



May 13, 2016

Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Mark Ibele, Staff Director (2)

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Amendment to Budget Bill Items 1111-001-0773, 1111-002-3288, and 1111-011-0001,
Support, Department of Consumer Affairs**

Board of Behavioral Sciences (Board) Examination Vendor Contract Amendment—It is requested that Item 1111-001-0773 be increased by \$1,482,000 in 2016-17 to provide for additional contracting costs necessary to accommodate the Board's Law and Ethics examination test takers. Pursuant to Chapter 387, Statutes of 2011, an influx of Board registrants adhering to new testing requirements will cause the Board to have to amend its existing contract for the third-party administration of exams.

Bureau of Medical Marijuana Regulation (Bureau) Information Technology (IT) Database—It is requested that Item 1111-002-3288 be increased by \$5,952,000 in 2016-17 to fund 8 positions and external contract costs for the development, implementation, and maintenance of an IT solution that will support the Bureau's licensing and enforcement functions. The Administration's \$11 million General Fund loan proposed in the Governor's Budget for 2016-17 medical marijuana resources is insufficient to cover the costs of implementing medical marijuana regulation. Therefore, it is requested that Item 1111-011-0001 be increased by \$8 million (see Attachment 1) to support this request (\$6 million), a similar IT proposal from the Department of Food and Agriculture per Item 8570-001-3288, Budget Act of 2016 (\$2 million), and to support Section 11.42, Budget Act of 2016.

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 Weiner, Finance Budget Analyst, at (916) 445-8913.

MICHAEL COHEN
Director
By:

/s/ Amy M. Costa

AMY M. COSTA
Chief Deputy Director

Attachment

cc: Honorable Ricardo Lara, Chair, Senate Appropriations Committee
Attention: Mr. Mark McKenzie, Staff Director
Honorable Jim Nielsen, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Vacant, Appropriations Fiscal Director
Attention: Mr. Kirk Feely, Budget Fiscal Director
Honorable Lorena Gonzalez, Chair, Assembly Appropriations Committee
Attention: Mr. Pedro R. Reyes, Chief Consultant
Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee
Attention: Mr. Eric Swanson, Staff Director
Honorable Richard Roth, Chair, Senate Budget and Fiscal Review Subcommittee No. 4
Honorable Adrin Nazarian, Chair, Assembly Budget Subcommittee No. 4
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Mr. Seren Taylor, Director of Strategic Policy, Assembly Republican Leader's Office
Mr. Jim Richardson, Policy and Fiscal Director, Assembly Republican Leader's Office
Ms. Tina Daley, Deputy Secretary, Fiscal Operations, Business, Consumer Services, and Housing Agency
Mr. Awet Kidane, Director, Department of Consumer Affairs
Ms. Kim Madsen, Executive Officer, Board of Behavioral Sciences, Department of Consumer Affairs
Ms. Lori Ajax, Bureau Chief, Bureau of Medical Marijuana Regulation, Department of Consumer Affairs
Ms. Tonya Corcoran, Deputy Director, Office of Administrative Services, Department of Consumer Affairs
Ms. Janice Shintaku-Enkoji, Fiscal Officer, Department of Consumer Affairs
Mr. Taylor Schick, Budget Officer, Department of Consumer Affairs

"1111-011-0001—For transfer by the Controller, upon order of the Director of Finance, to the Medical Marijuana Regulation and Safety Act Fund as a loan(11,000,000)
(19,000,000)

Provisions:

1. The Director of Finance may transfer up to ~~\$11,000,000~~ \$19,000,000 as a loan to the Medical Marijuana Regulation and Safety Act Fund, which shall be repaid by ~~June 30, 2021~~ January 1, 2022. The Director of Finance shall order the repayment of all or a portion of this loan if he or she determines that either of the following circumstances exists: (a) the account from which the loan was made has a need for the moneys, or (b) there is no longer a need for the moneys in the fund or account that received the loan.
2. This loan shall be augmented by an amount equivalent to the amounts approved per Provision 1 of Item 8570-001-3288, Budget Act of 2016 and Section 11.42, Budget Act of 2016."



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Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Addition of Budget Bill Item 2240-001-0797, Support, and Item 2240-101-0797,
Local Assistance, Department of Housing and Community Development**

It is requested that Item 2240-001-0797 be added in the amount of \$3,203,000 and 10.4 positions to provide the Department of Housing and Community Development (HCD) with the authority and resources to administer the Mental Health Services Act programs.

It is requested that Item 2240-101-0797 be added in the amount of \$263,640,000 to provide HCD with expenditure authority to award projects for the Mental Health Services Act programs.

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 Mary Halterman, Principal Program Budget Analyst, at (916) 445-3274.

MICHAEL COHEN
Director
By:

/s/ Amy M. Costa

AMY M. COSTA
Chief Deputy Director

Attachment

cc: On following page

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Mr. Seren Taylor, Director of Strategic Policy, Assembly Republican Leader's Office
Mr. Jim Richardson, Policy and Fiscal Director, Assembly Republican Leader's Office
Ms. Tina Daley, Deputy Secretary, Business, Consumer Services, and Housing Agency
Mr. Ben Metcalf, Director, Department of Housing and Community Development
Mr. John Hiber, Chief Deputy Director, Department of Housing and Community Development
Mr. Dave O'Toole, Deputy Director, Department of Housing and Community Development