



DEPARTMENT OF
FINANCE
OFFICE OF THE DIRECTOR

ARNOLD SCHWARZENEGGER, GOVERNOR
STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

APR - 1 2005

Honorable Wesley Chesbro, 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 8530-001-0290, Support, Board of Pilot Commissioners

It is requested that Item 8530-001-0290 be increased by \$291,000 to provide funding for the Board of Pilot Commissioner pilot trainee training program and for the increased cost of office space.

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 Jennifer Osborn, Principal Program Budget Analyst, at 445-8913.

TOM CAMPBELL

Director

By:

/s/ Stephen W. Kessler

STEPHEN W. KESSLER

Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Carole Migden, Chair, Senate Appropriations Committee
Attention: Ms. Anne Maitland, Staff Director
Honorable Dennis Hollingsworth, Vice Chair, Senate Budget and Fiscal Review
Committee
Attention: Mr. Jeff Bell, Staff Director
Honorable Judy Chu, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Rick Keene, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Joseph Dunn, Chair, Senate Budget and Fiscal Review Subcommittee No. 4
Honorable Rudy Bermúdez, 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)
Ms. Julie Sauls, Chief of Staff, Assembly Republican Leader's Office
Captain Pat Maloney, Board of Pilot Commissioners
Mr. Bill Young, Budget Officer, Department of Consumer Affairs



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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 8570-001-0001, 8570-001-0111, and 8570-002-0001
Support, California Department of Food and Agriculture**

Pursuant to Budget Letter 04-32, price increases should have been added to fall Budget Change Proposals. This adjustment was inadvertently omitted from the Mediterranean Fruit Fly and the Milk and Dairy Food Safety Compliance fall Budget Change Proposals. Therefore, it is requested that Item 8570-002-0001 be increased by \$84,000 and Item 8570-001-0111 be increased by \$15,000.

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 Jesse McGuinn, Principal Program Budget Analyst, at 445-8913.

TOM CAMPBELL
Director
By:

/s/ Stephen W. Kessler

STEPHEN W. KESSLER
Chief Deputy Director

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Attention: Mr. Geoff Long, Chief Consultant
Honorable Rick Keene, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Sheila Kuehl, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Fran Pavley, 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)
Ms. Julie Sauls, Chief of Staff, Assembly Republican Leader's Office
Mr. A.J. Yates, Undersecretary, California Department of Food and Agriculture
Mr. Gregson Porteous, Assistant Secretary of Legislation, California Department of Food
and Agriculture
Mrs. Karen Johnson, Director, Administrative Services, California Department of Food and
Agriculture
Mr. Jack Wright, Budget Officer, California Department of Food and Agriculture



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Honorable Wesley Chesbro, 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 8660-001-0462 and 8660-001-0471 and the Addition of
Items 8660-001-3089 and 8660-011-0462, Support, Public Utilities Commission**

Universal Lifeline Telephone Service

It is requested that Item 8660-001-0471 be increased by \$6.0 million to provide a one-time increase for the Universal Lifeline Telephone Service (ULTS) Program and that Item 8660-001-0462 be amended to reflect this change. The ULTS Program provides discounted basic telephone service to low-income households. Based on the most recent projections, the Public Utilities Commission estimates total ULTS costs will exceed the current year appropriation by as much as \$6.0 million to enroll approximately 53,000 new customers in the program. The ULTS Trust Administrative Committee Fund, which supports the ULTS Program, has an estimated reserve of \$11.1 million, which is sufficient to support the one-time augmentation. Suggested Budget Bill language is attached that would authorize the use of these funds to pay prior year claims (Attachment 1).

Public Utilities Commission Ratepayer Advocate Account

It is requested that Item 8660-001-0462 be reduced by \$18,379,000, Item 8660-001-3089 be added in the amount of \$18,379,000, and Item 8660-011-0462 be added to reflect the transfer of funding from the Public Utilities Commission Utilities Reimbursement Account to the Public Utilities Commission Ratepayer Advocate Account. This transfer will provide funding to support the Office of Ratepayer Advocates.

Water Utility Rate Cases

It is requested that Item 8660-001-0462 be increased by \$81,000 and 1.0 position to restore staffing that was eliminated pursuant to Control Section 4.10 of the Budget Act of 2003. The position will be restored to the Office of Ratepayer Advocates to review rates charged by regulated water companies, as required by existing statute.

