

# SUBCOMMITTEE NO. 2

# Agenda

Senator Bob Wieckowski, Chair  
 Senator Mike McGuire  
 Senator Jim Nielsen  
 Senator Henry I. Stern



**Thursday, May 17, 2018**  
**9:30 a.m. or Upon Adjournment of Session**  
**State Capitol - Room 112**

Consultants: Joanne Roy and James Hacker

## OUTCOMES

VOTE-ONLY CALENDAR		
Issue		Page
	<b>0540 Secretary of the Natural Resources Agency</b> <b>3125 California Tahoe Conservancy</b> <b>3340 California Conservation Corps</b> <b>3480 Department of Conservation</b> <b>3540 Department of Forestry and Fire Protection</b> <b>3600 Department of Fish and Wildlife</b> <b>3640 Wildlife Conservation Board</b> <b>3760 State Coastal Conservancy</b> <b>3790 Department of Parks and Recreation</b> <b>3810 Santa Monica Mountains Conservancy</b> <b>3825 San Gabriel and Lower Los Angeles River and Mountains Conservancy</b> <b>3835 Baldwin Hills Conservancy</b> <b>3855 Sierra Nevada Conservancy</b> <b>3860 Department of Water Resources</b> <b>3875 Sacramento-San Joaquin Delta Conservancy</b> <b>3940 State Water Resources Control Board</b> <b>8570 California Department of Food and Agriculture</b> <b>0540 Ocean Protection Council</b>	
1	The Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2017 (SB 5): Budget Change Proposals <b>3-1 (Nielsen: No)</b>	5
<b>0540</b>	<b>California Natural Resources Agency (Various Departments)</b>	10
2	Forest Carbon Plan Implementation <b>4-0</b>	10
<b>3540</b>	<b>Department of Forestry and Fire Prevention</b>	11
3	Climate Change Fire Severity <b>4-0</b>	11
	<i>(Continued on Next Page)</i>	

4	Office of the State Fire Marshal, Fire and Life Safety Division 4-0	11
5	Fireworks Program (BCP and TBL) 4-0	11
<b>3790</b>	<b>Department of Parks and Recreation</b>	12
6	California Indian Heritage Center (BCP and TBL) 3-1 (Nielsen: No)	12
<b>3820</b>	<b>San Francisco Bay Conservation and Development Commission</b>	12
7	Relocation to Bay Area Metro Center 3-1 (Nielsen: No)	12
<b>3860</b>	<b>Department of Water Resources</b>	12
8	Joint Operations Center Relocation 3-1 (Nielsen: No)	12
9	Flood Control Infrastructure (BCP and TBL) 4-0	13
10	Open and Transparent Water Data Act (AB 1755) 4-0	13
<b>3600</b>	<b>Department of Fish and Wildlife</b>	13
11	Restructuring the Fish and Game Preservation Fund 3-0 (Stern abstained)	13
<b>3900</b>	<b>Air Resources Board</b>	14
12	Agricultural Diesel Engine Replacement and Upgrades 4-0	14
13	Advanced Payment: TBL 3-1 (Nielsen: No)	14
<b>3930</b>	<b>Department of Pesticide Regulation</b>	14
14	Improved California Environmental Quality Act Notification for Pesticide Registration 3-1 (Nielsen: No)	14
<b>3970</b>	<b>Department of Resources Recycling and Recovery</b>	14
15	Disaster Recovery Assistance Program 3-0 (McGuire abstained)	14
<b>3940</b>	<b>State Water Resources Control Board</b>	15
16	Administrative Hearings Office (BCP and TBL) 4-0	15
<b>3960</b>	<b>Department of Toxic Substances Control</b>	15
17	BKK Third Party Initiative 3-1 (Nielsen: No)	15
18	Cost Recovery Management System 3-1 (Nielsen: No)	15
19	National Priorities List and State Orphan Sites 3-1 (Nielsen: No)	16
20	Lead-Acid Battery Program Implementation 3-1 (Nielsen: No)	16
21	Enforcement in Vulnerable Communities 4-0	16
22	Safe Consumer Products Implementation 4-0	16
23	Exide Enforcement Order 3-1 (Nielsen: No)	16
<b>8570</b>	<b>California Department of Food and Agriculture</b>	17
24	Nutria Detection and Survey 3-1 (Nielsen: No)	17
25	Citrus Pest and Disease Prevention Program 4-0	17
<i>(Continued on Next Page)</i>		

	<b>Greenhouse Gas Reduction Fund</b>	17
26	Cap-and-Trade Expenditure Plan	17
	Motion 1: Local Fire Suppression: 1-2 (Nielsen & McGuire: No. Stern: Abstained)	
	Motion 2: All other components of Senate Proposal: 3-1 (Nielsen: No)	
<b>3940</b>	<b>State Water Resources Control Board</b>	19
<b>8570</b>	<b>Department of Food and Agriculture</b>	
27	Safe and Affordable Drinking Water	19
	Motion 1: Two-year limited term \$1.6 General Fund and one-time \$68.5 million General Fund: 4-0	
	Motion 2: \$45 million Proposition 2: 3-1 (Nielsen: No)	
<b>3360</b>	<b>California Energy Commission</b>	20
28	Energy Resources Program Account Structural Deficit Relief 3-1 (Nielsen: No)	20
29	Agricultural Energy Efficiency Program 3-1 (Nielsen: No)	21
30	Disadvantaged Community Advisory Group 3-1 (Nielsen: No)	21
31	Zero Emission Vehicle Infrastructure Initiative 4-0	21
32	Implementation of the School Bus Retrofit and Replacement Program (SB 110) 3-0 (Nielsen abstained)	21
<b>2660</b>	<b>Department of Transportation</b>	22
33	Active Transportation Program 3-1 (Nielsen: No)	22
34	Trailer Bill Proposal: SB 1 Local Expenditures 4-0	22
35	Indirect Cost Rate Proposal 4-0	22
<b>2720</b>	<b>California Highway Patrol</b>	22
36	Wireless In-Car Camera System with Body-Worn Camera Expandability Option 4-0	22
37	Capital Outlay Proposals and Lease-Revenue Bond Proposals 4-0	22
<b>2740</b>	<b>Department of Motor Vehicles</b>	24
38	California New Motor Voter and Electronic Driver License Application 3-1 (Nielsen: No)	24
39	Centralized Customer Flow Management and Appointment Systems 4-0	24
	<b>Legislative Requests</b>	24
40	Transformative Climate Communities Program 3-1 (Nielsen: No)	24
41	Healthy Soils Program 3-1 (Nielsen: No)	24
42	Low Income Weatherization Program 3-1 (Nielsen: No)	24
43	Shinn Station Feasibility Study 3-1 (Nielsen: No)	24
44	Sabercat Trail Proposal 3-1 (Nielsen: No)	25
45	North Coast Rail Authority 3-1 (Nielsen: No)	25
46	Watershed Protection/Midpeninsula Regional Open Space District 3-1 (Nielsen: No)	25
47	Reconstruction of the City of San Fernando's Reservoir 4 3-1 (Nielsen: No)	25
48	State Lands Commission: Martins Beach Subaccount 3-1 (Nielsen: No)	25
49	Coastal and Bay Flood Prevention Funding 3-1 (Nielsen: No)	25
50	Tunitas Creek Beach 3-1 (Nielsen: No)	26
51	Ellwood Mesa Habitat Management Plan and Restoration 3-1 (Nielsen: No)	26
	(Continued on Next Page)	

