

AMENDED IN SENATE JUNE 14, 2012

AMENDED IN SENATE JUNE 13, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 1495

Introduced by Committee on Budget (Blumenfield (Chair), Alejo, Bonilla, Brownley, Buchanan, Butler, Cedillo, Chesbro, Dickinson, Feuer, Gordon, Huffman, Mitchell, Monning, and Swanson)

January 10, 2012

An act to amend the Budget Act of 2012 by amending Items 0820-011-8071, 2660-401, *3480-001-3046*, and 5180-101-0001 of, and by repealing Item 3500-403 of, Section 2.00 of, *and by amending Section 35.50 of*, that act, relating to the state budget, and making an appropriation therefor, to take effect immediately, budget bill.

LEGISLATIVE COUNSEL'S DIGEST

AB 1495, as amended, Committee on Budget. Budget Act of 2012.

The Budget Bill, enacted as the Budget Act of 2012, would make appropriations for the support of state government for the 2012–13 fiscal year.

This bill would amend the Budget Act of 2012 by revising items of appropriation, loans, and transfers of moneys specified in the Budget Act of 2012.

This bill would become operative only if AB 1464 or SB 1004 is enacted as the Budget Act of 2012.

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

Vote: majority. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

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

1 SECTION 1. Item 0820-011-8071 of Section 2.00 of the Budget
2 Act of 2012 is amended to read:

3
4 0820-011-8071—For transfer by the Controller, upon order of
5 the Director of Finance, from the National Mortgage Spe-
6 cial Deposit Fund to the General Fund..... (50,000,000)

7 Provisions:
8 1. The amount transferred in this item is a loan to the
9 General Fund and shall be repaid upon the order of
10 the Director of Finance by June 30, 2014, to be used
11 to reimburse the General Fund for purposes consistent
12 with the National Mortgage Settlement.

13
14 SEC. 2. Item 2660-401 of Section 2.00 of the Budget Act of
15 2012 is amended to read:

16
17 2660-401—Notwithstanding the provisions of the following
18 items, the loans authorized by those items shall be repaid
19 as follows:

20
21 1.5. \$50,000,000 from Item 2660-011-0042, State Highway
22 Account, State Transportation Fund, Budget Act of
23 2008 (Chs. 268 and 269, Stats. 2008), as amended by
24 Item 2660-401, Budget Act of 2010 (Ch. 712, Stats.
25 2010), shall be repaid by June 30, 2016, upon order
26 of the Director of Finance.

27 2. \$6,000,000 from Item 2660-011-0045, Bicycle
28 Transportation Account, State Transportation Fund,
29 Budget Act of 2008 (Chs. 268 and 269, Stats. 2008),
30 as amended by Item 2660-401, Budget Act of 2010
31 (Ch. 712, Stats. 2010), shall be repaid by June 30,
32 2017, upon order of the Director of Finance.

33 3. \$7,500,000 from Item 2660-011-0052, Local Airport
34 Loan Account, Budget Act of 2008 (Chs. 268 and 269,
35 Stats. 2008), as amended by Item 2660-401, Budget

- 1 Act of 2010 (Ch. 712, Stats. 2010), shall be repaid by
- 2 June 30, 2017, upon order of the Director of Finance.
- 3 4. \$8,000,000 from Item 2660-011-0061, Motor Vehicle
- 4 Fuel Account, Transportation Tax Fund, Budget Act
- 5 of 2008 (Chs. 268 and 269, Stats. 2008), as amended
- 6 by Item 2660-401, Budget Act of 2010 (Ch. 712, Stats.
- 7 2010), shall be repaid by June 30, 2017, upon order
- 8 of the Director of Finance.
- 9 5. \$4,400,000 from Item 2660-011-0183, Environmental
- 10 Enhancement and Mitigation Program Fund, Budget
- 11 Act of 2008 (Chs. 268 and 269, Stats. 2008), as
- 12 amended by Item 2660-401, Budget Act of 2010 (Ch.
- 13 712, Stats. 2010), shall be repaid by June 30, 2017,
- 14 upon order of the Director of Finance.
- 15 6. \$2,000,000 from Item 2660-011-0365, Historic Prop-
- 16 erty Maintenance Fund, Budget Act of 2008 (Chs. 268
- 17 and 269, Stats. 2008), as amended by Item 2660 -401,
- 18 Budget Act of 2010 (Ch. 712, Stats. 2010), shall be
- 19 repaid by June 30, 2014, upon order of the Director
- 20 of Finance.
- 21 7. \$1,715,000 from Item 2660-011-2500, Pedestrian
- 22 Safety Account, State Transportation Fund, Budget
- 23 Act of 2008 (Chs. 268 and 269, Stats. 2008), as
- 24 amended by Item 2660-401, Budget Act of 2010 (Ch.
- 25 712, Stats. 2010), shall be repaid by June 30, 2017,
- 26 upon order of the Director of Finance.
- 27
- 28

