

(Without Reference to File)

CONCURRENCE IN SENATE AMENDMENTS

AB 89 (Ting)

As Amended June 22, 2020

Majority vote. Budget Bill Appropriation Takes Effect Immediately

SUMMARY:

Amends SB 74 (Mitchell), the 2020 Budget Bill, to incorporate changes to the budget that reflect a final agreement between the Legislature and the Governor for the 2020 budget.

The Senate Amendments:

Delete the current version of the bill and instead:

- 1) Includes a federal budget trigger mechanism that would appropriate \$14 billion for state programs, or a proportionate amount, if the State received additional federal relief by October 15, 2020.
 - a) These appropriations are:
 - i) \$150 million for additional court funding;
 - ii) \$45 million to the Housing and Community Development for moderate-income housing;
 - iii) \$203 million to offset reverted 2019 housing funding;
 - iv) \$46.4 million in funding for Department of Child Support Services;
 - v) \$5.7 billion for school, this amount would reduce deferrals that would otherwise occur without federal funds;
 - vi) \$791.1 million for Community Colleges, this amount would reduce deferrals that would otherwise occur without federal funds;
 - vii) \$471.6 million for the University of California;
 - viii) \$1.9 million for Hastings College of Law;
 - ix) \$498.1 million for the California State University;
 - x) \$88.4 million for the Golden State Teacher Grant program at the Student Aid Commission;
 - xi) \$2.8 billion to offset reductions to employee compensation; and
 - xii) \$250 million for county public safety realignment sales tax revenue backfill.

- b) Contains language that stipulates that if federal funding of greater than \$2 billion, but less than \$14 billion is received by October 15, the amount above \$2 billion will be proportionally allocated to the above appropriations.
 - c) Removes Budget Bill provisional language for expenditure suspensions, which will instead be included in trailer bill statutory provisions.
 - d) This bill makes offsetting reductions to the amounts appropriated in SB 74 (Mitchell) in the various departmental budget line items.
- 2) Adopts budget control language to stipulate state employee compensation reductions reached through collective bargaining, furloughs, and other reductions for non-represented employees.
 - a) Achieves \$1.44 billion in General Fund total savings and \$1.4 million in savings from other funds;
 - b) If a bargaining unit achieves the savings from collective bargaining, the state cannot also impose furloughs; and
 - c) Restricts employee compensation augmentations that were not specified in the budget act.
 - 3) Reappropriates funding for projects and funding in Natural Resources Agency, Water Resources, State Parks, the University of California, Department of Corrections and Rehabilitation, and the Department of Education child care funding.
 - 4) Increases the Small Business Expansion Fund by \$25 million to a total of \$50 million.
 - 5) Shifts Alfred E. Alquist Seismic Safety Commission to the Office of Emergency Services.
 - 6) Provides \$3.3 million to fund the TRUE task force within the Department of Justice to implement the provisions of AB 1296 (Gonzalez), Chapter 626, Statutes of 2019.
 - 7) Includes provisional language related to Public Safety Power Shutoffs at the Office of Emergency Services, including reporting on expenditures.
 - 8) Allocates \$13 million for the expansion of the California Volunteers program and database with provisional language regarding volunteer privacy.
 - 9) Provides \$11.1 million funding for the California Cybersecurity Integration Center within the Office of Emergency Services, the Department of Technology, the California Highway Patrol, and the Military Department and includes provisional reporting language.
 - 10) Includes provisional language regarding the use of \$35 million for election activities included in SB 74.
 - 11) Increases the appropriation for the Bureau for Private Postsecondary Education at the Department of Consumer Affairs by \$1.3 million to \$19.4 million.
 - 12) Reverts \$453 million of General Fund and \$250 million of Self-Help Housing fund funding appropriated to the Department of Housing and Community Development in 2019.

- 13) Reduces Oil, Gas, and Geothermal Administrative Fund appropriation for the Department of Conservation by \$6.5 million. This reduction corresponds to the reduction in positions, from 128 to 25, for the California Geologic Management Division to strengthen oversight and enforcement of oil and gas operations in order to limit the state's financial liability.
- 14) Eliminates a reversion of unspent CalFire funding in the 2018 and 2019 budgets and State Water Resources Control Board funding in 2019.
- 15) Eliminates an appropriation of \$73,000 Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond funding for the Coachella Valley Mountains Conservancy, which will be instead be include in the Resources trailer bill.
- 16) Removes \$200,000 for the California Air Resources Board to conduct Cap and Trade rulemaking.
- 17) Removes provisional language associated with the Department of Aging's budget item.
- 18) Reduces funding for Health Care Services by \$397.2 million General Fund to reflect offsetting federal funding.
- 19) Reflects an additional \$2.2 billion in federal funding for Health Care Services.
- 20) Increases General Fund for Medi-Cal Healthy Families benefits by \$15.5 million.
- 21) Provides \$38.6 million federal funds for Medi-Cal Benefits
- 22) Increases the Developmental Services program funding by \$18.2 million General Fund and removes provisional language related to a minimum wage provider supplement.
- 23) Provides an addition \$34.1 million for the State Department of State Hospitals.
- 24) Changes provisional language in the Mental Health Services Oversight and Accountability Commission related to suicide prevention efforts and contracting.
- 25) Increases funding for the Department of Social Services administration by \$2.278 million to reflect the transition of child care program administration activities from the Department of Education.
- 26) Increases CalWORKs program funding by \$1 billion to reflect anticipated additional caseload growth.
- 27) Provides \$32 million to continue the extension of foster care benefits to a non-minor dependent who met the requirements for the Extended Foster Care program and has lost employment or had a disruption in an education program due to COVID-19.
- 28) Reflects an additional \$72.5 million of federal funding for In Home Supportive Services.
- 29) Increases funding or Social Services automation projects by \$1.1 million.

