



APR 01 2008

Honorable Denise Moreno Ducheny, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Danny Alvarez, Staff Director (2)

Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

Amendment to Budget Bill Item 4120-001-0001, Support, Emergency Medical Services Authority

Mobile Field Hospital Pharmaceutical Cache (Issue 021)—It is requested that Item 4120-001-0001 be increased by \$448,000 to fund the pharmaceutical cache for the Emergency Medical Services Authority mobile field hospitals. This funding would ensure a fresh supply of pharmaceuticals to be on-hand and delivered within 48 hours of the deployment of a mobile field hospital.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call John Wordlaw, Principal Program Budget Analyst, at (916) 445-6423.

MICHAEL C. GENEST
Director
By:

/s/ Fred Klass

VINCENT P. BROWN
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Tom Torlakson, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Dutton, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Mark Leno, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Elaine Alquist, Chair, Senate Budget and Fiscal Review Committee No. 3
Honorable Patty Berg, Chair, Assembly Budget Subcommittee No. 1
Ms. Elizabeth Hill, Legislative Analyst (4)
Ms. Diane Cummins, Senate President pro Tempore's Office
Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Mr. Joe Munso, Deputy Secretary, Health and Human Services Agency
Ms. Trina Gonzales, Assistant Secretary, Health and Human Services Agency
Mr. Dan Smiley, Interim Director, Emergency Medical Services Authority
Ms. Shirley Tsagris, Administration Chief, Emergency Medical Services Authority
Mr. Rick Trussell, Budget Officer, Emergency Medical Services Authority



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Honorable Denise Moreno Ducheny, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Danny Alvarez, Staff Director (2)

Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

**Amendment to and Addition of Various Budget Bill Items, Support and Local Assistance,
Healthcare Workforce Program, Office of Statewide Health Planning and Development**

Mental Health Loan Assumption Program (Issue 401)—It is requested that Item 4140-001-3085 be added in the amount of \$2,802,000 (See Attachment A) and Item 4140-001-0001 be amended to reflect this change. This funding would be used to create the Mental Health Loan Assumption Program to allow for education loan repayment to psychiatrists and psychiatric nurse practitioners who commit to providing a two-year, full-time service obligation in a mental health professional shortage area or qualifying facility. The funding also would provide for establishment of 2.0 new positions to implement the program.

Technical Adjustment to Provide Direct Appropriation from the Mental Health Services Fund (Issue 405)—It is requested that Item 4140-001-3085 be further increased by \$117,000, Reimbursements be decreased by \$117,000, Item 4140-001-0001 be amended to reflect this change, Item 4140-101-3085 be added in the amount of \$500,000 (See Attachment A), Reimbursements be decreased by \$500,000, and Item 4140-101-0001 be amended to reflect this change as technical adjustments to correct funding requested in the Governor's Budget relative to increasing designated mental health shortage areas and training physician assistants for public mental health. The Governor's Budget reflects the funding for these purposes as reimbursements from the Department of Mental Health. However, it is more appropriate for these funds to be a direct appropriation from the Mental Health Services Fund.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call John Wordlaw, Principal Program Budget Analyst, at (916) 445-6423.

MICHAEL C. GENEST
Director
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/s/ Fred Klass

VINCENT P. BROWN
Chief Deputy Director

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Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Mr. Joe Munso, Deputy Secretary, Health and Human Services Agency
Mr. Bob Sands, Assistant Secretary, Health and Human Services Agency
Dr. David Carlisle, Director, Office of Statewide Health Planning and Development
Mr. Robert David, Chief Deputy Director, Office of Statewide Health Planning and
Development
Ms. Karen Miskanis, Chief Budget Officer, Office of Statewide Health Planning and
Development

NEW ITEMS

4140-001-3085—For Support of, Office of Statewide Health
Planning and Development, for payment to Item 4140-001-0001,
payable from the Mental Health Services Fund..... \$2,919,000

4140-101-3085—For Local Assistance, Office of Statewide Health
Planning and Development, for payment to Item 4140-101-0001,
payable from the Mental Health Services Fund..... \$500,000



