



Transportation and Resources

2013-14

Budget Conference Committee on AB 110

Senator Mark Leno, Chair

Assembly Member Bob Blumenfield, Vice Chair

**Members: Assembly Member Jeff Gorell, Assembly Member Holly Mitchell, and Assembly Member Nancy Skinner
Senator Kevin de León, Senator Bill Emmerson, and Senator Loni Hancock**

Table of Contents

<u>Item #</u>	<u>Title</u>	<u>Page</u>
<u>Transportation</u>		
2660	Department of Transportation	
	Planning Program – Zero-Base Budget	1
	Miscellaneous Revenue for Debt Service	2
	Bird Migration Planning	3
<u>Resources, Environmental Protection & Energy</u>		
0540	Secretary for Natural Resources Agency	
	Funding and Feasibility for the Salton Sea.....	4
3340	California Conservation Corps	
	Fire Prevention Activities in State Responsibility Area (SRA)	5
3360	Energy Resources Development Commission (California Energy Commission)	
	Electric Program Investment Charge (EPIC).....	6
3540	Department of Forestry and Fire Protection (CAL FIRE)	
	Vegetation Management Program (Fire STEPP)	7
	State Responsibility Area (SRA) Local Assistance Grant Program.....	8

Table of Contents

<u>Item #</u>	<u>Title</u>	<u>Page</u>
<u>Resources, Environmental Protection & Energy</u> – (continued)		
3790	Department of Parks and Recreation	
	Parks and Recreation Commission – Legislative Appointees	9
	Off-Highway Vehicle TBL	10
3860	Department of Water Resources	
	American River Water Information System	11
	Salton Sea Financial Assistance Program.....	12
3900	California Air Resources Board	
	Cap and Trade Program – Loan to the General Fund	13
	Cap and Trade Auction – Oversight and Budgetary Administration	14
3930	Department of Pesticide Regulation	
	Mitigation Pesticide Use to Protect the Environment.....	15
3940	State Water Resources Control Board	
	Enforcement Augmentation (Nitrate Contamination)	16
	Beach Water Quality Monitoring	17
3980	Office of Environmental Health Hazard Assessment	
	SB 535 Implementation	18

Table of Contents

<u>Item #</u>	<u>Title</u>	<u>Page</u>
<u>Resources, Environmental Protection & Energy</u> – (continued)		
8570	California Department of Food and Agriculture Management and Oversight of Fertilizer Laws	19
8660	California Public Utilities Commission Development and Administration of the CPUC Budget..... Energy Crisis Litigation – Extension of Liquidation Period	20 21
	Energy Efficiency Data Transparency	22
	California High Cost Fund A Broadband Expansion (Errata).....	23

2660**Department of Transportation**

Issue	Description	Difference (dollars in thousands)	Conference Action
2660-001-0001	Department of Transportation		
102	Planning Program—Zero-Base Budget		Senate
	<p>Governor proposed changes to the Department of Transportation (Caltrans) Planning Program based on zero base budget (ZBB). The proposal would result in reductions, increases and redirections across several activities, for a net increase in 10 positions, and \$8.4 million special funds. Part of the proposal included the redirection of four positions and the elimination of one position from the Complete Streets Program.</p>	\$480 (special funds)	
		Assembly	
		\$0	
		Difference	
	<p>Senate approved most of the proposal, but reinstated the five positions for the complete streets program.</p>	\$480 (special funds)	
	<p>Assembly approved the Governor’s proposal.</p>		

2660 Department of Transportation

Issue	Description	Difference (dollars in thousands)	Conference Action
2660-001-0001 Department of Transportation			
107	Miscellaneous Revenue for Debt Service		Senate
TBL	Governor proposed trailer bill language that would permanently shift miscellaneous revenue from the State Highway Account to partially offset debt service costs of the GF for transportation debt.	\$0	Assembly
	Senate modified the proposed trailer bill language to allow the shift to occur for one more year.	\$0	Difference
	Assembly approved the Governor's proposal.	\$0	

2660**Department of Transportation**

Issue	Description	Difference (dollars in thousands)	Conference Action
2660-001-0001	Department of Transportation		
TBL	Bird Migration Planning		Senate
	Governor had no proposal.	\$0	
	Senate did not hear this issue.		Assembly
	Assembly adopted placeholder trailer bill language that requires Caltrans to meet with local conservation and community organizations having expertise in local migratory birds, to determine the most appropriate means of achieving full compliance with applicable state and federal laws protecting migratory birds and other wild life prior to any construction activities at the U.S. Highway 101 Petaluma bridge or the State Highway 116 (Lakeville Highway) Petaluma River bridge.	\$0	
		Difference	
		\$0	

