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GOVERNMENT CODE - GOV

TITLE 2. GOVERNMENT OF THE STATE OF CALIFORNIA [8000 - 22980] (Title 2 enacted by Stats. 1943, Ch. 134.)

DIVISION 3. EXECUTIVE DEPARTMENT [11000 - 15990.3] (Division 3 added by Stats. 1945, Ch. 111.)

PART 3. DEPARTMENT OF FINANCE [13000 - 13881] (Part 3 added by Stats. 1945, Ch. 112.)

CHAPTER 3. Fiscal Affairs [13290 - 13344] (Chapter 3 added by Stats. 1945, Ch. 112.)

ARTICLE 2.5. Provisions Applicable to Appropriations of Funds [13332 - 13332.19] (Article 2.5 added by Stats. 1983, Ch. 323, Sec. 44.)

13332. The Controller, at the request of a state institution, department, board, bureau, commission, officer, employee or other agency for which an appropriation is made, may transfer, under procedures established by the Department of Finance, up to 10 percent of any appropriation made to each entity, to an account established for each entity within the State Expenditure Revolving Fund, which is hereby created for the purpose of the payment of payroll and other claims which costs are to be subsequently charged to the appropriations made to each entity in accordance with any provisions or schedule set forth in the appropriations. No transfers in excess of 10 percent from any one appropriation may be made without the prior joint approval of the Department of Finance and the Controller.

All state entities shall submit, to the Department of Finance, a statement of financial adjustment to the State Expenditure Revolving Fund no later than 30 days following the transaction month. No state entity shall deposit funds in the State Expenditure Revolving Fund from local assistance or capital outlay appropriations or in excess of 10 percent of any appropriation made to the agency unless prior approval is given by the Director of Finance and the Controller.

Notwithstanding Sections 16310 and 16314, the Controller may transfer, as necessary, from the State Expenditure Revolving Fund to the General Fund whatever amounts are needed to meet cash needs of the General Fund. The Controller shall return all moneys so transferred without payment of interest as soon as there are sufficient moneys in the General Fund.

Transfers made by the Controller shall be available for the same term as the appropriation from which the transfer was made. All undisbursed funds shall be returned to the appropriations from which they are transferred and are subject to Section 16304.1.

(Added by Stats. 1983, Ch. 323, Sec. 44. Effective July 1, 1983.)

13332.01. Any state agency which collects funds from the federal government shall include in the collections, amounts to offset federally allowed statewide indirect costs, as determined by the Department of Finance, except where prohibited by federal statutes.

(Added by Stats. 1983, Ch. 323, Sec. 44. Effective July 1, 1983.)

13332.02. All funds recovered from the federal government to offset statewide indirect costs shall be transferred to the Central Service Cost Recovery Fund or to the General Fund in a manner prescribed by the Department of Finance, unless expenditure of the funds is authorized by the Department of Finance. No authorization may become effective sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house that considers appropriations 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 in each instance determine. If in the judgment of the Director of Finance, a state agency has not transferred the funds on a timely basis, the Department of Finance may certify to the Controller the amount that the agency should have transferred to the Central Service Cost Recovery Fund or the General Fund, and the Controller shall transfer the funds to the Central Service Cost Recovery Fund or the General Fund.

(Amended by Stats. 2016, Ch. 31, Sec. 99. (SB 836) Effective June 27, 2016.)

13332.03. Whenever an appropriation has not been made to provide for recovery of general administrative costs pursuant to Article 2 (commencing with Section 11270) of Chapter 3 of Part 1, a sufficient sum for that purpose shall be transferred from each affected fund by the Controller to the Central Service Cost Recovery Fund or the General Fund in accordance with Section 11274. The Controller shall make transfers pursuant to this section only upon order of the Department of Finance.

(Amended by Stats. 2016, Ch. 31, Sec. 100. (SB 836) Effective June 27, 2016.)

13332.05. No funds may be encumbered for paying a civil service employee a salary which is above the maximum of the salary range of the employee's present classification for a period of more than 90 calendar days following termination of a career executive assignment appointment. The intent of the Legislature in permitting payment above the maximum of the salary range for the 90-day period is to facilitate the employee's adjustment to a lower salary level. The provisions of this section shall not apply with respect to an employee who accepted any career executive assignment appointment on or after June 20, 1976, and before July 1, 1977, and any employee meeting that requirement, who is otherwise eligible, shall receive a salary rate pursuant to the provisions of Rule 548.25, adopted by the State Personnel Board on May 18, 1976, based upon the highest career executive assignment level held by the employee during that period.

