of economic  
20 development grants.
- 21 (h) Primary objectives of the Economic and Work-  
22 force Development Program are to maximize in-  
23 struction, to prepare students for entry-level jobs,  
24 to increase skills of the current workforce, and to  
25 stimulate the growth of businesses through train-  
26 ing so that more jobs are created. As part of the  
27 annual report on the performance of the Economic  
28 and Workforce Development Program, the chan-  
29 cellor shall provide disaggregated data detailing  
30 the funding provided to each economic develop-  
31 ment regional center and each industry-driven  
32 regional education and training collaborative, and  
33 to the extent practicable, the total number of hours  
34 of contract education services, performance im-  
35 provement training, credit and noncredit instruc-  
36 tion, and job placements created as a result of  
37 each center and collaborative.
- 38 24. (a) The funds appropriated in Schedule (17) for the  
39 Transfer Education and Articulation Program are

- 1 available to support transfer and articulation projects and common course numbering projects.
- 2
- 3 (b) Funding provided to community college districts
- 4 from Schedule (17) is provided to directly offset
- 5 any mandated costs claimed by community college districts pursuant to Chapter 737 of the
- 6 Statutes of 2004.
- 7
- 8 25. (a) \$13,673,000 of the funds appropriated in Schedule
- 9 (18) is available for the following purposes:
- 10 (1) Scheduled maintenance and special repairs
- 11 of facilities. The Chancellor of the California
- 12 Community Colleges shall allocate funds to
- 13 districts on the basis of actual reported full-
- 14 time equivalent students (FTES), and may
- 15 establish a minimum allocation per district.
- 16 As a condition for receiving and expending
- 17 these funds for maintenance or special repairs, a district shall certify that it will increase its operations and maintenance
- 18 spending from the 1995–96 fiscal year by the
- 19 amount it allocates from this appropriation
- 20 for maintenance and special repairs, plus an
- 21 equal amount to be provided from district
- 22 discretionary funds. The chancellor may
- 23 waive all or a portion of the matching requirement based upon a review of a district’s financial condition. The question of whether a
- 24 district has complied with its resolution shall
- 25 be reviewed under the annual audit of that
- 26 district. For every \$1 a district expends from
- 27 this appropriation for scheduled maintenance
- 28 and special repairs, the recipient district shall
- 29 provide \$1 in matching funds.
- 30
- 31 (2) Hazardous substances abatement, cleanup,
- 32 and repairs.
- 33
- 34 (3) Architectural barrier removal projects that
- 35 meet the requirements of the federal Americans with Disabilities Act of 1990 (42 U.S.C.
- 36 Sec. 12101 et seq.) and seismic retrofit projects limited to \$400,000. Districts that re-
- 37
- 38
- 39
- 40

- 1                    ceive funds for architectural barrier removal  
2                    projects shall provide a \$1 match for every  
3                    \$1 provided by the state.
- 4           (b) \$13,672,000 of the funds appropriated in Schedule  
5           (18) is available for replacement of instructional  
6           equipment and library materials. For every \$3 a  
7           district expends from this appropriation for re-  
8           placement of instructional equipment or library  
9           materials, the recipient district shall provide \$1  
10          in matching funds. The chancellor may waive all  
11          or a portion of the matching requirement based  
12          upon a review of a district's financial condition.  
13          The funds provided for instructional equipment  
14          and library materials shall not be used for personal  
15          services costs or operating expenses. The chancel-  
16          lor shall allocate funds to districts on the basis of  
17          actual reported FTES and may establish a mini-  
18          mum allocation per district. The question of  
19          whether a district has complied with its resolution  
20          shall be reviewed under the annual audit of that  
21          district.
- 22          (c) The funds appropriated in Schedule (18) shall be  
23          available for expenditure until June 30, 2010.
- 24   26. Pursuant to Sections 69648.5, 78216, and 84850, and  
25          subdivision (b) of Section 87108, of the Education  
26          Code, the Board of Governors of the California Com-  
27          munity Colleges may allocate funds appropriated in  
28          Schedules (6), (9), (11), and (19) by grant or contract,  
29          or through the apportionment process, to one or more  
30          districts for the purpose of providing program evalua-  
31          tion, accountability, monitoring, or program develop-  
32          ment services, as appropriate under the applicable  
33          statute.
- 34   27. The funds appropriated in Schedule (21) for the Career  
35          Technical Education Program are for the purpose of  
36          aligning career-technical education curriculum be-  
37          tween K-12 and community colleges in targeted indus-  
38          try-driven programs offered through the Economic  
39          and Workforce Development Program. Prior to the  
40          allocation of these funds, the Chancellor of the Cali-

1           fornia Community Colleges, in conjunction with the  
 2           State Department of Education, shall submit a pro-  
 3           posed expenditure plan for the funds contained in this  
 4           item, and the rationale therefor, to the Department of  
 5           Finance by August 1, 2008, for approval.

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

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

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

- 31          (a) \$14,000,000 shall be used to provide support for
- 32                nursing program enrollment and equipment needs
- 33                consistent with paragraph (2) of subdivision (a)
- 34                of Section 2 of Chapter 514 of the Statutes of
- 35                2001. Grant funding for nursing enrollment shall
- 36                provide a marginal increase in funding in addition
- 37                to the amount provided for each full-time equiva-
- 38                lent student for regular growth in apportionments.
- 39          (b) \$8,100,000 shall be used to provide diagnostic
- 40                and support services, preentry coursework, alter-

- 1 native program delivery model development, and
- 2 other services to reduce the incidence of student
- 3 attrition in nursing programs.
- 4 (d) The Board of Governors of the California Com-
- 5 munity Colleges shall develop a request for appli-
- 6 cations (RFA) to allocate the additional
- 7 \$5,214,000 of funds in subdivision (b) to commu-
- 8 nity college districts. Criteria for assessing each
- 9 RFA shall include all of the following:
- 10 (1) The degree to which the funds provided
- 11 would be used to increase student enrollment
- 12 in nursing programs beyond the level of full-
- 13 time equivalent students served in the
- 14 2007–08 academic year.
- 15 (2) The district’s level of attrition from nursing
- 16 programs and the suitability of planned ex-
- 17 penditures to address attrition levels.
- 18 (3) The degree to which funds provided would
- 19 be used to support infrastructure or equip-
- 20 ment needs with the intent of building capac-
- 21 ity and increasing the number of nursing
- 22 students served.
- 23 (4) For districts with attrition rates of 15 percent
- 24 or more, new grant funding shall focus on
- 25 attrition reduction. For districts with attrition
- 26 rates below 15 percent, new grant funding
- 27 shall focus on enrollment expansion.
- 28 (e) The board of governors shall release the RFA no
- 29 sooner than 30 days after submitting it to the
- 30 Legislature and the Department of Finance for
- 31 review.
- 32 (f) On or before March 1 of each year, the Chancellor
- 33 of the California Community Colleges shall pro-
- 34 vide the Legislature and the Department of Fi-
- 35 nance with a report on the allocation of funding.
- 36 For each district receiving funding under this item,
- 37 the report shall include all of the following: (1)
- 38 the amount of funding received, (2) the number
- 39 of nursing full-time equivalent students served in
- 40 the 2006–07 academic year, and the additional

1 number of nursing full-time equivalent students  
 2 served with funding provided in this item in each  
 3 subsequent year, (3) the district’s attrition and  
 4 completion rates in the 2006–07 academic year  
 5 and subsequent years, (4) any equipment or infra-  
 6 structure-related items acquired with the funds  
 7 appropriated in this item, and (5) the number of  
 8 new and existing faculty receiving annual stipend  
 9 awards.