52	California Science Center 3-1 (Nielsen: No)	26
53	California African American Museum 3-1 (Nielsen: No)	26
54	Italian American Museum of Los Angeles 3-1 (Nielsen: No)	26
55	Museum of Lesbian, Gay, Bisexual, Transgender, and Queer History and Culture 3-1 (Nielsen: No)	27
56	Stories: The AIDS Monument 3-1 (Nielsen: No)	27
57	Food Dye Study 3-1 (Nielsen: No)	27
58	Los Angeles Cleantech Incubator 3-1 (Nielsen: No)	27

## PUBLIC COMMENT

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<b>VOTE-ONLY CALENDAR</b>
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<b>0540</b>	<b>Secretary of the Natural Resources Agency</b>
<b>3125</b>	<b>California Tahoe Conservancy</b>
<b>3340</b>	<b>California Conservation Corps</b>
<b>3480</b>	<b>Department of Conservation</b>
<b>3540</b>	<b>Department of Forestry and Fire Protection</b>
<b>3600</b>	<b>Department of Fish and Wildlife</b>
<b>3640</b>	<b>Wildlife Conservation Board</b>
<b>3760</b>	<b>State Coastal Conservancy</b>
<b>3790</b>	<b>Department of Parks and Recreation</b>
<b>3810</b>	<b>Santa Monica Mountains Conservancy</b>
<b>3825</b>	<b>San Gabriel and Lower Los Angeles River and Mountains Conservancy</b>
<b>3835</b>	<b>Baldwin Hills Conservancy</b>
<b>3855</b>	<b>Sierra Nevada Conservancy</b>
<b>3860</b>	<b>Department of Water Resources</b>
<b>3875</b>	<b>Sacramento-San Joaquin Delta Conservancy</b>
<b>3940</b>	<b>State Water Resources Control Board</b>
<b>8570</b>	<b>California Department of Food and Agriculture</b>
<b>0540</b>	<b>Ocean Protection Council</b>

- 1) **The Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2017 (SB 5): Budget Change Proposals (BCPs).** If voter-approved, the Governor's budget proposes to spend \$1.02 billion in SB 5 (de León), Chapter 852, Statutes of 2017, bond funds for the first year of implementation. Of this amount, the budget proposes to dedicate \$123 million to climate adaptation and resiliency programs.

All proposals listed below were discussed at the March 15, 2018 hearing, except #15 and #26, which were proposed in April Finance Letters.

**Governor's Proposals using Proposition 68 funding.** All proposals listed below were heard at the subcommittee hearing on March 15, 2018, except #15 and #26, which were proposed in April Finance Letters.

1. **CNRA: Appropriations of SB 5 funds for Agency Programs.** Requests \$57.2 million in support and local assistance from SB 5 in FY 2018-19, and five new permanent positions. The requested funding is allocated in the bond act, as specified to provide various conservation, recreation, restoration, and multi-benefit greening and water conservation projects.

2. ***CNRA: Bonds and Grant Unit.*** Requests to make six long-term limited positions permanent within the Bonds and Grants Unit at CNRA. The funding for these positions is in the Agency's baseline budget and comes from Proposition 1, Proposition 84, and the Greenhouse Gas Reduction Fund.
3. ***CNRA: California Ocean Protection Council – SB 5 Advancing Ocean and Coastal Health, Productivity, and Resiliency.*** Requests to appropriate \$20.284 million from SB 5 Bond Funds to the California Ocean Protection Trust Fund to provide critical support for projects that maintain and advance healthy, resilient, and productive ocean and coastal ecosystems for the benefit of current and future generations.
4. ***CNRA, Department of Parks and Recreation, and Department of Water Resources: Lifetime Statewide Bond Costs for SB 5.*** CNRA, Department of Parks and Recreation, and the Department of Water Resources request first year staffing and funding needs of eight positions and \$1.362 million in bond funding.
5. ***California Tahoe Conservancy: Upper Truckee River and Marsh Restoration Project.*** Requests a total of \$9.07 million for the construction phase of the Upper Truckee River and Marsh Restoration Project. The project will restore natural processes and functions of Conservancy-owned or controlled lands within the Upper Truckee River Marsh. The purpose of the improvements is to enhance the area's ecological values and water filtering capacity, with a complimentary and appropriate level of recreation infrastructure. The total cost estimate is \$10.37 million. This request also includes a reversion of \$1.709 million from the unencumbered balances of various appropriations from FY 2014-15 through FY 2017-18.
6. ***California Conservation Corps: Corps Projects and Local Assistance Grants.*** Requests \$9.75 million in bond funding for FY 2018-19 and seven positions for program delivery and planning and monitoring activities. The funding would be used to provide over 150,000 annual hours in projects to enhance and restore state parkways, and administer \$4.567 million in grants to certified local conservation corps.
7. ***Department of Conservation: Working Lands and Riparian Corridors.*** Requests \$1.195 million for FY 2018-19 to build agricultural land trust capacity.
8. ***Department of Forestry and Fire Protection: Urban Forestry Program.*** Requests one-time funding of \$14.6 million in FY 2018-19 to provide urban forestry projects.
9. ***Department of Fish and Wildlife: Implementation of SB 5.*** Requests \$23.5 million for local assistance and state operations to support competitive grants and the redirection of 10.5 existing positions, currently supported with expiring bond money and other funds, to implement SB 5. Authorization of the request would allow the department to support a variety of projects, which include climate change adaptation, protecting and restoring rivers and streams, and improving conditions for fish and wildlife.
10. ***Wildlife Conservation Board: Lower American River Conservancy and Conservation Project Grant Programs.*** Requests a FY 2018-19 state operations appropriation in the amount of \$853,000 and five PY position authority to implement the applicable statutory requirements

resulting from SB 5. The board is further requesting \$20 million in funding which may be used for either capital outlay or local assistance to implement new programs as specified in SB 5.

11. ***State Coastal Conservancy: Local Assistance and State Operations Funding.*** Requests a local assistance appropriation of \$4.872 million, and a support (state operations) appropriation of \$191,000 in FY 2018-19 pursuant to Chapters 9 (ocean, bay, and coastal protection) and 10 (climate preparedness, habitat resiliency, resource enhancement, and innovation) of SB 5 and consistent with the Conservancy's rollout plan. The support appropriation will include \$130,000 of planning and monitoring funding and \$61,000 of program administration. The Conservancy also requests 1.5 new permanent, full-time positions to implement the SB 5 programs, one new Staff Services Analyst and one-half a of a Conservancy Project Development Analyst.
12. ***Department of Parks and Recreation (Parks): Safe Neighborhood Parks Local Assistance.*** Requests a one-time increase of \$3.135 million for support and \$460.292 million for local assistance in FY 2018-19. This proposal requests funding for program delivery staff to manage and oversee several SB 5 grant programs. Parks anticipates the need for \$3.135 million and 13 positions in the first year.
13. ***Parks: State Park System Scoping, Planning and Redwood Reforestation.*** Requests a one-time increase of \$4.185 million and three positions in FY 2018-19 to undertake scoping and planning for critical State Park System projects and for a critical redwood reforestation partnership.
14. ***Santa Monica Mountains Conservancy: Los Angeles River Watershed and Tributaries.*** Requests appropriation of \$300,000 state operations and \$8.375 million local assistance. Additionally, the Conservancy requests the local assistance funds be available for encumbrance and expenditure until June 30, 2020. Funds will be used for the implementation of the Santa Monica Mountains Comprehensive Plan, the Rim of the Valley Trails Corridor master Plan, the Los Angeles County River Master Plan, the San Gabriel and Los Angeles Rivers Watershed and Open Space Plan, and to further cooperation with local governments in the region to secure open space and parkland, to expand efforts to integrate nature into the urban environment and to expand education, public access, and resource stewardship components in a manner that best serves the public, protects habitat and provides recreational opportunities.
15. ***Santa Monica Mountains Conservancy: Triangle Ranch Acquisition.*** (AFL) Requests \$300,000 for support and \$25 million for local assistance. The conservancy also requests local assistance funds be available for encumbrance and expenditure until June 30, 2020.
16. ***San Gabriel and Lower Los Angeles River and Mountains Conservancy: Los Angeles River Watershed and Tributaries.*** Requests \$8.675 million with allocations for state operations and \$8.245 million for local assistance in FY 2018-19 to begin implementation of projects consistent with SB 5 and the Watershed and Open Space Plan for the San Gabriel and Los Angeles Rivers.
17. ***Baldwin Hills Conservancy: Support and Local Assistance.*** Requests \$1 million for local assistance grants and \$135,000 for state operations. The appropriations will support the Conservancy's mission, in particular by continuing its watershed protection, habitat restoration,

acquisition and park improvements in the Ballona Creek/Baldwin Hills Watershed and support an existing Park and Recreation Specialist position.