(Added by Stats. 1983, Ch. 323, Sec. 44. Effective July 1, 1983.)

13332.06. The California Coastal Commission, without regard to fiscal year, shall not be subject to the Statewide Cost Allocation Plan for statewide indirect costs established pursuant to Sections 13332.01 and 13332.02.

(Added by Stats. 2003, Ch. 228, Sec. 14. Effective August 11, 2003.)

13332.07. No funds shall be used to purchase furnishings for any house, mobilehome, or apartment of three or more rooms other than a dormitory that is rented to a state employee. This provision shall not apply to the purchase of refrigerators, heaters, air-conditioning equipment, stoves, linoleum, or equipment normally furnished in the construction of a house, as may be determined by the Department of Human Resources. It is the intent of the Legislature that furnishings are not to be provided by the state and that no moneys shall be paid from any appropriation for their replacement or repair, except in connection with the disposal thereof.

(Amended by Stats. 2012, Ch. 665, Sec. 50. (SB 1308) Effective January 1, 2013.)

13332.09. (a) A purchase order or other form of documentation for acquisition or replacement of motor vehicles shall not be issued against any appropriation until the Department of General Services has investigated and established the necessity therefor.

(b) A state agency shall not acquire surplus mobile equipment from any source for program support until the Department of General Services has investigated and established the necessity therefor.

(c) Notwithstanding any other law, any contract for the acquisition of a motor vehicle or general use mobile equipment for a state agency shall be made by or under the supervision of the Department of General Services. Pursuant to Section 10298 of the Public Contract Code, the Department of General Services may collect a fee to offset the cost of the services provided.

(d) Any passenger-type motor vehicle purchased for a state officer, except a constitutional officer, or a state employee shall be an American-made vehicle of the light class, as defined by the Department of General Services, unless excepted by the Director of General Services on the basis of unusual requirements, including, but not limited to, use by the Department of the California Highway Patrol, that would justify the need for a motor vehicle of a heavier class.

(e) General use mobile equipment having an original purchase price of twenty-five thousand dollars (\$25,000) or more shall not be rented or leased from a nonstate source and payment therefor shall not be made from any appropriation for the use of the Department of Transportation, without the prior approval of the Department of General Services after a determination that comparable state-owned equipment is not available, unless obtaining approval would endanger life or property, in which case the transaction and the justification for not having sought prior approval shall be reported immediately thereafter to the Department of General Services.

(f) For purposes of this section:

(1) "General use mobile equipment" means equipment that is listed in the Mobile Equipment Inventory of the State Equipment Council and capable of being used by more than one state agency, and shall not be deemed to refer to equipment having a practical use limited to the controlling state agency only. Section 575 of the Vehicle Code shall have no application to this section.

(2) "State agency" means a state agency, as defined pursuant to Section 11000. The University of California is requested and encouraged to have the Department of General Services perform the tasks identified in this section with respect to the acquisition or replacement of motor vehicles by the University of California. "State agency" does not include a district agricultural association, as defined in Section 3951 of the Food and Agricultural Code, or the Prison Industry Authority as established by Section 2800 of the Penal Code.

(Amended by Stats. 2018, Ch. 36, Sec. 10. (AB 1812) Effective June 27, 2018.)

13332.10. (a) (1) The Director of General Services may not enter into a lease agreement between the state and another entity, public or private, in which the state is lessee if the agreement is to be for the lease of a building or building space, or both, which will be for the occupancy of any agency or agencies of the state where any of the conditions set forth in paragraph (2) exist, unless not

less than 30 days prior to entering into the lease the Director of General Services notifies the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or his or her designee, in writing of the director's intention to enter into the agreement, or not sooner than such lesser time as the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may in each instance determine.

(2) (A) The proposed lease is for a firm lease period of longer than eight years.

(B) The proposed lease would require an increase in a department or agency's support budget.

(C) The proposed lease is a capitalized lease, unless it has previously been authorized by the Legislature.

(D) Entering into the proposed lease would result in any occupying department or agency vacating a material amount of state-owned space, and the Director of General Services has not identified one or more state departments or agencies to fill that space.

(3) No funds appropriated in any Budget Act may be encumbered or expended for any lease entered into on or after July 1, 1979, for office space in the County of Sacramento unless all solicitations for leases for office space in the County of Sacramento under the above-described conditions contain the statement, "The state is anticipating capital construction in the City of Sacramento and intends to eventually reduce the use of space on a leased basis."

