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CALIFORNIA STATE SENATE
COMMITTEE ON BUDGET AND FISCAL REVIEW

STATE CAPITOL – ROOM 5019
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Agenda

June 14, 2021

9:30 a.m. – Senate Chamber

BILL

AUTHOR

SUBJECT

AB 128

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Budget Act of 2021

SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Nancy Skinner, Chair
2021 - 2022 Regular

Bill No: AB 128 **Hearing Date:** June 14, 2021
Author: Committee on Budget
Version: June 10, 2021 As amended
Urgency: No **Fiscal:** No
Consultant: Joe Stephenshaw

Subject: Budget Act of 2021

Summary: This bill contains the 2021 Budget Act. This bill represents a budget package that authorizes General Fund expenditures of \$195.5 billion and assumes \$201.9 billion in total General Fund resources. Under this budget act, there are combined total reserves in the Budget Stabilization Account (BSA), the Special Fund for Economic Uncertainties (SFEU), the Public School System Stabilization Account (PSSSA) and the Safety Net Reserve of approximately \$25.5 billion.

Background: The budget builds on priorities put forward in the Assembly's "A Budget of Opportunity" blueprint, the Senate's "Build Back Boldly" plan, and the Governor's May Revision. The budget represents a responsible, yet bold and transformative spending plan.

The May Revision estimated \$76 billion in discretionary state funds to allocate in the 2021-22 fiscal year and the Legislative Analyst's Office (LAO) estimated \$38 billion. The differences in the estimates stem from differing definitions. The Governor's estimate includes constitutionally required spending on schools and community colleges, reserves, and debt payments while the LAO's does not. Regardless, the discretionary General Fund revenue combined with approximately \$27 billion in direct state federal funds from the American Rescue Plan Act provide for an unprecedented opportunity to make significant investments necessary to not only rebound from the COVID-19 pandemic but also address ongoing gaps in key programs and services that Californians rely upon.

California's economic bounce back is not by accident or due to good fortune. California's finances survived the COVID-19 economic crisis and have put the state in position to make transformative change due to:

1. A decade of responsible budgeting that provided the tools to get through the temporary downturn without having to impose economy harming cuts to programs or middle class tax increases;
2. Robust federal stimulus actions that kept families afloat and prevented the economy from spiraling out of control; and
3. A voter-approved, revenue system that requires all Californians to contribute, but relies more heavily on those Californians that can most afford to pay.

Due to the strengthened fiscal position of our state, the Legislature was able to maintain many of the Governor's key initiatives and make numerous additions that build off of the May Revision. These include:

- An additional 100,000 Child Care slots on top of the 100,000 proposed by the Governor, as well as \$1.1 billion in ongoing funds above the May Revision to implement Child Care Rate Reform.
- Financial Aid reforms that include the biggest expansion to Cal Grants since its inception and rebooting the Middle Class Scholarship to also supplement Cal Grant for the first time to cover non-tuition costs for students receiving Cal Grants.
- Expansion of Medi-Cal eligibility to all income eligible Californians 50-plus years of age, regardless of immigration status.
- Restoring 2/3 of what remains of the 2009 cut to SSI/SSP to provide modest increases in these grants for low income Californians with disabilities and the elderly.
- Phasing in the Developmental Services Provider Rate Study, over a three-year period, to help ensure providers receive fairer compensation and that families will continue to have access to the vital services provided.
- A permanent restoration of In-Home Supportive Services seven percent hours cut.
- Improvements to the CalWORKs program to better serve struggling families and help them get back on their feet.
- Providing state-funded nutrition benefits to those ineligible for CalFresh or the California Food Assistance Program solely due to immigration status.
- An \$8.5 billion investment in new funding for homelessness programs over the next two years, including \$1 billion ongoing in flexible local funding.
- Reducing the debt of low-income Californians by eliminating various criminal administrative fees, including the elimination of the civil assessment.
- Historic Resources and Infrastructure packages and investments.

