
UNFINISHED BUSINESS

Bill No: SB 129
Author: Skinner (D)
Amended: 6/25/21
Vote: 21

SENATE FLOOR: Not relevant

ASSEMBLY FLOOR: 61-12, 6/28/21, Roll call not available

SUBJECT: Budget Act of 2021

SOURCE: Author

DIGEST: This is a Budget Bill Junior associated with the Budget Act of 2021. This bill makes technical and substantive changes to the Budget Act.

Assembly Amendments delete the Senate version of the bill and insert the current language.

ANALYSIS: On June 14, 2021, the Legislature passed AB 128 (Ting), which represented the Legislature's budget agreement. This bill makes amendments based off of AB 128 and represents a budget bill agreement between the Legislature and the Administration.

This agreement 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 to represent a responsible and transformative state budget.

All told this bill, combined with AB 128, reflects a total spending plan of \$262.6 billion, of which \$196.4 billion is from the General Fund, and total General Fund reserves equaling a record \$25.2 billion. Total Proposition 98 spending is a record, \$93.7 billion, including \$66.4 billion from the General Fund.

This bill:

K-12 Education

- 1) Provides \$260 million in ongoing Proposition 98 General Fund for the Special Education Early Intervention Preschool Grant for specified services for 0-5 year olds.
- 2) Aligns state operations workload funding with various education programs included in the 2021-22 budget and specifically programs \$2.5 million in additional funding and associated positions for the implementation of specified programs.
- 3) Provides \$6 million in one-time General Fund for the Department of Education to contract for the implementation of direct deposit for payments to state preschool providers over a two-year period.
- 4) Provides \$10 million in federal funds on one-time basis to provide technical assistance and support to local educational agencies in developing and administering comprehensive Individualized Education Programs, and to develop tools and resources to assess and address learning and service needs for students with disabilities stemming from the COVID-19 pandemic. Makes a variety of other investments in state level activities for special education, including in Family Empowerment Centers.
- 5) Provides \$215 million in federal America Rescue Plan Act funds for after school programs to increase daily rates for the After School Education and Safety Program to \$10.18 in the 2021-22 and 2022-23 fiscal years.
- 6) Provides \$86.4 million in Federal funds to increase daily rates to \$10.18 for the 21st Century Community Learning Center grant program that provides after school care.
- 7) Reduces Non-Proposition 98 General Fund for the non-local educational agency based California State Preschool Program to reflect maintaining reimbursement rates at 2020-21 levels, pending future agreements.
- 8) Provides \$1.5 million in Proposition 98 carryover funding for workload for the California Collaborative for Educational Excellence related to the biweekly instructional surveys.
- 9) Reflects other adjustments and technical changes to a variety of items related to the 2021-22 Budget.

Child Care

- 10) Reflects the transfer of \$3.8 billion in federal America Rescue Plan Act funds for child care from the Department of Education to the Department of Social Services and specifies that of the total, \$1.4 billion is for child care slots through 2023-24, \$100 million is for childcare infrastructure, and \$10 million is provided for child care resource and referral networks. The remaining funds are to be programmed pursuant to pending trailer bill legislation.
- 11) Provides \$9 million in one-time General Fund for the Department of Social Services to contract for the implementation of direct deposit for payments to child care providers over a two-year period.
- 12) Reduces General Fund for all Child Care programs to reflect maintaining reimbursement rates at 2020-21 levels, pending future agreements and reduces General Fund to reflect additional child care slots implemented over a multi-year period.
- 13) Provides \$150 million in one-time General Fund to support the acquisition, construction, development and renovation of child care facilities.
- 14) Provides \$15 million in ongoing General Fund for restoring the Child Care nutrition program state reimbursement rates.

Higher Education

- 15) Removes the University of California Office of the President (UCOP) line item and requires the UC to report on UCOPs actual and planned budget expenditures, and maintains the UC Division of Agriculture and Natural Resources as a separate line item.
- 16) Provides \$45 million one-time to support UC Davis Animal Shelter Grant Program.
- 17) Provides \$433 million one-time to support the transition for Humboldt State University into a polytechnic university.
- 18) Provides \$10 million to San Francisco State University to support the Stop Asian American Pacific Islander Hate website and other resources to support the Stop Anti-Asian Hate collaborative.

