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 Various Budget Bill Items, Support, Department of Consumer Affairs

It is requested that the items pertaining to the Department of Consumer Affairs, Boards and Bureaus below, be amended to reflect the following changes:

Athletic Commission—Increase Item 1110-001-0326 by $46,000 to provide funding for the implementation of Chapter 691, Statutes of 2004, mixed Martial Arts.

Board of Registered Nursing—Decrease Item 1110-001-0761 by $168,000 to provide the necessary funding for the diversion program monitoring services contract due to recent increases in caseload.

Bureau of Automotive Repair—Increase Item 1111-002-0421 by 4.0 positions to centralize education and outreach services within the Department of Consumer Affairs' Communications and Education Division.

Department of Consumer Affairs Communications and Education Division—Increase Item 1111-002-0702 by 4.0 positions to centralize education and outreach services within the Department. The transfer of these positions from the Bureau of Automotive Repair results in no additional costs.

Department of Consumer Affairs Conversion to Self-Funded Workers' Compensation Benefit Program—Amend Item 1111-002-0702 to reflect the following:

- Increase of 1.5 positions to address the administrative functions associated with a self-funded workers' compensation benefit program.
- Addition of a separate program schedule to show workers' compensation funding totals.

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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 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: 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
Mr. George Valverde, Undersecretary, State and Consumer Services Agency
Ms. Charlene Zettel, Director, Department of Consumer Affairs
Mr. Gary Weitman, Chief, Office of Administration, Department of Consumer Affairs

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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 1700-001-0001, Support, Department of Fair Employment and Housing

It is requested that Item 1700-001-0001 be adjusted due to a technical error in the Governor's Budget. The 2004 Budget Act Control Section 6.60 workers' compensation reduction was erroneously applied to operating expenses and equipment instead of staff benefits.

It is further requested that Item 1700-001-0001 be increased by $390,000 to revise the total estimated workers' compensation savings, due to overstated base-year costs used in the initial calculation of savings.

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

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Attention: Mr. Geoff Long, Chief Consultant
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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
Mr. George Valverde, Undersecretary, State and Consumer Services Agency
Ms. Suzanne Ambrose, Director, Department of Fair Employment and Housing
Ms. Chila Silva-Martin, Deputy Director of Administration, Department of Fair Employment and Housing

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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 and Reimbursements, Support, Franchise Tax Board

Phase III Building Occupancy Costs—Issue 001

It is requested that the Franchise Tax Board's (Board) budget be augmented by $7,613,000, as follows:

- Item 1730-001-0001 be increased by $7,130,000
- Reimbursements for Item 1730-001-0001 be increased by $295,000
- Item 1730-001-0044 be increased by $32,000
- Item 1730-001-0064 be increased by $60,000
- Item 1730-001-0242 be increased by $96,000

This will provide funding for occupancy costs associated with the Board's new state office complex (known as Phase III) approved by Chapter 328, Statutes of 1998.

Transfer Child Support Collection Function to the Department of Child Support Services—Issue 002

It is requested that the Board's budget be reduced by $12,360,000, as follows:

- Item 1730-001-0001 be reduced by $5,547,000
- Reimbursements for Item 1730-001-0001 be reduced by $6,813,000

This will allow for the transfer of the Child Support Full Collection Program, together with 168.5 associated positions, from the Board to the Department of Child Support Services. In accordance with the provisions of Chapter 806, Statutes of 2004, it is requested that this transfer take effect on July 1, 2005. The Department of Child Support Services is submitting a corresponding Finance Letter to reflect receipt of these funds and positions.

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 Chris Hill, Principal Program Budget Analyst, at (916) 322-2263.