18. ***San Diego River Conservancy: Appropriation for Program Delivery.*** Requests \$50,000 for program delivery in FY 2018-19 in order to support the Conservancy's implementation of its statutory authorization, mission and strategic plan – in particular, by continuing to conserve land, offer outdoor recreation and provide public access to trails and other open space, outdoor recreation and public educational opportunities along the San Diego River watershed. The request will provide funding for one new position to support implementation of the local assistance grants program. It is anticipated that grant funds will be awarded over a 9-year period beginning with FY 2019-20 and that ongoing administration will continue through FY 2029-30.
19. ***Sierra Nevada Conservancy: Watershed Improvement Program and Conservancy Projects.*** Requests \$6.4 million and three positions to implement SB 5. Specific appropriations are requested as follows: a) \$5.3 million for local assistance for grants to support the Sierra Nevada Watershed Improvement Program; b) \$260,000 for program delivery; and, c) \$785,000 for planning and monitoring.
20. ***Department of Water Resources (DWR): Drought and Groundwater Investments.*** Requests one-time funding for 6.0 positions and \$61.8 million for drought and groundwater investments to achieve regional sustainability. DWR also requests a two-year extended encumbrance for the local assistance funds.
21. ***DWR: Floodplain Management, Protection and Risk Awareness Program.*** Requests a one-time appropriation of \$2 million in state operations to begin implementation of the Floodplain Management, Protection and Risk Awareness Program to protect people and property in California's alluvial fan, coastal and riverine floodplains.
22. ***DWR: Floodwater for Groundwater Recharge.*** Requests a one-time appropriation of \$2.5 million in state operations to conduct strategic planning, identify data gaps, and develop tools necessary to prepare a statewide plan to use floodwater for managed aquifer recharge and support sustainable water resources.
23. ***DWR: Multi-Benefit Flood Improvement Projects.*** Requests a total of \$94 million for FY 2018-19 to implement multi-benefit flood improvement projects. This request will support existing staff and contract work needed to carry out the projects.
24. ***DWR: Salton Sea Management Program Phase I Implementation.*** Requests \$30 million in Reimbursement Authority (\$23.9 million in capital outlay and \$6.1 million in state operations). DWR will be reimbursed from CNRA appropriation from SB 5. The authority will be used to construct water management infrastructure and habitat conservation and dust mitigation projects pursuant to the CNRA Salton Sea Management Phase I 10-year Plan and required by the State Water Resources Control Board Stipulated Order WRO 2002-0013. The reimbursement authority will provide DWR the resources needed to implement the design, construction, and construction management for the 1,000 acres of aquatic habitat/dust mitigation and construct water supply infrastructure required for the full implementation of the Salton Sea Management Program Plan and support 13 existing full-time equivalent positions.



25. **DWR: *Urban Streams Restoration Program.*** Requests a one-time appropriation of \$537,000 in state operations to support the Urban Streams Restoration Program. Funds will support 2.1 existing positions to provide technical assistance and to develop grant solicitations.
26. **DWR: *SB 5 Technical Adjustments and Reporting Language.*** (AFL) Requests that Schedule (1) of Item 3860-301-6088 be decreased by \$25 million and that Schedule (2) be added in the amount of \$25 million, with conforming changes to phases. This technical adjustment would correct a scheduling error to more accurately reflect program funding and would have no effect on the total amount budgeted in this item. It is also requested that provisional language be added to require annual reporting to the Legislature to describe flood projects and expenditures.
27. **Sacramento-San Joaquin Delta Conservancy: *Economic Development in the Delta.*** Requests two positions and \$1.1 million to begin implementation of SB 5.
28. **State Water Resources Control Board: *California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018.*** Requests \$147,300,000 in budget authority and 10 positions to administer the programs and permit projects authorized by SB 5 and requests the local assistance funds be available for an extended encumbrance period of two years.
29. **California Department of Food and Agriculture (CDFA): *Fair Deferred Maintenance Program.*** Requests \$3.559 million and two positions for FY 2018-19 to begin providing deferred maintenance support to the Network of California Fairs and requests budget bill language to make this funding available, for encumbrance or expenditure, for two years through June 30, 2020. This will provide more fairs more opportunities to generate self-sustaining revenue and safer facilities for the public during events and the emergency personnel who utilize the fairgrounds during catastrophic events such as earthquakes, wildfires, and floods.
30. **CDFA: *State Water Efficiency and Enhancement Program and Healthy Soils Program.*** Requests \$27.452 million and seven positions in FY 2018-19 to award, administer, and monitor \$17.8 million in State Water Efficiency and Enhancement Program grants and \$8.604 million in Healthy Soils Program grants; and requests budget bill language to make this funding available, for encumbrance or expenditure, for two years through June 30, 2020.

**Staff Recommendation.** Approve as budgeted and adopt the following:

- **CNRA: *Pure Water San Diego.*** Appropriate \$100 million for the City of San Diego multi-phased, multi-year program that will provide one-third of San Diego's water supply locally by 2035. The Pure Water Program will use proven water purification technology to clean recycled water to produce safe, high-quality drinking water.
- The program offers a cost-effective investment for San Diego's water needs and will provide a reliable, sustainable water supply. Senate Bill No. 5 (Chapter 852, Statutes of 2017, also known as Proposition 68) at Chapter 11.6 (commencing with Section 80146) of the Public Resources Code allocates \$290 million in funds for projects "Regional Sustainability for Drought and Groundwater, and Water Recycling" (emphasis added).

- **Department of Fish and Wildlife: Fisheries Protections.** Condition DFW’s proposed \$8.8 million allocation from Section 80132(g) to improve fish and wildlife habitat conditions so that 50% of projects provide water for fish and wildlife. (Trump actions to undermine international migratory bird treaty will compromise bird habitat in CA so focus should be on with migratory bird habitat.)
- **Department of Fish and Wildlife: San Francisco Bay Wetlands Restoration.** Appropriate \$25 million for wetlands restoration in the San Francisco Bay. In June 2016, Bay Area voters overwhelmingly passed the Measure AA parcel tax, a \$500 million regional investment over 20 years. The funding will help restore wetlands on roughly 36,000 acres currently held in public trust.
- **State Coastal Conservancy: Santa Margarita River** Appropriate full \$10 million for Santa Margarita River Parkway per Section 80100 (a)(6).
- **Wildlife Conservation Board: Natural Communities Conservation Planning.** Augment proposed allocation to total of \$26 million to WCB for NCCP implementation per Section 80100 (c).
- **Department of Conservation: Watershed Restoration and Conservation Projects.** Increase proposed allocation \$1 million with the additional \$1 million available for projects for watershed restoration and conservation projects on agricultural lands consistent with the bond measure.
- **State Coastal Conservancy. Coastal Watershed.** Appropriate \$20 million of coastal redwood money per section 80120(e) for coastal redwood acquisitions.
- **SB 5 (Proposition 68) BBL Reflecting Letter to Journal.** Incorporate the following intent language as BBL, “It is the intent of the Legislature to recognize that conservation investments must be guided by the need to adapt to the shifting temporal and geographic needs of wildlife and for the Wildlife Conservation Board, Department of Fish and Wildlife, and other state agencies tasked with the implementation of SB 5 to solicit and fund projects that reflect the flexible management or protection of natural resources in response to changing conditions and threats to habitat and wildlife. These types of projects can contribute to the long-term health and resiliency of ecosystems and wildlife populations, especially amid rapidly shifting habitat conditions.”