Budget Framework

The budget framework differs from the May Revision in two primary ways. First, it maximizes flexible federal funds to support and improve core programs. Second, the budget uses the revenue forecasts of the LAO, as well as up to date revenue performance through the month of May in the current fiscal year. The General Fund budget summary is as follows:

2021-22 Budget General Fund Summary (Dollars in Millions)		
	<u>2020-21</u>	<u>2021-22</u>
Prior Year Balance	\$6,360.8	\$28,212.9
Revenues and Transfers	183,149.2	177,550.9
Transfer to Budget Stabilization Account	4,512.0	-3,840.0
Total Resources Available	\$194,022.0	\$201,923.8
Non-Proposition 98 Expenditures	98,373.5	126,538.6
Proposition 98 Expenditures	67,435.6	69,009.3
Total Expenditures	\$165,809.1	\$195,547.9
Fund Balance	\$28,212.9	\$6,375.9
Reserve for Liquidation of Encumbrances	\$3,175.1	\$3,175.1
Special Fund for Economic Uncertainties	25,037.8	3,200.8
Safety Net Reserve	450.0	1,200.0
Budget Stabilization Account	12,034.0	15,874.0
Public School System Stabilization Account	2,195.2	5,274.2

This budget package includes total General Fund expenditures of \$195.5 billion for 2021-22, which is approximately \$29.7 billion more than revised 2020-21 expenditures. The BSA is projected to have a year-end reserve of \$15.9 billion, up from \$12.0 billion in 2020-21. Total reserves in 2021-22 are \$25.5 billion when accounting for the BSA, the SFEU, the PSSSA, and the Safety Net Reserve.

All told, the budget package contains total spending of \$261.4 billion when accounting for General Fund, bond funds and special funds.

Proposed Law: Major components of this bill include:

K-12 Education, Child Care and Higher Education

K-12 Education

1. Provides an increase to the Special Education program of more than \$1.1 billion in ongoing Proposition 98 General Fund. Of the total, approximately \$260 million is related to the funding of special education services for 3 to 5 year olds, and the

remaining funds are used to increase the statewide base rate in the special education formula.

2. Provides \$165.7 million Proposition 98 General Fund for the Community Schools Program.
3. Provides an increase of \$150 million in ongoing Proposition 98 General Fund for the Career Technical Education Incentive Grant.
4. Provides \$54 million Proposition 98 General Fund for the Child Nutrition Program for providing the state reimbursement rate for universal breakfast and lunch in the 2021-22 budget year.
5. Provides increases in federal funds related to an updated federal awards amount and one-time federal stimulus funds for a variety of existing federal programs.
6. Provides an increase of approximately \$272 million (in Proposition 98 and non-Proposition 98 General Fund) to provide a cost of living adjustment of 4.05 percent to various education categorical programs including special education, child nutrition, state preschool, afterschool education and safety, and charter school facilities grant program, among others.
7. Provides an increase of approximately \$33 million in General Fund and \$32.4 million in federal funds for workload increases and increased state level activities for the Department of Education. This includes funding for 83 positions related to the shift of child care programs from the Department of Education to the Department of Social Services.
8. Provides an additional \$39 million in one-time General Fund for deferred maintenance and capital outlay projects at the State Special Schools.

Child Care and Early Education

9. Provides an increase of \$759.7 million in funding (\$234 million is Proposition 98 General Fund and the remainder in General Fund) for increasing reimbursement rates for the child care and development programs, including state preschool, to the 85th percentile of the 2018 regional market rate survey beginning January 1, 2022.
10. Provides \$300 million in ongoing Proposition 98 General Fund for increasing slots for local educational agency-based state preschool programs.
11. Provides an increase of \$11.6 million (\$5.4 million Proposition 98 General Fund and \$6.2 million General Fund) to waive family fees for the state preschool program through the 2021-22 fiscal year.
12. Provides an increase of \$15.03 million in ongoing General Fund for the Child and Adult Care Food Program to restore state reimbursement rates for providers not affiliated with local educational agencies.

13. Provides more than \$1.2 billion in ongoing General Fund to fund the 2021-22 costs of adding an additional 200,000 child care slots.
14. Provides \$250 million one-time General Fund for infrastructure grants to maintain and expand child care provider infrastructure.
15. Provides approximately \$48 million for 259.7 positions at the Department of Social Services related to shifting child care and related programs to the department from the Department of Education.
16. Provides additional funding for a variety of other caseload and cost of living adjustments to child care programs.