- 19) Provides \$100 million Proposition 98 General Fund ongoing to increase full-time faculty hiring at the community colleges, and \$10 million ongoing to support part-time faculty office hours.
- 20) Provides an increase of \$42 million ongoing to support the community college strong workforce program.
- 21) Maintains Calbright College.
- 22) Provides \$200 million to support the Learning Aligned Employment Program, a new state work-study program, to be administered by the California Student Aid Commission.
- 23) Provides \$472.5 million in federal funds and \$27.5 million General Fund to establish and support the Golden State Education and Training Grant Program to be administered by the Student Aid Commission. This grant program will provide education and training grants of up to \$2,500 to workers displaced due to COVID-19.
- 24) Provides \$2 billion to establish the Capacity and Affordable Student Housing fund to support higher education infrastructure and affordable student housing projects.

Resources

- 25) Sets aside \$440 million General Fund one-time, which is a part of a total of \$3.675 billion General Fund over three-years for the Climate Resilience Package. Details of the Climate Resilience Package are to be finalized in an agreement among the Senate, Assembly, and Governor.
- 26) Appropriates \$258 million General Fund and \$75 million Greenhouse Gas Reduction Fund (GGRF) one-time in 2021-22; and \$500 million General Fund in 2022-23 for the Wildfire Prevention and Resilience Package. (The remaining \$125 million GGRF for 2021-22 for purposes of SB 901 (Dodd), Chapter 626, Statutes of 2018, will be part of the Cap-and-Trade Spending Plan, which is to be finalized later this summer.) Details of the wildfire prevention package are to be finalized in an agreement among the Senate, Assembly, and Governor.
- 27) Appropriates, for the Agriculture Package, \$436 million General Fund one-time. Of this amount, the following have been approved for 2021-22:

- a) \$180 million General Fund one-time to the Air Resources Control Board to be granted to the San Joaquin Valley Air Pollution Control District to support incentives for alternatives to agricultural burning in the San Joaquin Valley. Funds may be expended only for non-combustion incentives.
 - b) \$50 million General Fund one-time for Healthy Soils.
 - c) \$5.4 million General fund one-time for technical assistance for Underserved Farmers.
 - d) \$500,000 General Fund one-time for the Senior Farmers Program.
 - e) Details for the remaining \$200 million General Fund, as well as funding from special funds, for the package are to be finalized in an agreement among the Senate, Assembly, and Governor.
- 28) Appropriates, for the Water and Drought Resilience Package, \$2.4 billion General Fund and \$11 million special funds in 2021-22 as follows:
- a) \$1.3 billion General Fund one-time to the State Water Resources Control Board (SWRCB), \$650 million of which will be available for drinking water projects, \$650 million for wastewater projects, \$85 million for groundwater cleanup and water recycling projects.
 - b) \$60 million General Fund to the Department of Water Resources (DWR) for the Sustainable Groundwater Management Act.
 - c) \$100 million General Fund to DWR for water conveyance.
 - d) \$85 million General Fund to SWRCB for groundwater cleanup/water recycling.
 - e) \$6 million General Fund to the California Natural Resources Agency (CNRA) for Clear Lake rehabilitation.
 - f) \$500 million General Fund to DWR for small community drought relief (\$200 million), urban community drought relief (\$100 million), multi benefit projects (\$200 million).
 - g) \$65 million General Fund one-time to the Wildlife Conservation Board for local assistance for drought-related purposes, of which \$12.5 million shall be provided for removal of dams to preserve the federally endangered southern steelhead trout and to restore the natural watershed that is part of a project with Parks with a federal cost share.
 - h) \$10 million (\$3 million General Fund, \$7 million special fund) to DWR for technical assistance for water conservation and water supply reliability.
 - i) \$12 million to SWRCB for drinking water emergencies.

