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SB-102 Budget Act of 2025. (2025-2026)

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AMENDED IN ASSEMBLY JUNE 24 , 2025

CALIFORNIA LEGISLATURE— 2025 – 2026 REGULAR SESSION

SENATE BILL

No. 102

Introduced by ~~Committee on Budget and Fiscal Review~~ **Senator Wiener**

January 23 , 2025

~~An act relating to the Budget Act of 2025.~~ *An act to amend the Budget Act of 2025 by amending Items 0130-021-0001, 0250-012-0932, 0250-015-0001, 0250-101-0001, 0250-101-0932, 0509-001-0001, 0509-491, 0511-001-0001, 0515-001-0001, 0515-001-0299, 0515-001-0317, 0515-001-3036, 0515-001-3153, 0515-001-3363, 0540-001-6088, 0540-490, 0540-491, 0540-495, 0650-495, 0680-001-0001, 0680-102-0001, 0690-001-0022, 0690-101-0022, 0690-105-0001, 0690-495, 0820-001-0001, 0845-001-0001, 0890-001-0001, 0950-001-0001, 0957-011-3403, 1111-001-0069, 1111-001-0108, 1111-001-0152, 1111-001-0264, 1111-001-0280, 1111-001-0310, 1111-001-0319, 1111-001-0326, 1111-001-0376, 1111-001-0704, 1111-001-0706, 1111-001-0735, 1111-001-0741, 1111-001-0757, 1111-001-0758, 1111-001-0759, 1111-001-0761, 1111-001-0763, 1111-001-0767, 1111-001-0770, 1111-001-0773, 1111-001-0775, 1111-001-0777, 1111-001-0779, 1111-001-3017, 1111-001-3140, 1111-002-0239, 1111-002-0305, 1111-002-0400, 1111-002-0421, 1111-002-0582, 1111-002-0702, 1111-002-0717, 1111-002-3122, 1111-002-3438, 1115-001-3288, 1701-001-3363, 1703-001-0001, 1703-001-3372, 2240-001-0001, 2660-001-0042, 2660-108-0001, 2720-002-0001, 3340-491, 3480-492, 3540-001-0001, 3540-001-3228, 3540-006-0001, 3540-491, 3540-492, 3790-001-0516, 3790-002-0001, 3790-301-0392, 3860-490, 3860-495, 3940-001-3058, 4140-001-0001, 4140-001-3436, 4140-101-0001, 4140-102-0001, 4170-101-3098, 4170-102-0942, 4260-001-0001, 4260-001-0890, 4260-001-3085, 4260-101-0001, 4260-101-0890, 4260-101-3085, 4260-101-3311, 4260-116-3397, 4265-001-0001, 4265-001-0231, 4265-001-3385, 4265-004-0001, 4265-111-0001, 4265-111-0231, 4265-111-3385, 4265-490, 4300-101-0001, 4440-301-0001, 4560-101-3085, 4800-101-3381, 5180-001-0001, 5180-001-0890, 5180-101-0001, 5180-101-0890, 5180-141-0001, 5180-141-0890, 5180-151-0001, 5180-151-0890, 5180-492, 5180-495, 5225-001-0001, 5225-002-0001, 5225-008-0001, 5225-017-0001, 5225-024-0001, 6100-001-0001, 6100-110-0001, 6100-136-0890, 6100-161-0890, 6100-194-0001, 6100-196-0001, 6100-296-0001, 6100-488, 6120-011-0001, 6360-001-0001, 6360-001-0407, 6440-001-0001, 6440-005-0001, 6610-001-0001, 6645-496, 6870-101-0001, 6870-488, 6980-101-0001, 7100-001-0001, 7100-011-0890, 7100-021-0890, 7120-101-0001, 7120-490, 7350-001-0223, 7350-001-0396, 7350-001-0452, 7350-001-0453, 7350-001-0514, 7350-001-0571, 7350-001-3002,*

7350-001-3022, 7350-001-3078 7350-001-3121, 7350-001-3150, 7350-001-3152, 7350-101-3078, 7501-001-0001, 7730-001-0001, 7760-001-0001, 7760-001-0002, 8140-101-0001, 8260-001-0001, 8570-001-0001, 8570-490, 8570-491, 8660-495, 8860-001-0001, 8940-001-0001, 9210-110-0001, 9800-001-0001, 9800-001-0494, and 9800-001-0988 of, repealing Items 0509-495, 3900-102-0115, 4140-001-3447, 6120-211-0890, and 7120-101-3078 of, and adding Items 0509-101-0001, 0509-102-0001, 0511-002-0001, 0540-003-6093, 0540-103-0001, 0559-002-0001, 0680-101-0001, 0690-005-0001, 0690-104-0001, 0690-490, 0845-002-0001, 0954-490, 0977-401, 2240-107-0001, 2240-120-0001, 2660-101-0001, 2720-002-0044, 3100-490, 3125-001-6093, 3540-101-0001, 3600-002-0001, 3760-001-6093, 3790-003-0392, 3790-009-6093, 3790-012-0001, 3790-301-0001, 3810-002-6093, 3810-101-0001, 3825-002-6093, 3845-001-6093, 3855-002-6093, 3860-005-6093, 3900-011-3228, 3900-101-0001, 3940-102-0001, 3970-101-0001, 4140-491, 4265-012-0001, 4265-112-0001, 4265-401, 4265-493, 5227-105-0001, 6100-222-0001, 6120-490, 6125-490, 6980-495, 7730-490, 7760-101-0001, 8955-101-3313, and 8955-112-0001 to, Section 2.00 of, amending Sections 4.05, 4.12, 11.25, 12.32, 13.30, 13.40, 35.50, 39.00, 90.00, and 99.50 of, repealing Section 19.80 of, and adding Sections 3.90, 19.56, 19.57, 28.30, 28.31, and 37.00 to, that act, relating to the state budget, and making an appropriation therefor, to take effect immediately, budget bill.