Higher Education

17. Provides \$439 million one-time to support library infrastructure grants for maintenance, capital projects, broadband technology and for purchasing of devices. The budget also includes \$6 million one-time to support the Library Broadband Connectivity Initiative, which provides grants to connect rural and under sourced public libraries to upgrade equipment to support high-speed connectivity. The bill also provides \$35 million one-time to support local library projects to expand broadband access and upgrade equipment to access high-speed connectivity in isolated and under-served communities through a collaborative partnership with libraries, local education agencies and telehealth providers.
18. Provides an increase of \$302.4 million ongoing General Fund to University of California (UC) and \$299 million to California State University to backfill the base reduction associated with the 2020-21 budget. This bill also provides a five percent base increase at UC (\$173.2 million ongoing) and CSU (\$186 million) for operating expenses.
19. Provides an increase of \$32 million ongoing to UC Division of Agriculture and Natural Resources.
20. Provides \$15 million ongoing at UC, \$15 million ongoing at CSU to support student mental health services. The bill also provides an increase of \$15 million ongoing at CSU for basic needs.
21. Includes Legislative intent language to provide funding in 2022-23 to increase enrollment at UC and CSU by 6,230 and 9,434 resident undergraduate students, respectively. The bill also specifies that it is the intent of the Legislature that UC reduce the number of nonresident undergraduates at UC Berkeley, UCLA and UC San Diego to 18 percent of the total undergraduate population by 2026-27. The bill specifies it is the intent of the Legislature to provide resources to offset the associated decrease in nonresident tuition and fees.
22. Provides \$15 million one-time for UCLA Labor Center facility, \$10 million to support the UC Merced Public Policy Center, \$30 million for UC San Diego Hillcrest Medical Center facility, \$25 million for UC Riverside School of Medicine Facilities upgrade, \$15

million for UC Riverside Center for Environmental Research and Technologies facility, and \$50 million for Charles Drew University Medical Education facility. This bill also provides \$325 million for deferred maintenance projects.

23. Provides \$25 million for CSU Northridge Center for Equity innovation and Technology facility, \$313 million one-time for facilities to support transition of CSU Humboldt to a Polytechnic University, \$54 million one-time for the CSU Stanislaus Stockton Center Acacia Building, \$60 million one-time for CSU Dominguez Hills infrastructure improvements, and \$325 million for deferred maintenance.
24. Provides \$22.5 million to support UC Student Academic Preparation and Educational Partnership Programs (SAPEP).
25. Provides an increase of \$371 million Proposition 98 General Fund ongoing for a 5.07 percent cost-of-living adjustment on community college (CCC) apportionments. The bill also provides \$1.3 billion Proposition 98 General Fund one-time to fully pay down CCC deferrals.
26. Provides \$170 million ongoing Proposition 98 General Fund to increase CCC full-time faculty hiring towards meeting the 75 percent goal, and an increase of \$75 million ongoing for CCC part-time faculty office hours.
27. Provides the following increases to support CCC student support services: \$20 million Proposition 98 General Fund ongoing for Educational Opportunities Programs and Services, \$7.3 million Proposition 98 General Fund ongoing increase for the Puente program, \$8 million Proposition 98 General Fund ongoing increase for the MESA program and \$4.9 million Proposition 98 General Fund ongoing increase for Umoja, \$10 million Proposition 98 General Fund ongoing for Rising Scholars, and \$23 million Proposition 98 General Fund ongoing increase for Student Equity and Achievement Program, \$30 million Proposition 98 General Fund ongoing for basic needs centers and coordinators, \$5.8 million Proposition 98 General Fund ongoing for Dreamer Resource Liaisons, and \$30 million Proposition 98 General Fund ongoing for student mental health services.
28. Eliminates \$15 million ongoing funding for Calbright College, and begins the process to defund the Calbright College.
29. Provides \$155 million ongoing General Fund to remove the age and time out of high school eligibility requirements for CCC students applying for Cal Grant. This bill also provides \$44 million ongoing General Fund to increase the Cal Grant B Access Award for CCC students to \$1,846 in 2021-22. The bill also provides \$5.4 million ongoing General Fund to provide a cost of living adjustment to the private nonprofit colleges Cal Grant tuition award of \$9,084.
30. Provides \$4 million one-time over four years to establish the Capacity and Affordable Student Housing (CASH) Fund to support affordable student housing projects at the public higher education segments, and to support campus expansions at UC and CSU.