(b) The Director of General Services shall, when notifying the Legislature pursuant to paragraph (1) of subdivision (a), provide information to the Legislature that demonstrates that the proposed lease is in the best interest of the state. The notice shall include all of the following:

(1) The terms of the lease.

(2) An analysis showing the financial impact of the proposed lease.

(3) A summary of alternatives considered.

(4) A rationale for entering into a lease that includes the specific provision or provisions that triggered the notification required by paragraph (1) of subdivision (a).

(c) Notwithstanding Section 10231.5, commencing January 10, 2019, and annually thereafter, the Director of General Services shall submit to the chairs and vice chairs of the budget committees in each house a report that identifies all of the leases that the Director of General Services expects to expire during the subsequent fiscal year, including the end of a firm term or a soft term of a lease. The report shall include information on each of the existing leases, including the tenant department or departments, the expiration date of each lease, the net square footage, and the annual cost.

(Amended by Stats. 2018, Ch. 37, Sec. 23. (AB 1817) Effective June 27, 2018.)

13332.11. (a) (1) Except as otherwise specified in paragraph (2), funds appropriated for capital outlay shall not be expended by any state agency, including, but not limited to, the University of California, the California State University, the California Community Colleges, and the Judicial Council, until the Department of Finance and the State Public Works Board have approved preliminary plans for the project to be funded from a capital outlay appropriation.

(2) Paragraph (1) shall not apply to any of the following:

(A) Amounts for acquisition of real property in fee, or any other lesser interest.

(B) Amounts for equipment or minor capital outlay projects.

(C) Amounts appropriated for preliminary plans, surveys, and studies.

(b) Notwithstanding subdivision (a), approvals by the State Public Works Board and the Department of Finance for the University of California and the California Community Colleges shall apply only to the allocation of state capital outlay funds appropriated by the Legislature, including land acquisition and equipment funds.

(c) Any appropriated amounts for working drawings or construction where the working drawings or construction have been started by any state agency prior to approval of the preliminary plans by the State Public Works Board shall be reverted to the fund from which the appropriation was made, as approved by the Department of Finance. A major project for which a capital outlay appropriation is made shall not be put out to bid until the working drawings have been approved by the Department of Finance. A substantial change shall not be made to the approved preliminary plans or approved working drawings without written approval by the Department of Finance. The Department of Finance shall approve any proposed construction bid alternates.

(d) The Department of Finance shall approve the use of funds from a capital outlay appropriation for the purchase of any significant unit of equipment.

(e) The State Public Works Board may augment a major project in an amount of up to 20 percent of the total of the capital outlay appropriations for the project, irrespective of whether any such appropriation has reverted. For projects authorized through multiple fund sources, including, but not limited to, general obligation bonds and lease-revenue bonds, to the extent otherwise permissible, the Department of Finance shall have full authority to determine which of the fund sources will bear all or part of an augmentation. The board shall defer all augmentations in excess of 20 percent of the amount appropriated for each capital outlay project until the Legislature makes additional funds available for the specific project.

(f) In addition to the powers provided by Section 15849.6, the State Public Works Board may further increase the additional amount in Section 15849.6 to include a reasonable construction reserve within the construction fund for any capital outlay project without augmenting the project. The amount of the construction reserve shall be within the 20 percent augmentation limitation. The board may use this amount to augment the project, when and if necessary, after the lease-revenue bonds are sold to ensure completion of the project.

(g) Augmentations in excess of 10 percent of the amount appropriated for each capital outlay project shall be reported to the Chairperson of the Joint Legislative Budget Committee, or his or her designee, 20 days prior to board approval, or not sooner than whatever lesser time the chairperson, or his or her designee, may in each instance determine.

(h) (1) The Department of Finance may change the administratively or legislatively approved scope for major capital outlay projects.
(2) If the Department of Finance changes the approved scope pursuant to paragraph (1), the department shall report the changes and associated cost implications to the Chairperson of the Joint Legislative Budget Committee, the chairpersons of the respective fiscal committees, and the legislative advisers of the State Public Works Board 20 days prior to the proposed board action to recognize the scope change.

(i) The State Public Works Board shall defer action with respect to approval of an acquisition project, when it is determined that the estimated cost of the total acquisition project, as approved by the Legislature is in excess of 20 percent of the amount appropriated, unless it is determined that a lesser portion of the property is sufficient to meet the objectives of the project approved by the Legislature, and the Chairperson of the Joint Legislative Budget Committee, or his or her designee, is provided a 20-day prior notification of the proposed reductions in the acquisition project, or whatever lesser period the chairperson, or his or her designee, may in each instance determine.