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

TOM CAMPBELL

Director

By:

/s/ Stephen W. Kessler

STEPHEN W. KESSLER

Chief Deputy Director

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Committee
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Honorable Judy Chu, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Rick Keene, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Sheila Kuehl, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Rudy Bermúdez, 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)
Ms. Julie Sauls, Chief of Staff, Assembly Republican Leader's Office
Mr. Michael Peevey, President, Public Utilities Commission
Mr. Steve Larson, Executive Director, Public Utilities Commission
Mr. Ed Quan, Chief, Information and Management Services Division, Public Utilities
Commission
Mr. Dallas M. Cooper, Budget Officer, Public Utilities Commission

Attachment 1

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Add the following provision to Item 8660-001-0471:

Provisions:

2. Of the amount appropriated in this item, up to \$6,000,000 shall be used to pay carrier claims from the prior fiscal year.



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Honorable John Laird, Chair
Assembly Budget Committee

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

Amendment to Budget Bill Items 8940-001-0001 and 8940-001-0890, and Addition of Item 8940-001-0604, Support, Military Department

It is requested that Item 8940-001-0001 be increased by \$432,000 and Item 8940-001-0890 be increased by \$659,000 to provide ongoing funding for the congressionally-mandated State Active Duty employee compensation increase, effective January 1, 2005.

It is requested that Item 8940-001-0604 be added to appropriate \$1.5 million from the Armory Fund to allow the Military Department to complete necessary repair projects at various armories throughout the state. It is further requested that language be added to make the appropriation available for encumbrance during fiscal years 2005-06 and 2006-07 (Attachment I).

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 Sarah Mangum, Principal Program Budget Analyst, at 445-8913.

TOM CAMPBELL
Director
By:

/s/ Stephen W. Kessler

STEPHEN W. KESSLER
Chief Deputy Director

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Attention: Mr. Geoff Long, Chief Consultant
Honorable Rick Keene, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Joseph Dunn, Chair, Senate Budget and Fiscal Review Subcommittee No. 4
Honorable Rudy Bermúdez, 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)
Ms. Julie Sauls, Chief of Staff, Assembly Republican Leader's Office
LTC Robert Olson, Comptroller, California Military Department
Ms. Debra Wade, Budget Officer, California Military Department

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Proposed Budget Bill Language

Add Item 8940-001-0604 as follows:

8940-001-0604—For support of Military Department, payable from
Armory Fund 1,500,000

Schedule:

(1) 10-Army National Guard 1,500,000

Provisions:

1. The amount appropriated in this item shall be available for encumbrance during the 2005-06 and 2006-07 fiscal years.



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Honorable Wesley Chesbro, 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 8940-301-0001, Capital Outlay, Military Department

Increase Item 8940-301-0001 by \$7,187,000 to provide funding for the acquisition phase of the Consolidated Headquarters Complex project. Approximately thirty acres of land in Sacramento would be acquired for use as the site of a new 300,000 square foot Consolidated Headquarters Complex. This complex would allow more efficient coordination than exists presently, because staff are in multiple facilities across Northern and Central California. Additionally, none of the current headquarters facilities meet the various standards required by the federal government in order to properly protect Military Department personnel. It is estimated that the federal government will fund 60 percent of design costs and 75 percent of construction costs for this project.

Add the following provision to Item 8940-301-0001 to restrict the use of funds for the acquisition phase of the Consolidated Headquarters Complex project in the event that the federal government does not choose to participate in the Headquarters project.

XX. Of the funds provided in Schedule (.5) of this item, up to \$200,000 may be encumbered for due diligence and environmental review of the proposed site. Upon receipt of a commitment of federal fund participation, the Department of Finance may approve the encumbrance of the remaining funds.

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 Theresa Gunn, Principal Program Budget Analyst, at 445-9694.

TOM CAMPBELL
Director
By:

/s/ Stephen W. Kessler

STEPHEN W. KESSLER
Chief Deputy Director

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Ms. Diane Cummins, Senate President pro Tempore's Office
Mr. Craig Cornett, Assembly Speaker's Office (2)
Ms. Julie Sauls, Chief of Staff, Assembly Republican Leader's Office
Colonel Kevin Ellsworth, Director, Facilities and Engineering, Military Department
Lieutenant Colonel Robert Olson, Comptroller, Military Department