Resources, Environmental Protection and Energy

31. Contingent upon future legislation, appropriates the following for several Legislative packages:
- a. \$3.475 billion (General Fund, Coronavirus Fiscal Recovery Fund of 2021, bond and special funds) for water and drought resilience.
 - b. \$2.7 billion (General Fund, GGRF, and special fund) in 2021-22 (\$3.9 billion over three years) for zero-emission vehicles and related infrastructure.
 - c. \$1 billion Coronavirus Fiscal Recovery Fund of 2021 for water arrearage debt relief.
 - d. \$1.225 billion General Fund for a climate resilience package with the intent to appropriate \$1.225 million annually in 2022-23 and 2023-24.
 - e. \$1 billion General Fund for a wildfire prevention and resilience.
 - f. \$776 million (General Fund and special funds) for agriculture.
 - g. \$250 million General Fund for local park grants.
 - h. \$130 million General Fund for a circular economy package dealing with waste reduction.
 - i. \$1 billion (Coronavirus Fiscal Recovery Fund of 2021) in 2021-22, and \$7 billion (CFRF and General Fund) over seven years for Broadband investments.
 - j. \$835 million (General Fund) for additional investments to help the state reach its clean energy goals.
32. Appropriates \$533 million (\$371 million General Fund, \$162 million American Rescue Plan Act funding) to the Departments of Parks and Recreation, Water Resources, Forestry and Fire Protection, as well as Exposition Park and California Conservation Corps for deferred maintenance projects.
33. Appropriates \$41.75 million General Fund to the Department of Fish and Wildlife for biodiversity enhancement programs and projects to safeguard the state's biodiversity, increase access opportunities on state lands, and long-term solutions to restore natural ecosystems.
34. Appropriates \$150 million General Fund for fairground and community resiliency and evacuation centers, of which \$10 million is allocated to Cal Expo.
35. Appropriates \$11.5 million General Fund one-time to the California Department of Food and Agriculture for the purpose of creating a DNA barcode reference library for

California insects.

36. Appropriates \$31 million General Fund to the Coastal Commission (\$1 million for operations; \$30 million for sea level rise local assistance grants) and extends the encumbrance and liquidation period to June 30, 2026.
37. Appropriates \$8.3 million General Fund in 2021-22, \$6.1 million General Fund in 2022-23 ongoing, and 26 positions ongoing to CalFire to address increased workload driven by statutory requirements related to defensible space inspections and a regional capacity review set forth in AB 38 (Wood), Chapter 391, Statutes of 2019.
38. Appropriates \$60 million General Fund one-time to the Department of Water Resources for grants to support local planning and implementation of the Groundwater Sustainability Plans across critically over-drafted basins.
39. Appropriates \$40 million General Fund one-time to the California Department of Food and Agriculture to award, administer, and monitor State Water Efficiency and Enhancement Program (SWEEP) grants with a focus on depleted groundwater basins.
40. Appropriates \$3.35 million for technical assistance for underserved farmers.

Health and Human Services

Children and Youth Behavioral Health Initiative

41. Includes expenditure authority of \$1.9 billion (\$200 million General Fund, \$1.4 billion Coronavirus Fiscal Recovery Fund or CFRF, \$200 million federal funds, and \$55 million Mental Health Services Fund) in 2021-22, and \$1.3 billion (\$300 million General Fund, \$871.1 million CFRF, and \$100 million federal funds) in 2022-23 to support the Children and Youth Behavioral Health Initiative and other interventions to support behavioral health services for students. The total investment over five years is \$4.4 billion and includes the following components:
 - a. \$250 million (\$200 million CFRF and \$50 million Mental Health Services Fund) in 2021-22 to augment and expand school mental health partnerships pursuant to the Mental Health Student Services Act (MHSSA)
 - b. \$100 million CFRF in 2021-22 and \$450 million in 2022-23 to support school-linked behavioral health partnerships. Of the two year funding, \$300 million would support county behavioral health department partnerships with schools, \$50 million would support behavioral health services in higher education, and \$200 million would support a competitive grant program to address mental health disparities and improve access to behavioral health care.
 - c. \$400 million (\$200 million General Fund and \$200 million federal funds) to support incentives for Medi-Cal managed care plans to provide mild-to-moderate behavioral health services to students in partnership with schools and county behavioral health departments.

- d. \$429 million CFRF in 2021-22 for the Mental Health Services Oversight and Accountability Commission (MHSOAC) to develop and expand evidence-based behavioral health programs addressing early psychosis, disproportionately impacted communities and communities of color, youth drop-in wellness centers, intensive outpatient programs for youth, and prevention and early intervention services for youth.
- e. \$465 million CFRF in 2021-22 and \$118.8 million General Fund in 2022-23 to support behavioral health workforce capacity programs.
- f. \$200 million (\$100 million General Fund and \$100 million federal funds) annually beginning in 2022-23 to add dyadic services as a Medi-Cal benefit.
- g. \$30 million CFRF in 2021-22 and \$50 million General Fund in 2022-23 for public education campaigns for behavioral health literacy, adverse childhood experiences, and trauma-informed training.

