



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 Items 0250-001-0001, 0250-001-3066, and Reimbursements, Support, and Items 0250-101-0001, 0250-101-0890, 0250-101-0932, and 0250-111-0001, Local Assistance, Judicial Branch

This Finance Letter requests changes to the following Judicial Branch (Branch) items:

- Increase Item 0250-001-0001 by \$14,460,000
- Increase Item 0250-001-3066 by \$2,409,000
- Increase Item 0250-101-0001 by \$926,000
- Increase Item 0250-101-0890 by \$800,000
- Decrease Item 0250-101-0932 by \$15,386,000
- Decrease Item 0250-111-0001 by \$15,386,000
- Increase Reimbursements by \$588,000

Correction to Scheduling of Budget Balancing Reduction—It is requested that Items 0250-001-0001, 0250-101-0001, 0250-101-0932, and 0250-111-0001 be adjusted to reflect the Branch's scheduling of its General Fund Budget Balancing Reduction (BBR). The previous Finance Letter released on March 25, 2008, with the allocation of BBRs contains an incorrect allocation by Department of Finance (Finance) for the Branch. This requested change would correct that error and represent the allocation provided by the Branch.

Federal Child Access and Visitation Grants—It is requested that Item 0250-101-0890 be increased by \$800,000 federal funds on a one-time basis and Item 0250-101-0001 be amended for the Federal Child Access and Visitation Grant. These funds will be used to facilitate noncustodial parents' access to and visitation with their children.

Transfer of Court Facilities to State Responsibility—It is requested that Item 0250-001-3066 be increased by \$2,409,000 and Reimbursements be increased by \$588,000, to provide the authority necessary to expend funds that the Administrative Office of the Courts will receive from county facility payments for the operations and maintenance of court facilities. Of this amount, \$1,664,000 is requested for the court facilities that have already transferred to state responsibility since the release of the Governor's Budget, and \$1,333,000 is requested for those facilities scheduled to transfer to state responsibility by June 30, 2008. This technical adjustment reflects recent and anticipated transfers of court facilities from local to state responsibility.

Withdrawal of Workload Adjustments as part of Budget Balancing Reduction—It is requested that Item 0250-001-0001 be amended to reflect the Branch's request to withdraw several Budget Change Proposals included in the Governor's Budget and use those funds to offset the proposed \$245,944,000 General Fund BBR included in the 2008-09 Governor's Budget. The proposals total \$4,451,000, and Finance notes that this is an informational item only given that the BBR amount is already fully captured in the system. This item reflects no dollar changes, but provides a description of the manner in which the Branch proposes to allocate a portion of its General Fund BBR.

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 Jeff Carosone, Principal Program Budget Analyst, at (916) 445-8913.

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 Michael Machado, Chair, Senate Budget and Fiscal Review Committee No. 4
Honorable Juan Arambula, Chair, Assembly Budget Subcommittee No. 4
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. William Vickrey, Administrative Director of the Courts
Mr. Stephen Nash, Financial Director, Administrative Office of the Courts
Ms. Marcia Caballin, Budget Manger, Administrative Office of the Courts
Ms. Gwen Arafiles, Supervising Budget Analyst, Administrative Office of the Courts
Ms. Gisele Corrie, Financial Manager Office of Court Construction and Management,
Administrative Office of the Courts

APR 01 2008

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 Michael Machado, Chair, Senate Budget and Fiscal Review Committee No. 4
Honorable Juan Arambula, Chair, Assembly Budget Subcommittee No. 4
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. William C. Vickrey, Administrative Director of the Courts, Administrative Office of the
Courts
Mr. Lee Willoughby, Assistant Director, Administrative Office of the Courts, Office of Court
Construction Management
Ms. Gisele Corrie, Financial Manager, Administrative Office of the Courts, Office of Court
Construction Management

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 and Addition of Various Budget Bill Items, Support and Local Assistance,
Secretary for Resources**

CALFED Watershed Program Transfer

It is requested that Item 0540-001-0001 be decreased by \$249,000 and Item 0540-001-0140 be amended to reflect this change to transfer positions and funding for the CALFED Watershed Program from the Secretary for Resources (Secretary) to the Department of Conservation (Conservation).