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Senate Budget and Fiscal Review Committee

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Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

Amendment to Budget Bill Items 4200-001-0001, 4200-001-0367, 4200-101-0001, and 4200-101-0367, Support and Local Assistance, Department of Alcohol and Drug Programs

Problem and Pathological Gambling Treatment Services (Issue 201)—It is requested that Item 4200-001-0367 be increased by \$1.0 million, Item 4200-101-0367 be added in the amount of \$4.0 million, and Items 4200-001-0001 and 4200-101-0001 be amended to reflect these changes. This funding will be used to establish 2.0 three-year limited term positions and develop a Problem and Pathological Gambling Treatment Services Pilot Program. The Pilot Program will build upon the Department of Alcohol and Drug Program's existing gambling prevention efforts by providing treatment services initially to 1,500 to 3,000 gamblers annually, consistent with Welfare and Institutions Code Section 4369 *et seq.*

Transfer of Governor's Mentoring Partnership (Issue 206)—It is requested that Item 4200-001-0001 be decreased by \$107,000 to reflect the transfer of the Governor's Mentoring Partnership and 1.0 position to the California Volunteers within the Governor's Office of Planning and Research. This action is necessary to comply with Executive Order S-02-08, issued on February 26, 2008. California Volunteers is requesting a corresponding increase.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Jay Kapoor, Principal Program Budget Analyst, at (916) 445-6423.

MICHAEL C. GENEST
Director
By:

/s/ Vincent P. Brown

VINCENT P. BROWN
Chief Deputy Director

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Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Mr. Joe Munso, Deputy Secretary, Health and Human Services Agency
Mr. Andrew Signey, Assistant Secretary, Health and Human Services Agency
Mr. Michael Cunningham, Chief Deputy Director, Department of Alcohol and Drug
Programs
Ms. Susan Lussier, Deputy Director, Administration, Department of Alcohol and Drug
Programs
Mr. Brian Marshall-Winks, Fiscal and Administrative Services Branch, Department of
Alcohol and Drug Programs



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Senate Budget and Fiscal Review Committee

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Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

**Amendment to Budget Bill Item 4260-111-0001 and Reimbursements, Local Assistance,
Department of Health Care Services**

Reimbursement Authority for the Every Woman Counts Program (Issue 101)—It is requested that Item 4260-111-0001 be amended by increasing Reimbursements by \$37,350,000 for the cost of processing claims for the Every Woman Counts (EWC) program. The appropriation and responsibility for this program now resides with the Department of Public Health (DPH). However, due to technical and procedural issues, the departments have not been able to split the billing responsibilities for the EWC program. Therefore, this adjustment is necessary in order for the DPH to reimburse the Department of Health Care Services for processing the EWC payments.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Barbara Taylor, Assistant Program Budget Manager, at (916) 445-6423.

MICHAEL C. GENEST
Director
By:

/s/ Vincent P. Brown

VINCENT P. BROWN
Chief Deputy Director

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Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Mr. Joe Munso, Deputy Secretary, Health and Human Services Agency
Mr. Bob Sands, Assistant Secretary, Health and Human Services Agency
Mr. John Eastman, Deputy Director, Administration, Department of Health Care Services
Ms. Lindy Harrington, Chief, Financial Management Branch, Department of Health Care
Services



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Senate Budget and Fiscal Review Committee

Attention: Mr. Danny Alvarez, Staff Director (2)

Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

Amendment to Various Budget Bill Items, Support and Local Assistance, Department of Public Health

Licensing and Certification Program Technical Adjustment (Issue 002)—It is requested that Item 4265-001-3098 be decreased by \$1,959,000 and Item 4265-001-0001 be amended to reflect this change. This adjustment would align 2008-09 program expenditures with the level of expenditures identified in the Licensing and Certification Program's 2008-09 Fee Report released on March 2, 2008.