10

11 *SEC. 173. Item 7980-001-0001 of Section 2.00 of the Budget*  
 12 *Act of 2008 is amended to read:*

13

14 7980-001-0001—For support of Student Aid Commission..... 14,206,000

15

Schedule:

16

(1) 15-Financial Aid Grants Program..... ~~15,711,000~~

17

15,421,000

18

(1.5) 50-California Loan Program..... 1,000,000

19

(2) 80.01-Administration and Support Ser-  
 20 vices..... 3,369,000

21

(3) 80.02-Distributed Administration and  
 22 Support Services..... -3,369,000

23

(3.5) 97.20.001-Unallocated Reduction..... -789,000

24

(4) Reimbursements..... -296,000

25

(4.5) Amount payable from the Student  
 26 Loan Operating Fund (Item 7980-001-  
 27 0784)..... -1,000,000

28

(5) Amount payable from the Federal Trust  
 29 Fund (Item 7980-001-0890)..... ~~-420,000~~

30

-130,000

31

Provisions:

32

1. The funds appropriated in this item are available only  
 33 for the Student Aid Commission’s state operations  
 34 activities.

35

2. Of the funds appropriated in Schedule (1), up to  
 36 \$369,000 is available for expenditure to support en-  
 37 hancement of the Student Aid Commission’s Grant  
 38 Delivery System.

39

3. Schedule (1) includes funding for 2.0 positions to in-  
 40 crease program compliance reviews for institutions

1 participating in the Cal Grant Program under Chapter  
2 1.7 (commencing with Section 69430) of Part 42 of  
3 Division 5 of Title 3 of the Education Code and the  
4 Assumption Program of Loans for Education under  
5 Article 5 (commencing with Section 69612) of Chapter  
6 2 of Part 42 of Division 5 of Title 3 of the Education  
7 Code, with the objective of auditing higher risk insti-  
8 tutions once every three years. The audits shall empha-  
9 size verification of applicant eligibility, fund disburse-  
10 ment, and payment reconciliation. The Student Aid  
11 Commission shall prioritize its review of institutions  
12 that have demonstrated noncompliance in prior audits.  
13 The commission shall report to the Legislature and  
14 the Governor by September 30, 2008, on the institu-  
15 tions audited, the rate of noncompliance with each  
16 major program requirement, and the steps taken to  
17 address noncompliance.

- 18 4. (a) This item reflects \$1,000,000 payable from the  
19 Student Loan Operating Fund for the purpose of  
20 funding, on a limited-term basis, 6.0 positions in  
21 the Federal Policy and Programs Division. Those  
22 positions shall be continued until a sale or other  
23 authorized transaction is completed pursuant to  
24 Chapter 182 of the Statutes of 2007, which is an-  
25 ticipated to occur in the 2009–10 fiscal year.
- 26 (b) Additionally, this item reflects an increase of  
27 \$1,010,000 available on a one-time basis for  
28 necessary moving costs, furnishings, and equip-  
29 ment associated with relocation of the Student  
30 Aid Commission. Not later than August 1, 2008,  
31 the commission shall detail and submit for ap-  
32 proval to the Department of Finance, and for in-  
33 formational purposes to the Chairperson of the  
34 Joint Legislative Budget Committee, all one-time  
35 costs estimated to be necessary for relocation of  
36 the commission. Any funds remaining shall be  
37 available for any expenses that may be necessary  
38 or convenient to further the intent of the sale or  
39 other authorized transaction of EdFund pursuant

1 to Chapter 182 of the Statutes of 2007 upon the  
2 written approval of the Department of Finance.

3  
4 *SEC. 174. Item 7980-001-0890 of Section 2.00 of the Budget*  
5 *Act of 2008 is amended to read:*

6  
7 7980-001-0890—For support of Student Aid Commission, Cash  
8 for College Program, for payment to Item 7980-001-0001,  
9 payable from the Federal Trust Fund..... 420,000  
10 130,000

11  
12 *SEC. 175. Item 7980-101-0001 of Section 2.00 of the Budget*  
13 *Act of 2008 is amended to read:*

14  
15 7980-101-0001—For local assistance, Student Aid Commis-  
16 sion..... 600,984,000  
17 766,597,000

18 Schedule:

19 (1) 15-Financial Aid Grants Program..... 885,379,000  
20 828,282,000  
21 (2) Reimbursements..... -242,514,000  
22 -19,514,000  
23 (3) Amount payable from the Federal Trust  
24 Fund (Item 7980-101-0890)..... -17,881,000  
25 -18,171,000  
26 (4) Amount payable from the Student Loan  
27 Operating Fund (Item 7980-101-  
28 0784)..... -24,000,000

29 Provisions:

- 30 1. Funds appropriated in Schedule (1) are for purposes  
31 of all of the following:  
32 (a) Awards in the Cal Grant Program under Chapter  
33 1.7 (commencing with Section 69430) and Article  
34 3 (commencing with Section 69530) of Chapter  
35 2 of Part 42 of Division 5 of Title 3 of the Educa-  
36 tion Code.  
37 (b) Grants under the Law Enforcement Personnel  
38 Dependents Scholarship Program pursuant to  
39 Section 4709 of the Labor Code.

- 1 (c) California Student Opportunity and Access Pro-  
2 gram contract agreements under Article 4 (com-  
3 mencing with Section 69560) of Chapter 2 of Part  
4 42 of Division 5 of Title 3 of the Education Code.
- 5 (d) The purchase of loan assumptions under Article  
6 5 (commencing with Section 69612) of Chapter  
7 2 of Part 42 of Division 5 of Title 3 of the Educa-  
8 tion Code. The Student Aid Commission shall is-  
9 sue 8,000 new warrants.
- 10 (e) The purchase of loan assumptions under the  
11 Graduate Assumption Program of Loans for Edu-  
12 cation pursuant to Article 5.5 (commencing with  
13 Section 69618) of Chapter 2 of Part 42 of Division  
14 5 of Title 3 of the Education Code.
- 15 (f) The purchase of loan assumptions under the State  
16 Nursing Assumption Program of Loans for Edu-  
17 cation (SNAPLE) Employees of State Facilities  
18 Program pursuant to Article 2 (commencing with  
19 Section 70120) of Chapter 3 of Part 42 of Division  
20 5 of Title 3 of the Education Code.
- 21 (g) The purchase of loan assumptions under the State  
22 Nursing Assumption Program of Loans for Edu-  
23 cation (SNAPLE) pursuant to Article 1 (commenc-  
24 ing with Section 70100) of Chapter 3 of Part 42  
25 of Division 5 of Title 3 of the Education Code.
- 26 (h) The Student Aid Commission shall report by April  
27 1, 2009, on the State Nursing Assumption Pro-  
28 gram of Loans for Education, pursuant to the re-  
29 porting requirements of Section 70108 of the Ed-  
30 ucation Code.
- 31 (i) Of the amount appropriated in Schedule (1),  
32 \$297,000 is provided for loan assumption pay-  
33 ments to participants in the National Guard As-  
34 sumption Program of Loans for Education pur-  
35 suant to Article 12.5 (commencing with Section  
36 69750) of Chapter 2 of Part 42 of the Education  
37 Code.
- 38 (j) Notwithstanding subdivision (c) of Section  
39 69613.8 of the Education Code, any Assumption  
40 Program of Loans for Education participant who