TOM CAMPBELL
Director
By:

/s/ Stephen W. Kessler

STEPHEN W. KESSLER
Chief Deputy Director

Attachment

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 Bermudez, Chair, Assembly Budget Subcommittee No. 4
Honorable Denise Moreno-Ducheny, Chair, Senate Budget and Fiscal Review Subcommittee No. 3
Honorable Hector De La Torre, 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)
Ms. Julie Sauls, Chief of Staff, Assembly Republican Leader's Office
Mr. George Valverde, Undersecretary, State and Consumer Services Agency
Mr. Gerald H. Goldberg, Executive Officer, Franchise Tax Board
Mr. Titus Toyama, Chief Fiscal Officer, Franchise Tax Board
Mr. Mark Shijo, Budget Officer, Franchise Tax Board
Ms. Lorna Fong, Assistant Secretary, Health and Human Services Agency
Ms. Greta Wallace, Director, Department of Child Support Services
Mr. Carlos Ramos, Interim Chief Deputy Director, Department of Child Support Services
Ms. Olivia Cortez, Deputy Director, Administrative Services Division, Department of Child Support Services

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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, 1760-001-0002, 1760-001-0602, 1760-001-0666, 1760-001-6036 and 1760-002-0001 Support, and Addition of Items 1760-492, Reappropriation, and 1796-495, Reversion, Department of General Services

It is requested that Item 1760-002-0001 be increased by $79,000 and that Item 1760-001-0666 be amended to reflect this change. One School Facilities Program Analyst II position (two-year limited-term) is also requested to provide additional state operations support for the Williams Settlement.

It is requested that Item 1760-001-0002 be revised by amending the Budget Bill (Attachment I) and Trailer Bill (Attachment II) proposals included in the 2005-06 Governor's Budget related to the Property Acquisition Law Money Account and the management of the state's real property assets. The proposal included in the 2005-06 Governor's Budget would have required surplus property to be listed in the Budget Bill. This revised request would retain the current process of using an annual bill to declare properties surplus.

It is requested that Item 1760-001-0602 be increased by $1,098,000 and 7.0 personnel years and that Item 1760-001-0666 be amended to reflect this change to allow the Department of General Services (DGS) to recover costs associated with construction inspection services for the Department of Corrections, San Quentin. Resources to reimburse the DGS are included in the project budget.

It is requested that Item 1760-001-0666 be increased by $1,478,000 and 13 personnel years as follows:

- $535,000 and 4.3 personnel years to allow the DGS to recover costs for operations and maintenance services provided to various client departments. Resources to reimburse the DGS are included in base budgets for the client departments

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- $334,000 and 4.7 personnel years to allow the DGS to recover costs for operations and maintenance services provided to the Department of Parks and Recreation (DPR) for the Stanford Mansion. Resources to reimburse the DGS are included in the 2005-06 Governor's Budget in the DPR budget.

- $609,000 and 4.0 personnel years to allow the DGS to recover costs to operate and maintain the California Department of Transportation (CalTrans) District 11 building which is scheduled for completion in June 2006. Resources to reimburse the DGS are included in a corresponding Finance Letter for CalTrans.

It is requested that Item 1760-001-6036 be increased by $239,000 and 3.0 School Facilities Program Analyst II positions be added to provide additional state operations support for increased workload in the School Facilities Program and that Item 1760-001-0666 be amended to reflect this change.

It is requested that Item 1760-492 be added to reappropriate funding authorized by Proposition 122, the Earthquake Safety and Public Building Rehabilitation Bond Act of 1990. This item would reappropriate up to $1,833,588 for two local seismic grants that were reappropriated by Item 1760-492, Budget Act of 2004.

It is also requested that Item 1796-495 be added to revert funding authorized by Proposition 122, the Earthquake Safety and Public Building Rehabilitation Bond Fund of 1990. This item would revert up to $500,000 for one local seismic grant that was reappropriated by Item 1760-492, Budget Act of 2003.

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

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Mr. Craig Cornett, Assembly Speaker's Office (2)
Ms. Julie Sauls, Chief of Staff, Assembly Republican Leader's Office
Mr. George Valverde, Undersecretary, State and Consumer Services Agency
Mr. Ron Joseph, Director, Department of General Services
Mr. Jack Barr, Deputy Director, Management Services Division, Department of General Services

Department of General Services
Proposed Budget Bill Language

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1760-001-0002

Provisions:
1. Of the amount appropriated in the item, $1,633,000 is a loan from the General Fund, provided for the purposes of supporting the management of the State's real property assets.
2. Repayment of loans provided for the purposes of supporting the management of the State's real property assets shall be repaid within 60 days of the close of escrow from the sale of surplus property, pursuant to Government Code Section 11011.
3. ~~The Director of General Services may sell, exchange, or lease for fair market value or upon those terms and conditions as the Director of General Services determines are in the best interest of the state, upon approval of a list of properties.~~ *To the extent that the annual surplus property listing enacted in separate legislation results in changes to workload related to management of the State's real property assets, the Director of Finance may adjust the amount of the General Fund loan and the total amount appropriated in this item not sooner than 30 days after notification has been provided to the Joint Legislative Budget Committee.*