Enterprise-wide Online Licensing Project (Issue 210)—It is requested that the following items be increased and Item 4265-001-0001 be amended to reflect these changes:

Item	Increase	Item	Increase
4265-001-0066	\$18,000	4265-001-0177	\$22,000
4265-001-0074	\$22,000	4265-001-0247	\$22,000
4265-001-0075	\$175,000	4265-001-3018	\$88,000
4265-001-0082	\$30,000	4265-001-3081	\$18,000

These funds will be used to begin development of a modern, automated enterprise system that will replace portions of 37 aging systems and manual processes for license applications, approvals, renewals, proficiency testing, billing, and enforcement activities of five program areas within the Department of Public Health (DPH). The new system will allow the DPH to increase processing efficiency, provide additional functionality to DPH stakeholders, and reduce the risk of system failures. The impacted areas include the Food and Drug Program, Radiation Safety Program, Drinking Water Operator Certification Program, Safe Drinking Water Systems, and the Medical Waste Management Program.

Technical Adjustment: Federal Fund Authority (Issue 211)—It is requested that Item 4265-001-0890 be decreased by \$5,821,000 and Item 4265-001-0001 be amended to reflect this change. This adjustment is needed to remove excess federal expenditure authority of \$6,136,000 in several Public and Environmental Health programs, partially offset by an increase of \$315,000 in additional expenditure authority needed for the Women, Infants, and Children (WIC) program due to an anticipated increase in the federal grant award.

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Fresno County Small Water Systems (Issue 305)—It is requested that Item 4265-001-0306 be increased by \$430,000 and Item 4265-001-0001 be amended to reflect this change. These funds will be used to establish 4.0 permanent positions to regulate an additional 318 small water systems as a result of Fresno County relinquishing its primacy delegation authority. The additional resources will allow the DPH to ensure a safe drinking water supply in Fresno County.

Department of Public Health Support of the Office of Suicide Prevention (Issue 306)—It is requested that Item 4265-001-3085 be added in the amount of \$350,000 and Item 4265-001-0001 be amended to reflect this change. These funds will be used to establish 2.0 permanent positions to expand mental health related program collaboration, data collection, epidemiology, and surveillance in support of the Office of Suicide Prevention (OSP) within the Department of Mental Health. The OSP was established in February 2008, and the requested positions will serve as a portal to link mental health prevention, early intervention, and treatment programs with public health data, systems, and related programs.

Increased Expenditure Authority for the Women, Infants, and Children Program (Issue 307)—It is requested that Item 4265-111-0890 be increased by \$105,179,000, Item 4265-111-3023 be increased by \$67,500,000, and Item 4265-111-0001 be amended to reflect these changes.

Increase in federal grant award: The DPH received notification of an increase in California's WIC allocation from the United States Department of Agriculture (USDA) in February. Additional federal grant allocations are anticipated in April when the USDA reallocates unused program funds from federal fiscal year 2007, and again in May when USDA awards WIC contingency funds. (Increased authority for fiscal year 2007-08 is being requested separately, pursuant to Section 28.00 of the Budget Act of 2007.) An increase of \$105,179,000 in Item 4265-111-0890 is necessary to provide sufficient federal fund authority in 2008-09 for the DPH to receive and spend the three additional federal allocations in the WIC program.

Increase in manufacturer rebate revenue: Additional expenditure authority of \$67.5 million is needed in Item 4265-111-3023 due to a projected increase in revenue to the WIC Manufacturer Rebate Fund. This projection is based on an increase in the number of enrollees, higher redemption of the food instruments, and an anticipated increase in wholesale prices for infant formula with an associated cent for cent increase in the rebate amount. The USDA requires complete expenditure of the rebates prior to drawing down federal funding for the WIC program.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Jay Kapoor, Principal Program Budget Analyst, at (916) 445-6423.