- 1           meets the requirements of subdivision (a) or (b)  
2           of Section 69613.8 of the Education Code may  
3           receive the additional loan assumption benefits  
4           authorized by those subdivisions.
- 5       2. If federal trust funds for the 2008–09 fiscal year exceed  
6       budgeted levels for the Leveraging Educational Assis-  
7       tance Partnership Program (LEAP) and the Special  
8       Leveraging Educational Assistance Partnership Pro-  
9       gram (SLEAP), the funds appropriated shall, to the  
10      extent allowable by federal law, be reduced on a dol-  
11      lar-for-dollar basis.
- 12     3. Eligibility for moneys appropriated in this item is  
13      limited to students who demonstrate financial need  
14      according to the nationally accepted needs analysis  
15      methodology, who meet other Student Aid Commis-  
16      sion eligibility criteria, and, notwithstanding subdivi-  
17      sion (k) of Section 69432.7 of the Education Code,  
18      whose income or family’s gross income does not ex-  
19      ceed \$88,300 for the purpose of determining recipients  
20      for the 2008–09 award year.
- 21     4. Notwithstanding any other provision of law, the max-  
22      imum award for:
- 23       (a) New recipients attending private and independent  
24       institutions shall be \$9,708.
- 25       (b) All recipients receiving Cal Grant B access awards  
26       shall be \$1,551.
- 27       (c) All recipients receiving Cal Grant C tuition and  
28       fee awards shall be \$2,592.
- 29       (d) All recipients receiving Cal Grant C book and  
30       supply awards shall be \$576.
- 31     5. Of the funds appropriated in ~~Schedule (1), as reim-~~  
32      ~~bursed from federal trust funds in Schedule (3),~~  
33      \$6,849,000 *this item*, \$7,349,000 is for the California  
34      Student Opportunity and Access Program established  
35      pursuant to Article 4 (commencing with Section  
36      69560) of Chapter 2 of Part 42 of Division 5 of Title  
37      3 of the Education Code, *as amended in the current*  
38      *legislative session*, and shall be available to provide  
39      financial aid awareness and outreach to students who  
40      are preparing to enter, or are currently enrolled in,

1 college. *Of this amount, \$1,000,000 is dedicated for*  
2 *career technical education and the resulting career*  
3 *opportunities. The Student Aid Commission shall*  
4 *consult with the State Department of Education and*  
5 *the Chancellor's Office of the California Community*  
6 *Colleges in determining the projects and activities for*  
7 *these funds. This provision reflects funds anticipated*  
8 *from the College Access Challenge Grant Program*  
9 *authorized by HR 2669 for the federal 2007–08 and*  
10 *2008–09 fiscal years.*

- 11 6. Notwithstanding any other provision of law, the com-  
12 mission may not issue new warrants for the assumption  
13 of loans for the Graduate Assumption Program of  
14 Loans for Education pursuant to Article 5.5 (commenc-  
15 ing with Section 69618) of Chapter 2 of Part 42 of  
16 Division 5 of Title 3 of the Education Code.
- 17 7. Pursuant to Chapter 403 of the Statutes of 2000 and  
18 notwithstanding any other provision of law, the Direc-  
19 tor of Finance may authorize the augmentation, from  
20 the Special Fund for Economic Uncertainties estab-  
21 lished pursuant to Section 16418 of the Government  
22 Code, of the annual amount appropriated for the pur-  
23 poses of making Cal Grant awards pursuant to Chapter  
24 1.7 (commencing with Section 69430) of Part 42 of  
25 Division 5 of Title 3 of the Education Code, as neces-  
26 sary to fully fund the number of awards required to be  
27 granted by that chapter. No augmentation may be au-  
28 thorized under this provision sooner than 30 days after  
29 the Director of Finance provides written notice of the  
30 proposed augmentation to the Chairperson of the Joint  
31 Legislative Budget Committee and the chairpersons  
32 of the committees in each house of the Legislature that  
33 consider appropriations, nor sooner than whatever  
34 lesser time those persons, or their designees, may in  
35 each instance determine.
- 36 8. The Student Aid Commission is authorized to issue  
37 100 new warrants for the State Nursing Assumption  
38 Program of Loans for Education (SNAPLE) Employ-  
39 ees of State Facilities Program pursuant to Article 2

- 1 (commencing with Section 70120) of Chapter 3 of
- 2 Part 42 of Division 5 of Title 3 of the Education Code.
- 3 9. The Student Aid Commission shall issue 100 new
- 4 State Nursing Assumption Program of Loans for Edu-
- 5 cation (SNAPLE) warrants pursuant to Article 1
- 6 (commencing with Section 70100) of Chapter 3 of
- 7 Part 42 of Division 5 of Title 3 of the Education Code.
- 8 10. Of the funds appropriated in Schedule (1), as reim-
- 9 bursed from federal trust funds in Schedule (3),
- 10 ~~\$410,000~~ \$200,000 is for the Cash for College Pro-
- 11 gram.
- 12 11. *Notwithstanding Section 69437 of the Education Code*
- 13 *or any other provision of law, the Student Aid Commis-*
- 14 *sion shall make no new grant awards for the Compet-*
- 15 *itive Cal Grant A or B award programs from this item.*
- 16 *Renewal awards shall not be affected for either pro-*
- 17 *gram.*

18  
 19 *SEC. 176. Item 7980-101-0890 of Section 2.00 of the Budget*  
 20 *Act of 2008 is amended to read:*

21

22 7980-101-0890—For local assistance, Student Aid Commission,	
23 for payment to Item 7980-101-0001, payable from the	
24 Federal Trust Fund.....	17,881,000
	18,171,000
25	
26 Provisions:	
27 1. Of the funds appropriated in this item, \$10,622,000 is	
28 available for the Leveraging Educational Assistance	
29 Partnership Program (LEAP) and Special Leveraging	
30 Educational Assistance Partnership Program (SLEAP).	
31 2. Of the funds appropriated in this item, <del>\$410,000</del>	
32 \$200,000 is available for the Cash for College Pro-	
33 gram. This amount reflects funds anticipated from the	
34 new College Access Challenge Grant Program autho-	
35 rized in HR 2669 for the 2007–08 and 2008–09 federal	
36 fiscal years.	
37 3. Of the funds appropriated in this item, <del>\$6,849,000</del>	
38 \$7,349,000 is available for the California Student	
39 Opportunity and Access Program (Cal-SOAP). This	
40 amount reflects funds anticipated from the New Col-	

1 lege Access Challenge Grant Program authorized in  
2 HR 2669 for the 2007–08 and 2008–09 federal fiscal  
3 years.  
4

5 *SEC. 177. Item 7100-001-0514 of Section 2.00 of the Budget*  
6 *Act of 2008 is amended to read:*  
7

8 7100-001-0514—For support of Employment Development  
9 Department, for payment to Item 7100-001-0870, payable  
10 from the Employment Training Fund..... 62,269,000

11 Provisions:

- 12 1. Upon order of the Director of Finance, funds disencum-  
13 bered from Employment Training Fund training con-  
14 tracts during the 2008–09 fiscal year that have not re-  
15 verted as of July 1, 2008, may be appropriated in  
16 augmentation of this item.
- 17 2. Notwithstanding subparagraph (B) of paragraph (2)  
18 of subdivision (a) of Section 10206 of the Unemploy-  
19 ment Insurance Code, the Employment Training Pan-  
20 el’s administrative costs may exceed 15 percent of the  
21 amount appropriated in this item.
- 22 3. Of the funds appropriated in this item, \$6,000 is to  
23 support the development of the Automated Collection  
24 Enhancement System. These funds may not be used  
25 for any other purpose or for items outside the approved  
26 project scope. Changes in the project scope must re-  
27 ceive approval using the established administrative  
28 and legislative reporting requirements.
- 29 4. Subdivision (b) of Provision 1 of Item 7100-001-0001  
30 also applies to this item.
- 31 5. ~~In keeping with their Strategic Workforce Plan, the~~  
32 ~~Employment Training Panel shall prioritize training~~  
33 ~~funding to industries and funding requests that have~~  
34 ~~a green technology or green collar job aspect to them.~~

35  
36 *SEC. 178. Item 7300-001-0001 of Section 2.00 of the Budget*  
37 *Act of 2008 is repealed.*  
38

39 7300-001-0001—For support of Agricultural Labor Relations  
40 Board..... 5,148,000

1	Schedule:	
2	(1) <del>10-Board Administration.....</del>	<del>2,174,000</del>
3	(2) <del>20-General Counsel Administration....</del>	<del>2,974,000</del>
4	(3) <del>30.01-Administration Services.....</del>	<del>275,000</del>
5	(4) <del>30.02-Distributed Administration Ser-</del>	
6	<del>      vices.....</del>	<del>-275,000</del>

7

8     *SEC. 179. Item 8380-001-0001 of Section 2.00 of the Budget*  
9 *Act of 2008 is amended to read:*

10

11     8380-001-0001—For support of Department of Personnel Ad-  
12       ministration..... 6,285,000

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

34     Provisions:

35     1. The Department of Personnel Administration may use

36       funds appropriated in this item to complete comprehen-

37       sive salary surveys that include private and public

38       employers, geographical data, and total compensation.