- j) \$5 million to the California Department of Food and Agriculture (CDFA) for agriculture technical assistance.
 - k) For data, research, and communications, appropriates General Fund as follows: \$91 million to DWR; \$1 million to CNRA; \$3 million to SWRCB; and, \$2 million to CDFA.
 - l) \$33 million General Fund to the Department of Fish and Wildlife (DFW) for fisheries and wildlife support.
 - m) For drought permitting compliance and enforcement, appropriates the following: \$18 million (\$16 million General Fund, \$2 million special fund one-time, and \$3 million special fund ongoing) to SWRCB and \$18 million to DFW.
 - n) Includes \$25 million General Fund for the drought control section.
 - o) \$33 million (\$30 million General Fund and \$3 million special fund) one-time, and \$3 million ongoing, to SWRCB for water rights modernization.
 - p) \$10 million General Fund to DWR for salinity barrier.
 - q) Details for the remainder of the package are to be finalized in an agreement among the Senate, Assembly, and Governor.
- 29) Appropriates \$1 billion Coronavirus Fiscal Recovery Fund of 2021 to SWRCB for local assistance to forgive residential and commercial customer arrearages and water enterprise revenue shortfalls due to the pandemic.
- 30) Appropriates \$1 million General Fund one-time to the California Conservation Corps (CCC) for deferred maintenance projects that represent critical infrastructure deficiencies and \$1.3 million General Fund one-time to address critical maintenance projects at the Los Padres facilities.
- 31) Specifies that \$250 million Coronavirus Fiscal Recovery Fund of 2021 one-time to the State Lands Commission shall be allocated to the state's public ports based on their revenue losses due to the pandemic.
- 32) Appropriates \$2 million to DFW to be provided to the Resource Conservation District of the Santa Monica Mountains to assist the recovery of the federally endangered southern steelhead trout with habitat restoration, genetic preservation, and hatcheries.
- 33) Appropriates \$30 million General Fund one-time to the Coastal Commission for grants related to addressing sea level rise.

- 34) Appropriates \$10 million General Fund one-time to the Coastal Commission for the Whale Tail Program.
- 35) Appropriates \$115,000 Environmental License Plate Fund (ELPF) ongoing to the Native American Heritage Commission for a new Governor's Tribal Advisor position.
- 36) Appropriates \$65 million General Fund; \$3.16 million ELPF one-time, \$2.441 million ongoing; and 20 positions to the Department of Parks and Recreation (Parks) for K-12 Expansion to provide disadvantaged youth with digital and physical access to the natural environment. This includes \$45 million to be deposited into the Natural Resources Parks Preservation Fund for future appropriation to address infrastructure improvements.
- 37) Appropriates \$3 million General Fund one-time to Parks, in collaboration with the California State Library for a three-year pilot program to provide state park passes to libraries for check-out.
- 38) Appropriates \$500,000 General Fund one-time to Parks for the CalWORKs Golden Bear Pass Eligibility Outreach Pilot Program.
- 39) Appropriates \$200 million General Fund one-time for local park grants.
- 40) Appropriates \$920,000 General Fund one-time to the Office of Environmental Health Hazard Assessment for a pipeline biogas analysis.
- 41) Appropriates \$2 million General Fund one-time to CDFA for deferred maintenance projects that represent critical infrastructure deficiencies.

Energy

- 42) Includes \$2.7 billion in funding for a variety of programs related to zero-emission vehicles. This includes:
 - a) \$525 million for the Clean Vehicle Rebate Project
 - b) \$500 million for zero-emission vehicle charging and fueling infrastructure
 - c) \$500 million in funding for the Clean Truck, Bus, and Off-Road Vehicle and Equipment Program, including \$25 million for the Clean Off-Road Equipment program.
 - d) \$125 million in ZEV manufacturing grants
 - e) \$475 million for drayage trucks, transit buses, and school buses, and associated infrastructure

- f) \$407 million for zero-emission transit investments
- g) \$150 million in equity investments
- h) \$50 million for near-zero truck replacement

Health

43) Adjusts allocations to the Children and Youth Behavioral Health Initiative as follows:

- a) Allocates \$10 million General Fund to support initial planning for implementation of a behavioral health services and supports platform. These funds had previously been allocated for e-Consult services that would not be available until the platform is implemented.
- b) Allocates \$205 million (\$100 million Coronavirus Fiscal Recovery Fund and \$105 million Mental Health Services Fund) for the Mental Health Student Services Act to fund grants to school and county mental health partnerships that support the mental health and emotional needs of children and youth as they return to schools and everyday life.
- c) Restores \$429 million Coronavirus Fiscal Recovery Fund (CFRF) to DHCS for evidence-based behavioral health programs that had previously been allocated to MHSOAC. DHCS will allocate 10 percent of these funds to support programs in collaboration with MHSOAC.
- d) Restores \$100 million General Fund to OSHPD to support development of a school behavioral health counselor and coach workforce.

44) Adjusts allocations for public health programs as follows:

- a) Delays for one year allocations of funding for local health jurisdictions, health equity and racial justice innovation grants, and public health workforce development programs, with \$300 million General Fund allocated annually to these programs beginning in 2022-23.
- b) Allocates \$13 million General Fund annually, beginning in 2021-22, to DPH to support programs to prevent HIV/AIDS, hepatitis C, and sexually transmitted infections.
- c) Maintains \$63.1 million General Fund in 2021-22 to support phase two of the California Reducing Disparities Project.
- d) Allocates \$13 million in 2021-22 to support the Transgender Wellness and Equity Fund.

- 45) Adjusts allocations for the Behavioral Health Continuum Infrastructure Program as follows:
- a) Allocates \$2.2 billion over three years to support competitive grants to construct, acquire, and rehabilitate real estate assets to expand the community continuum of behavioral health treatment resources. These funds include an allocation of \$150 million, combined with \$55 million of federal funding, to support mobile crisis support teams to assist youth and adults experiencing a behavioral health crisis.
 - b) Allocates \$250 million to DSH to contract directly with providers or through counties as intermediaries to provide additional capacity to treat patients found incompetent to stand trial (IST) on felony charges or to provide step-down capacity for patients not guilty by reason of insanity or offenders with mental disorders. These allocations are intended to improve the pace of admissions of IST patients to state hospitals and clear the wait list of patients pending placement.
 - c) Allocates \$40 million to support the CalBridge Behavioral Health Navigator program, which provides funding to hospitals for behavioral health navigators in emergency departments.
- 46) Eliminates previously allocated funding for the following programs:
- a) \$2.8 million annually to support fentanyl, HIV, and hepatitis C testing for narcotic treatment providers
 - b) \$1.8 million annually to support continuous coverage for children age zero to five.

Developmental Services

- 47) Includes \$89.9 million General Fund in 2021-22 to begin a five-year phase in of rate models proposed in the 2019 DDS rate study. Funding for implementation would grow to \$1.2 billion General Fund in 2025-26. The process of rate reform implementation will focus on compliance with federal Home and Community-Based Services rules and quality benchmarks, metrics, and outcomes to ensure person-centered service delivery.
- 48) Includes, beginning in 2022-23, \$61.8 million General Fund ongoing to hire additional service coordinators at Regional Centers for enhanced service coordination.

SSI/SSP

- 49) Includes \$225 million in 2021-22 and \$450 million in 2022-23 to restore 50 percent of the remaining 2009 SSI/SSP grant cut, and anticipates the remaining 50 percent of the cut will be restored in the 2023-24 budget year. This restoration (combined with Governor's May Revision proposal) will increase the SSP grant by approximately \$34-\$36 per month for individuals and \$90-\$94 per month for couples.

Foster Care/Child Welfare

- 50) Includes \$222 million one-time to strengthen county prevention efforts to avoid youth entering the foster care system.
- 51) Includes \$138 million one-time to help address the complex needs of foster youth.