The 2006-07 reorganization of the CALFED Program abolished the Bay-Delta Authority and transferred portions of the CALFED Program to the Secretary. The Secretary's budget includes funding for the CALFED Oversight and Coordination, Science, and Watershed programs. Although the CALFED Oversight and Coordination and Science programs are appropriate for the Secretary to administer because of its oversight role, it is more appropriate for the Watershed Program to be administered by an implementing department. Conservation currently administers a successful Watershed Grant Coordinator Program in the Delta region that began as a pilot program in 2000-01. (See corresponding Finance Letter for the Department of Conservation.)

River Parkways

It is requested that Item 0540-101-6015 be added in the amount of \$1.1 million for River Parkway grants. River Parkway projects must provide public access or be a component of a larger parkway plan that provides public access. This request would appropriate the balance of previously appropriated Proposition 13 funds from projects that either did not come to fruition or were completed under budget. (See Attachment A.)

It is further requested that Item 0540-490 be added to reappropriate Proposition 50 River Parkway grant funds originally appropriated in Section 41 of Chapter 230, Statutes of 2004. Projects funded from this appropriation have experienced delays related to permitting, and therefore this action is necessary to ensure the projects are completed. (See Attachment B.)

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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 Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

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 Alan Lowenthal, Chair, Senate Budget and Fiscal Review Committee No. 2
Honorable Ira Ruskin, Chair, Assembly Budget Subcommittee No. 3
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
Honorable Mike Chrisman, Secretary, Resources Agency
Mr. Patrick Kemp, Assistant Secretary, Resources Agency
Mr. Bryan Cash, Deputy Assistant Secretary, Resources Agency

Attachment A

0540-101-6015—For local assistance, Secretary for Resources, payable from the River Protection Subaccount.....1,100,000

Provisions:

- 1. The funds appropriated in this item shall be available for encumbrance or expenditure until June 30, 2011, for the purposes of support, local assistance, or capital outlay.
- 2. The funds received by other state agencies from this item in accordance with Section 79531 of the Water Code are exempt form the reporting requirements of Section 28.50.

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Attachment B

0540-490—Reappropriation, Secretary for Resources. The balance of the appropriation provided for in the following citation is reappropriated for the purposes provided for in that appropriation and shall be available for encumbrance or expenditure until June 30, 2011.

6031—Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002

Section 41 of Chapter 230, Statutes of 2004



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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 Budget Bill Items 0555-001-0044 and 0555-001-8020, Support, Secretary
for Environmental Protection**

Education and the Environment Initiative

It is requested that Item 0555-001-8020 be increased by \$400,000 to provide additional expenditure authority for the Environmental Education Account (EEA) and that Item 0555-001-0044 be amended to reflect this change. It is also requested that Budget Bill language (BBL) be added as provided in Attachment A. This BBL will provide the Administration with the flexibility to increase the budgeted appropriation in this Item, upon appropriate notification to the Legislature, should revenue to the EEA exceed the budgeted level within the 2008-09 fiscal year.

The Secretary for Environmental Protection and the California Integrated Waste Management Board are currently implementing the Education and the Environment Initiative (EEI) pursuant to Chapter 665, Statutes of 2003 (AB 1548) and Chapter 581, Statutes of 2005 (AB 1721). These statutes require the development of a unified education strategy to bring environmental education into California's primary and secondary schools. The additional expenditure authority will further EEI implementation in the areas of curriculum development and the preparation of field and pilot testing units for participating school districts.

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 Ken DaRosa, Principal Program Budget Analyst, at (916) 324-0043.