39       The department shall provide to the appropriate fiscal

40       and policy committees of each house of the Legislature

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

31  
 32 *SEC. 180. Item 8570-001-0001 of Section 2.00 of the Budget*  
 33 *Act of 2008 is amended to read:*

34

35	8570-001-0001—For support of Department of Food and	
36	Agriculture.....	83,730,000
37	Schedule:	
38	(1) 11-Agricultural Plant and Animal	
39	Health; Pest Prevention; Food Safety	
40	Services.....	128,861,000

1	(2) 21-Marketing, Commodities, and Agri-	
2	cultural Services.....	17,680,000
3	(3) 31-Assistance to Fairs and County	
4	Agricultural Activities.....	3,269,000
5	(4) 41.01-Executive, Management, and Ad-	
6	ministrative Services.....	17,910,000
7	(5) 41.02-Distributed Executive, Manage-	
8	ment, and Administrative Services.....	-16,672,000
9	(6) 51-General Agricultural Activities.....	<del>6,559,000</del>
10		6,221,000
11	(7) Reimbursements.....	-9,918,000
12	(8) Amount payable from the Motor Vehicle	
13	Account, State Transportation Fund	
14	(Item 8570-001-0044).....	-7,099,000
15	(9) Amount payable from the Department	
16	of Agriculture Account, Department	
17	of Agriculture Fund (Item 8570-001-	
18	0111).....	<del>-15,848,000</del>
19		-15,510,000
20	(10) Amount payable from the Fair and Ex-	
21	position Fund (Item 8570-001-0191)....	-3,933,000
22	(11) Amount payable from the Harbors and	
23	Watercraft Revolving Fund (Item 8570-	
24	001-0516).....	-3,508,000
25	(12) Amount payable from the Agriculture	
26	Building Fund (Item 8570-001-0601)....	-3,541,000
27	(13) Amount payable from the Federal	
28	Trust Fund (Item 8570-001-0890).....	-28,999,000
29	(14) Amount payable from the Antiterrorism	
30	Fund (Item 8570-001-3034).....	-548,000
31	(15) Amount payable from the Satellite Wa-	
32	gering Account (Item 8570-012-	
33	0192).....	-483,000
34	Provisions:	
35	1. The Secretary of Food and Agriculture shall furnish	
36	annual reports on all expenditures from all fund	
37	sources for emergency detection and eradication activ-	
38	ities relating to agricultural plant or animal pests or	
39	diseases as defined by (a) no other program funds are	
40	available to be used to detect or eradicate such pest or	

1 disease; and (b) the pest or disease is not considered  
2 established in California and the pest or disease infests  
3 or infects plants or animals of commercial or noncom-  
4 mercial agriculture, ornamental horticultural, or habitat  
5 of significance, to the Director of Finance and the  
6 Chairperson of the Joint Legislative Budget Commit-  
7 tee. The report shall specify the amount expended by  
8 funding source, the activities performed, the pest or  
9 disease, the location where the pest was detected, the  
10 location where the eradication efforts were performed,  
11 and the animal or plant affected for each emergency  
12 detection or eradication.

13 2. Notwithstanding any other provision of law,  
14 \$1,500,000 of the amount appropriated in Schedule  
15 (1) shall be made available for use by the Department  
16 of Food and Agriculture for the Weed Management  
17 Area Program.

18 3. On or before January 10, 2011, the Department of  
19 Food and Agriculture shall submit to the office of the  
20 State Chief Information Officer and the Joint Legisla-  
21 tive Budget Committee, a report identifying the  
22 workload levels for positions supporting the informa-  
23 tion technology projects that are part of the Emerging  
24 Threats budget augmentation.

25 4. ~~Notwithstanding any other provision of law, \$338,000~~  
26 ~~of the funds appropriated in this item shall be made~~  
27 ~~available for the implementation of the Global~~  
28 ~~Warming Solutions Act of 2006. Funding made~~  
29 ~~available in this provision to implement the act shall~~  
30 ~~not result in a reduction of funding for county agricul-~~  
31 ~~tural commissioners.~~

32 ~~Of the amounts appropriated in this section to im-~~  
33 ~~plement the Global Warming Solutions Act of 2006,~~  
34 ~~expenditures shall only be used to develop improved~~  
35 ~~greenhouse gas emission reduction methods that are~~  
36 ~~the maximum technology feasible and cost-effective~~  
37 ~~while maintaining a viable food production system.~~  
38 ~~Such methods shall be demonstrated as part of an~~  
39 ~~agricultural system and may include, but are not limit-~~  
40 ~~ed to, energy efficiency improvements, manure man-~~

- 1           agement, animal husbandry practices, methane capture,
- 2           conservation tillage practices, agricultural biomass
- 3           recycling and reuse, water conservation and improved
- 4           irrigation efficiency, increase integrated pest manage-
- 5           ment activities, and improved cropping system.
- 6        5. ~~Of the funds appropriated in this item, no funding shall~~
- 7           ~~be expended for aerial spraying for the Light Brown~~
- 8           ~~Apple Moth until toxicology studies on the long-term~~
- 9           ~~comprehensive health impacts of the synthetic~~
- 10          ~~pheromones used in spraying have been completed by~~
- 11          ~~the Office of Health and Hazard Assessment, State~~
- 12          ~~Department of Public Health, and the Department of~~
- 13          ~~Food and Agriculture and their results are reported to~~
- 14          ~~the Legislature through a letter to the Joint Legislative~~
- 15          ~~Budget Committee.~~
- 16        6. Of the funds appropriated in this item, \$2,000,000 is
- 17           to fund, beginning July 1, 2008, 18.0 positions, each
- 18           limited to 5-year terms, to provide support staffing
- 19           and logistical support for the Light Brown Apple Moth
- 20           Eradication Program.

21

22        *SEC. 181. Item 8570-001-0111 of Section 2.00 of the Budget*

23 *Act of 2008 is amended to read:*

24

25    8570-001-0111—For support of Department of Food and	
26        Agriculture, for payment to Item 8570-001-0001, payable	
27        from the Department of Agriculture Account, Department	
28        of Agriculture Fund.....	15,848,000
29	<i>15,510,000</i>

- 30    Provisions:
- 31        1. The amount appropriated in this item includes revenues
  - 32           derived from the assessment of fines and penalties
  - 33           imposed as specified in Section 13332.18 of the Gov-
  - 34           ernment Code.