MICHAEL C. GENEST
Director
By:

/s/ Fred Klass

VINCENT P. BROWN
Chief Deputy Director

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Honorable Mark Leno, Chair, Assembly Appropriations Committee
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Honorable Elaine Alquist, Chair, Senate Budget and Fiscal Review Committee No. 3
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Ms. Elizabeth Hill, Legislative Analyst (4)
Ms. Diane Cummins, Senate President pro Tempore's Office
Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Mr. Joe Munso, Deputy Secretary, Health and Human Services Agency
Ms. Trina Gonzalez, Assistant Secretary, Health and Human Services Agency
Ms. Mary Winkley, Chief Deputy Director, Operations, Department of Public Health
Mr. Richard Rodriguez, Deputy Director, Administration Division, Department of Public Health

Proposed Budget Bill

NEW ITEM

4265-001-3085—For local assistance, Department of Public Health,
for payment to Item 4265-001-0001, payable from the Mental Health
Services Fund.....\$350,000



APR 01 2008

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Senate Budget and Fiscal Review Committee

Attention: Mr. Danny Alvarez, Staff Director (2)

Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

Amendment to Budget Bill Items 4440-001-0001, 4440-001-3085 State Operations and Reimbursements, and the Addition of Item 4440-101-3085, Local Assistance, Department of Mental Health

Continued Implementation of the Mental Health Services Act (Issues 001 and 002)—It is requested that Item 4440-001-3085 be increased by \$5,807,000 and that Item 4440-001-0001 be amended to reflect this change. This request includes funding for 7.0 positions (including 1.0 two-year limited-term position) and contract funding for continued implementation of the Mental Health Services Act (MHSA). These resources are necessary to staff the Office of Suicide Prevention, provide administrative and legal support to the Mental Health Services Oversight and Accountability Commission, and provide additional support to the Department of Mental Health's (DMH) Legal Office. Contract funding includes support for the evaluation of MHSA programs, and training and technical assistance to counties and local agencies to promote early intervention programs.

In addition, it is requested that Item 4440-101-0001 be changed to reflect an increase to Reimbursements of \$15.0 million and the addition of a new MHSA local assistance program (see Attachment A). These resources are necessary for a variety of local assistance efforts including a suicide prevention initiative and a student mental health initiative. It is further requested that Item 4440-101-3085 be added in the amount of \$12,150,000 Mental Health Services Fund (see Attachment B). These contract resources are necessary for the DMH to establish programs to increase the number of public mental health workers.

Implementation of the MHSA Housing Program—In May 2006, the Governor issued an executive order acknowledging the need for permanent supportive housing for homeless individuals suffering from mental illness. The Governor ordered the DMH, in consultation with the California Mental Health Directors Association (CHMDA), to allocate funding for the capital costs associated with development, acquisition, construction, and/or rehabilitation of permanent supportive housing for individuals with mental illness. Working with the DMH and the CHMDA, participating counties have identified \$300.0 million Mental Health Services Fund in the current year and \$100.0 million in the 2008-09 Governor's Budget to support the Governor's initiative. Additionally, the Governor directed DMH to work with the Department of Housing and Community Development and the California Housing Finance Agency (CalHFA) to draw upon those agencies' expertise in housing and real estate development, loan underwriting, and asset management. Under an interagency agreement with the DMH, the CalHFA will underwrite loan requests, disburse funds, and monitor the assets. The DMH is in the process of establishing a non-Budget Act special deposit fund into which the \$400.0 million in county funds will be

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deposited. Consequently, if the funding in the 2008-09 Governor's Budget is approved, no additional legislative action is required to implement this program.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call John Doyle, Principal Program Budget Analyst, at (916) 445-6423.

MICHAEL C. GENEST

Director

By:

/s/ Fred Klass

VINCENT P. BROWN

Chief Deputy Director

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Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Mr. Joe Munso, Deputy Secretary, Health and Human Services Agency
Mr. Jim Alves, Assistant Secretary, Health and Human Services Agency
Dr. Stephen W. Mayberg, Director, Department of Mental Health
Ms. Elaine Bush, Chief Deputy Director, Department of Mental Health
Mr. Stan Bajorin, Deputy Director, Administrative Services, Department of Mental Health
Ms. Jane Christopherson, Chief, Fiscal Policy, Department of Mental Health
Ms. Sara Murillo, Chief, Financial Services, Department of Mental Health

Proposed Budget Bill Language:

Issue 002

Item 4440-101-0001

4440-101-0001—For local assistance, Department of
Mental Health..... 520,952,000

Schedule:

(1) 10.25-Community Services—Other Treatment.....	646,410,000
(2) 10.30-Community Services— EPSDT.....	1,022,242,000
(3) 10.47-Community Services—Children’s Mental Health Services.....	350,000
(4) 10.85-Community Services— AIDS.....	1,500,000
(5) 10.97-Community Services— Healthy Families Program.....	31,254,000
<u>(5.5) 10.98-Community Services— Continued Implementation of the Mental Health Services Act.....</u>	<u>15,000,000</u>
(6) Reimbursements.....	-1,180,804,000 <u>- 1,195,804,000</u>

Provisions:

1. Augmentations to reimbursements in this item from the Office of Emergency Services for Disaster Relief are exempt from Section 28.00. The State Department of Mental Health shall provide written notification to the Joint Legislative Budget Committee describing the nature and planned expenditure of these augmentations when the amount received exceeds \$200,000.
2. It is the intent of the Legislature that local expenditures for mental health services for Medi-Cal eligible individuals serve as the match to draw down maximum federal financial participation to continue the Short-Doyle/Medi-Cal program.

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Attachment B

Proposed New Item:

Issue 002

4440-101-3085—For local assistance, Department of Mental
Health, payable from the Mental Health Services Fund... 12,150,000
Schedule:
(1) 10.98-Community Services—
Continued Implementation of
the Mental Health Services Act.....12,150,000



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Senate Budget and Fiscal Review Committee

Attention: Mr. Danny Alvarez, Staff Director (2)

Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

Amendment to Budget Bill Item 4700-001-0890, Support, Department of Community Services and Development

It is requested that Item 4700-001-0890 be increased by \$50,000. This request would support the administration of the Prisoner Reentry Initiative Program. In anticipation of a July 1, 2007 start date, all state oversight funding (\$100,000) was budgeted in the 2007 Budget Act. However, due to unanticipated delays, there is a need to shift necessary administrative activities and associated funding to fiscal year 2008-09. This adjustment would ensure sufficient state operations authority is available to administer the Prison Reentry Initiative in 2008-09.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call John Wordlaw, Principal Program Budget Analyst, at (916) 445-6423.

MICHAEL C. GENEST
Director
By:

/s/ Fred Klass

VINCENT P. BROWN
Chief Deputy Director

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Ms. Elizabeth Hill, Legislative Analyst (4)
Ms. Diane Cummins, Senate President pro Tempore's Office
Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Mr. Lloyd Throne, Director, Department of Community Services and Development
Ms. Renee Webster-Hawkins, Deputy Director, Department of Community Services and
Development
Mr. Fernando Negrete, Budget Officer, Department of Community Services and
Development



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Senate Budget and Fiscal Review Committee

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Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

Amendment to Various Budget Bill Items, Support, Local Assistance, and Reappropriation, Department of Child Support Services

California Child Support Automation System (CCSAS) (Issue 021)—It is requested that Schedule (1)(b) of Item 5175-101-0001 be increased by \$1,109,000 and Item 5175-101-0890 be decreased by \$269,000. Additionally, it is requested that \$1,171,000 General Fund and \$2,274,000 federal funds will be reappropriated from the Budget Act of 2005, and Item 5175-490 be amended to conform.

This request would provide \$840,000 for various changes to the CCSAS in order to maintain the current schedule of obtaining federal certification in 2008-09. Additionally, this request would restore \$3.4 million associated with an error made relative to the Department of Technology Services (DTS) rate adjustment pursuant to Control Section 15.25 of the 2007 Budget Act. The Department of Child Support Services (DCSS) erroneously reflected the 2008-09 reduction as \$5.2 million rather than \$1.8 million.

There is no net budget increase for this request, as the DTS rate adjustment would be reappropriated from the 2005 Budget Act and the various changes to the CCSAS would be offset by a \$1,109,000 General Fund reduction as referenced in the Franchise Tax Board's BCP #15 and a \$269,000 reduction in DCSS' Item 5175-101-0890 to align appropriation authority with anticipated expenditures.