42. Behavioral Health Continuum Infrastructure

43. Includes expenditure authority of \$1 billion (\$695.7 million General Fund and \$310 million CFRF) in 2021-22 and \$1.4 billion (\$1.2 billion General Fund and \$220 million CFRF) in 2022-23 to support competitive grants to construct, acquire, and rehabilitate real estate assets to expand the community continuum of behavioral health treatment resources. The specific allocations of this funding include:

- a. \$10 million CFRF in 2021-22 and \$245 million (\$25 million General Fund and \$220 million CFRF) in 2022-23 to support infrastructure for youth behavioral health services as part of the Children and Youth Behavioral Health Initiative.
- b. \$250 million General Fund in 2021-22 to support infrastructure to address the behavioral health needs of individuals deemed incompetent to stand trial.
- c. \$150 million General Fund in 2021-22 to support implementation of mobile crisis support teams. \$100 million would be allocated for youth in crisis, with priority given to projects that would make services available when children return to school in the fall, and \$50 million allocated to adults in crisis.

Medi-Cal

44. Includes expenditure authority of \$66.5 million (\$48 million General Fund and \$18.5 million federal funds) in 2021-22, growing to \$1.3 billion General Fund when fully implemented, to expand eligibility for full-scope Medi-Cal coverage to income-eligible older adults over the age of 50, regardless of immigration status.

45. Includes \$105.7 million General Fund annually beginning in 2022-23 to phase out the assets test for Medi-Cal eligibility for seniors and persons with disabilities.

46. Eliminates program suspensions for the following programs and benefits:

- a. Proposition 56 supplemental payments for physicians, dentists, women's health services, family planning, developmental screenings, community-based adult services, non-emergency medical transportation, intermediate care facilities – developmental disabilities, hospital-based pediatric physicians, adverse childhood experiences (ACEs) screening, ACEs provider training, and value-based payments.
- b. Medi-Cal optional benefits, including dental, optical, audiology, speech therapy, podiatry, and incontinence creams and washes.
- c. Postpartum extension of Medi-Cal for pregnant women for 12 months.

Public Health Infrastructure Investments

47. Includes General Fund expenditure authority of \$475.1 million in 2021-22 and \$403 million annually thereafter to rebuild an equitable public health system, including:

- a. \$200 million annually to support investments in local public health departments, including a three-year public health planning process to address the most pressing public health needs and eliminate health disparities.
- b. \$100 million annually to support a grant program to address existing or emerging health disparities and racial justice innovation projects.
- c. \$15 million annually to support programs focused on coordinating trans-inclusive health care for individuals who identify as transgender, gender nonconforming, or intersex.
- d. \$35 million annually to support workforce development programs to recruit, expand, and retain a modern public health workforce to meet California's current and future public health priorities.
- e. \$40 million annually to the state Department of Public Health to support technical assistance to local public health departments, learning collaboratives to share best practices, support for effective public health communications, ongoing information technology system upgrades to support public health priorities, triennial reporting on gaps in the public health workforce, annual reporting on health disparities, and an annual report on the State of the State's Public Health.
- f. \$3 million one-time for a public health infrastructure study.
- g. \$63.1 million one-time to support phase two of the California Reducing Disparities Project.
- h. \$19 million (\$13 million annually and \$6 million one-time) to support investments to end the epidemics of HIV, hepatitis C, and sexually transmitted infections.

Department of Developmental Services

48. Includes \$217 million General Fund in 2021-22 to begin a three-year phase in of rate models proposed in the 2019 DDS rate study. Funding for implementation grows to \$847 million General Fund in 2023-24.
49. Includes \$2.9 million General Fund to develop a Direct Services Professional (DSP) training and certification program.
50. Includes \$71.8 million General Fund to hire additional service coordinators at Regional Centers for enhanced service coordination.
51. Includes \$7.8 million General Fund to improve consumer onboarding into the Self Determination Program and establish an Office of the Ombudsperson for the program.
52. Includes \$10 million one-time for a three-year pilot to develop service outcome based measurement, training, quality, and data collection tools for the developmental services system.

Department of Aging

53. Includes \$2.5 million General Fund to fund the Office of the Long-Term Care Patient Representative.
54. Includes \$54.3 million General Fund for senior nutrition programs and capacity needs for the programs.
55. Includes \$50 million General Fund one-time for counties to help older adults and people with disabilities access technology.
56. Includes \$106 million one-time to strengthen older adults' recovery and resilience from the isolation and health impacts of the COVID-19 pandemic. The programs funded with these investments include senior legal services, fall prevention and home modification, aging and disability resource connections, and family caregiving support.
57. Includes \$6.3 million General Fund to increase slots for the program and make permanent the supplemental rate increase provided in 2019.