Social Services Housing and Homelessness Programs

- 52) Includes \$805 million one-time, to be spent across multiple years, for the development and stabilization of Residential Care Facilities for the Elderly and Adult Residential Facilities across the state.
- 53) Includes \$300 million General Fund one-time for the Home Safe Program over two years to help combat senior homelessness.
- 54) Includes \$380 million one-time for the CalWORKs Housing Support Program over two years to house families in the program, and help them avoid eviction.
- 55) Includes \$185 million General Fund one-time to help aid in family maintenance when a child welfare case is partly due to housing instability.

Food Assistance

- 56) Includes a total of \$262 million General Fund for food bank resources to meet COVID-19 demands, as well as capacity enhancements and climate resiliency efforts.
- 57) Includes \$5 million General Fund in 2021-22 and \$25 million General Fund in 2022-23 for automation changes to begin implementation of a targeted expansion to the California Food Assistance Program to all regardless of immigration status, to begin in 2023-24.

General Government

- 58) Revises Control Section 11.91 to allow Department of Finance to reduce and/or transfer portions of the \$1.7 billion General Fund that is appropriated to nine specific departments for COVID-19 Direct Response expenditures to other departments for COVID-19-specific expenditures after providing a 10-day notification of the Joint Legislative Budget Committee.
- 59) Removes Control Section 11.92, which would have authorized the Department of Finance to make additional expenditures from the Disaster Response-Emergency Operations Account for COVID-19 response activities during the 2021-22 fiscal year.
- 60) Adds Control Section 11.96 to provide the Administration with the flexibility to make adjustments in the allocations of the \$27 billion in federal American Rescue Plan Act Funds budgeted from the Coronavirus State Fiscal Recovery Fund for COVID-19 response activities. Specifically, the Director of Finance, after providing the Joint Legislative Budget Committee with a 30-day notification, is authorized:
- a) To expend up to \$10 million in interest earned to address workload needs.
 - b) Redirect funds to conduct audits or address audit finding.
 - c) Establish positions and transfer amounts within a program to support the implementation of the program's goals.
 - d) Allocate funds to offset or reduce appropriations in the 2020–21 and 2021-22 fiscal years for eligible COVID-19 activities.
 - e) Reallocate funds not encumbered as of August 1, 2024, to ensure the federal funds are fully expended.
- 61) Provides that, in addition, the director is authorized to transfer up to \$9.2 billion from the Coronavirus Fiscal Recovery Fund of 2021 to the General Fund based on the estimated amount of revenue loss calculated pursuant to federal statute. The director is required to notify the Joint Legislative Budget Committee within 10 days of the transfer.
- 62) Provides \$250 million in General Fund resources for Project Homekey. This augments the \$1.2 billion in federal funds provided in AB 128.
- 63) Includes \$25 million for a Technology Modernization Fund under the Department of Technology, to be used to update legacy systems and other modernization projects that cost less than \$5 million.

- 64) Appropriates \$110 million for organizations that provide victim services and other community services, to support victims and survivors of hate crimes and historically disadvantaged communities.
- 65) Provides \$10 million for Stop AAPI Hate.
- 66) Appropriates \$10 million to provide language support for scientific data surveys in languages spoken by communities that comprise less than 5 percent of the statewide population.
- 67) Includes \$10 million ethnic media grant program, administered by the California State Library.
- 68) Provides \$120 million one-time General Fund to establish the Cal Competes Grant Program.
- 69) Removes \$70 million one-time General Fund to establish the California Investment and Innovation Program and provide grants to community development financial institutions.
- 70) Directs FTB to investigate creating a simplified online portal to help Californians claim tax credits and other benefits.
- 71) Includes \$185 million in federal funds for youth workforce development.
- 72) Includes \$250 million for Regional K-16 Education Collaboratives, \$15 million for Student Success Coaching Grants, and \$3 million for a STEM Teacher Recruitment Program.
- 73) Includes \$45 million for a Californians for All College Volunteers Program.
- 74) Includes significant investments in broadband infrastructure access and affordability. This includes \$3.75 billion in federal funds for investments in middle-mile infrastructure, and \$622 million that is a mix of funds for additional investments.
- 75) Includes Control Sections 19.56 and 19.57 to appropriate funds reflecting various legislative priorities.