(j) The Department of Finance shall report to the Chairperson of the Joint Legislative Budget Committee, the chairpersons of the respective fiscal committees, and legislative advisers of the State Public Works Board 20 days prior to the proposed board approval of preliminary plans when it is determined that the estimated cost of the total capital outlay construction project is in excess of 20 percent of the amount recognized by the Legislature.

(k) Nothing in this section shall be construed to limit or control the Department of Transportation, the High-Speed Rail Authority, or the California Exposition and State Fair in the expenditure of all funds appropriated to those entities for capital outlay purposes.

(Amended by Stats. 2018, Ch. 790, Sec. 4. (SB 1172) Effective January 1, 2019.)

13332.11.1. Notwithstanding Section 13332.11, the expenditure by the Department of Water Resources of funds appropriated pursuant to Section 5096.821 or 75032 of the Public Resources Code is not subject to the approval of the State Public Works Board if either of the following applies to the expenditure:

(a) The department is performing work pursuant to an emergency.

(b) The department does all of the following:

(1) Obtains engineering review of the proposed project from the United States Army Corps of Engineers.

(2) Obtains engineering review of the proposed project from an independent board of consultants for any project with a construction cost exceeding five million dollars (\$5,000,000).

(3) Provides a written report to the Reclamation Board.

(4) Provides information on the project expenditure to the Legislature in a semiannual report due on April 1 and October 1 each year.

(5) Provides written notification to the Legislature if funds are made available by Section 75032 of the Public Resources Code to pay a project cost increase for which the Legislature has not otherwise been notified in writing.

(Added by Stats. 2007, Ch. 368, Sec. 2. Effective January 1, 2008.)

13332.12. (a) Any acquisition of land or other real property authorized in any appropriation, except an appropriation from the California Water Fund or an appropriation to the Department of Transportation or the High-Speed Rail Authority for capital outlay purposes, shall be subject to the provisions of the Property Acquisition Law (Part 11 (commencing with Section 15850)). Nothing in this section shall be construed as exempting the California Coastal Commission from this section.

(b) All property acquisitions, including those exempted pursuant to subdivision (a), shall be reported to the State Public Works Board.

(Amended by Stats. 2018, Ch. 790, Sec. 5. (SB 1172) Effective January 1, 2019.)

13332.13. The Controller may not disburse funds from any appropriation for acquisition made to the Department of Parks and Recreation to pay for any property rights, however secured or received, until the State Public Works Board has approved the transaction. In addition, the Attorney General and the Department of General Services shall inform the State Public Works Board of every action in inverse condemnation served upon either or both of them, which pertains to any acquisition for the state park system, by placing an item on the board's agenda.

(Added by Stats. 1983, Ch. 323, Sec. 44. Effective July 1, 1983.)

13332.14. No expenditures for park furnishings shall be made unless the Department of Parks and Recreation has made reasonable efforts to acquire the furnishings on a consolidated procurement basis or through California Conservation Corps labor.

(Added by Stats. 1983, Ch. 323, Sec. 44. Effective July 1, 1983.)

13332.15. No appropriation may be combined or used in any manner to avoid budgeting the salary or operating expenses of any position or to achieve any purpose which has been denied by any formal action of the Legislature.

(Added by Stats. 1983, Ch. 323, Sec. 44. Effective July 1, 1983.)

13332.16. This article shall not apply to appropriations to the Legislature, the Legislative Counsel Bureau, the Bureau of State Audits, the California Commission on Uniform State Laws, or the California Law Revision Commission.

(Amended by Stats. 1993, Ch. 12, Sec. 17. Effective May 7, 1993.)

13332.17. Purchase estimates for supplies or equipment submitted to the Department of General Services pursuant to Section 10311 of the Public Contract Code received during the last 90 days of a fiscal year and for which a purchase order award is pending at the end of that fiscal year, may be awarded during the initial 90 days of the subsequent fiscal year. The 90-day period shall be extended commensurate with the time required to resolve any protest filed pursuant to Section 10306 of the Public Contract Code.

Notwithstanding any other provision of law and regardless of the date of receipt of the materials, supplies or equipment, the date of expenditure and encumbrance for a purchase authorized by this section shall be construed to be the last day of the fiscal year in which the purchase estimate is received by the department. A purchase order awarded in accordance with the provisions of this section shall cite this section and the actual date of award.