MICHAEL C. GENEST
Director
By:

/s/ Vincent P. Brown

VINCENT P. BROWN
Chief Deputy Director

Attachment

cc: On following page

APR 01 2008

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 Alan Lowenthal, Chair, Senate Budget and Fiscal Review Committee No. 2
Honorable Ira Ruskin, Chair, Assembly Budget Subcommittee No. 3
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. Eric Jarvis, Assistant Secretary for Fiscal Affairs, Office of the Secretary for
Environmental Protection
Ms. Marie Stephans, Chief, Administrative Services Division, Air Resources Board
Ms. Judy Tanimoto, Chief, Financial Services Branch, Administrative Services Division, Air
Resources Board

Attachment A
Item 0555-001-0044

Provisions:

~~2. Funds appropriated in this item from the Environmental Education Account are available for appropriation only to the extent that funding is received in the Environmental Education Account established by Section 71305 of the Public Resources Code.~~

2. Upon approval of the Director of Finance, the amount available for expenditure in this item may be augmented by the amount of any additional resources available in the Environmental Education Account, which is in addition to the amount appropriated in this item. Any augmentation shall be authorized no sooner than 30 days after notification in writing to the chairpersons of the committees in each house of the Legislature that consider appropriations, the chairpersons of the committees and appropriate subcommittees that consider the State Budget, and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may determine.



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 0650-001-0001, Support, Office of Planning and Research

It is requested that Item 0650-001-0001 be increased by \$107,000 to reflect the following:

- **Transfer of Governor's Mentoring Partnership**—It is requested that Item 0650-001-0001 be increased by \$107,000 to provide resources for the transfer of the Governor's Mentoring Partnership from the Department of Alcohol and Drug Programs to CaliforniaVolunteers, per Executive Order S-02-08. A corresponding reduction is proposed in a separate Finance Letter for the Department of Alcohol and Drug Programs.
- **Transfer of Federal Funds**—It is requested that a technical correction be made to Item 0650-001-0001 to reflect the proper allocation of federal funds to the Office of Planning and Research's programs. This change is needed to correct an error made during the preparation of the 2008-09 Governor's Budget. The action would result in a decrease in federal fund authority in Program 21-California Volunteers, and a corresponding increase in federal fund authority in Program 11-State Planning and Policy Development, for a net zero change to the overall appropriation.

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 Jeff Carosone, Principal Program Budget Analyst, at (916) 445-8913.

MICHAEL C. GENEST
Director
By:

/s/ Vincent P. Brown

VINCENT P. BROWN
Chief Deputy Director

Attachment

cc: On following page

APR 01 2008

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 Michael Machado, Chair, Senate Budget and Fiscal Review Committee No. 4
Honorable Juan Arambula, Chair, Assembly Budget Subcommittee No. 4
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
Ms. Cynthia Bryant, Director, Office of Planning and Research
Ms. Cathleen Cox, Chief Deputy Director, Office of Planning and Research
Ms. Debbie Johnson, Accounting Officer, Office of Planning and Research
Ms. Karen Baker, Secretary of Service and Volunteering, CaliforniaVolunteers
Ms. Sarah Mangum, Fiscal and Administration Director, CaliforniaVolunteers



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 Items 0690-001-0001, 0690-002-0001, and 0690-001-0890, Support, and Budget Bill Items 0690-101-0890 and 0690-102-0214, Local Assistance, Office of Emergency Services

It is requested that Item 0690-002-0001 be increased by \$267,000, Item 0690-001-0890 be increased by \$9,960,000, Item 0690-101-0890 be increased by \$2.0 million, and Item 0690-102-0214 be amended to reflect the following:

- **Emergency Management Performance Grant Fund Increase**—An increase of \$6,632,000 federal funds (\$4,632,000 State Operations, \$2.0 million Local Assistance) is requested to reflect an increase in the Emergency Management Performance Grant. These grant funds would be used for all hazards planning, training, and exercises for emergency situations.
- **Mitigation Grant Increase**—An increase of \$786,000 federal funds and 7.0 positions (6.6 personnel years) are requested to administer three federal emergency mitigation grants. The Severe Repetitive Loss Grant Program, Hazard Mitigation Grant Program, and the Pre-Disaster Mitigation Grant Program provide funds to states to mitigate possible future disasters such as floods, fires, and other disasters.
- **Public Safety Interoperable Communications Grant Program**—An increase of \$4,542,000 federal funds and 6.0 positions (5.7 personnel years) are requested to implement projects funded by the Public Safety Interoperable Communications Grant Program. This funding will be used to enhance interoperable communications with respect to voice, data, and/or video signals.
- **Office of Gang and Youth Violence Policy Budget-Balancing Reduction Restoration**—An increase of \$267,000 General Fund and 1.0 position (0.9 personnel years) is requested for the Office of Gang and Youth Violence Policy (Office). Of this amount, \$173,000 and 1.0 position is requested to backfill the General Fund Budget-Balancing Reduction taken to the Office in order to ensure the Statewide Anti-Gang Coordinator has the appropriate level of resources necessary, to combat gang and youth violence in California, and \$94,000 is requested to upgrade two Criminal Justice Specialist I positions to Research Program Specialist II positions to meet program need.

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- **Revised Anti-Gang Grant Budget Bill Language**—It is requested that Budget Bill language (BBL) (Attachment A) be amended to revise the grant allocation methodology by specifying that \$1.0 million in grant funds would go to the city of Los Angeles to combat its severe gang problems, and \$8.5 million would go to other cities to combat gang violence. In addition, this revised BBL will reflect the elimination of specified funding to community-based organizations, instead providing that the funding would go to cities.

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 Jeff Carosone, Principal Program Budget Analyst, at (916) 445-8913.

MICHAEL C. GENEST
Director
By:

/s/ Vincent P. Brown

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 Michael Machado, Chair, Senate Budget and Fiscal Review Committee No. 4
Honorable Juan Arambula, Chair, Assembly Budget Subcommittee No. 4
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. Paul Seave, Director, Governor's Office of Gang and Youth Violence Policy
Ms. Nancy Lyons, Chief Deputy Director, Governor's Office of Gang and Youth Violence Policy
Ms. Peggy Okabayashi, Chief, Administration Division, Office of Emergency Services
Ms. Pouneh Tehrani, Chief Fiscal Officer, Budgets, Accounting and Fiscal Analysis, Office of
Emergency Services
Mr. Rick Stolz, Budget Officer, Budgets, Accounting, and Fiscal Analysis, Office of Emergency
Services

Attachment A

Item 0690-102-0214 is amended as follows:

0690-102-0214--For local assistance, Office of Emergency Services, payable from the Restitution Fund..... 10,500,000

Schedule:

- (1) Grants to Los Angeles. cities with heavy gang concentrations..... 3 1,000,000
- (2) Competitive grants to cities 4,500,000 ~~8,500,000~~
- (3) Competitive grants to community-based organizations..... 2,000,000
- ~~(4)~~(3) Internet Crimes Against Children Task Force Funding..... 1,000,000

Provisions:

1. All grantees must provide a dollar-for-dollar match to state grant funds awarded from Schedules (1), and (2), ~~and (3)~~
2. The Office of Emergency Services shall submit a report and evaluation of the grants awarded pursuant to Schedules (1), and (2), ~~and (3)~~ to the fiscal committees of the Legislature not later than April 1, 2014-2.
3. The Department of Finance may transfer up to 3 percent of the funds appropriated in Schedules (1), and (2), ~~and (3)~~ to Item 0690-002-0001 for administration of the grant programs.
4. The amount appropriated in Schedule (1) shall be distributed as follows: \$1,000,000 each to Los Angeles, ~~Bay Area cities, and Central Valley cities.~~
5. The amount appropriated in Schedule (2) shall be competitive grants to cities. No grant shall exceed \$500,000, and at least two grants shall be awarded to cities with populations of 200,000 or less. In awarding grants, the Office of Emergency Services shall give preference to applicants that incorporate regional approaches to antigang activities.
6. Each city that receives a grant from Schedule (1) or (2) shall collaborate and coordinate with area jurisdictions and agencies, including the existing county juvenile justice coordination council, with the goal of reducing gang activity in the city and adjacent areas. Each grantee shall establish a coordinating and advisory council to prioritize the use of the funds. Membership shall include city officials, local law enforcement, including county sheriff, chief probation officer, and district attorney, local education agencies, including school districts and the county office of education, and community-based organizations.
7. ~~The amount appropriated in Schedule (3) shall be for grants to community-based organizations. The grants shall be used to test different approaches designed to reduce gang activities in communities and neighborhoods. No grant shall exceed \$200,000.~~