## 0540 Natural Resources Agency (Various Departments)

- 2) **Forest Carbon Plan Implementation.** The May Revision proposes \$96 million for various departments in the Natural Resources Agency to: (1) increase pace and scale of forest management and restoration efforts, (2) to build local capacity and strengthen regional collaborations, and (3) to innovate and increase economies around the use of materials from forest health projects.

This proposal was discussed at the May 16, 2018 hearing.

**Staff Recommendation.** Approve as budgeted.

**3540 Department of Forestry and Fire Protection (CalFire)**

- 3) **Climate Change Fire Severity.** A May Revision proposal requests \$10.9 million General Fund and 52 positions starting in 2018-19 to provide heavy equipment mechanics, vehicle maintenance funding, and associated administrative support staff.

This proposal was discussed at the May 16, 2018 hearing.

**Staff Recommendation.** Approve as budgeted.

- 4) **Office of the State Fire Marshal, Fire and Life Safety Division.** A May Revision proposal requests an increase of \$4.029 million in reimbursement authority and 15 positions to support the Office of the State Fire Marshal's Fire and Life Safety Division's increased workload related to its plan review, construction inspection, and mandated interval inspection activities.

This proposal also requests provisional language to authorize a General Fund loan of up to \$2.3 million to be repaid over three years. These requests are initial outcomes of an ongoing Mission Based Review the Department of Finance is performing with the Office of the State Fire Marshal.

This proposal was discussed at the May 16, 2018 hearing.

**Staff Recommendation.** Approve as budgeted.

- 5) **Fireworks Program (BCP and TBL).** A May Revision proposal requests \$3.6 million one-time from the California Environmental License Plate Fund (ELPF) and two ongoing positions for Office of the State Fire Marshal to oversee the newly created Fireworks Stewardship Program and to increase the state's efforts to reduce the influx of illegal fireworks into the state.

This proposal also requests \$2.1 million in reimbursement authority to the State Fire Marshal Fireworks Enforcement and Disposal Fund starting in 2019-20 to reflect anticipated reimbursements that will be funded through the imposition of a management charge on retail sales of "safe and sane" fireworks. Trailer bill language is also requested to implement this proposal.

This proposal was discussed at the May 16, 2018 hearing.

**Staff Recommendation.** Approve \$3.6 million one-time ELPF contingent upon the Legislature passing policy bill language to implement this proposal.

**3790 Department of Parks and Recreation (Parks)**

- 6) **California Indian Heritage Center (BCP and TBL).** A May Revision proposal requests \$100 million in General Fund to be deposited into the Natural Resources and Parks Preservation Fund for the preliminary plans (\$4.7 million), working drawings (\$4.7 million), and construction (\$90.6 million) phases of the California Indian Heritage Center (CIHC) project in Yolo County.

This proposal also requests \$100 million in matching State Park Contingent Fund authority for construction costs to be funded through future fundraising efforts. This proposal also requests trailer bill language to authorize this project.

This proposal was discussed at the May 16, 2018 hearing.

**Staff Recommendation.** Approve as budgeted.

**3820 San Francisco Bay Conservation and Development Commission**

- 7) **Relocation to Bay Area Metro Center.** The May Revision proposes \$3.02 General Fund one-time for tenant improvements (\$2.645 million) and moving costs (\$375,000) associated with the San Francisco Bay Conservation and Development Commission's (BCDC) relocation to the Metropolitan Transportation Commission's Bay Area Metro Center.

In addition, the proposal includes provisional language to provide one-time funding for tenant improvement and moving costs “contingent upon the Commission entering into a long-term lease agreement with the Bay Area Toll Authority.”

This proposal was discussed at the May 16, 2018 hearing.

**Staff Recommendation.** Approve as budgeted.

**3860 Department of Water Resources (DWR)**

- 8) **Joint Operations Center (JOC) Relocation.** The May Revision proposes \$964,000 General Fund and provisional language to prepare a request for proposal to enter into a build-to-suit lease for a new JOC.

The May Revision Letter states the estimated total cost to acquire, design, and construct the JOC is \$265.2 million (\$116.3 million General Fund, \$111.8 million State Water Project, and \$37.1 million federal reimbursement). The state’s portion will be comprised of 51 percent General Fund and 49 percent continuously appropriated State Water Project (SWP) funds.

This proposal was discussed at the May 16, 2018 hearing.

**Staff Recommendation.** Approve as budgeted.

**9) Flood Control Infrastructure (BCP and TBL).** The May Revision proposes \$195 million one-time in General Fund (\$25 million ongoing). One-time funding of \$170 million will be used to support the state cost-share of critical United States Army Corps of Engineers (USACE) urban flood risk reduction projects. Ongoing funds will be used to support operations, maintenance, repair, rehabilitation, and replacement of the flood control infrastructure.

Funding is proposed as follows:

- \$45 million in state operations support (USACE urban projects; operations, maintenance repair, rehabilitation, and replacement (OMRR&R), and Central Valley Flood Protection Board (CVFPB) feasibility study), as follows:
  - \$20 million one-time state ops: USACE urban projects – five-year extended encumbrance;
  - \$25 million ongoing state ops or local assistance: OMRR&R. For FY 2018-19 specifically, these funds include:
    - \$23.7 million state ops: OMRR&R – standard one-year encumbrance;
    - \$1.3 million state ops: CVFPB feasibility study – two-year extended encumbrance;
- \$150 million in one-time capital outlay (USACE urban levees) – five-year extended encumbrance.

This proposal also requests trailer bill language to make various changes to the Delta Levee Maintenance Program.

This proposal was discussed at the May 16, 2018 hearing.

**Staff Recommendation.** Approve BCP and TBL.

**10) Open and Transparent Water Data Act (AB 1755).** The May Revision proposes that Item 3600-001-0140 be increased by \$150,000, Item 3860-001-0140 be increased by \$450,000, and Item 3940-001-0140 be increased by \$200,000 to continue implementation of AB 1755 (Dodd), Chapter 506, Statutes of 2016.

This proposal was discussed at the May 16, 2018 hearing.

**Staff Recommendation.** Approve as budgeted.

## **3600 Department of Fish and Wildlife (DFW)**

**11) Restructuring the Fish and Game Preservation Fund (FGPF).** The budget proposes \$50.6 million ongoing funding (\$6.6 million General Fund, \$18 million Motor Vehicle Account and \$26 million Tire Recycling Management Fund) for the following purposes: 1) Address the structural deficit in FGPF (\$19.6 million); and, 2) Improve and expand DFW's program activities (\$31 million).

This proposal was discussed at the March 15, 2018 hearing.

**Staff Recommendation.** Reject the Governor's proposal. Address structural deficit to FGPF with one-time \$19.6 million General Fund. In addition, appropriate \$4 million in one-time General Fund resources for the Department of Fish and Wildlife to contract for Service-Based Budgeting audit with an outside contractor.