35

36        *SEC. 182. Item 8620-001-0001 of Section 2.00 of the Budget*

37 *Act of 2008 is amended to read:*

1	8620-001-0001—For support of Fair Political Practices Com-	
2	mission.....	3,593,000
3		3,234,000
4	Schedule:	
5	(1) 10.10-Local enforcement.....	1,822,000
6	(2) 10.20-Legal, technical assistance, and	
7	state enforcement.....	1,771,000
8	(3) 97.20.001-Unallocated Reduction.....	-359,000

10 *SEC. 183. Item 8640-001-0001 of Section 2.00 of the Budget*  
 11 *Act of 2008 is amended to read:*

13	8640-001-0001—For support of Political Reform Act of 1974,	
14	the following sums are appropriated to, and in augmenta-	
15	tion of, the following agencies and officers for the admin-	
16	istration, investigation, and regulation of political cam-	
17	paigns, officials, and lobbyists.....	2,745,000
18		2,470,000
19	Schedule:	
20	(1) 10-Secretary of State.....	790,000
21		711,000
22	For transfer by the Controller to Item	
23	0890-001-0001 as follows:	
24	(2) 20-Elections.....	(790,000)
25		(711,000)
26	(2) 20-Franchise Tax Board.....	1,747,000
27		1,572,000
28	For transfer by the Controller to Item	
29	1730-001-0001 as follows:	
30	(3) 30-Political Reform	
31	Audit.....	(1,747,000)
32		(1,572,000)
33	(3) 30-Department of Justice.....	216,000
34		195,000
35	For transfer by the Controller to Item	
36	0820-001-0001 as follows:	
37	(7) 40-Criminal Law.....	(78,000)
38	(9) 50-Law Enforce-	
39	ment.....	(138,000)
40		(117,000)

1 (4) 40-Fair Political Practices Commis-  
 2 sion..... (4,086,000)  
 3 (5) Reimbursements..... -8,000  
 4 For transfer by the Controller to Item  
 5 0890-001-0001

6 Provisions:

7 1. The Controller shall transfer funds as specified above,  
 8 including any allocations made by the Department of  
 9 Finance, on January 1, 2009.

10  
 11 *SEC. 184. Item 8660-001-0042 of Section 2.00 of the Budget*  
 12 *Act of 2008 is amended to read:*

13  
 14 8660-001-0042—For support of Public Utilities Commission,  
 15 for payment to Item 8660-001-0462, payable from the  
 16 State Highway Account, State Transportation Fund..... 3,202,000  
 17 3,280,000

18  
 19 *SEC. 185. Item 8660-001-0046 of Section 2.00 of the Budget*  
 20 *Act of 2008 is amended to read:*

21  
 22 8660-001-0046—For support of Public Utilities Commission,  
 23 for payment to Item 8660-001-0462, payable from the  
 24 Public Transportation Account, State Transportation  
 25 Fund..... 3,341,000  
 26 3,423,000

27  
 28 *SEC. 186. Item 8660-001-0412 of Section 2.00 of the Budget*  
 29 *Act of 2008 is amended to read:*

30  
 31 8660-001-0412—For support of Public Utilities Commission,  
 32 for payment to Item 8660-001-0462, payable from the  
 33 Transportation Rate Fund..... 2,634,000  
 34 2,702,000

35  
 36 *SEC. 187. Item 8660-001-0461 of Section 2.00 of the Budget*  
 37 *Act of 2008 is amended to read:*

1 8660-001-0461—For support of Public Utilities Commission,  
 2 for payment to Item 8660-001-0462, payable from the  
 3 Public Utilities Commission Transportation Reimburse-  
 4 ment Account..... ~~10,411,000~~  
 5 *10,681,000*  
 6

7 *SEC. 188. Item 8660-001-0462 of Section 2.00 of the Budget*  
 8 *Act of 2008 is amended to read:*  
 9

10 8660-001-0462—For support of Public Utilities Commission,  
 11 payable from the Public Utilities Commission Utilities  
 12 Reimbursement Account..... ~~75,146,000~~  
 13 *77,148,000*

14 Schedule:

- 15 (1) 10-Regulation of Utilities..... ~~117,860,000~~  
 16 *120,360,000*
- 17 (2) 15-Universal Service Telephone Pro-  
 18 grams..... 663,655,000
- 19 (3) 20-Regulation of Transportation..... 19,588,000
- 20 (4) 30.01-Administration..... 29,123,000
- 21 (5) 30.02-Distributed Administration..... -29,123,000
- 22 (6) Reimbursements..... -14,874,000
- 23 (6.5) Reimbursement to the Office of  
 24 Ratepayer Advocates..... -3,910,000
- 25 (7) Amount payable from the State High-  
 26 way Account, State Transportation Fund  
 27 (Item 8660-001-0042)..... ~~-3,202,000~~  
 28 *-3,280,000*
- 29 (8) Amount payable from the Public Trans-  
 30 portation Account, State Transportation  
 31 Fund (Item 8660-001-0046)..... ~~-3,341,000~~  
 32 *-3,423,000*
- 33 (9) Amount payable from the Transporta-  
 34 tion Rate Fund (Item 8660-001-0412).... ~~-2,634,000~~  
 35 *-2,702,000*
- 36 (10) Amount payable from the Public Util-  
 37 ities Commission Transportation Re-  
 38 imbursement Account (Item 8660-001-  
 39 0461)..... ~~-10,411,000~~  
 40 *-10,681,000*

1	(11) Amount payable from California High-	
2	Cost Fund-A Administrative Commit-	
3	tee Fund (Item 8660-001-0464).....	-56,361,000
4	(12) Amount payable from California	
5	High-Cost Fund-B Administrative	
6	Committee Fund (Item 8660-001-	
7	0470).....	-196,148,000
8	(13) Amount payable from Universal	
9	Lifeline Telephone Service Trust	
10	Administrative Committee Fund	
11	(Item 8660-001-0471).....	-308,154,000
12	(14) Amount payable from Deaf and Dis-	
13	abled Telecommunications Program	
14	Administrative Committee Fund (Item	
15	8660-001-0483).....	-69,046,000
16	(15) Amount payable from Payphone Ser-	
17	vice Providers Committee Fund (Item	
18	8660-001-0491).....	-495,000
19	(16) Amount payable from California	
20	Teleconnect Fund Administrative	
21	Committee Fund (Item 8660-001-	
22	0493).....	-33,451,000
23	(17) Amount payable from the Federal Trust	
24	Fund (Item 8660-001-0890).....	-1,272,000
25	(18) Amount payable from the Public Util-	
26	ities Commission Ratepayer Advocate	
27	Account (Item 8660-001-3089).....	-22,658,000

28 Provisions:

- 29 1. The Public Utilities Commission shall require any
- 30 public utility requesting a merger to reimburse the
- 31 commission for those necessary expenses that the
- 32 commission incurs in its consideration of the proposed
- 33 merger.

34  
35 *SEC. 189. Item 8660-011-0470 is added to Section 2.00 of the*  
36 *Budget Act of 2008, to read:*

37  
38 *8660-011-0470—For transfer by the Controller from the Cali-*  
39 *fornia High-Cost Fund-B Administrative Committee Fund*  
40 *to the General Fund..... (35,000,000)*

1 Provisions:

2 1. The amount transferred in this item is a loan to the  
3 General Fund and shall be repaid by June 30, 2011.  
4 Repayment shall be made so as to ensure that the  
5 programs supported by the California High-Cost  
6 Fund-B Administrative Committee Fund are not ad-  
7 versely affected by the loan.  
8

9 SEC. 190. Item 8660-011-0471 is added to Section 2.00 of the  
10 Budget Act of 2008, to read:

11  
12 8660-011-0471—For transfer by the Controller from the Uni-  
13 versal Lifeline Telephone Service Trust Administrative  
14 Committee Fund to the General Fund..... (30,000,000)

15 Provisions:

16 1. The amount transferred in this item is a loan to the  
17 General Fund and shall be repaid by June 30, 2011.  
18 Repayment shall be made so as to ensure that the  
19 programs supported by the Universal Lifeline Tele-  
20 phone Service Trust Administrative Committee Fund  
21 are not adversely affected by the loan.  
22