Department of Social Services

58. Includes \$366 million General Fund to increase SSP grants for both individuals and couples by roughly 28 to 29 percent.
59. Includes \$455.9 million General Fund in 2021-22 for the restoration of the seven percent reduction in service hours.

60. Includes \$497.5 million (\$47.5 million General Fund) for the Community Care Expansion program to fund the acquisition, construction, and/or rehabilitation of adult and senior care facilities.
61. Includes a total of \$293 million (\$267.5 million General Fund) for state-level resources to implement the federal Families First Prevention Services Act (FFPSA) and to support county implementation of the FFPSA.
62. Includes \$142 million from the Child Poverty and Supplemental Family Subaccount for a 5.3 percent increase to CalWORKs grants. Additionally, the budget includes \$75 million for intensive case management and \$1 million to fund automation changes to align the applicant earned income disregard with the recipient earned income disregard.
63. Includes a total of \$292 million General Fund for food bank resources to meet COVID-19 demands, as well as capacity enhancements and climate resiliency efforts.
64. Includes \$5 million General Fund in 2021-22 for automation changes to begin implementation of an expansion to the CFAP program to all regardless of immigration status. Funding would grow to \$550 million in 2023-24.

State Administration and General Government

65. Includes \$215 million for counties to administer the 2021 election.

Office of Racial Equity

66. Provides \$10 million General Fund to establish the Office of Racial Equity, which will be available over seven years.
67. Includes a total of \$162 million General Fund to support the California Disaster Assistance Act program at the Office of Emergency Services.

Secretary of State

68. Provides \$5.8 million for the Secretary of State to support Voter Choice Act counties.

Cannabis

69. Shifts \$154 million in Cannabis Control Fund from various cannabis-licensing entities to help administer the new Department of Cannabis Control.
70. Includes \$100 million for the Cannabis Local Jurisdiction Assistance Grant program to help local entities provide environmental reviews for provisional license holders.

Department of General Services

71. Provides the following resources for the Department of General Services' capital outlay projects:

- a. \$191.6 million in lease revenue bond authority for the design build phase of the Gregory Bateson Building in Sacramento.
- b. Provides \$124.4 million in lease revenue bond authority for the Jesse Unruh Building in Sacramento, which includes \$2 million to restore the State Capitol Fountain.
- c. Provides \$452.1 million in lease revenue bond authority for the Resources Building renovation in Sacramento.
- d. Provides \$11.6 million General Fund to renovate the Bonderson Building swing space.

Victim Compensation Board

72. Includes \$7.5 million General Fund to the California Victim Compensation Board to provide reparations for individuals who underwent forced or involuntary sterilizations in state institutions.

California Arts Council

73. Provides an additional \$100 million General Fund for the California Arts Council grants program, of which \$40 million is dedicated for the Creative Youth Development grant program.

74. Provides \$50 million General Fund for the Arts Council, in conjunction with the Labor and Workforce Development Agency, to administer grants to small nonprofit arts organizations to help comply with costs to comply with AB 5.

Veterans Services

75. Includes \$25 million General Fund for the Veterans Support to Self-Reliance grant program.

76. Augments the county veteran service officer program by \$5.4 million ongoing General Fund, for a total of \$11 million ongoing General Fund.

77. Provides \$20 million General Fund to help support the West Los Angeles Veterans Collective in building affordable housing units on the West Los Angeles VA Medical Center Campus.

78. The budget provides \$330,000 General Fund in 2020-21 and \$588,000 ongoing General Fund to support the Barstow Veterans Home in meeting current and future program needs as outlined in the Master Plan.

Franchise Tax Board

79. Appropriates \$15 million ongoing General Fund to the Franchise Tax Board for outreach and resources to help Californians claim the California Earned Income Tax Credit and the Golden State Stimulus, including dedicated assistance for individuals needing to obtain federal Individual Tax Identification Numbers.

California Natural Resources Agency

80. Appropriates \$50 million one-time General Fund for the Museum Grant Program at the California Cultural and Historical Endowment for capital projects or programs that support and enhance museum services and serve historically underserved communities.

Department of Financial Protection and Innovation

81. Appropriates \$10 million one-time General Fund for the Financial Empowerment Fund at the Department of Financial Protection and Innovation, which provides grants to non-profit groups serving underbanked and unbanked Californians. This program was established with an initial \$4 million investment by SB 455 (Bradford), Statutes of 2019.

California Tax Credit Allocation Committee

82. Allows the California Tax Credit Allocation Committee to allocate up to \$50 million annually in state historic tax credits, established by SB 451 (Atkins), Statutes of 2019.
83. Provides \$500 million in additional Low Income Housing Tax Credits.