### 3900 Air Resources Board (ARB)

**12) Agricultural Diesel Engine Replacement and Upgrades.** The May Revision proposes \$30 million General Fund one time for agricultural diesel engine replacements and upgrades.

This proposal also requests provisional language to make this item available for encumbrance or expenditure until June 30, 2020.

This proposal was discussed at the May 16, 2018 hearing.

**Staff Recommendation.** Approve the request with the addition of budget bill language to require that funds pursuant to this BCP be directed to ARB to allocate to local air districts for diesel risk reduction from agricultural engines.

**13) Advanced Payment: Trailer Bill Language (TBL).** The May Revision proposes TBL to authorize ARB to make advance payments to grantees if ARB makes specified determinations.

This proposal was discussed at the May 16, 2018 hearing.

**Staff Recommendation.** Approve as budgeted.

### 3930 Department of Pesticide Regulation (DPR)

**14) Improved California Environmental Quality Act (CEQA) Notification for Pesticide Registration.** The May Revision proposes \$515,000 Department of Pesticide Regulation Fund and three positions to expand the documentation provided to the public to meet CEQA requirements.

This proposal was discussed at the May 16, 2018 hearing.

**Staff Recommendation.** Approve as budgeted.

### 3970 Department of Resources Recycling and Recovery (CalRecycle)

**15) Disaster Recovery Assistance Program.** A May Revision proposal requests \$1.25 million Integrated Waste Management Account and six positions to enhance CalRecycle's ability to respond to requests from the Governor's Office of Emergency Services for assistance when disasters occur and debris removal is requested. The positions will also be available to provide

technical assistance to local governments in developing disaster recovery plans and protocols when they are not deployed for recovery efforts related to a disaster.

This proposal was discussed at the May 16, 2018 hearing.

**Staff Recommendation.** Reject without prejudice.

### 3940 State Water Resources Control Board (SWRCB)

**16) Administrative Hearings Office (BCP and TBL).** The May Revision proposes \$2 million Water Rights Fund, nine positions, and TBL to establish an Administrative Hearings Office that will provide administrative hearing officers and supporting staff to preside over administrative hearings in water right enforcement actions and prepare proposed decisions.

Under the proposed TBL, hearing officers will have purview over certain kinds of water right enforcement actions, such as hearings on complaints for administrative civil liability, proposed cease and desist orders, and proposed revocations. TBL prohibits the hearing officer from ex parte communications with board members. TBL also requires hearing officers to be attorneys and have qualifications equivalent to an administrative law judge and knowledge and experience in water law.

This proposal was discussed at the May 16, 2018 hearing.

**Staff Recommendation.** Reject without prejudice.

### 3960 Department of Toxic Substances Control (DTSC)

**17) BKK Third Party Initiative.** The May Revision proposes \$434,000 General Fund and two positions to implement a coordinated enforcement and cost recovery initiative related to clean-up activity at the BKK facility.

This proposal was discussed at the May 16, 2018 hearing.

**Staff Recommendation.** Approve as budgeted.

**18) Cost Recovery Management System.** The May Revision proposes \$140,000 Lead-Acid Battery Cleanup Fund for planning costs associated with a replacement cost recovery billing system, which is used for issuing invoices, tracking payments, and reconciling account balances.

This proposal was discussed at the May 16, 2018 hearing.

**Staff Recommendation.** Approve as budgeted.

**19) National Priorities List and State Orphan Sites.** The May Revision proposes \$4.547 million from the Toxic Substances Control Account (TSCA) and \$3.265 million Site Remediation Account to continue supporting the state's share of costs for National Priorities List sites. Priority 1A and IB state orphan sites, and continued cleanup activities for Priority 2 and 3 state orphan sites already underway. The cleanup work includes site investigation, characterization, cleanup, and remediation activities, among others. These remediation efforts reduce public exposure to hazardous and cancer-causing chemicals and reduce the spread of contamination.

This proposal was discussed at the May 16, 2018 hearing.

**Staff Recommendation.** Approve as budgeted.

**20) Lead-Acid Battery Program Implementation.** The May Revision proposes \$6.7 million and 15 positions in 2018-19 and \$7.6 million ongoing from the Lead-Acid Battery Cleanup Fund to implement the provisions of the Lead-Acid Battery Recycling Act of 2016. Under this proposal, DTSC requests resources to investigate and cleanup properties in California reasonably suspected to have been contaminated by the operation of lead-acid battery recycling facilities.

This proposal was discussed at the May 16, 2018 hearing.

**Staff Recommendation.** Approve as budgeted.

**21) Enforcement in Vulnerable Communities.** The May Revision proposes \$2.5 million Lead-Acid Battery Cleanup Fund in FY 2018-19 and ongoing to fund 11 existing positions previously approved with limited-term funding that expires in June 2018 in order to provide continued support to address serious environmental violations by hazardous waste transportation and metal recycling industries that disproportionately impact vulnerable communities.

This proposal was discussed at the May 16, 2018 hearing.

**Staff Recommendation.** Because the use of this fund source for this purpose is questionable, reject BCP.

**22) Safer Consumer Products Implementation.** The May Revision proposes \$1.2 million Lead-Acid Battery Cleanup Fund and six positions to continue implementation of the Safer Consumer Products regulations. Specifically, these resources will be used to perform an alternatives analysis to determine how best to limit or prevent potential harm from chemicals in various products.

This proposal was discussed at the May 16, 2018 hearing.

**Staff Recommendation.** Because the use of this fund source for this purpose is questionable, reject BCP.

**23) Exide Enforcement Order.** The May Revision proposes \$1.06 million Lead-Acid Battery Cleanup Fund in FY 2018-19 and FY 2019-20 to implement the remaining activities associated with the 2014 Exide Enforcement Order (as amended 2015) and the ongoing Resource Conservation and



Recovery Act (RCRA) corrective action work associated with the February 2002 Corrective Action Consent Order against Exide Technologies (Exide). This requires corrective action activities at the Exide facility, the off-site industrial areas, and the residential areas.

This proposal was discussed at the May 16, 2018 hearing.

**Staff Recommendation.** Approve as budgeted.

## **8570 California Department of Food and Agriculture (CDFA)**

**24) Nutria Detection and Survey.** A May Revision proposal requests \$400,000 General Fund on a two-year limited-term basis and one position beginning in 2018-19 for the survey and detection of nutria (*Myocaster coypus*) in and around California waterways.

This proposal was discussed at the May 16, 2018 hearing.

**Staff Recommendation.** Approve as budgeted.

**25) Citrus Pest and Disease Prevention Program. (BCP)** The Governor's budget proposes \$2.5 million General Fund and \$2.5 million Department of Food and Agriculture Fund authority in FY 2018-19 and ongoing to enhance Asian Citrus Psyllid (ACP) and Huanglongbing (HLB) suppression activities in newly detected areas and to augment quarantine regulation enforcement activities in existing and newly detected areas.

This proposal was discussed at the April 19, 2018 hearing.

**Staff Recommendation.** Reject the Governor's proposal and instead adopt the following: one-time \$10 million General Fund in FY 2018-19 to enhance ACP and HLB suppression and enforcement activities in newly detected areas. Also, one-time \$5 million General Fund and budget bill language to use the funds for purposes of curing or suppressing diseases associated with the spread of the Polyphagous and Kuroshio Shot Hole Borer which are invasive beetles that cause damage to trees.

## **Greenhouse Gas Reduction Fund (GGRF)**

**26) Cap-and-Trade Expenditure Plan.** In a February Finance Letter, the Governor proposes a total of \$2.8 billion in cap-and-trade expenditures for FY 2018-19. This plan includes: 1) \$1.4 billion in continuous appropriations; 2) \$150 million in other existing spending commitments; and, 3) \$1.25 billion in new spending (also known as discretionary spending).