(Amended by Stats. 1993, Ch. 153, Sec. 1. Effective January 1, 1994.)

13332.18. (a) Notwithstanding any other law, and except as specified in subdivision (b), revenues derived from the assessment of fines and penalties by any state agency shall not be expended unless the Legislature specifically provides authority for the expenditure of these funds in the annual Budget Act or other legislation. A fine or penalty is a charge imposed by an agency or department for wrongdoing, in excess of the cost of investigating, processing, or prosecuting the conduct for which the charge is assessed, or the cost of collecting it. A charge reasonably related to a service provided by a department or agency is not a fine or penalty for purposes of this section.

(b) This section does not apply to the following:

(1) Any governmental cost fund if the use of revenues subject to this section that are deposited in that fund for General Fund purposes is prohibited by the California Constitution or the United States Constitution.

(2) Late charges collected by state agencies.

(3) Funds collected by a state agency that are required to be maintained by that agency for purposes of administration of a federal program.

(4) A fund established for restitution to victims of the conduct for which the fine or penalty was imposed or for repairing damage to the environment caused by the conduct for which the fine or penalty was imposed.

(5) The following funds, though the omission of any other fund from the list contained in this paragraph shall not be grounds for inferring the applicability of this section:

- (A) The Fish and Game Preservation Fund.
- (B) The Restitution Fund.
- (C) The Driver Training Penalty Assessment Fund.
- (D) The Corrections Training Fund.
- (E) The Local Public Prosecutors and Public Defenders Training Fund.
- (F) The Victim-Witness Injury Fund.
- (G) The Traumatic Brain Injury Fund.
- (H) The Industrial Relations Construction Industry Enforcement Fund.
- (I) The Workplace Health and Safety Revolving Fund.
- (J) The Oil Spill Response Trust Fund.
- (K) The Oil Spill Prevention and Administration Fund.
- (L) The Environmental Enhancement Fund.
- (M) The Recovery Account of the Real Estate Fund.
- (N) The Motor Vehicle Account in the State Transportation Fund.
- (O) The State Highway Account in the State Transportation Fund.
- (P) The Motor Vehicle License Fee Account in the Transportation Tax Fund.
- (Q) Funds for programs established pursuant to the Food and Agricultural Code that can be terminated through an industry referendum vote.

(c) For the purposes of this section, revenues derived from the assessment of fines and penalties includes interest accrued from the assessment of the fines and penalties.

(Amended by Stats. 2019, Ch. 25, Sec. 25. (SB 94) Effective June 27, 2019.)

13332.19. (a) For the purposes of this section, the following definitions shall apply:

- (1) "Design-build" means a construction procurement process in which both the design and construction of a project are procured from a single entity.
- (2) "Progressive design-build" means a project delivery process in which both the design and construction of a project are procured from a single entity that is selected through a qualifications-based selection at the earliest feasible stage of the project.
- (3) "Design-build project" means a capital outlay project using the design-build construction procurement process.
- (4) "Progressive design-build project" means a capital outlay project using the progressive design-build construction procurement process.
- (5) "Design-build entity" means a partnership, corporation, or other legal entity that is able to provide appropriately licensed contracting, architectural, and engineering services as needed.
- (6) "Design-build solicitation package" means the performance criteria, any concept drawings, the form of contract, and all other documents and information that serve as the basis on which bids or proposals will be solicited from the design-build entities for design-build projects.
- (7) "Design-build phase" means the period following the award of a contract to a design-build entity for a design-build project in which the design-build entity completes the design and construction activities necessary to fully complete the project in compliance with the terms of the contract.

(8) "Performance criteria" means the information that fully describes the scope of a proposed design-build project and includes, but is not limited to, the size, type, and design character of the buildings and site; the required form, fit, function, operational requirements, and quality of design, materials, equipment, and workmanship; and any other information deemed necessary to sufficiently describe the state's needs. Performance criteria may include concept drawings, which include any schematic drawings or architectural renderings that are prepared in the detail necessary to sufficiently describe the state's needs.

(9) "Qualification-based selection" means the process by which a state agency solicits for services from the design-build entities for a progressive design-build project.

(10) "Preconstruction phase" means the period following the award of a contract to a design-build entity for a progressive design-build project in which the design-build entity completes design activities and any preconstruction activities necessary to produce a guaranteed maximum price.