29 *SEC. 3. Item 3480-001-3046 of Section 2.00 of the Budget Act*
 30 *of 2012 is amended to read:*

31

32 3480-001-3046—For support of Department of Conservation....	34,605,000
33 Schedule:	
34 (1) 10-Geologic Hazards and Mineral Re-	
35 sources Conservation.....	24,252,000
36 (2) 20-Oil, Gas, and Geothermal Re-	
37 sources.....	36,468,000
38 (3) 30-Land Resource Protection.....	5,620,000
39 (4) 40.01-Administration.....	11,677,000
40 (5) 40.02-Distributed Administration.....	-11,677,000

1	(6) 60-Office of Mine Reclamation.....	8,381,000
2	(7) Reimbursements.....	- 8,575,000
3	(7.5) Amount payable from the General	
4	Fund (Item 3480-001-0001).....	- 3,672,000
5	(8) Amount payable from the Surface Min-	
6	ing and Reclamation Account (Item	
7	3480-001-0035).....	-2,254,000
8	(9) Amount payable from the State High-	
9	way Account, State Transportation Fund	
10	(Item 3480-001-0042).....	-12,000
11	(10) Amount payable from the Soil Conser-	
12	vation Fund (Item 3480-001-0141).....	-1,484,000
13	(11) Amount payable from the Hazardous	
14	and Idle-Deserted Well Abatement	
15	Fund (Section 3206 of the Public Re-	
16	sources Code).....	-106,000
17	(12) Amount payable from the Mine Recla-	
18	mation Account (Item 3480-001-	
19	0336).....	-4,333,000
20	(13) Amount payable from the Strong-Mo-	
21	tion Instrumentation and Seismic Haz-	
22	ards Mapping Fund (Item 3480-001-	
23	0338).....	-8,801,000
24	(13.5) Amount payable from the California	
25	Farmland Conservancy Program	
26	Fund (Item 3480-001-0867).....	-134,000
27	(14) Amount payable from the Federal Trust	
28	Fund (Item 3480-001-0890).....	-2,992,000
29	(15) Amount payable from the Bosco-Keene	
30	Renewable Resources Investment Fund	
31	(Item 3480-001-0940).....	-2,223,000
32	(16) Amount payable from the Abandoned	
33	Mine Reclamation and Minerals Fund	
34	Subaccount, Mine Reclamation Account	
35	(Item 3480-001-3025).....	-541,000
36	(17) Amount payable from the Acute Orphan	
37	Well Account, Oil, Gas, and Geother-	
38	mal Administrative Fund (Item 3480-	
39	001-3102).....	-805,000

1	(17.5) Amount payable from the Timber	
2	Regulation and Forest Restoration	
3	Fund (Item 3480-001-3212).....	-1,219,000
4	(18) Amount payable from the Agriculture	
5	and Open Space Mapping Subaccount	
6	(Item 3480-001-6004).....	-404,000
7	(19) Amount payable from the California	
8	Clean Water, Clean Air, Safe Neighbor-	
9	hood Parks, and Coastal Protection	
10	Fund (Item 3480-001-6029).....	-503,000
11	(20) Amount payable from the Water Secu-	
12	rity, Clean Drinking Water, Coastal and	
13	Beach Protection Fund of 2002 (Item	
14	3480-001-6031).....	-420,000
15	(21) Amount payable from the Safe Drinking	
16	Water, Water Quality and Supply,	
17	Flood Control, River and Coastal Pro-	
18	tection Fund of 2006 (Item 3480-001-	
19	6051).....	-1,638,000

Provisions:

- 21 1. Notwithstanding any other provision of law, upon ap-
 22 proval and order of the Department of Finance, the
 23 Department of Conservation may borrow sufficient
 24 funds, from special funds that otherwise provide sup-
 25 port for the department, to meet cashflow needs due
 26 to delays in collecting reimbursements. Any loan made
 27 by the Department of Finance pursuant to this provi-
 28 sion may be made only if the Department of Conser-
 29 vation has a valid contract or certification signed by
 30 the client agency, which demonstrates that sufficient
 31 funds will be available to repay the loan. All moneys
 32 so transferred shall be repaid to the special fund as
 33 soon as possible, but not later than one year from the
 34 date of the loan.
- 35 2. ~~Of the amount appropriated in this item, a portion may~~
 36 ~~be used for the collection and public dissemination of~~
 37 ~~information related to hydraulic fracturing activities~~
 38 ~~occurring in the state.~~

39

1 ~~SEC. 3.~~
2 *SEC. 4.* Item 3500-403 of Section 2.00 of the Budget Act of
3 2012 is repealed.