- 30) Increases Department of Corrections and Rehabilitation funding by \$18.7 million General Fund to reflect the restoration of May Revision proposals for the department and removes provisional language that requires population reporting.
- 31) Includes \$13.3 million for psychiatric registry services at the Department of Corrections and Rehabilitation, with specified reporting language to the Joint Legislative Budget Committee on the use of the funding.
- 32) Adjusts the reduction to the Integrated Substance Use Disorder Treatment Program that was made in SB 74 to \$30 million.
- 33) Adds \$137 million to fund capital projects at the Department of Corrections and Rehabilitation that were proposed in the May Revision, but not included in SB 74.
- 34) Adjusts funding for the Adult Reentry Grants to \$37 million.
- 35) Provides \$436,000 additional funding the Department of Education administration for the department to develop a learning continuity template and adjust school deferrals.
- 36) Eliminates \$600,000 for the Department of Education to develop a distance learning curriculum.
- 37) Provides \$100 million for After School Education and Safety.
- 38) Provides \$436,000 additional funding the Department of Education administration for the department to develop a learning continuity plan template and administer distance learning and deferral apportionments.
- 39) Eliminates \$600,000 for the Department of education to develop a distance learning curriculum, and instead provides \$700,000 for the development of distance learning guidance.
- 40) Restores \$100 million for After School Education and Safety.
- 41) Reduces the Department of Education funding by \$102.7million to reflect the removal of COLA included in SB 74. Deletes \$50 million General Fund for additional General Child Care slots, which will now be funded with Prop 64 funds.
- 42) Increases the Department of Education funding by \$45.4 million to reflect additional federal funds received in the budget. Adds provision for early childhood data system.
- 43) Allocates \$5 million General Fund to the University of California Davis Koret Shelter Medicine Program if philanthropic resources in an amount that is sufficient to implement the one-time demonstration project have not been raised by April 1, 2021.
- 44) Provides \$6 million for the University of California Subject Matter Projects for distance learning professional development.
- 45) Contains provisional language to express legislative intent that Hastings College of the Law and the California State University and University of California systems use reserves to offset any year-over-year reduction to funding.

- 46) Provides \$250,000 to establish a California Student Loan and Debt Service Review workgroup at the California Student Aid Commission.
- 47) Increase the Franchise Tax Board's funding for the Earned Income Tax Credit by \$1.4 million.
- 48) Provides \$50 million for the Department of Finance for purpose of making a loan for the purposes of establishing the Golden State Energy in the event that Pacific Gas and Electric fails to exit bankruptcy, with legislative notification provisional language.
- 49) Modifies the reporting language for the Barstow veteran's home to include the consideration of an option to close the home.
- 50) Appropriates \$750,000 million to counties to backfill public safety realignment revenues.

Adopts provisional language for the administration to appropriate certain federal funding related to certain COVID-19 activities with Joint Legislative Budget Notification.

COMMENTS:

The Legislature adopted a budget in SB 74 (Mitchell) on June 15, 2020 that represented a compromise between the Senate and the Assembly. This bill would amend SB 74 to reflect changes agreed to with the Governor.

According to the Author:

This budget bill is necessary to implement the 2020 budget plan agreed to by the Assembly with the Administration and the Senate.

Arguments in Support:

None on file.

Arguments in Opposition:

None on file.

FISCAL COMMENTS:

At the time of this analysis, preliminary scoring of this bill was still being calculated by the Department of Finance.

VOTES:

ASSEMBLY FLOOR: 54-13-13

YES: Aguiar-Curry, Bauer-Kahan, Bloom, Boerner Horvath, Bonta, Burke, Calderon, Carrillo, Cervantes, Chau, Chu, Cooper, Daly, Eggman, Frazier, Friedman, Gabriel, Cristina Garcia, Gipson, Gloria, Gonzalez, Gray, Grayson, Holden, Irwin, Jones-Sawyer, Kalra, Kamlager-Dove, Limón, Maienschein, McCarty, Medina, Mullin, Muratsuchi, Nazarian, O'Donnell, Petrie-Norris, Quirk, Quirk-Silva, Ramos, Reyes, Luz Rivas, Robert Rivas, Rodriguez, Blanca Rubio, Salas, Santiago, Smith, Mark Stone, Ting, Weber, Wicks, Wood, Rendon

NO: Bigelow, Brough, Dahle, Flora, Fong, Gallagher, Kiley, Mathis, Melendez, Obernolte, Patterson, Voepel, Waldron

ABS, ABST OR NV: Arambula, Berman, Chen, Chiu, Choi, Cooley, Cunningham, Diep, Eduardo Garcia, Lackey, Levine, Low, Mayes

UPDATED:

VERSION: June 22, 2020

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