Enterprise Customer Service Solution (ECSS) Contract Extension (Issue 022)—It is requested that \$1,947,000 General Fund and \$3,780,000 federal funds be reappropriated from the Budget Act of 2005 and Item 5175-490 be amended to conform. This request would authorize reappropriation funds for the extension of the ECSS contract from October 2008 to October 2010. The services provided through the contract consist of a central self-service interactive voice response system, a central call routing engine to route calls to the appropriate Local Child Support Agency (LCSA), and standardized hardware and software to support the LCSAs' call centers and the state's centralized call center.

Central Print and Mail Services (Issue 023)—It is requested that Item 5175-002-0001 be increased by \$4,270,000, Item 5175-002-0890 be increased by \$8,289,000,

Item 5175-101-0001 be decreased by \$4,270,000, and Item 5175-101-0890 be decreased by \$8,289,000. This request would support the transfer of printing and mailing responsibilities for child support documents from LCSAs to the DCSS. There is no net budget increase associated with this request, as funds would be redirected from Local Assistance to State Operations.

California Child Support Automation System (CCSAS) Transfer (Issue 024)—It is requested that Item 5175-001-0001 be increased by \$6,647,000, Item 5175-001-0890 be increased by \$12,721,000, Schedule (1)(b) of item 5175-101-0001 be increased by \$37,883,000, and Item 5175-101-0890 be decreased by \$12,721,000. This request would support the transfer of 146.0 positions and all CCSAS activities from the Franchise Tax Board (FTB) to the DCSS. Positions would be transferred beginning January 1, 2009. There is no net budget increase associated with this request, as funds would be re-directed from the FTB to the DCSS. As the CCSAS project completes implementation and moves to ongoing maintenance and operations, it is appropriate at this time to transfer the administration of CCSAS to DCSS as maintenance and operations activities and priorities should be driven by the program and evaluated against the Child Support Program goals and objectives.

It is requested that provisional language be amended in Items 5175-101-0001 and 5175-101-0890 to clarify existing authority for the expenditure or encumbrance of these funds through June 30, 2009.

California Child Support Automation System (CCSAS) User Administration Support (Issue 025)—It is requested that Item 5175-001-0001 be increased by \$63,000, Item 5175-001-0890 be increased by \$123,000, Item 5175-002-0001 be decreased by \$63,000, and Item 5175-002-0890 be decreased by \$123,000. This request would provide 2.0 two-year limited-term positions for user administration activities resulting from the transfer of CCSAS to DCSS and CCSAS implementation. There is no net budget increase associated with this request as these positions will be funded through a shift in existing departmental resources.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call John Wordlaw, Principal Program Budget Analyst, at (916) 445-6423.

MICHAEL C. GENEST
Director
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/s/ Fred Klass

VINCENT P. BROWN
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Ms. Diane Cummins, Senate President pro Tempore's Office
Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Mr. Joe Munso, Deputy Secretary, Health and Human Services Agency
Ms. Lorna Fong, Assistant Secretary, Health and Human Services Agency
Mr. David Maxwell-Jolly, Director, Department of Child Support Services
Ms. Cher Woehl, Deputy Director, Administrative Services Division, Department of Child
Support Services
Mr. Mark Beckley, Chief Financial Officer, Department of Child Support Services

Amend Provision 5 of Item 5175-101-0001 as follows:

5. From ~~the amounts~~ federal funds appropriated in Schedule (1)(b) 10.03-Child Support Automation, ~~an amount not to exceed \$103,589,000 shall be available for expenditure or encumbrance until June 30, 2009. The Department of Finance shall provide notification to the Joint Legislative Budget Committee of the amount of the carryover within 10 working days from the date the amount of the carryover is determined. Notwithstanding Section 28.00, or any other provision of law, upon request of the Department of Child Support Services, the Department of Finance may increase or decrease the expenditure authority in this item to offset any increases or decreases in collections deposited in the Child Support Services Recovery Fund and appropriated in 5175-101-8004. The Department of Finance shall provide notification to the Joint Legislative Budget Committee within 10 working days from the date of Department of Finance approval of the adjustment.~~