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 0845-001-0217, Support, California Department of Insurance

It is requested that Item 0845-001-0217 be increased by \$2,787,000 to provide the funds necessary for the planning and procurement phase for a centralized electronic document management system for the California Department of Insurance. This system will reduce the current paper-only process by implementing electronic forms, providing electronic storage and retrieval of documents, and allowing electronic submission of reports and documents by insurance companies.

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 Robin E. Baker, Principal Program Budget Analyst, at (916) 445-9813.

MICHAEL C. GENEST
Director
By:

/s/ Vincent P. Brown

VINCENT P. BROWN
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Tom Torlakson, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzosa, 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 Michael Machado, Chair, Senate Budget and Fiscal Review Committee No. 4
Honorable Juan Arambula, Chair, Assembly Budget Subcommittee No. 4
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. Dennis Ward, Deputy Commissioner, Operations, California Department of Insurance
Mr. Bill Young, Chief, Financial Management Division, California Department of Insurance
Ms. Julia Cross, Budget Officer, California Department of Insurance



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 0950-001-0001 and Reimbursements, Support,
State Treasurer's Office**

It is requested that Item 0950-001-0001 be amended by increasing reimbursement expenditure authority by \$184,000 due to the following:

- A 7.0 position reduction as a result of the 10-percent across-the-board budget reductions. The amount of this reduction has been included in the Governor's Budget.
- \$109,000 Reimbursements to fund 2.0 permanent Program Technician II positions to support existing workload, and \$75,000 Reimbursements to fund indirect administrative costs. Both of these requests are part of the State Treasurer's Office's plan to implement the 10-percent General Fund reduction, and are fund shifts that will assist in achieving these savings.

This request results in a net position reduction of 5.0 positions and an increase of \$184,000 in reimbursement authority.

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 Bill Steffenhagen, Principal Program Budget Analyst, at (916) 445-5332.

MICHAEL C. GENEST
Director
By:

/s/ Vincent P. Brown

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
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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 Michael Machado, Chair, Senate Budget and Fiscal Review Committee No. 4
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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
Honorable Bill Lockyer, State Treasurer
Mr. Steve Coony, Chief of Staff, State Treasurer's Office
Mr. Hugo Lopez, Chief of Administration, State Treasurer's Office
Ms. Becky Grajski, Budget Officer, State Treasurer's Office



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 0968-001-0448, Support, California Tax Credit Allocation Committee

It is requested that Item 0968-001-0448 be increased by \$674,000 to address increased workload associated with federal compliance monitoring requirements. The funds would be used to establish 4.0 permanent positions (2.0 personnel years) for budget year and a one-time contract (\$449,000) to address workload. Full year funding for the 4.0 positions will be provided in fiscal year 2009-10.

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 Oscar F. Chaves, Principal Program Budget Analyst, at (916) 445-5332.

MICHAEL C. GENEST
Director
By:

/s/ Vincent P. Brown

VINCENT P. BROWN
Chief Deputy Director

Attachment

cc: On following page

APR 01 2008

-2-

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
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Honorable Mark Leno, Chair, Assembly Appropriations Committee
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Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. Ivan Altamura, Chief of Staff, Assembly Republican Leader's Office
Honorable Bill Lockyer, State Treasurer
Mr. Steve Coony, Chief of Staff, State Treasurer's Office
Mr. Bill Pavao, Executive Director, California Tax Credit Allocation Committee
Ms. Lisa Vergolini, Deputy Executive Director, California Tax Credit Allocation Committee
Mr. Hugo Lopez, Chief of Administration, State Treasurer's Office
Ms. Becky Grajski, Budget Officer, State Treasurer's Office