4 ~~SEC. 4.~~
5 *SEC. 5.* Item 5180-101-0001 of Section 2.00 of the Budget Act
6 of 2012 is amended to read:

7
8 5180-101-0001—For local assistance, Department of Social
9 Services..... 887,601,000

10 Schedule:

- 11 (1) 16.30-CalWORKs..... 3,077,847,000
- 12 (2) 16.65-Other Assistance Payments.... 1,707,423,000
- 13 (3) Reimbursements..... -759,000
- 14 (4) Amount payable from the Emergency
15 Food Assistance Program Fund (Item
16 5180-101-0122)..... -640,000
- 17 (5) Amount payable from the Federal
18 Trust Fund (Item 5180-101-
19 0890)..... -3,886,424,000
- 20 (6) Amount payable from the Child Support
21 Collections Recovery Fund (Item 5180-
22 101-8004)..... -9,846,000

23 Provisions:

- 24 1. (a) No funds appropriated in this item shall be encum-
25 bered unless every rule or regulation adopted and
26 every all-county letter issued by the State Depart-
27 ment of Social Services that adds to the costs of
28 any program is approved by the Department of
29 Finance as to the availability of funds before it
30 becomes effective. In making the determination
31 as to availability of funds to meet the expenditures
32 of a rule, regulation, or all-county letter that would
33 increase the costs of a program, the Department
34 of Finance shall consider the amount of the pro-
35 posed increase on an annualized basis, the effect
36 the change would have on the expenditure limita-
37 tions for the program set forth in this act, the ex-
38 tent to which the rule, regulation, or all-county
39 letter constitutes a deviation from the premises
40 under which the expenditure limitations were

- 1 prepared, and any additional factors relating to
2 the fiscal integrity of the program or the state's
3 fiscal situation.
- 4 (b) Notwithstanding Sections 28.00 and 28.50, the
5 availability of funds contained in this item for
6 rules, regulations, or all-county letters that add to
7 program costs funded from the General Fund in
8 excess of \$500,000 on an annual basis, including
9 those that are the result of a federal regulation,
10 but excluding those that are (a) specifically re-
11 quired as a result of the enactment of a federal or
12 state law or (b) included in the appropriation made
13 by this act, shall not be approved by the Depart-
14 ment of Finance sooner than 30 days after notifi-
15 cation in writing to the chairpersons of the com-
16 mittees in each house of the Legislature that con-
17 sider appropriations and the Chairperson of the
18 Joint Legislative Budget Committee, or sooner
19 than such lesser time after notification as the
20 chairperson of the joint committee, or his or her
21 designee, may in each instance determine.
- 22 2. Notwithstanding Chapter 1 (commencing with Section
23 18000) of Part 6 of Division 9 of the Welfare and In-
24 stitutions Code, a loan not to exceed \$500,000,000
25 shall be made available from the General Fund, from
26 funds not otherwise appropriated, to cover the federal
27 share of costs of a program or programs when the
28 federal funds have not been received by this state prior
29 to the usual time for transmitting that federal share to
30 the counties of this state. This loan from the General
31 Fund shall be repaid when the federal share of costs
32 for the program or programs becomes available.
- 33 3. The Department of Finance may authorize the transfer
34 of amounts from this item to Item 5180-001-0001 in
35 order to fund the costs of the administrative hearing
36 process associated with the CalWORKs program.
- 37 4. (a) The Department of Finance is authorized to ap-
38 prove expenditures in those amounts made neces-
39 sary by changes in either caseload or payments,
40 including, but not limited to, the timing of federal

1 payments, or any rule or regulation adopted and
 2 any all-county letter issued as a result of the enact-
 3 ment of a federal or state law, the adoption of a
 4 federal regulation, or a court action, during the
 5 2012–13 fiscal year that are within or in excess
 6 of amounts appropriated in this act for that year.

7 (b) If the Department of Finance determines that the
 8 estimate of expenditures will exceed the expendi-
 9 tures authorized for this item, the department shall
 10 so report to the Legislature. At the time the report
 11 is made, the amount of the appropriation made in
 12 this item shall be increased by the amount of the
 13 excess unless and until otherwise provided by
 14 law.