Governor's Office of Business and Economic Development (GO-Biz)

84. Appropriates \$1.5 billion one-time Coronavirus Fiscal Recovery Fund for the California Small Business COVID-19 Relief Grant Program, which provides grants to small businesses and non-profits. This brings the total investment in the program to \$4 billion, including a \$500 million initial investment in November 2020 and an additional \$2 billion expansion approved by the Legislature in February 2021. The program is administered by the California Office of the Small Business Advocate (CalOSBA) within GO-Biz.
85. Appropriates \$50 million one-time General Fund for CalOSBA to administer grants to local governments and nonprofits to provide relief to eligible micro-businesses.
86. Appropriates \$150 million one-time General Fund for CalOSBA to provide relief to independent venues, live events businesses, and minor league sports.

87. Appropriates \$70 million one-time General Fund to establish the California Investment and Innovation Program and provide grants to community development financial institutions.
88. Appropriates \$95 million one-time Coronavirus Fiscal Recovery Fund for the California Office of Tourism, which works closely with Visit California, to be used for marketing campaigns to jumpstart California's tourism industry.
89. Appropriates \$35 million one-time General Fund for the California Dream Fund, administered through CalOSBA, to support micro-grants up to \$10,000 to seed entrepreneurship and small business creation in underserved groups that are facing opportunity gaps. This program will be administered through an existing network of small business assistance centers funded through the Technical Assistance Expansion Program at CalOSBA, and is designed to replace the Social Entrepreneurs for Economic Development Initiative administered by the California Workforce Development Board.
90. Appropriates \$50 million one-time General Fund for the California Infrastructure and Economic Development Bank's Small Business Finance Center to provide financing to the most underserved small businesses, including female owned, minority owned, and small businesses operated in a low to moderate income tracts. The Infrastructure and Economic Development Bank shall notify the Joint Legislative Budget Committee if these funds are used for any purpose other than the California Rebuilding Fund.
91. Appropriates \$20 million one-time General Fund for the Small Business Loan Guarantee Program at IBank. This is a reduction from the \$50 million allocation proposed in the January Governor's Budget, due to the likelihood of using federal State Small Business Credit Initiative funds for this purpose.

Housing and Homelessness

92. Provides \$1 billion per year, ongoing, for flexible aid to local governments to combat homelessness.
93. Provides \$1.2 billion in federal funds in 2021-22 (and \$1 billion in 2022-23) to continue Project HomeKey, which provides funds for the acquisition of hotels, motels, and other properties for conversion to non-congregant housing for homeless individuals.
94. Provides the following investment in developing, constructing, and preserving affordable and livable housing:
 - a. \$1.75 billion to alleviate the backlog in affordable housing construction.
 - b. \$300 million for the preservation of existing affordable housing.
 - c. \$500 million for the creation of a Foreclosure Intervention Housing Preservation program.

- d. \$130 million for the development, maintenance, and preservation of farmworker housing.
 - e. \$750 million for planning and implementation grants to help local governments plan for and meet their goals under their Sustainable Community Strategies.
95. Provides \$3 million for the State Treasurer's Office to develop the parameters of the California Dream for All First Time Homebuyer's Program and propose the program back to the Legislature for adoption via legislation.
96. Provides a total of \$584 million, split between federal and state funds, for the Infill Infrastructure Grant Program.
97. Provides the following funding through CalHFA to support homeownership and wealth creation in disadvantaged communities:
- a. \$100 million in expanded down payment assistance for first time homebuyers.
 - b. \$81 million for an expanded financing program for Accessory Dwelling Units.

Local Government

98. Provides \$11 million General Fund in property tax backfill for counties impacted by the 2020 Wildfires.
99. Provides \$100 million General Fund to support independent special districts who have not received other state or federal assistance.
100. Provides \$30 million General Fund annually for three years to support the County Assessors' Grant program.

Corrections, Public Safety, the Judiciary, Labor and Transportation

Public Safety and Courts

101. Reduces debt on low-income Californians through the elimination of criminal administrative fees and the civil assessment. Includes \$151 million General Fund in 2021-22, \$151 million in 2022-23, \$130 million in 2023-24, and \$120 million in 2024-25 and ongoing to backfill the revenue associated with the eliminated fees.
102. Restores \$200 million ongoing General Fund (\$176.9 million for the trial courts and \$23.1 million for the state-level judiciary) to allow courts to re-open temporarily closed courtrooms and process case backlogs which have accumulated during the pandemic. Includes an additional \$72 million General Fund ongoing to support trial court operations.
103. Expands essential legal service resources through a \$200+ million "Access to Justice" package, starting in 2021-22, for legal aid, collaborative courts, county law libraries, dependency counsel, court interpreters, and court reporters.