23 SEC. 191. Item 8660-011-0483 is added to Section 2.00 of the  
24 Budget Act of 2008, to read:

25  
26 8660-011-0483—For transfer by the Controller from the Deaf  
27 and Disabled Telecommunications Program Administrative  
28 Committee Fund to the General Fund..... (85,000,000)

29 Provisions:

30 1. The amount transferred in this item is a loan to the  
31 General Fund and shall be repaid by June 30, 2011.  
32 Repayment shall be made so as to ensure that the  
33 programs supported by the Deaf and Disabled  
34 Telecommunications Program Administrative Commit-  
35 tee Fund are not adversely affected by the loan.  
36

37 SEC. 192. Item 8860-001-0001 of Section 2.00 of the Budget  
38 Act of 2008 is amended to read:

39  
40 8860-001-0001—For support of Department of Finance..... 16,243,000

1	Schedule:	
2	(1) 10-Annual Financial Plan.....	22,767,000
3	(2) 15-Statewide Systems Development.....	1,915,000
4	(3) 20-Program and Information System	
5	Assessments.....	12,699,000
6	(4) 30-Supportive Data.....	12,603,000
7	(5) 40.01-Administration.....	5,595,000
8		8,230,000
9	(6) 40.02-Distributed Administration.....	-5,595,000
10	(7) Reimbursements.....	-15,129,000
11		-19,679,000
12	(8) Amount payable from Unallocated	
13	Special Funds (Item 8860-011-0494)....	-547,000
14	(9) Amount payable from Unallocated Bond	
15	Funds—Select (Item 8860-011-0797)....	-120,000
16	(10) Amount payable from Other Unallocat-	
17	ed Nongovernmental Cost Funds (Item	
18	8860-011-0988).....	-327,000
19	(11) Amount payable from Local Streets and	
20	Road Improvement, Congestion Relief,	
21	and Traffic Safety Account of 2006,	
22	Highway Safety, Traffic Reduction, Air	
23	Quality, and Port Security Fund of 2006	
24	(Item 8860-001-6065).....	-119,000
25	(12) Amount payable from Central Service	
26	Cost Recovery Fund (Item 8860-001-	
27	9740).....	-15,584,000
28	Provisions:	
29	1. The funds appropriated in this item for CALSTARS	
30	shall be transferred by the Controller, upon order of	
31	the Director of Finance, or made available by the De-	
32	partment of Finance as a reimbursement, to other items	
33	and departments for CALSTARS-related activities by	
34	the Department of Finance.	
35	2. The funds appropriated in this act for purposes of	
36	CALSTARS-related data-processing costs may be	
37	transferred between any items in this act by the Con-	
38	troller upon order of the Director of Finance. Any	
39	funds so transferred shall be used only for support of	
40	CALSTARS-related data-processing costs incurred.	

- 1 3. Notwithstanding any other provision of law, the Direc-  
2 tor of Finance may authorize a loan from the General  
3 Fund to the Department of Finance for the purpose of  
4 meeting operational cashflow obligations for the  
5 2008–09 fiscal year. The loan shall not exceed the es-  
6 timated amount of uncollected reimbursements for the  
7 final quarter of the fiscal year.
- 8 4. From the funds appropriated in Schedule (3) for the  
9 purpose of evaluating and continuing development  
10 and enhancement of the Governor’s Budget Presenta-  
11 tion System (GBPS), the following provisions apply:
  - 12 (a) From time to time, but no later than December 1,  
13 2008, the Department of Finance shall update the  
14 Legislature on anticipated changes to the GBPS.  
15 In addition, the Department of Finance shall (1)  
16 no later than the approximate same time the  
17 Governor’s Budget is formally presented in elec-  
18 tronic or any other Web-based form, provide  
19 printed and bound hard copies of the Governor’s  
20 Budget and Governor’s Budget Summary as fol-  
21 lows: to the Legislative Analyst’s Office—45  
22 copies, the Office of the Legislative Counsel—  
23 six copies, offices of the Members of the Legisla-  
24 ture—120 copies, the Rules Committees of the  
25 Assembly and Senate—5 copies each, and the  
26 fiscal committees of the Legislature—60 copies,  
27 and (2) no later than four weeks after the Gover-  
28 nor’s Budget is formally presented in electronic  
29 or any other Web-based form, 131 printed and  
30 bound hard copies of the Governor’s Budget and  
31 Governor’s Budget Summary shall be provided  
32 as follows: two copies to the State Library, to en-  
33 sure that the State Librarian maintains at least one  
34 public copy and one for the permanent research  
35 collections, and 129 copies: one copy to each de-  
36 pository public library in the state. Additional  
37 copies, either bound or unbound, shall be available  
38 for purchase by the public based on the cost of  
39 producing the documents requested. Whenever  
40 the Department of Finance submits to the Legisla-



1 FISCAL project and the FISCAL Office until such time  
2 as the project and office obtain separate delegation  
3 approvals.

4 3. ~~The Financial Information System for California~~  
5 ~~(FISCAL) Project shall use the funds appropriated in~~  
6 ~~this item to prepare an updated Special Project Report~~  
7 ~~that includes the following analyses:~~

8 (a) ~~A review of past and current California informa-~~  
9 ~~tion technology projects with similar complexity~~  
10 ~~or business requirements to those of FISCAL in~~  
11 ~~order to identify factors that contributed to their~~  
12 ~~success or failure and to document the lessons~~  
13 ~~learned from these projects. This analysis shall~~  
14 ~~examine how these lessons can be applied to the~~  
15 ~~development of FISCAL in order to maximize its~~  
16 ~~chance for success and mitigate risks as appropri-~~  
17 ~~ate.~~

18 (b) ~~A review of project scope and procurement~~  
19 ~~strategies to determine which approaches provide~~  
20 ~~the most opportunity for successful system imple-~~  
21 ~~mentation and user acceptance.~~

22 (c) ~~A review of the FISCAL governance structure to~~  
23 ~~identify improvements that would strengthen the~~  
24 ~~project's executive management and sponsorship.~~  
25 ~~This review shall include an evaluation of whether~~  
26 ~~to increase the responsibility of the State Chief~~  
27 ~~Information Officer with respect to project man-~~  
28 ~~agement or sponsorship.~~

29 (d) ~~The development of an assessment strategy that~~  
30 ~~will identify key decision points throughout the~~  
31 ~~project and report them to the Legislature on a~~  
32 ~~timely basis in addition to periodic reporting at~~  
33 ~~predefined project milestones.~~

34 ~~The findings and recommendations from these~~  
35 ~~analyses shall be incorporated into an updated Special~~  
36 ~~Project Report to be delivered to the Legislature on or~~  
37 ~~before March 1, 2009. The Special Project Report shall~~  
38 ~~also contain a complete analysis of the business case~~  
39 ~~for, and a thorough risk assessment of, the preferred~~

1 procurement approach, including any necessary revisions to the project schedule and cost.

2  
3  
4 SEC. 194. Item 8940-001-0001 of Section 2.00 of the Budget Act of 2008 is amended to read:

5  
6  
7 8940-001-0001—For support of Military Department..... 39,155,000  
8 40,326,000

9 Schedule:

- 10 (1) 10-Army National Guard..... 71,658,000
- 11 (2) 20-Air National Guard..... 20,821,000
- 12 (3) 30.01-Office of the Adjutant General.... 10,786,000
- 13 (4) 30.02-Distributed Office of the Adjutant General..... -10,699,000
- 14 (5) 35-Military Support to Civil Authority..... 19,090,000
- 15 (6) 40-Military Retirement..... 3,035,000
- 16 (7) 50-California Cadet Corps..... 330,000
- 17 (8) 55-California State Military Reserve..... 456,000
- 18 (9) 65-California National Guard Youth Programs..... 16,592,000
- 19 (11) Reimbursements..... -18,870,000
- 20 (12) Amount payable from the Armory Discretionary Improvement Account (Item 8940-001-0485)..... -150,000
- 21 (13) Amount payable from the Federal Trust Fund (Item 8940-001-0890)..... -72,723,000
- 22 ~~(15) Amount payable from the Emergency Response Account (Item 8940-001-1014)..... -1,171,000~~

23 Provisions:

- 24 1. No expenditures shall be made from the funds appropriated in this item as a substitution for personnel, equipment, facilities, or other assistance, or for any portion thereof, that, in the absence of the expenditure, or of this appropriation, would be available to the Adjutant General of the State Military Forces, the California State Military, or the California State Military Reserve from the federal government.