This proposal was discussed at the April 22, 2018 hearing.

The plan assumes \$2.7 billion in auction revenue in FY 2017-18 and \$2.4 billion in FY 2018-19. The \$370 million difference between the proposed expenditures (\$2.8 billion) and estimated revenue (\$2.4 billion) in FY 2018-19 would largely be paid from the projected fund balance at the end of FY 2017-18.

In addition to the February proposal, the May Revision includes an additional \$47 million for forest health and fire prevention activities in the Forest Carbon Plan.

**Senate Proposal for Discretionary Spending.** Based on recent auction results and estimates from LAO, revenues for the current and budget years will likely be several hundred million dollars higher than the Governor's assumptions. As such, the proposed Senate Plan for GGRF discretionary spending reflects the following adjustments shown below:

### Cap-and-Trade Expenditure Plan

(In Millions)

<u>Program</u>	<u>Department/Agency</u>	<u>Governor's Proposed 2018-19</u>	<u>Senate Proposal</u>
<b>Discretionary Spending</b>			
<b>Mobile Source Emissions</b>			
Local air district programs to reduce air pollution	Air Resources Board	\$250	310
Clean Vehicle Rebate Project	Air Resources Board	175	150
Freight and heavy duty vehicle incentives	Air Resources Board	160	160
Low-income light duty vehicles and school buses	Air Resources Board	100	100
Low carbon fuel production	Energy Commission	25	5
<b>Forestry</b>			
Forest health and fire prevention	CalFire	207	250
Local fire suppression grants	Office of Emergency Services	25	10
<b>Agriculture</b>			
Agricultural equipment	Air Resources Board	102	102
Methane reductions from dairies	Food and Agriculture	99	99
Incentives for food processors	Energy Commission	34	34
Healthy Soils	Food and Agriculture	5	0
Agricultural renewable energy	Energy Commission	4	4
<b>Other programs</b>			
Climate and energy research	Office of Planning and Research	35	55
Transformative Climate Communities	Office of Planning and Research	25	80
Urban Greening	Natural Resources Agency	0	5
Waste diversion	CalRecycle	20	20
Integrated Climate Investment Program	Go-Biz	20	5
Energy Corps	Conservation Corps	6	10
Low-Income Weatherization	Community Service & Development	0	30
Technical assistance to community groups	Air Resources Board	5	5
Workforce development and training	CA Workforce Development Board	0.4	0.4
<b>Total</b>		<b>\$1,297</b>	<b>\$1,434</b>

The funds appropriated in the Senate's plan include:

- a) *Local air district programs to reduce air pollution:* \$7 million shall be spent on air monitoring for prescribed fires as follows: a) \$2 million to local air districts; b) \$3 million to ARB to purchase and maintain smoke monitors; and c) \$2 million for the purchase of approximately 100 portable weather stations that shall be managed by CalFire. Adopt placeholder trailer bill language to provide that CalFire and ARB shall enter into a Memorandum of Understanding (MOU) to collaborate on the funding contained in this provision.
- b) *Local Air District Programs to Reduce Air Pollution:* \$20 million shall be spent on woodstove incentive programs in local air districts and add provisional language stating that those funds shall be allocated equitably among air basins where particulates from fire pose a significant public health, environmental, and climate risk.
- c) *Forest Health and Fire Protection:* Up to \$100 million may be allocated to forest health and climate resiliency projects implemented by the Wildlife Conservation Board, the state Coastal Conservancy, or any of the regional conservancies provided they are subject to coordination, review, and tracking by the Office of Planning and Research (or Strategic Growth Council).
- d) *Forest Health and Fire Protection:* No less than \$43 million may be spent in locations outside of State Responsibility Areas, including but not limited to federal lands.
- e) *Climate and Energy Research:* Up to \$5 million may be used to fund innovation hubs and to provide seed funding to leverage additional California Energy Commission Electric Program Investment Charge (EPIC) Funds for this purpose.
- f) *Climate and Energy Research:* \$10 million shall be spent on the Clean Technology Innovation Facility needs assessment for relocation.
- g) *Transformative Climate Communities:* \$8 million shall be spent on the Los Angeles River to Rails project.
- h) *Waste Diversion:* No less than \$5 million but up to \$10 million shall be spent on asphalt recycling.
- i) *Energy Corps:* \$3 million shall be spent on local conservation corps.

In addition, to address funding for local air district implementation of AB 617 requirements, the Senate Proposal includes \$50 million from the Air Pollution Control Fund to be appropriated annually for a two-year limited term.

**Staff Recommendation.** Approve Senate Proposal.

**3940 State Water Resources Control Board**  
**8570 Department of Food and Agriculture**

**27) Safe and Affordable Drinking Water.** The Governor's budget requests a one-time loan of \$4.7 million from the Underground Storage Tank Cleanup Fund to fund the initial implementation of this new program, specifically:

- \$3.3 million and 23 position for the State Water Resources Control Board to: (1) develop and adopt a fund implementation plan, (2) process charges that would be deposited into SADWF, (3) map areas at high risk for drinking water contamination and process drinking water data provided by local agencies, (4) develop an assessment of the total amount of annual funding needed to assist water systems in the state to provide safe drinking water, and (5) perform accounting and other administrative tasks.
- \$1.4 million and seven positions for the Department of Food and Agriculture to collect charges from agricultural entities.

In addition, the Governor's budget proposes trailer bill language (TBL) to establish the Safe and Affordable Drinking Water Program and Safe and Affordable Drinking Water Fund.

**Staff Recommendation.** In lieu of the Governor's proposal, adopt the following:

- Two-year limited term \$1.6 million General Fund and nine positions in SWRCB.
  - Map areas of high risk for drinking water contamination and process drinking water data provided by local agencies; and,
  - Assessment of total amount of annual funding needed to assist water systems in the state to provide safe drinking water.
- One-time \$68.5 million General Fund.
  - Emergency relief:
    - \$10 million: Wells and septic systems: Well replacement, septic system replacement, permanent connections to public systems, well abandonment, septic system abandonment, Point of Use and Point of Entry systems, and debt relief.
    - \$3.5 million: Water tanks for homes that have had wells recently go dry and continue to supply water tanks with water as an emergency measure while households await new wells or upgrades to community water systems.
    - \$10 million: SWRCB's Drinking Water for Schools Program.
  - Infrastructure Improvements:
    - \$45 million: Drinking water infrastructure improvement projects.
- \$45 million Proposition 2 for FY 2019-20 and ongoing to fund drinking water infrastructure projects.

## 3360 California Energy Commission

**28) Energy Resources Program Account Structural Deficit Relief.** The May Revision requests a series of actions to reduce the Energy Resources Programs Account (ERPA) structural deficit. Requested actions include: shifting eligible expenditures from ERPA to the Cost of Implementation Account (CCIA) and Energy Facility License and Compliance Fund (EFLCF) (total ERPA reduction of \$7.345 million), and a one-time shift of the Department of General Services' (DGS) ERPA funding to the Environmental License Plate Fund (reduction of \$1.99 million). DGS will evaluate appropriate mechanisms to bill these expenditures beginning in 2019-20. The Energy

Commission also requests shifting \$2.1 million of eligible expenditures from the Renewable Resource Trust Fund (RRTF) to CCIA.

**Staff Recommendation.** Approve as Budgeted. Adopt Supplemental Reporting Language requiring the Commission to identify options to address the remainder of the ERPA structural deficit as part of the 2019-20 budget.

- 29) Agricultural Energy Efficiency Program.** The May Revision requests \$30 million in one-time General Fund resources for the Agricultural Energy Efficiency program within the California Energy Commission.