0540**Secretary for Natural Resources Agency**

Issue	Description	Difference <small>(dollars in thousands)</small>	Conference Action
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0540-001-8018 Secretary for Natural Resources Agency

200	Funding and Feasibility for the Salton Sea	Senate	
	Governor (no proposal).	\$0	
	Senate (no proposal).	Assembly	
	Assembly approved \$2 million (Salton Sea Restoration Fund) to be allocated to the Salton Sea Authority for a funding and feasibility study. The study is intended to provide additional information regarding the State's restoration plan by identifying potential funding sources and financing options to help determine financially sustainable restoration projects.	\$2,000 +BBL	
		Difference	
		\$2,000 +	
		BBL	

3340**California Conservation Corps**

Issue	Description	Difference (dollars in thousands)	Conference Action
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3340-001-3063 California Conservation Corps

175	Fire Prevention Activities in State Responsibility Area (SRA)	Senate \$5,000 (SRA Fire Fund)	
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Governor proposes \$5 million in Proposition 40 bond funds, annually for the next three years, to support fire prevention activities within the SRA including to: (1) fund the baseline program (\$2.4 million per year) and perform hazardous fuel reduction and watershed restoration projects to improve forests' resistance to fire; (2) expand this program (\$2.2 million per year) to support an increase of 45 full-time equivalent corps-member positions to perform additional activities and 7.5 associated administrative positions; and, (3) fund five positions for administration-related to the existing and expanded program.

Assembly
AAB

Difference
Fund Source

Senate approved the proposal with funding from the SRA Fire Fund.

Assembly approved as budgeted.

Issue	Description	Difference (dollars in thousands)	Conference Action
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3360-101-3211 Energy Resources Development Commission (California Energy Commission)

301 **Electric Program Investment Charge (EPIC)**

Senate
AAB + BBL

Governor proposes \$9.8 million for state operations and \$183 million in local assistance project funds for the implementation and execution of the EPIC program. The proposal includes an additional \$25 million in EPIC funds the CPUC may approve for the New Solar Homes Partnership program. All funding for the programs would be derived from utility electric ratepayers.

Assembly
\$2

Difference
\$192.6 +
BBL

Senate approved the proposal with budget bill language such that no positions may be added, nor funds expended, until a statute expressly authorizes the EPIC program, including program provisions.

Assembly approved \$2,000 to move this to conference.

Issue	Description	Difference (dollars in thousands)	Conference Action
3540-001-0001	Department of Forestry and Fire Protection (CAL FIRE)		
016	Vegetation Management Program (Fire STEPP)	Senate AAB + BBL + TBL	
	Governor proposes \$11.7 million (State Responsibility Area [SRA] Fee) and 65.1 positions to address fire severity, treatment, education, prevention and planning. This proposal also includes fuel treatment through the Vegetation Management Program.	Assembly AAB	
	Senate approved the proposal with provisional budget bill language and trailer bill language to restrict the use of funds to those allowed under the department’s current authority. A new programmatic Environmental Impact Report, that would guide the use of these funds, is under consideration by the Board of Forestry (BOF). The language would also allow BOF to conduct one meeting in Southern California.	Difference BBL + BBL + TBL	
	Assembly approved as budgeted.		

3540**Department of Forestry and Fire Protection**

Issue	Description	Difference (dollars in thousands)	Conference Action
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3540-101-3063 Department of Forestry and Fire Protection (CalFIRE)

182	State Responsibility Area (SRA) Local Assistance Grant Program	Senate \$15,000	
	Governor (no proposal).	Assembly \$0	
	Senate approved \$15 million from the SRA Fire Fund for a new local assistance grant program to allow locals to conduct fire prevention activities.	Difference \$15,000	
	Assembly (no proposal).		

Issue	Description	Difference (dollars in thousands)	Conference Action
3790-001-0392	Department of Parks and Recreation (DPR)		
TBL	Parks and Recreation Commission—Legislative Appointees		Senate TBL
	Governor (no proposal).		Assembly (no proposal)
	Senate approved trailer bill language to allow an appointed member of the Legislature (both Assembly and Senate) to designate an alternative to serve on a board or commission. This creates uniformity in the Resources Agency for member appointees.	Difference TBL	
	Assembly (no proposal).		

Issue	Description	Difference (dollars in thousands)	Conference Action
3790-001-0392	Department of Parks and Recreation (DPR)		
TBL	Off-Highway Vehicle TBL		Senate TBL
	Governor (no proposal).		
	Senate approved trailer bill language to require that, prior to final approval of any new Off-Highway Vehicle land acquisitions or State Vehicular Area acquisitions, the Director of DPR make a written finding that the acquisition cost includes adequate funding to fully mitigate all impacts of the acquisition and the operations of the park. The TBL requires DPR to complete a full review, pursuant to the California Environmental Quality Act (Division 13 ([commencing with Section 21000] of the Public Resources Code), of all Off-Highway Vehicle land or State Vehicular Area acquisitions.	Assembly (no proposal)	
		Difference TBL	
	Assembly (no proposal).		