1           2. Notwithstanding any other provision of law, the funds  
 2           appropriated in this item shall be available for expen-  
 3           diture until June 30, 2010. These funds shall be used  
 4           to supplement and not supplant existing services.

5  
 6           *SEC. 197. Item 9210-105-0001 is added to Section 2.00 of the*  
 7           *Budget Act of 2008, to read:*

8  
 9           9210-105-0001—*For local assistance, Local Government Fi-*  
 10           *nancing..... 31,500,000*

11           *Provisions:*

- 12           1. *For reimbursement of actual costs incurred by cities*  
 13           *and other entities for local detention facilities subven-*  
 14           *tions, charged pursuant to subdivision (a) of Section*  
 15           *29552 of the Government Code during the 2007–08*  
 16           *fiscal year. Any funds not disbursed shall revert to the*  
 17           *General Fund no later than June 30, 2009.*
- 18           2. *No later than December 1, 2008, the Controller shall*  
 19           *allocate the funds appropriated in this item to all eli-*  
 20           *gible cities and other entities, and shall certify to the*  
 21           *Director of Finance the actual amount of moneys allo-*  
 22           *cated for the payment of local detention facilities*  
 23           *subventions, as described in Section 29552 of the*  
 24           *Government Code. Any city or other entity that applies*  
 25           *for funding pursuant to this item shall comply with all*  
 26           *requests made by the Controller.*
- 27           3. *The Controller shall reduce payments proportionally*  
 28           *if the amount appropriated in this item is not sufficient*  
 29           *to pay all valid claims in full.*

30  
 31           *SEC. 198. Item 9350-104-6065 is added to Section 2.00 of the*  
 32           *Budget Act of 2008, to read:*

33  
 34           9350-104-6065—*Local assistance-shared revenues for support*  
 35           *of Local Streets and Road Improvement, Congestion Relief,*  
 36           *and Traffic Safety Account of 2006, Highway Safety, Traffic*  
 37           *Reduction, Air Quality, and Port Security Fund of 2006.... 187,000,000*

38           *Provisions:*

- 39           1. *The funds appropriated by this item are for allocation*  
 40           *to cities or a city and county.*

- 1     2. *The Controller shall allocate these funds to cities or*  
2     *a city and county, on a first-come, first-served basis,*  
3     *following notification from the Department of Finance*  
4     *that the city or city and county has submitted a com-*  
5     *plete plan for the expenditure of these funds, pursuant*  
6     *to subdivision (b) of Section 8879.65 of the Govern-*  
7     *ment Code.*
- 8     3. *For purposes of this item, the following conditions*  
9     *shall apply for cities or a city and county receiving*  
10    *funds:*
  - 11    (a) *A city or city and county shall have received its*  
12    *full allocation for the 2007–08 fiscal year.*
  - 13    (b) *A city or city and county shall have submitted in-*  
14    *formation for the 2007–08 fiscal year allocation*  
15    *as required in subdivision (c) of Section 8879.65*  
16    *of the Government Code.*
  - 17    (c) *A city or city and county shall agree that funds*  
18    *from the 2008–09 fiscal year allocation will be*  
19    *used for projects that are not currently fully*  
20    *funded with a dedicated funding source or*  
21    *sources.*
  - 22    (d) *A city or city and county shall agree to encumber*  
23    *funds from the 2008–09 fiscal year allocation*  
24    *before July 1, 2009.*
  - 25    (e) *A city or city and county shall report to the De-*  
26    *partment of Finance the total balance of unencum-*  
27    *bered funds in the city’s or city and county’s ex-*  
28    *isting account as described in subparagraphs (A)*  
29    *and (C) of paragraph (2) of subdivision (l) of*  
30    *Section 8879.23 of the Government Code.*
  - 31    (f) *A city or city and county shall certify that the total*  
32    *balance of unencumbered funds in the account as*  
33    *described in subparagraphs (A) and (C) of para-*  
34    *graph (2) of subdivision (l) of Section 8879.23 of*  
35    *the Government Code is no more than the sum*  
36    *balance of three months of anticipated income*  
37    *from the Highway Users Tax Account in the*  
38    *Transportation Tax Fund, as described in Sections*  
39    *2104, 2105, 2106, 2107, and 2107.5 of the Streets*  
40    *and Highways Code, and from the Transportation*

1            *Investment Fund, as described in Section 7104 of*  
 2            *the Revenue and Taxation Code. If a city or city*  
 3            *and county has an unencumbered balance that*  
 4            *exceeds the sum balance of the three months of*  
 5            *anticipated income from the Highway Users Tax*  
 6            *Account in the Transportation Tax Fund and the*  
 7            *Transportation Investment Fund, the city or city*  
 8            *and county shall reduce its existing unencumbered*  
 9            *road fund balance, before the next report submit-*  
 10           *ted to the Controller pursuant to Section 2151 of*  
 11           *the Streets and Highways Code, by either of the*  
 12           *following:*

- 13           (1) *By an amount equivalent to the allocation*  
 14           *received under this subdivision.*
- 15           (2) *Until the unencumbered balance is no more*  
 16           *than the sum balance of three months of an-*  
 17           *ticipated income from the Highway Users*  
 18           *Tax Account in the Transportation Tax Fund*  
 19           *and the Transportation Investment Fund.*
- 20           (g) *For the purpose of this item, “unencumbered”*  
 21           *means any portion of funding that is not designat-*  
 22           *ed, through prior approval by the city council,*  
 23           *for use on the planning, review, design, or con-*  
 24           *struction phase of a project currently underway*  
 25           *at the time of the road fund report.*

26  
 27           *SEC. 199. Section 4.07 of the Budget Act of 2008 is amended*  
 28           *to read:*

29           *Sec. 4.07. (a) The Director of Finance shall reduce General*  
 30           *Fund appropriations in the 2008–09 fiscal year by a total of*  
 31           *\$50,000,000. To the extent practical, these reductions shall capture*  
 32           *savings in departmental personal services budgets resulting from*  
 33           *position vacancies that, in the aggregate, exceed those estimated*  
 34           *for purposes of salary savings in each applicable appropriation*  
 35           *item. The reductions may include, but are not limited to, savings*  
 36           *related to the elimination of vacant positions in the 2008–09 fiscal*  
 37           *year or in other fiscal years pursuant to Section 12439 of the*  
 38           *Government Code.*

39           *(b) The Director of Finance shall not reduce, pursuant to*  
 40           *subdivision (a), the amounts appropriated for the following: higher*

1 education; the judicial branch; the Legislature; the Legislative  
2 Counsel Bureau; constitutional officers; debt service, including,  
3 but not limited to, tobacco settlement revenue shortfall, payment  
4 of interest on General Fund loans, and interest payments to the  
5 federal government; health and dental benefits for annuitants;  
6 equity claims before the California Victim Compensation and  
7 Government Claims Board; or augmentations for contingencies  
8 or emergencies, unless the savings identified would not negatively  
9 affect program needs as provided for in this act or current law, and  
10 provided that the affected entity or the state official responsible  
11 for that expenditure concurs with the reduction.