Add Provision X to Item 5175-101-0890 as follows:

- (X) From the federal funds appropriated in Schedule (1)(b) 10.03-Child Support Automation, an amount not to exceed \$103,589,000 shall be available for expenditure or encumbrance until June 30, 2009. The Department of Finance shall provide notification to the Joint Legislative Budget Committee of the amount of the carryover within 10 working days from the date the amount of the carryover is determined. Notwithstanding Section 28.00, or any other provision of law, upon request of the Department of Child Support Services, the Department of Finance may increase or decrease the expenditure authority in this item to offset any increases or decreases in collections deposited in the Child Support Services Recovery Fund and appropriated in 5175-101-8004. The Department of Finance shall provide notification to the Joint Legislative Budget Committee within 10 working days from the date of Department of Finance approval of the adjustment.



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Honorable Denise Moreno Ducheny, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Danny Alvarez, Staff Director (2)

Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

Amendment to Various Budget Bill Items, Support and Local Assistance, Department of Social Services

Tehama County Caseload Transfer (Issue 300)—It is requested that Item 5180-001-0001 be increased by \$56,000 and Item 5180-151-0001 be decreased by \$56,000. This request includes establishment of 0.5 permanent position to address increased workload resulting from Tehama County returning responsibility for its licensing program for Family Child Care Homes (FCCH) to the Department of Social Services (DSS).

The DSS contracts with some counties to license and monitor FCCHs on the state's behalf. Tehama County will be terminating its contract with the state effective July 1, 2008. As a result, responsibility for the licensing and oversight of Tehama County's FCCHs will revert to the DSS at that time. Tehama County currently has 105 FCCHs it monitors on the state's behalf.

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project (Issue 301)—It is requested that Item 5180-001-0001 be increased by \$404,000 and Item 5180-153-0001 be decreased by \$404,000. This request would provide for the transfer of funding from local assistance to state operations for staff resources and contract funding to provide continued oversight and evaluation of the Title IV-E Waiver Project (Waiver). This request includes the extension of position authority for 2.0 two-year limited-term positions currently approved for the Waiver. The DSS also will redirect 2.0 additional positions internally to maintain the current level of administrative oversight of the Waiver. This request also includes \$215,000 General Fund for the two-year continuation of contract funding to conduct the federally required independent evaluation associated with the Waiver. The department also will use existing federal funds for the non-General Fund portion of this request.

In 2006, the U.S. Department of Health and Human Services approved California's Waiver to provide counties with flexibility in using federal Title IV-E foster care funds for direct services and supports. The participating counties, Los Angeles and Alameda, can pay for services that they otherwise would not be able to fund with federal Title IV-E dollars. The requested resources are necessary to administer the five-year Waiver project and ensure compliance with federal requirements.

The effect of my requested action is reflected on the attachment.

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If you have any questions or need additional information regarding this matter, please call Will Padilla, Principal Program Budget Analyst, at (916) 445-6423.

MICHAEL C. GENEST
Director
By:

/s/ Fred Klass

VINCENT P. BROWN
Chief Deputy Director

Attachment

cc: Honorable Tom Torlakson, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Dutton, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Mark Leno, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Roger Niello, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Elaine Alquist, Chair, Senate Budget and Fiscal Review Committee No. 3
Honorable Patty Berg, Chair, Assembly Budget Subcommittee No. 1
Ms. Elizabeth Hill, Legislative Analyst (4)
Ms. Diane Cummins, Senate President pro Tempore's Office
Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Mr. Joe Munso, Deputy Secretary, Health and Human Services Agency
Mr. Pete Cervinka, Assistant Secretary, Health and Human Services Agency
Mr. John A. Wagner, Director, Department of Social Services
Mr. Eric Fujii, Deputy Director, Administration Division, Department of Social Services
Ms. Donna Richardson, Chief, Budget Bureau, Department of Social Services