**Staff Recommendation.** Reject the Governor's Proposal.

- 30) Disadvantaged Community Advisory Group.** The May Revision requests trailer bill language to provide reimbursement for reasonable expenses and per diem for members of the Disadvantaged Community Advisory Group authorized under the Clean Energy and Pollution Reduction Act of 2015, SB 350 (de Leon), Chapter 547, Statutes of 2015. The costs would be split between CPUC and CEC, and the total annual expenses for these activities could not exceed \$100,000. In concept, we do not have any major concerns with this proposal.

**Staff Recommendation.** Approve as proposed.

- 31) Zero Emission Vehicle Infrastructure Initiative.** The administration has requested an additional \$70 million in funding for the Alternative and Renewable Fuel and Vehicle Technology Fund (3117), in addition to the \$77 million in funding already provided, for the Energy Commission's Zero Emission Vehicle (ZEV) Infrastructure Initiative. The request also includes a transfer of \$15 million from the Air Quality Improvement Fund (3119) to the Alternative and Renewable Fuel and Vehicle Technology Fund to further support this work. This request included Budget Bill Language to grant the CEC greater flexibility in allocating program funds.

The Administration has also proposed trailer bill language transferring and estimated \$88 million in one-time funds from the New Solar Homes Partnership funding source for the ZEV initiative, bringing the total available funding for the program to \$235 million. The proposed trailer bill language also makes a number of substantive changes to the Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP).

**Staff Recommendation.** Reject the administration's proposals in order to send this proposal to conference committee.

- 32) Implementation of the School Bus Retrofit and Replacement Program (SB 110).** The budget requests authority for three-year funding of \$900,000 annually for six temporary positions from the Alternative and Renewable Fuel and Vehicle Technology Fund to develop and implement the new school bus retrofit and replacement activities under the Clean Energy Job Creation Program.

**Staff Recommendation.** Approve as Budgeted.

## 2660 Department of Transportation

**33) Active Transportation Program.** The May Revision includes a request to add a budget item to extend the allocation and liquidation periods for \$10 million in Greenhouse Gas Reduction Fund resources provided to the Active Transportation Program as part of the 2016 budget.

**Staff Recommendation.** Approve as proposed.

**34) Trailer Bill Proposal: SB 1 Local Expenditures.** The subcommittee has received a request for trailer bill language clarifying or expanding the ability of local transportation agencies to expend local dollars consistent with the requirements of SB 1.

**Staff Recommendation.** Approve trailer bill language to allow local agencies to borrow from other internal city or county revenue streams and reimburse themselves with future year SB 1 apportionments.

**35) Indirect Cost Rate Proposal (ICRP):** The Self-Help Counties are seeking an exemption from full cost recovery by Caltrans for work that Caltrans does on their behalf and instead have Caltrans only charge Self-Help counties for direct costs or functional overhead.

**Staff Recommendation.** Adopt trailer bill language capping the administrative indirect costs that Caltrans may charge to self-help counties at ten percent for three years.

## 2720 California Highway Patrol

**36) Wireless In-Car Camera System with Body-Worn Camera Expandability Option.** The May Revision requests 12 positions phased in over three years, \$52.53 million from the MVA over three years to implement a wireless in-car camera system with the option to purchase Integrated Body-Worn Cameras (BWC) in the future, and a \$14.381 million baseline augmentation from the MVA to maintain the system.

In addition, the CHP requests the reappropriation of the remaining balance of the initial \$1 million appropriated in the Budget Act of 2015 for a BWC Pilot study. The existing funding is set to expire on June 30, 2018.

**Staff Recommendation.** Approve \$52.53 in MVA funding over three years for the wireless in-car camera system. Approve the reappropriation of funds for the body-worn camera pilot. Reject the \$14.381 million in ongoing maintenance and operations funding.

**37) Capital Outlay Proposals and Lease-Revenue Bond Proposals.** The Governor's budget requests \$7.2 million in MVA funding in 2018-19 for several capital outlay projects. Specifically, it requests:

- A reappropriation of \$876,000 MVA funding for the working drawings phase of two sites of the CHPERS Phase 1 Replace Towers and Vaults project: Leviathan Peak and Sawtooth Ridge.

- A reappropriation of \$6.0 million MVA funding (\$4.1 million from 2011-12 and \$1.9 million from 2017-18) for the construction phase of two sites of the CHPERS Phase II Replace Towers and Vaults project: Crestview Peak and Silver Peak.
- \$281,000 MVA for the working drawings phase of the Keller Peak Tower Replacement project.

Additionally, the budget proposed to shift five area office replacement projects at CHP from a direct “pay-as-you-go” approach to financing using lease revenue bonds. This would result in the reversion to the MVA of \$138.7 million in previously authorized funds. The Governor's budget requests \$174.2 million in lease revenue bond authority from the Public Buildings Construction Fund.

The Governor's budget also requested a reversion of the unexpended authority appropriated for the Santa Barbara Area Office Replacement Facility capital outlay project in 2014-15 and 2015-16, trailer bill language to authorize a lease-purchase agreement, or a lease with an option to purchase as options for the build-to-suit lease.

***April Finance Letter Updates.*** An April Finance Letter proposed changes to CHP's January capital outlay requests. First, it increased by a total of \$30.3 million the lease revenue bonds authority requested in January due to project cost increases as follows:

- Quincy: Replacement Facility- \$4.2 million
- El Centro: Area Office Replacement- \$10.0 million
- Hayward: Area Office Replacement- \$10.0 million
- San Bernardino: Area Office Replacement- \$6.2 million

Second, the Administration requested to increase MVA expenditures by \$3.7 million and decrease lease revenue bonds by \$38.4 million to reflect the following actions:

- Santa Barbara: Area Office Replacement- Withdraw the trailer bill language proposed as part of the Governor's January budget proposal.
- Ventura: Area Office Replacement- Withdraw the Governor's budget request for \$38.4 million in lease revenue bonds for the design-build phase of this project.
- Santa Fe Springs: Area Office Replacement- Add \$1.9 million MVA for the performance criteria phase of this project.  
Baldwin Park: Area Office Replacement- Add \$1.7 million MVA for the performance criteria phase of this project.

The proposed capital outlay projects are necessary for CHP to continue to operate effectively statewide. While the use of lease revenue bonds will reduce cost pressures on the Motor Vehicle Account in the short run, they will increase the overall cost of the projects to the state. They are therefore an inappropriate tool for these projects. Staff recommends rejecting the proposed use of lease-revenue bonds and requiring CHP to pursue their capital outlay projects through the traditional pay-go approach.

**Staff Recommendation.** Reject the proposed use of lease-revenue bonds and require CHP to pursue a pay-go approach to the desired projects. Approve \$178 million in 2018 to fund the currently-planned projects.

## 2740 Department of Motor Vehicles

**38) California New Motor Voter and Electronic Driver License Application.** The May Revision requests \$900,000 in one-time funding for fiscal year 2018-19 to extend the contract for Information Technology (IT) Programming and system administration in support of the electronic Driver's License and Identification online forms (eDL-44) and the implementation of Assembly Bill 1461 (Gonzalez Fletcher), Chapter 729, Statutes of 2015.

**Staff Recommendation.** Approve as Budgeted.

**39) Centralized Customer Flow Management and Appointment Systems.** The May Revision requests \$5.5 million to be reappropriated to have the liquidation period extended to FY 2018-19 in case the final vendor payments for the Centralized Customer Flow Management and Appointment System (CCFMAS) needs to be made next fiscal year.