New Item
1760-492—Reappropriation, Department of General Services. The balance, as of June 30, 2005, of the funds appropriated pursuant to Item 1760-101-0768, Budget Act of 1994 (Ch. 139, Stats. 1994), as reappropriated by Item 1760-492, Budget Act of 2004 (Ch. 208, Stats. 2004), are reappropriated and shall be available for expenditure through June 30, 2007.

Schedule:
(1) 3116-Richmond, Contra Costa –
City Hall..... 1,149,975
(2) 3117-Richmond, Contra Costa –
Hall of Justice 683,613

Provisions:
1. After June 30, 2007, these funds will no longer be available for expenditure and shall not be re-appropriated.

New Item
1760-495—Reversion, Department of General Services. As of June 30, 2005, the unencumbered balances of the appropriation provided for in the following citation shall revert to the balance of the fund from which it was made:
0768—Earthquake Safety and Public Buildings Rehabilitation Fund of 1990
Item 1760-101-0768, Budget Act of 1994 (Ch. 139, Stats. 1994), as reappropriated by Item 1760-192, Budget Act of 2003 (Ch. 157, Stats. 2003)
(1) 4029-Alameda, Oakland Police and Administration
Retrofit – Oakland 500,000

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Department of General Services
Property Acquisition Law and Surplus Property Proposed Trailer Bill

SECTION 1. Section 11011 of the Government Code is amended to read:

11011. (a) On or before December 31st of each year, each state agency shall make a review of all proprietary state lands, other than tax-deeded land, land held for highway purposes, lands under the jurisdiction of the State Lands Commission, land that has escheated to the state or that has been distributed to the state by court decree in estates of deceased persons, and lands under the jurisdiction of the State Coastal Conservancy, over which it has jurisdiction to determine what, if any, land is in excess of its foreseeable needs and report thereon in writing to the Department of General Services. These lands shall include, but not be limited to, the following:

(1) Land not currently being utilized, or currently being underutilized, by the state agency for any existing or ongoing state program.

(2) Land for which the state agency has not identified any specific utilization relative to future programmatic needs.

(3) Land not identified by the state agency within its master plans for facility development.

(b) Jurisdiction of all land reported as excess shall be transferred to the Department of General Services, when requested by the director thereof, for sale or disposition under this section or as may be otherwise authorized by law.

(c) The Department of General Services shall report to the Legislature annually, the land declared excess and request authorization to dispose of the land by sale or otherwise.

(d) The Department of General Services shall review and consider reports submitted to the Director of General Services pursuant to Section 66907.12 of the Government Code and Section 31104.3 of the Public Resources Code prior to recommending or taking any action on surplus land, and shall also circulate the reports to all agencies that are required to report excess land pursuant to this section. In recommending or determining the disposition of surplus lands, the Director of General Services may give priority to proposals by the state that involve the exchange of surplus lands for lands listed in those reports.

(e) Except as otherwise provided by any other provision of law, whenever any land is reported as excess pursuant to this section, the Department of General Services shall determine whether or not the use of the land is needed by any other state agency. If the Department of General Services determines that any land is needed by any other state agency it may transfer the jurisdiction of this land to the other state agency upon the terms and conditions as it may deem to be for the best interests of the state.

(f) When authority is granted for the sale or other disposition of lands declared excess, and the Department of General Services has determined that the use of the land is not needed by any other state agency, the Department of General Services shall sell the land or otherwise dispose of the same pursuant to the authorization, upon any terms and conditions and subject to any reservations and exceptions as the Department of General Services may deem to be for the best interests of the state. The Department of General Services shall report to the Legislature annually, with respect to each parcel of land authorized to be sold under this section, giving the following information:

(1) A description or other identification of the property.

(2) The date of authorization.