104. Delivers \$120 million ARPA funds over three years to fund legal aid services for renters and homeowners to avoid eviction and foreclosure.
105. Provides \$200+ million General Fund to reduce gun violence in the state. This includes the following:
 - a. \$200 million one-time General Fund across the next three fiscal years for the Board of State and Community Corrections to expand the California Violence Intervention and Prevention grant program. (CalVIP) provides competitive grants to cities and community-based organizations to support services such as community education, diversion programs, outreach to at-risk transitional age youth, and violence reduction models.
 - b. \$10 million for the Gun Violence Reduction Program and \$300,000 for the costs to administer the grants to the Board of State Community Corrections and adopts placeholder trailer bill language to establish the grant program. The Budget Act of 2019 previously provided \$3 million General Fund to establish a Gun Violence Reduction Pilot Program to support local law enforcement agencies in conducting activities related to seizing weapons and ammunitions from persons who are prohibited from possessing them.
106. Includes a “Rehabilitation, Re-entry and Recidivism Reduction” package of over \$200 million, starting in 2021-22 for career development, rehabilitative programming, family connection, local support for individuals to remain out of the criminal justice system, and removal of barriers to successful re-entry.
107. Provides \$30 million ongoing General Fund for the new Office of Youth and Community Restoration created under the Health and Human Services Agency through SB 823 (Committee on Budget and Fiscal Review), Chapter 337, Statutes of 2020 to support the continuum of youth justice in the state to improve youth outcomes, reduce and eliminate racial disparities, and enhance public safety.
108. Provides cost-free remote communications for the incarcerated during the pandemic through trailer bill language and includes \$20 million General Fund in 2021-22 to cover the costs of the contract for phone calls so that phone calls are of no costs per the trailer bill.
109. Includes \$20.3 million ongoing General Fund to add a third day of in-person visitation on Fridays at all California Department of Corrections and Rehabilitation institutions (visiting is currently limited to Saturdays and Sundays). In addition, this funding will provide visitors with free transportation on select days throughout the year to all prisons via chartered busses.
110. Provides the Office of Inspector General with an ongoing \$15 million General Fund to increase oversight of the state prison system.

Office of Emergency Services

111. Includes various grants administered by the Office of Emergency Services, including:
- a. \$50 million General fund to support homeless youth emergency housing programs.
 - b. \$50 million General Fund for the California Nonprofit Security Grant Program.
 - c. \$20 million General Fund to support human trafficking survivors.
 - d. \$15 million General Fund to support domestic and sexual violence prevention efforts.
 - e. \$11 million General Fund to support family justice centers.
 - f. \$5 million General Fund for the Internet Crimes Against Children Task Force.
 - g. \$25 million General Fund for the Listos grant program.

Labor

112. Provides \$330 million one-time General Fund for additional temporary Employment Development Department (EDD) staff to address EDD deferred workload needs. The bill also provides \$11.8 million to support EDD language access services, \$11.8 million to re-focus the Business System Modernization Project, and \$5.5 million to begin planning and implementation of direct deposit of EDD benefits.
113. Provides \$25 million General Fund and \$10 million federal Funds to support High Road Training Partnerships. Additionally, the bill provides \$1.1 billion (\$750 million federal funds) for the labor and workforce development package.

Transportation

114. Includes \$20,600,000 beginning in fiscal year (FY) 2021-22, for the Division of Maintenance (Maintenance) to dedicate to Hazardous Material Removal at Encampments. Also includes \$2,721,000 from the General Fund and 20 positions for two years to provide resources for Homeless Encampment Liaisons. These resources will help Caltrans coordinate with local service providers and other state agencies so that people experiencing homelessness and living near state highways are receiving proper treatment and have a safe place to go.
115. Provides \$5.4 billion in new spending for transportation infrastructure, including \$3 billion in funding for transportation infrastructure across the state, including for active transportation projects and projects identified for completion prior to 2028, \$2 billion for

streets, roads, and highway projects, and \$400 million for a State and Local Transportation Adaptation program.

116. Includes three years of funding for REAL ID-related workload at the Department of Motor Vehicles, including \$175.1 million in 2021-22, \$94 million in 2022-23, and \$72.7 million in 2023-24.

Fiscal Effect: This bill represents a 2021-22 state fiscal plan that includes \$261.4 billion in total spending, \$195.5 billion of which is from the General Fund.

Support: None on file.

Opposed: None on file.

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