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

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

29 (e) If reductions related to position vacancies are not sufficient  
30 to reduce General Fund appropriations by a total of \$50,000,000,  
31 the Director of Finance shall make reductions that are not related  
32 to position vacancies in order to achieve the total reduction required  
33 in subdivision (a). In the report described in subdivision (d), the  
34 Director of Finance shall include a description of each reduction  
35 by department, agency, and program; whether those reductions  
36 are proposed to be one-time or ongoing; a description of any major  
37 programmatic effects related to those reductions; and any other  
38 description necessary to fully disclose the impact of those  
39 reductions.

1 (f) A state operations appropriation and a program, project, or  
2 function designated in any line of any schedule set forth by that  
3 appropriation may not be reduced pursuant to this section by more  
4 than 20 percent. A local assistance appropriation and a program,  
5 project, or function designated in any line of any schedule set forth  
6 by that appropriation may not be reduced pursuant to this section  
7 by more than 5 percent.

8 *SEC. 200. Section 12.40 of the Budget Act of 2008 is amended*  
9 *to read:*

10 Sec. 12.40. (a) Notwithstanding any other provision of law,  
11 not more than ~~40~~ 50 percent of the amount apportioned to any  
12 local educational agency under the programs funded in this act  
13 that were funded in Item 6110-230-0001 of Section 2.00 of Senate  
14 Bill 160 of the 1999–2000 Regular Session, as introduced on  
15 January 8, 1999, may be expended by that recipient for the  
16 purposes of any other program for which the recipient is eligible  
17 for funding under those items, except that the total amount of  
18 funding allocated to the recipient under this item that is expended  
19 by the recipient for the purposes of any of those programs shall  
20 not exceed ~~45~~ 155 percent of the amount of state funding allocated  
21 pursuant to the appropriations to that recipient for those programs  
22 in this act for the fiscal year. Notwithstanding any other provision  
23 of law, for the fiscal year, local educational agencies may also use  
24 this authority to provide the funds necessary to initiate a conflict  
25 resolution program pursuant to Chapter 2.5 (commencing with  
26 Section 32260) of Part 19 of Division 1 of Title 1 of the Education  
27 Code, and to continue to support following the three-to-five year  
28 state grant period.

29 (b) The education programs that are eligible for the flexibility  
30 provided in subdivision (a) included the following items: Items  
31 6110-111-0001, 6110-122-0001, 6110-124-0001, 6110-150-0001,  
32 6110-167-0001, 6110-181-0001, 6110-193-0001, 6110-209-0001,  
33 and 6110-224-0001 of Section 2.00.

34 (c) Notwithstanding any other provision of law, not more than  
35 ~~40~~ 50 percent of the amount apportioned to any local educational  
36 agency from each of Items 6110-111-0001, 6110-122-0001,  
37 6110-124-0001, 6110-167-0001, 6110-181-0001, 6110-193-0001,  
38 6110-209-0001, and 6110-224-0001 may be expended by that  
39 recipient for programs in Items 6110-119-0001 , 6110-128-0001,  
40 and 6110-203-0001 so that the total expended does not exceed ~~45~~

1 155 percent of the state funding for the programs in Items  
2 6110-119-0001 , 6110-128-0001, and 6110-203-0001 for the 2008–  
3 09 fiscal year.

4 (d) As a condition of receiving the funds provided for the  
5 programs identified in subdivision (b), local educational agencies  
6 shall report to the State Department of Education by October 15  
7 of each year, on any amounts shifted between these programs  
8 pursuant to the flexibility provided in subdivision (a). The State  
9 Department of Education shall collect and provide this information  
10 to the Joint Legislative Budget Committee, chairpersons and vice  
11 chairpersons of the fiscal committees of each house of the  
12 Legislature for education, and the Department of Finance by  
13 February 1 of each year.

14 *SEC. 201. Section 24.85 of the Budget Act of 2008 is amended*  
15 *to read:*

16 Sec. 24.85. (a) Notwithstanding any other provision of law,  
17 the Director of Finance is authorized to reimburse General Fund  
18 expenditures for the purpose of offsetting the costs of the  
19 Home-to-School Transportation Program for the 2008–09 fiscal  
20 year from the Public Transportation Account. A sum not to exceed  
21 ~~\$271,545,000~~ \$588,826,000 from the Public Transportation  
22 Account may be used to reimburse General Fund expenditures for  
23 the Home-to-School Transportation Program. The total  
24 reimbursement shall not reduce the balance in the Public  
25 Transportation Account below a prudent reserve as determined by  
26 the Director of Finance.

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

29 (c) Funds provided from the Public Transportation Account for  
30 this purpose are derived from the sales tax on fuels and are  
31 dedicated to mass transportation purposes pursuant to Section  
32 99310.5 of the Public Utilities Code. The Legislature hereby finds  
33 that transporting students to schools is a component of the state’s  
34 mass transportation program.

35 *SEC. 202. Section 35.20 is added to the Budget Act of 2008,*  
36 *to read:*

37 *Sec. 35.20. If legislation is enacted amending Section 13302*  
38 *of the Government Code to allow the accrual of tax payments due*  
39 *more than two months after the close of the fiscal year for*  
40 *transactions occurring in the prior fiscal year, the Department of*

1 *Finance shall provide guidance pursuant to Section 13310 of the*  
2 *Government Code with respect to the methodology to be employed*  
3 *in determining accruals and the timing of implementation of any*  
4 *changes in tax accrual practices. One-third of the change to*  
5 *accrual treatment of corporation and franchise tax payments shall*  
6 *apply to the 2007–08 fiscal year and the balance of the change*  
7 *shall be applied to the 2008–09 fiscal year and subsequent fiscal*  
8 *years.*

9 *SEC. 203. Section 35.50 of the Budget Act of 2008 is amended*  
10 *to read:*

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

16 *(b) For purposes of subdivision (f) of Section 12 of Article IV*  
17 *of the California Constitution, “all appropriations from the General*  
18 *Fund for that fiscal year” shall not include any transfer to the*  
19 *Budget Stabilization Account to retire Economic Recovery Bonds*  
20 *because that amount is reflected in the “amount of any General*  
21 *Fund moneys transferred to the Budget Stabilization Account.”*

22 *(c) For purposes of subdivision (f) of Section 12 of Article IV*  
23 *of the California Constitution, the estimate of General Fund*  
24 *revenues for the 2008–09 fiscal year pursuant to this act, as passed*  
25 *by the Legislature, is ~~\$107,711,233,000~~ \$101,830,000,000.*

26 *(d) For purposes of subdivision (b) of Section 20 of Article XVI*  
27 *of the California Constitution, General Fund revenues shall be*  
28 *defined as revenues and transfers before any transfer to the Budget*  
29 *Stabilization Account, excluding any proceeds from Economic*  
30 *Recovery Bonds, as estimated in the enacted State Budget.*

31 *SEC. 204. Sections 1 to 203, inclusive, of this act shall become*  
32 *operative only if the Budget Act of 2008, Assembly Bill 1781, as*  
33 *proposed by Conference Report No. 1 on July 17, 2008, is enacted*  
34 *and becomes effective on or before January 1, 2009.*

35 *SEC. 205. This act is an urgency statute necessary for the*  
36 *immediate preservation of the public peace, health, or safety within*  
37 *the meaning of Article IV of the Constitution and shall go into*  
38 *immediate effect. The facts constituting the necessity are:*

39 *This act makes appropriations for the support of the government*  
40 *of the State of California and for several public purposes for the*

1 2008–09 fiscal year. It is imperative that these appropriations be  
2 made effective as soon as possible. It is therefore necessary that  
3 this act go into immediate effect.

4 ~~SECTION 1. It is the intent of the Legislature to enact statutory~~  
5 ~~changes relating to the Budget Act of 2008.~~

O