3860**Department of Water Resources**

Issue	Description	Difference (dollars in thousands)	Conference Action
3860-101-6029	Department of Water Resources (DWR)		
310	American River Water Information System	Senate \$653	
	Governor (no proposal).		
	Senate approved \$653,000 each year, for three years, from Proposition 40 to support a real-time ground-based measurement network of snowpack, soil moisture, and vegetation state across watersheds. This practical research is intended to provide interpretation and integration of remote sensing data and information management to help DWR estimate runoff in critical watersheds.	Assembly \$0 Difference \$0	
	Assembly (no proposal).		

3860**Department of Water Resources**

Issue	Description	Difference (dollars in thousands)	Conference Action
3860-001-8018	Department of Water Resources (DWR)		
201	Salton Sea Financial Assistance Program	Senate \$0	
	Governor (no proposal).		
	Senate (no proposal).	Assembly \$3,000	
	Assembly approved \$3 million (Salton Sea Restoration Fund) to fund the second year of the Salton Sea Financial Assistance Program (FAP). The FAP is focused on funding projects that improve habitat for fish and wildlife at the Salton Sea, while also benefiting air quality by covering the exposed playa with habitat.	Difference \$0	

3900**California Air Resources Board**

Issue	Description	Difference (dollars in thousands)	Conference Action
3900-011-3228	California Air Resources Board (CARB)		
155	Cap and Trade Program—Loan to the General Fund		
	Governor proposes to loan \$500 million from the Greenhouse Gas (GHG) Reduction Fund (Cap and Trade auction revenues) to the General Fund.	Senate \$500 loan to GF	
	Senate approved as proposed.	Assembly \$400 loan to GF	
	Assembly reduced the loan to the GF to \$400 million, leaving the remaining \$100 million un-appropriated and subject to legislation. Adopted BBL to require the loan repayment to begin in 2014-15 at \$100 million per year. Also adopted a new special fund loan of \$100 million to replace the lost funding.	\$100 + BBL for programs \$100 backfill of loan with loans from other funds	
		Difference \$100 + BBL and backfill	

3900**California Air Resources Board**

Issue	Description	Difference (dollars in thousands)	Conference Action
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3900-001-3228 California Air Resources Board (CARB)

175 **Cap and Trade Auction—Oversight and Budgetary Administration** Senate AAB (GHG Fund)

Governor proposed \$1.3 million and two positions to enhance oversight of Cap and Trade auction activities and budgetary administration from the Cost of Implementation (COI) Fee. This proposal includes \$1 million for contracts to audit the Air Resources Board’s internal processes, procedures, and security protocols, as well as the external contractors conducting the Cap and Trade auctions and collecting funds. Assembly AAB (COI Fund)

Senate approved as proposed from the Greenhouse Gas Reduction (GHG) Fund which is derived from auction revenues and required the Administration to contract with the Bureau of State Audits for independent audit management. Difference Fund Source

Assembly approved as budgeted.

3930**Department of Pesticide Regulation**

Issue	Description	Difference (dollars in thousands)	Conference Action
3930-001-0106	Department of Pesticide Regulation		
200 300	Mitigating Pesticide Use to Protect the Environment	Senate AAB + BBL	
	Governor proposes \$788,000 (Department of Pesticide Regulation Fund) and five positions to improve the assessment of pesticides in the environment including impacts on pollinators (bees), wildlife and surface water.	Assembly \$1,421 +TBL	
	Senate approved as proposed, plus budget bill language to require five risk assessments per year.	Difference \$633 + BBL + TBL	
	Assembly approved as budgeted plus an additional 5 positions to increase the enforcement of the state’s pesticide regulations and the speed of pesticide product re-referral reviews and approvals. Adopted TBL to increase community protections from pesticide contamination and oversight of pesticide application.		

Issue	Description	Difference (dollars in thousands)	Conference Action
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3940-101-0193 State Water Resources Control Board (SWRCB)

200	Enforcement Augmentation (Nitrate Contamination)	Senate \$0	
	Governor (no proposal).		
	Senate (no proposal).	Assembly \$969 + TBL	
	Assembly approved placeholder TBL to address issues associated with nitrate-contaminated groundwater. Approved an additional seven positions to increase oversight and enforcement of agricultural wastewater discharges.	Difference \$969 + TBL	