**Staff Recommendation.** Approve as Budgeted.

## Legislative Requests

**40) Transformative Climate Communities Program.**

**Staff Recommendation:** Appropriate \$8 million in one-time General Fund resources for the Transformative Climate Communities program for the River to Rails project in Los Angeles County.

**41) Healthy Soils Program.**

**Staff Recommendation:** Appropriate \$10 million in one-time General Fund resources for the Healthy Soils Program to incentivize farmers to implement conservation agriculture management practices that sequester carbon, reduce atmospheric GHGs, and improve soil health.

**42) Low Income Weatherization Program (LIWP).**

**Staff Recommendation:** Appropriate \$8 million in one-time General Fund resources to undo the zeroing-out of the LIWP. This program funds projects to install solar photovoltaics (PV), solar hot water heaters, and energy efficiency measures in eligible low-income single family and multi-family dwellings in disadvantaged communities to reduce GHG emissions and save energy.

**43) Shinn Station Feasibility Study.** \$5 million in one-time funding for a feasibility study, to be completed by the Metropolitan Transportation Commission (MTC), on the potential for an intermodal transit station connecting BART, ACE, and AC Transit in the Shinn Park region of Fremont.

**Staff Recommendation.** Approve \$5 million in one-time General Fund resources.



**44) Sabercat Trail Proposal.** \$5 million in one-time funding for a scoping report for the Sabercat Trail Bridge project. The bridge over I-680 in Fremont will forge a critical link in both the city and region-wide active transportation (cycling and pedestrian) network. The I-680 currently divides the Sabercat Creek open space from the East Bay Greenway and future Irvington BART station. The report would accelerate the planning and environmental approval process, making it easier to secure other public funding.

**Staff Recommendation.** Approve \$5 million in one-time State Highway Account resources.

**45) North Coast Rail Authority.** \$4.1 million over two years to fund planning and construction activities necessary to complete the dissolution of the North Coast Rail Authority and the transfer of the Authority's right-of-way to the California Department of Transportation (Caltrans) and a successor agency as called for in SB 1029 (McGuire).

**Staff Recommendation.** Approve \$4.1 million in State Highway Account resources over two years.

**46) Watershed Protection/Midpeninsula Regional Open Space District.** \$10 million Habitat Conservation Fund to help facilitate the sale of San Jose Water Company's land holdings in the Upper Guadalupe, Los Gatos Creek, and Saratoga Creek to the district.

**Staff Recommendation.** Approve \$10 million in General Fund resources.

**47) Reconstruction of the City of San Fernando's Reservoir 4.** \$5 million for major reconstruction of the city's reservoir, which was originally constructed in 1965. The reservoir suffered cracking during the Northridge earthquake, no longer meets modern seismic design codes, and leaks. As a result, the reservoir cannot be filled to full capacity.

**Staff Recommendation.** Approve \$5 million in General Fund resources.

**48) State Lands Commission (SLC): Martins Beach Subaccount.** Create the Martins Beach Subaccount within SLC's Kapiloff Fund to accept moneys from public, private, and nonprofit sources. This request also authorizes SLC to transfer up to \$1 million into the subaccount from the Kapiloff Fund. The purpose of the subaccount and funding is to acquire a right-of-way or easement at Martins beach to provide public access to the beach and to offset costs associated with the acquisition such as environmental studies, analyses, and assessments.

**Staff Recommendation.** Approve the proposal as requested.

**49) Coastal and Bay Flood Prevention Funding.** \$18 million in Proposition 1 funding for coastal and San Francisco Bay flood protection. Last year, \$27 million was proposed to address this issue, of which \$9 million was allocated. The \$18 million would serve to fill the remainder of the \$27 million for Bay Area for funding repairs and prevention.

**Staff Recommendation.** Approve \$18 million in Proposition 1 funding.

**50) Tunitas Creek Beach.** \$5 million for necessary improvements to property adjacent to Tunitas Creek Beach, to provide safe, responsible, and managed public access to a state-owned beach. The proposed funding would be used by San Mateo County and its local partners to do the following: 1) Construct emergency access improvements as first priority within the first year; 2) Complete feasible infrastructure for ranger facilities, restrooms, parking, trails, and other public access improvements; and, 3) Initiate environmental restoration activities concurrently or as conditions allow as the county opens Tunitas Creek Beach County Park within the next three years.

**Staff Recommendation.** Approve \$5 million in one-time General Fund resources.

**51) Ellwood Mesa Habitat Management Plan and Restoration.** \$3.9 million General Fund to the State Coastal Conservancy to cover costs associated with restoration of the Ellwood Mesa Monarch Butterfly Grove in the City of Goleta. The funding would help facilitate the development of an Ellwood Mesa Habitat Management Plan and for remediation of the mesa site. This proposal represents costs of approximately \$50,000 per acre for restoration of \$73.6 acre of eucalyptus, \$200,000 for plan development and implementation costs, a coastal permit, and public recreational features such as trail markers, benches, and signage.

**Staff Recommendation.** Approve \$3.9 million in one-time General Fund resources.

**52) California Science Center.** Extend lease agreement with the California Science Center Foundation for an annual lease payment of \$2.43 million for 30 years beginning in 2022.

**Staff Recommendation.** Approve as proposed.

**53) California African American Museum (CAAM).** \$6.45 million for deferred maintenance and \$325,000 ongoing for an increase in staff. Over the past two years, CAAM's attendance and visibility have dramatically increased due to a radical change in exhibition and education programming, outreach efforts and rebranding. The attendance increase requires CAAM to address needs related to security, staffing, and deferred maintenance issues that will prepare the museum for formal accreditation in the future and avoid potential code violations and ensure safety and security.

**Staff Recommendation.** Approve \$6.45 million in one-time General Fund resources and \$325,000 in ongoing General Fund resources.

**54) Italian American Museum of Los Angeles.** \$250,000 General Fund for the Italian American Museum of Los Angeles. The museum is located in the Italian Hall, which was constructed in 1908 and is listed on the National Register of Historic Places. The museum opened in 2016 and is jointly operated by the Historic Italian Hall Foundation and the City of Los Angeles.

**Staff Recommendation.** Approve \$250,000 in one-time General Fund resources.

**55) Museum of Lesbian, Gay, Bisexual, Transgender, and Queer (LGBTQ) History and Culture.** \$2 million Proposition 68 for a proposed Museum of LGBTQ History and Culture in San Francisco for exhibitions, archives, and programs where stories and cultures of LGBTQ communities can be gathered, preserved, studied, and made widely available.

**Staff Recommendation.** Approve \$250,000 in one-time General Fund resources.

**56) Stories: The AIDS Monument.** \$250,000 for Stories: The AIDS Monument, a permanent installation that will be built to symbolize the past, present, and future of the fight against AIDS and HIV, and memorialize and honor those who have died since the crisis began. The monument is proposed to be built on San Vicente Boulevard in West Hollywood Park on a 12,000 square foot parcel of land donated by the City of West Hollywood. The \$5.2 million campaign goal is 80 percent complete.

**Staff Recommendation.** Approve \$250,000 in one-time General Fund resources.

**57) Food Dye Study.** \$485,000 to the Office of Environmental Health Hazard Assessment (OEHHA) to conduct a literature review and risk assessment on the potential impacts of synthetic food dyes on children.

**Staff Recommendation.** Approve \$485,000 in one-time General Fund resources.

**58) Los Angeles Cleantech Incubator (LACI).** \$2 million to fund LACI for workforce development training to increase access to environmental technology jobs and increase access to zero emissions mobility for disadvantaged communities in the Los Angeles area.

**Staff Recommendation.** Approve \$2 million in one-time General Fund resources.

**Staff Recommendation.** For issues #40-58, approve as recommended by staff.