(11) "Guaranteed maximum price" means the maximum payment amount agreed upon by the Department of General Services and the design-build entity for the design-build entity to finish all remaining design, preconstruction, and construction activities sufficient to complete and close out a progressive design-build project. If the cost for completing all remaining design, preconstruction, and construction activities sufficient to complete and close out the progressive design-build project exceed the guaranteed maximum price, the costs exceeding the guaranteed maximum price shall be the responsibility of the design-build entity. If the cost for these activities is less than the guaranteed maximum price, the design-build entity shall not be entitled to the difference between the cost and the guaranteed maximum price. These amounts shall be revert to the fund from which the appropriation was made.

(12) "Progressive design-build phase" means the remaining design and preconstruction activities necessary after the preconstruction phase, and all construction activities, necessary to complete construction and closeout of a progressive design-build project.

(b) (1) Except as described in paragraphs (2) and (3), funds appropriated for a design-build project or progressive design-build project shall not be expended by any state agency, including, but not limited to, the University of California, the California State University, the California Community Colleges, and the Judicial Council, until the Department of Finance and the State Public Works Board have approved performance criteria or the guaranteed maximum price.

(2) Paragraph (1) shall not apply to any of the following for funds appropriated for a design-build project:

(A) Amounts for acquisition of real property, in fee or any lesser interest.

(B) Amounts for equipment.

(C) Amounts appropriated for performance criteria.

(D) Amounts appropriated for preliminary plans, if the appropriation was made prior to January 1, 2005.

(3) Paragraph (1) shall not apply to any of the following for funds appropriated for a progressive design-build project:

(A) Amounts for acquisition of real property, in fee or any lesser interest.

(B) Amounts for equipment.

(C) Amounts appropriated for qualification-based selection.

(D) Amounts appropriated for the preconstruction phase.

(c) (1) If funds have been expended on the design-build phase or the progressive design-build phase of a project by any state agency prior to the approval of the performance criteria or the guaranteed maximum price by the Department of Finance and the State Public Works Board, all appropriated amounts for the design-build phase or the progressive design-build phase of a project, including all amounts expended on design-build or progressive design-build activities, shall revert to the fund from which the appropriation was made.

(2) A design-build project for which a capital outlay appropriation is made shall not be put out to design-build solicitation until the bid package has been approved by the Department of Finance. A substantial change shall not be made to the performance criteria as approved by the board and the Department of Finance without written approval by the Department of Finance. The Department of Finance shall approve any proposed bid or proposal alternates set forth in the design-build solicitation package.

(d) The State Public Works Board may augment a design-build project or a progressive design-build project in an amount of up to 20 percent of the capital outlay appropriations for the project, irrespective of whether any such appropriation has reverted. For projects authorized through multiple fund sources, including, but not limited to, general obligation bonds and lease-revenue bonds, to the extent permissible, the Department of Finance shall have full authority to determine which of the fund sources will bear all or part of

an augmentation. The board shall defer all augmentations in excess of 20 percent of the amount appropriated for each design-build project or a progressive design-build project until the Legislature makes additional funds available for the specific project.

(e) In addition to the powers provided by Section 15849.6, the State Public Works Board may further increase the additional amount in Section 15849.6 to include a reasonable construction reserve within the construction fund for any capital outlay project without augmenting the project. The amount of the construction reserve shall be within the 20 percent augmentation limitation. The board may use this amount to augment the project, when and if necessary, after the lease-revenue bonds are sold to ensure completion of the project.

(f) Any augmentation in excess of 10 percent of the amounts appropriated for each design-build project or a progressive design-build project shall be reported to the Chairperson of the Joint Legislative Budget Committee, or their designee, 20 days prior to board approval, or not sooner than whatever lesser time the chairperson, or their designee, may in each instance determine.

(g) (1) The Department of Finance may change the administratively or legislatively approved scope for major design-build projects or a progressive design-build projects.

(2) If the Department of Finance changes the approved scope pursuant to paragraph (1), the department shall report the changes and associated cost implications to the Chairperson of the Joint Legislative Budget Committee, the chairpersons of the respective fiscal committees, and the legislative members of the State Public Works Board 20 days prior to the proposed board action to recognize the scope change.

(h) The Department of Finance shall report to the Chairperson of the Joint Legislative Budget Committee, the chairpersons of the respective fiscal committees, and the legislative members of the State Public Works Board 20 days prior to the proposed board approval of performance criteria or guaranteed maximum price for any project when it is determined that the estimated cost of the total project is in excess of 20 percent of the amount recognized by the Legislature.

(Amended by Stats. 2021, Ch. 77, Sec. 13. (AB 137) Effective July 16, 2021.)