15 5. Nonfederal funds appropriated in this item which have
 16 been budgeted to meet the state’s Temporary Assis-
 17 tance for Needy Families maintenance-of-effort require-
 18 ment established pursuant to the federal Personal Re-
 19 sponsibility and Work Opportunity Reconciliation Act
 20 of 1996 (P.L. 104-193) may not be expended in any
 21 way that would cause their disqualification as a feder-
 22 ally allowable maintenance-of-effort expenditure.

23 6. In the event of declared disaster and upon county re-
 24 quest, the State Department of Social Services may
 25 act in the place of any county and assume direct respon-
 26 sibility for the administration of eligibility and grant
 27 determination. Upon recommendation of the Director
 28 of Social Services, the Department of Finance may
 29 authorize the transfer of funds from this item and Item
 30 5180-101-0890, to Items 5180-001-0001 and 5180-
 31 001-0890, for this purpose.

32 7. Pursuant to the Electronic Benefit Transfer (EBT) Act
 33 (Chapter 3 (commencing with Section 10065) of Part
 34 1 of Division 9 of the Welfare and Institutions Code)
 35 and in accordance with the EBT System regulations
 36 (Manual of Policies and Procedures Section 16-
 37 401.15), in the event a county fails to reimburse the
 38 EBT contractor for settlement of EBT transactions
 39 made against the county’s cash assistance programs,
 40 the state is required to pay the contractor. The State

1 Department of Social Services may use funds from
 2 this item to reimburse the EBT contractor for settle-
 3 ment on behalf of the county. The county shall be re-
 4 quired to reimburse the department for the county’s
 5 settlement via direct payment or administrative offset.
 6 8. The Department of Finance is authorized to approve
 7 expenditures for the California Food Assistance Pro-
 8 gram in those amounts made necessary by changes in
 9 the CalFresh Program Standard Utility Allowance,
 10 including those that result from midyear Standard
 11 Utility Allowance adjustments requested by the state.
 12 If the Department of Finance determines that the esti-
 13 mate of expenditures will exceed the expenditure au-
 14 thority of this item, the department shall so report to
 15 the Legislature. At the time the report is made, the
 16 amount of the appropriation made in this item shall
 17 be increased by the amount of the excess unless and
 18 until otherwise provided by law.

19
 20 *SEC. 6. Section 35.50 of the Budget Act of 2012 is amended*
 21 *to read:*

22 SEC. 35.50. (a) For purposes of paragraph (1) of subdivision
 23 (f) of Section 10, and subdivision (g) of Section 12, of Article IV
 24 of the California Constitution, “General Fund revenues” means
 25 the total resources available to the General Fund for a fiscal year
 26 before any transfer to the Budget Stabilization Account.

27 (b) For purposes of subdivision (g) of Section 12 of Article IV
 28 of the California Constitution, “all appropriations from the General
 29 Fund for that fiscal year” shall not include any transfer to the
 30 Budget Stabilization Account to retire Economic Recovery Bonds
 31 because that amount is reflected in the “amount of any General
 32 Fund moneys transferred to the Budget Stabilization Account.”

33 (c) For purposes of subdivision (g) of Section 12 of Article IV
 34 of the California Constitution, the estimate of General Fund
 35 revenues for the 2012–13 fiscal year pursuant to this act, as passed
 36 by the Legislature, is ~~\$94,403,500,000~~ \$93,343,000,000.

37 (d) For purposes of subdivision (b) of Section 20 of Article XVI
 38 of the California Constitution, General Fund revenues shall be
 39 defined as revenues and transfers before any transfer to the Budget

1 Stabilization Account, excluding any proceeds from Economic
2 Recovery Bonds, as estimated in the enacted State Budget.

3 (e) Except as provided in this subdivision, the net final payment
4 accrual methodology shall not be implemented with regard to
5 revenue for the 2012–13 and prior fiscal years.

6 The net final payment accrual methodology shall be implemented
7 with regard to any change in state law which is enacted during
8 2012.

9 ~~SEC. 5.~~

10 *SEC. 7.* Sections 1 to ~~4~~ 6, inclusive, of this act shall become
11 operative only if Assembly Bill 1464 or Senate Bill 1004 of the
12 2011–12 Regular Session is enacted as the Budget Act of 2012.

13 ~~SEC. 6.~~

14 *SEC. 8.* This act is a Budget Bill within the meaning of
15 subdivision (e) of Section 12 of Article IV of the California
16 Constitution and shall take effect immediately.