Issue	Description	Difference (dollars in thousands)	Conference Action
210	Beach Water Quality Monitoring	Senate \$0	
	Governor (no proposal).		
	Senate (no proposal).	Assembly \$800	
	Assembly approved an augmentation of \$800,000 for beach water quality monitoring. Current law allows SWRCB to direct permit fees (up to \$1.8 million) towards California’s Beach Monitoring Program. The Governor’s baseline budget includes \$1 million for this program. The Assembly proposes to increase funding to the statutory limit.	Difference \$800	

Issue	Description	Difference (dollars in thousands)	Conference Action
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3980-001-3228 Office of Environmental Health Hazard Assessment (OEHHA)

165 **SB 535 Implementation**

Governor proposed \$577,000 and three positions for the Office of Environmental Health Hazard Assessment from the Greenhouse Gas Reduction Fund to identify disadvantaged communities in California, as required by Chapter 830, Statutes of 2012 (SB 535, De León). The Governor's May Revision proposes to shift funding for SB 535 implementation from the Greenhouse Gas Reduction Fund to the Cost of Implementation Account in the Air Pollution Control Fund.

Senate
AAB (GHG
Fund)

Assembly
AAB (COI
Fund)

Difference
Fund Source

Senate approved as proposed from the Greenhouse Gas Reduction (GHG) Fund, which is derived from auction revenues.

Assembly approved as budgeted.

8570**California Department of Food and Agriculture****Issue****Description****Difference**
(dollars in thousands)**Conference Action****8570-001-0001, 8570-501-0111 California Department of Food and Agriculture (CDFA)**300 **Management and Oversight of Fertilizer Laws** Senate

310 \$0

Governor (no proposal).

Assembly

Senate (no proposal).

\$1,219 + TBL

Assembly approved \$1.2 million and seven positions to increase the management, research, oversight, regulation and enforcement of the State's laws and regulation related to fertilizer use. The proposed positions would increase the state's regulation and understanding of groundwater nitrate contamination.

Difference
\$1,219 + TBL

Issue	Description	Difference (dollars in thousands)	Conference Action
8660-001-0412 California Public Utilities Commission (CPUC)			
176	Development and Administration of the CPUC Budget	Senate	
204		-\$210	
206	Governor proposes \$210,000 (multiple ratepayer funds)		
207	and three positions to provide budget support to the	Assembly	
308	CPUC, including internal budgeting allocations and expenditure monitoring reporting.	AAB	
	Senate rejected the proposal and directed the CPUC to redirect existing positions.	Difference -\$210	
	Assembly approved as budgeted.		

Issue	Description	Difference (dollars in thousands)	Conference Action
8660-001-0111	California Public Utilities Commission (CPUC)		
BBL	Energy Crisis Litigation—Extension of Liquidation Period	Senate AAB	
	Governor proposes to extend the liquidation period for continued assistance by outside legal counsel and economic consultants, as well as expert witnesses, in litigation by the California Public Utilities Commission (CPUC) before the Federal Energy Regulatory Commission (FERC), which seeks refunds for California consumers of several billion dollars for overcharges during the 2000-01 energy crisis.	Assembly AAB + BBL	
		Difference BBL	
	Senate approved as budgeted.		
	Assembly approved as budgeted, with budget bill language requiring the CPUC to require legislative notification of settlement claims to the Joint Legislative Budget Committee and relevant budget and policy committees at least 60 days prior to distribution or expenditure of funds.		

Issue	Description	Difference (dollars in thousands)	Conference Action
8660-001-0412 California Public Utilities Commission (CPUC)			
TBL	Energy Efficiency Data Transparency	Senate (no proposal)	
	Governor (no proposal).		
	Senate (no proposal).	Assembly TBL	
	Assembly adopted trailer bill language to require the CPUC to increase access to non-confidential utility data related to their energy efficiency and clean energy program results.	Difference TBL	
	CPUC oversees the investor owned utilities (IOU) rate-payer funded energy efficiency programs. For the last several three-year program cycles, these programs have been budgeted to expend just over \$1 billion a year, making it the largest clean energy funding program in the state. The funding provides incentives to building designers, owners, managers, and occupants to reduce energy consumption in new construction or existing buildings. This placeholder TBL would allow more access to non-confidential data from utilities and the CPUC.		

Issue	Description	Difference (dollars in thousands)	Conference Action
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8660-001-0464 California Public Utilities Commission (CPUC)

California High Cost Fund A Broadband Expansion Senate
\$70

Governor proposes \$70,000 (one-time) for the existing staff of the Communications Division (High-Cost Fund-A, Administrative Committee Fund) for overtime. This allows the CPUC to implement the requirements of Chapter 729, Statutes of 2012 (SB 379, Fuller) which expands high cost fund subsidies for small rural local exchange carriers to allow recovery of reasonable investment costs of broadband-capable facilities until January 1, 2015. Assembly
Deny

Difference
\$70

Senate did not hear.

Assembly rejected the proposal.