Public Safety and Courts

- 76) Provides \$140 million in 2021-22 (\$70 million ongoing) from the General Fund to support programs and practices statewide that reduce pre-trial detention. Trial courts could use the funding to support pre-trial decision

making activities and/or to contract for the provision of services to individuals released pretrial.

- 77) Delivers \$80 million ARPA funds over three years to fund legal aid services for renters and homeowners to avoid eviction and foreclosure.
- 78) Includes \$60 million for allocation by the Judicial Council to trial courts to address backlogs and workload delays resulting from the COVID-19 Pandemic.
- 79) Includes \$42.7 million General Fund in 2021-22 (\$35.9 million ongoing) to standardize staffing levels across all Psychiatric Inpatient Programs operated by CDCR and to increase certain service levels. This proposal preserves psychiatric technician positions in the budget year and adds \$5 million General Fund above the May Revision in accordance with this preservation.
- 80) Includes \$34.8 million one-time General Fund for CDCR to replace existing metal dayroom furniture with more comfortable furniture for positive programming and non-designated program facilities and female institutions.
- 81) Redirects savings of \$49.3 million in 2020-21 and \$40.9 million in 2021-22 and ongoing within CDCR from eliminated civil service positions to augment existing funding for psychiatry registry staff and to support the mental health program.
- 82) Includes \$12.3 million General Fund in 2021-22, \$25.1 million in 2022-23, \$47.0 million in 2023-24, and \$58.4 million annually thereafter for the Judicial Branch to support statewide court operations to allow individuals the ability to adjudicate all infractions online, including processing ability to pay determinations.
- 83) Includes \$12 million General Fund one-time to the CDCR for 60 minutes of telephone calls to each incarcerated person every two weeks at no cost to the incarcerated person or the person receiving the telephone call. This will be in addition to, and will not supplant, the existing 15 minutes every two weeks of no-cost telephone calls currently provided to incarcerated persons or the persons receiving telephone calls. As well, includes 60 electronically transmitted outgoing written messages, equivalent to an email or instant message, per month at no cost to the incarcerated person or the person with whom they are communicating.
- 84) Includes \$1.75 million General Fund for a one-year Board of Parole Hearings pilot to require state-appointed attorneys to provide an additional hour of

counsel to incarcerated persons before they are interviewed for their comprehensive risk assessment and to represent them before the full board if their case is referred to the full board for review at a monthly executive meeting. This shall include at least one hour of counsel, education, and advice on the importance of the comprehensive risk assessment and its role in the parole decision making decision making process.

- 85) Includes \$6.8 million General Fund in 2021-22 for health care facility repairs at the California Rehabilitation Center.
- 86) Includes \$2.8 million General Fund and 5.5 positions in 2021-22, \$1.8 million General Fund in 2022-23, and \$1.2 million General Fund in 2023-24 and ongoing for the CDCR to implement SB 132 (Wiener), Chapter 182, Statutes of 2020.

Transportation

- 87) Includes \$350 million for the first year of a \$400 million transportation adaptation grant program.
- 88) Includes \$328 million for a variety of beautification and improvement projects along the state highway system and local streets and roads.
- 89) Includes \$5.5 million for a statewide organized property crimes task force at the California Highway Patrol.

Labor

- 90) Provides \$600 million in federal funds to establish the Community Economic Resilience Fund.
- 91) Provides \$270 million to increase workforce development programs through highroad training partnerships, Employment Training Panel, Prison to Employment Program, Breaking Barriers Program, SEED program, and other programs administered through the California Workforce Development Board.

FISCAL EFFECT: Appropriation: Yes Fiscal Com.: Yes Local: No

According to the Senate Budget and Fiscal Review Committee, this bill, when combined with AB 128, reflects a state spending plan that totals \$262.6 billion, of which \$196.4 is from the General Fund.

SUPPORT: (Verified 6/27/21)

None received

OPPOSITION: (Verified 6/27/21)

None received

Prepared by: Joe Stephenshaw / B. & F.R. / 916-651-4103
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