(3) With regard to each parcel sold after the next preceding report, the date of sale and price received, or the value of the land received in exchange.

(4) The present status of the property, if not sold or otherwise disposed of at the time of the report.

(g) Except as otherwise specified by law, ~~moneys~~ *net proceeds* received from any *real* property disposition, including the sale, lease, exchange, or other means, that is received

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pursuant to this section shall be paid into the ~~General Fund~~ *Deficit Recovery Bond Retirement Sinking Fund Subaccount (Article XVI, sec. 20(f)), until such time when the bonds issued pursuant to the Economic Recovery Bond Act, approved by the voters at the March 2, 2004 statewide primary election and Title 18 of the California Government Code, are retired. Thereafter, net proceeds received pursuant to this section shall be deposited in the Special Fund for Economic Uncertainties.*

For purposes of this section, net proceeds shall be defined as ~~gross~~ proceeds less ~~all costs directly~~ *any outstanding loans from the General Fund to the Property Acquisition Law Money Account or outstanding reimbursements due the Property Acquisition Law Money Account for costs incurred prior to June 30, 2005,* related to the ~~completion of the transaction including, but not limited to, selling costs, transfer fees, commissions, and costs incurred by the Department of General Services~~ *management of the State's real property assets including but not limited to surplus property identification, legal research, feasibility statistics, activities associated with land use, and due diligence.*

(h) The Director of Finance may approve loans from the General Fund to the Property Acquisition Law Money Account, which is hereby created in the State Treasury, for the purposes of supporting the management of the State's real property assets.

~~(h)~~ *(i)* Any rentals or other revenues received by the department from real properties, the jurisdiction of which has been transferred to the Department of General Services under this section, shall be deposited in the *Property Acquisition Law Money Account and shall be available for expenditure by the Department of General Services upon appropriation by the Legislature.* ~~General Fund in the account established by Section 15863. Any expenditures required to maintain, repair, care for, and sell this real property shall be paid from the appropriation made by Section 15863~~.

~~(i)~~ *(j)* Nothing contained in this section shall be construed to prohibit the sale, letting, or other disposition of any state lands pursuant to any law now or hereafter enacted authorizing the sale, letting, or disposition.

~~(j)~~ *(k)* This section shall be inoperative for the period commencing with the effective date of the act that added this subdivision, until July 1, 2005~~.~~, *with the exception of sections (g) through (j), which shall take effect retroactively, beginning November 3, 2004.*

SECTION 2. Section 11011.21 of the Government Code is amended to read:

11011.21. (a) The Legislature finds and declares that the Department of General Services has, pursuant to former Section 11011.21, as added by Section 8 of Chapter 150 of the Statutes of 1994, and amended by Section 15 of Chapter 422 of the Statutes of 1994, developed an inventory, known as the Surplus Property Inventory, of state-owned properties that are either surplus to the needs of the state in their entirety or are being used for a state program and some portions of the property are unused or underutilized.

b) State agencies, when purchasing real property, shall review the Surplus Property Inventory and purchase, lease, or trade property on that list, if possible, prior to purchasing property not on the Surplus Property Inventory.

~~(~~c) The Department of General Services may sell, lease, exchange, or transfer for current market value, or upon terms and conditions as the Director of General Services determines are in the best interest of the state, all or part of properties as follows:

Parcel 1. Approximately 292 acres with improvements thereon, known as the Agnews Developmental Center-West Campus, bounded by Lick Mill Blvd., Montague Expressway, Lafayette Street and Hope Drive, in Santa Clara, Santa Clara County.

Parcel 2. Approximately 56 acres known as a portion of the Agnews Developmental Center-East Campus, located between the Agnews Developmental Center and Coyote Creek, in San Jose, Santa Clara County.

Parcel 3. Approximately 102 acres with improvements thereon, known as the Stockton Developmental Center, located at 510 E. Magnolia Street, in Stockton, San Joaquin County.

Parcel 6. Approximately 33.56 acres with improvements thereon, known as the California Highway Patrol Motor Transport Facility and Shop, located at 2800 Meadowview Road, in Sacramento, Sacramento County.

Parcel 7. Approximately 1.03 acres of land, not including improvements thereon, located at 1614 O Street, in Sacramento, Sacramento County, and leased by the Department of General Services to the Capital Area Development Authority for development of the 17th Street Commons condominiums.

