

Assembly Bill No. 121

Passed the Assembly June 28, 2011

Chief Clerk of the Assembly

Passed the Senate June 28, 2011

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2011, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend the Budget Act of 2011 by adding Sections 3.94 and 3.97 to that act, relating to the State Budget, to take effect immediately, Budget Bill.

LEGISLATIVE COUNSEL'S DIGEST

AB 121, Committee on Budget. Budget Act of 2011.

Existing law requires the Legislature to pass a Budget Bill making appropriations for the support of state government for the ensuing fiscal year.

This bill would amend the Budget Act of 2011 to require the Director of Finance to forecast General Fund revenues for the 2011–12 fiscal year by December 15, 2011, and to determine whether that revenue forecast or the Legislative Analyst's November 2011 General Fund revenue forecast is higher. Under this bill, the Director of Finance would be required to make reductions to specified items of appropriation if the higher revenue forecast is less than \$87,452,500,000 and to make additional reductions to specified items of appropriation if the higher revenue forecast is less than \$86,452,500,000.

This bill would also provide that items of appropriation in the Budget Act of 2011 shall be reduced as appropriate to reflect any funds used from the Trial Court Security Account, the Social Services Subaccount, or from other accounts or subaccounts of the Local Revenue Fund 2011, and would require the Director of Finance to allocate the necessary reductions to each item of appropriation to accomplish the reductions required by this bill.

This bill would declare that it is to take effect immediately as a Budget Bill.

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

SECTION 1. Section 3.94 is added to the Budget Act of 2011, to read:

Sec. 3.94. (a) Not later than December 15, 2011, the Director of Finance shall forecast General Fund revenues for the 2011–12 fiscal year and shall determine whether that revenue forecast or

the Legislative Analyst's November 2011 General Fund revenue forecast is higher. The Director of Finance shall notify the Joint Legislative Budget Committee of the determination and the amount of the higher forecast.

(b) If the higher revenue forecast determined pursuant to subdivision (a) projects General Fund revenues for the 2011–12 fiscal year of less than \$87,452,500,000, the Director of Finance shall do all of the following on or after January 1, 2012:

(1) Reduce Item 0690-102-0001 of Section 2.00 by not more than \$15,000,000.

(2) Reduce Item 4300-101-0001 of Section 2.00 by not more than \$100,000,000.

(3) Reduce Item 5180-111-0001 of Section 2.00 by not more than \$10,000,000.

(4) Reduce Item 5225-001-0001 of Section 2.00 by not more than \$20,000,000.

(5) Reduce Items 6110-194-0001 and 6110-196-0001 of Section 2.00 by not more than \$23,000,000 in the aggregate.

(6) Reduce Item 6120-150-0001 of Section 2.00 by not more than \$450,000.

(7) Reduce Item 6120-160-0001 of Section 2.00 by not more than \$216,000.

(8) Reduce Item 6120-211-0001 of Section 2.00 by not more than \$8,500,000.

(9) Reduce Item 6120-213-0001 of Section 2.00 by not more than \$3,700,000.

(10) Reduce Item 6120-221-0001 of Section 2.00 by not more than \$3,000,000.

(11) Reduce Item 6440-001-0001 of Section 2.00 by not more than \$100,000,000.

(12) Reduce Item 6610-001-0001 of Section 2.00 by not more than \$100,000,000.

(13) Reduce Item 6870-101-0001 of Section 2.00 by not more than \$30,000,000.

(c) If the higher revenue forecast determined pursuant to subdivision (a) projects General Fund revenues for the 2011–12 fiscal year of less than \$86,452,500,000, the Director of Finance, in addition to the reductions specified in subdivision (b), shall do both of the following on or after January 1, 2012:

(1) Reduce Item 6110-111-0001 of Section 2.00 by not more than \$248,000,000.

(2) Reduce Item 6870-101-0001 of Section 2.00 by not more than \$72,000,000.

(d) Within 10 days of any reduction made pursuant to this section, the Director of Finance shall notify the Joint Legislative Budget Committee of the reduction.

SEC. 2. Section 3.97 is added to the Budget Act of 2011, to read:

Sec. 3.97. (a) Items 0250-101-0932 and 0250-111-0001 of Section 2.00 shall be reduced by the Director of Finance, as appropriate, to reflect any funds used from the Trial Court Security Account in the Local Revenue Fund 2011.

(b) Items 5225-001-0001 and 5225-002-0001 of Section 2.00 shall be reduced or offset by the Director of Finance, as appropriate, to (1) reflect any reimbursement of funds received from the Local Revenue Fund 2011 for costs incurred by the Department of Corrections and Rehabilitation for and in relation to the implementation of Chapter 15 of the Statutes of 2011, and (2) to reflect the state savings due to the implementation of Chapter 15 of the Statutes of 2011.

(c) Notwithstanding any other law, and in addition to the reductions authorized by subdivisions (a) and (b), each item of appropriation in Section 2.00 shall be reduced as appropriate to reflect any funds used from the accounts or subaccounts in the Local Revenue Fund 2011 or from the Social Services Subaccount in the Local Revenue Fund pursuant to subdivision (b) of section 17601.20 of the Welfare and Institutions Code. The Director of Finance shall allocate the necessary reductions to each item of appropriation to accomplish the reductions required by this subdivision.

SEC. 3. This act is a Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution and shall take effect immediately.

Approved _____, 2011

Governor