Parcel 8. Approximately 2 acres of land, not including improvements thereon, located on a portion of block 273 bound by 10th, 11th, P, and Q Streets, in Sacramento, Sacramento County, and leased by the Department of General Services to the Capital Area Development Authority for development of the Somerset Parkside condominiums.

Parcel 9. Approximately 1.76 acres of land, not including improvements thereon, located on the south 1/2 of block bound by 15th, 16th, O, and P Streets and the south 1/4 of block bound by 14th, 15th, O, and P Streets, in Sacramento, Sacramento County, and leased by the Department of General Services to the Capital Area Development Authority for development of the Stanford Park condominiums.

Parcel 10. Approximately 1.18 acres of land, not including improvements thereon, located on the north 1/2 of block bound by 9th, 10th, Q, and R Streets, in Sacramento, Sacramento County, and leased by the Department of General Services to the Capital Area Development Authority for development of the Saratoga Townhomes.

Parcel 11. Approximately 3.66 acres including improvements thereon, known as the Department of General Services, Junipero Serra State Office Building, located at 107 S. Broadway, in Los Angeles, Los Angeles County.

Parcel 12. Approximately 32 acres including improvements thereon, being a portion of the State Department of Developmental Services Fairview Developmental Center, located at 2501 Harbor Blvd., in Costa Mesa, Orange County.

Parcel 13. Approximately 3.6 acres, with improvements thereon. Entire structure used as the Delano Armory by the Military Department, located at 705 South Lexington Street, in Delano, Kern County.

Parcel 16. Approximately 1,720 acres of agricultural land, being a portion of the Department of Corrections' Imperial South Centinella Prison, located at 2302 Brown Road, in Imperial, Imperial County, which shall only be available for lease.

Parcel 17. Approximately 800 acres of agricultural land, being a portion of the Department of Corrections' Imperial North Calipatria Prison, located at 7018 Blair Road, in Calipatria, Imperial County, which shall only be available for lease.

(d) The Department of General Services shall be reimbursed for any cost or expense incurred in the disposition of any parcels.

(e) Notices of every public auction or bid opening shall be posted on the property to be sold pursuant to this section, and shall be published in a newspaper of general circulation published in the county in which the real property to be sold is situated.

(f) Any sale, exchange, lease, or transfer of a parcel described in this section is exempt from Chapter 3 (commencing with Section 21100) to Chapter 6 (commencing with Section 21165), inclusive, of Division 13 of the Public Resources Code.

(g) As to any property sold pursuant to this section consisting of 15 acres or less, the Director of General Services shall except and reserve to the state all mineral deposits possessed by the state, as defined in Section 6407 of the Public Resources Code, below a depth of 500 feet, without surface rights of entry. As to property sold pursuant to this section consisting of more than 15 acres, the director shall except and reserve to the state all mineral deposits, as defined in Section 6407 of the Public Resources Code, together with the right to

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prospect for, mine, and remove the deposits. The rights to prospect for, mine, and remove the deposits shall be limited to those areas of the property conveyed that the director, after consultation with the State Lands Commission, determines to be reasonably necessary for the removal of the deposits.

(h) The net proceeds of any moneys received from the disposition of any parcels described in this section shall be deposited in the General Fund.

SECTION 3. Government Code Section 15862 is amended to read:

15862. (a) Except as specified in subdivision (b), all real property or interest in real property acquired by the state or the Judicial Council pursuant to the Trial Court Facilities Act of 2002 (Chapter 5.7 (commencing with Section 70301) of Title 8), or pursuant to Sections 69202 to 69206, inclusive, shall be under the jurisdiction of the Judicial Council immediately upon transfer of the title to the state.

(b) When real property is acquired by the state pursuant to this part, jurisdiction over the property shall remain in the Department of General Services until the property is needed for the purpose for which it was acquired. The Director of General Services may transfer jurisdiction of the property to the agency for whose use it was acquired before it is needed for the purpose for which acquired if in his opinion the transfer is in the best interests of the state. The department may lease all or any portion of the property which is not presently needed on terms and conditions as the director may fix and may maintain, improve, and care for the property in order to secure rent therefrom. The department may remove or demolish buildings or other structures on the property when it is desirable to do so. It may sell or dispose of the improvements or any materials available upon the demolishing of any building or structure on the property.

15862.5. Notwithstanding Section 15862, all real property or interest in real property acquired by the Department of Parks and Recreation pursuant to subdivision (d) of Section 15853 of the Government Code and Section 5006 of the Public Resources Code shall be under the jurisdiction of the Department of Parks and Recreation, immediately upon transfer of the title to the state. The Department of Parks and Recreation shall attempt to make the real property accessible and usable by the general public at the earliest possible time.

15863. (a) The *net* proceeds of any sale made pursuant to Section 15862 shall be deposited in the ~~General Fund~~ *Deficit Recovery Bond Retirement Sinking Fund Subaccount, until such time when the bonds issued pursuant to the Economic Recovery Bond Act, approved by the voters at the March 2, 2004 statewide primary election and Title 18 of the California Government Code, are retired. At that time, net proceeds, as defined in Government Code Section 11011(g), received pursuant to this section shall be deposited in the Special Fund for Economic Uncertainties.*

(b) All rents received by the Department of General Services pursuant to Section 15862 shall be deposited in the ~~General Fund~~ *Property Acquisition Law Money Account and shall be available for expenditure by the Department of General Services upon appropriation by the Legislature.*

~~(c) All money deposited in the General Fund pursuant to this section shall be available for appropriation to the Department of General Services for the care, maintenance, and improvement of the real property acquired pursuant to this part that is under the jurisdiction of, or being administered by, the Department of General Services and for any payments required to be made pursuant to Chapter 16 (commencing with Section 7260) of Division 7 of Title 1.~~

DEPARTMENT OF FINANCE
OFFICE OF THE DIRECTOR

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

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 1760-301-0001 and 1760-301-0768, Capital Outlay, Department of General Services

It is requested that Item 1760-301-0001 be decreased and Item 1760-301-0768 be increased to reflect a $5.0 million shift in funding from the General Fund to the Earthquake Safety and Public Buildings Rehabilitation Fund for the structural retrofit of the San Quentin Building 22 project.

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 Rocel Bettencourt, Principal Program Budget Analyst, at 445-9694.

TOM CAMPBELL
Director
By:

/s/ Stephen W. Kessler

STEPHEN W. KESSLER
Chief Deputy Director

Attachment

cc: On following page

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Mr. Craig Cornett, Assembly Speaker's Office (2)
Ms. Julie Sauls, Chief of Staff, Assembly Republican Leader's Office
Honorable Fred Aguiar, Secretary, State and Consumer Services Agency
Mr. Ron Joseph, Director, Department of General Services
Mr. Rick Rusk, Capital Outlay Program Manager, Department of General Services
Mr. Joel McRonald, Chief Seismic and Special Programs, Department of General Services

DEPARTMENT OF FINANCE
OFFICE OF THE DIRECTOR

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

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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)

Addition of Budget Bill Item 1870-295-0001, Local Assistance, Victim Compensation and Government Claims Board

It is requested that Item 1870-295-0001 be added with appropriate Budget Bill language to reflect the suspension of the Adult Felony Restitution mandate. Proposed legislation to make this mandate permissive was not enacted; therefore, it is necessary to amend the Budget Bill in order to reflect the suspension of this mandate (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 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

APR - 1 2005

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 Gloria Romero, Chair, Senate Budget and Fiscal Review Subcommittee No. 5
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. George Valverde, Undersecretary, State and Consumer Services Agency
Ms. Karen McGagin, Executive Officer, California Victim Compensation and Government Claims Board

Attachment I

APR - 1 2005

California Victim Compensation and Government Claims Board
Proposed Budget Bill Language

New Item

1870-295-0001—For local assistance, California Victim Compensation and Government Claims Board, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the State Controller..... 0

Schedule:

(1) 98.01.112.377—Adult Felony Restitution
(Ch. 1123, Stats. 1977) 0

Provisions:

1. Pursuant to Section 17581 of the Government Code, mandates identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the 2005-06 fiscal year:

(1) Adult Felony Restitution (Ch. 1123, Stats. 1977).