LEGISLATIVE COUNSEL'S DIGEST

SB102, as amended, ~~Committee on Budget and Fiscal Review Wiener~~ . Budget Act of 2025.

The Budget Act of 2025 would make appropriations for the support of state government for the 2025–26 fiscal year.

This bill would amend the Budget Act of 2025 by amending, adding, and repealing items of appropriation and making other changes.

This bill would declare that it is to take effect immediately as a Budget Bill.

~~This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2025.~~

Vote: majority Appropriation: ~~no~~yes Fiscal Committee: ~~no~~yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. *Item 0130-021-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

0130-021-0001—For support of Legislative Analyst's Office

..... 0

Schedule:

- | | | |
|-----|--|---------------------------------------|
| (1) | 0980-Support of the Legislative Analyst's Office | (13,334,000)
13,334,000 |
| (2) | 0985-Transferred from Item 0110-001-0001 | –6,667,000 |
| (3) | 0990-Transferred from Item 0120-011-0001 | –6,667,000 |

Provisions:

1. The funds appropriated in Schedule (1) are for the expenses of the Legislative Analyst's Office and of the Joint Legislative Budget Committee for any charges, expenses, or claims either may incur, available without regard to fiscal years, to be paid on certification of the Chairperson of the Joint Legislative Budget Committee or the chairperson's designee.
2. Funds identified in Schedules (2) and (3) may be transferred from the Senate Operating Fund, by the Senate Committee on Rules, and the Assembly

Operating Fund, by the Assembly Committee on Rules.

SEC. 2. *Item 0250-012-0932 of Section 2.00 of the Budget Act of 2025 is amended to read:*

0250-012-0932—For transfer by the Controller from the Trial Court Trust Fund to the General Fund 38,000,000

Provisions:

1. The Department of Finance ~~shall~~ *may* augment this item by the amount necessary to transfer any excess unrestricted fund balance to the General Fund, in consultation with the Judicial Council, ~~no later than April 1. The transfer amount shall consist of any unrestricted General Fund monies not needed for the purpose it was originally appropriated, including, but not limited to, judicial salary savings, assigned judges program savings, and excess backfill.~~ *Council.*
2. Any augmentation shall occur no sooner than 30 days after notification in writing to the chairpersons of the committees and appropriate subcommittees in each house of the Legislature that considers the State Budget, the chairpersons of the committees and appropriate subcommittees in each house of the Legislature that considers appropriations, and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time after that notification the chairperson of the joint committee, or the chairperson's designee, may determine. The notification shall, at minimum, identify how the transfer amount was calculated, and the sources of the identified amount by original program or purpose.

SEC. 3. *Item 0250-015-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

0250-015-0001—For transfer, upon order of the Department of Finance, to the State Court Facilities Construction Fund ~~4,690,000~~
1,000

Provisions:

1. The amount appropriated in this item shall be allocated by the Department of Finance if, in consultation with the Judicial Council, a determination is made that revenues in the State Court Facilities Construction Fund are insufficient to support the rehabilitation of court facilities. In the event the amount appropriated in this item is determined not to be sufficient to address the revenue shortfall for the State Court Facilities Construction Fund, the Department of Finance may increase the amount available for transfer to this item to make sure there are resources to support building repairs for court facilities.
2. In the event a transfer of funds approved by the Department of Finance is in excess of the amount appropriated in this item, that transfer shall become effective no sooner than 30 days after notification in writing to the Chairperson of the Joint Legislative Budget Committee, and the chairpersons of the fiscal committees in each house of the Legislature, or no sooner than any

lesser time the chairperson, or the chairperson's designee, may determine. When a request to transfer funds is submitted to the Department of Finance, a copy of that request shall be delivered to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the fiscal committees in each house of the Legislature. Delivery of a copy of that request shall not be deemed to be notification in writing for the purposes of the provision.

SEC. 4. *Item 0250-101-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

0250-101-0001—For local assistance, Judicial Branch
..... ~~160,838,000~~
150,838,000

Schedule:

(1)	0150010-Support for Operation of Trial Courts	102,501,000 92,501,000
(2)	0150051-Child Support Commissioner Program (AB 1058)	59,082,000
(3)	0150055-California Collaborative and Drug Court Projects	10,952,000
(4)	0150075-Grants—Other	2,550,000
(5)	0150083-Equal Access Fund	57,177,000
(6)	Reimbursements to 0150051-Child Support Commissioner Program (AB 1058)	-59,082,000
(7)	Reimbursements to 0150055-California Collaborative and Drug Court Projects	-9,792,000
(8)	Reimbursements to 0150075-Grants—Other	-2,550,000

Provisions:

1. In order to improve equal access and the fair administration of justice, \$35,392,000 of the funds appropriated in Schedule (5) are to be distributed by the Judicial Council through the Legal Services Trust Fund Commission to qualified legal services projects and support centers as defined in Sections 6213 to 6215, inclusive, of the Business and Professions Code, to be used for legal services in civil matters for indigent persons. The Judicial Council shall approve awards made by the commission if the council determines that the awards comply with statutory and other relevant guidelines. Up to 10 percent of the funds appropriated for purposes of this provision shall be for joint projects of courts and legal services programs to make legal assistance available to pro per litigants and not less than 90 percent of the funds appropriated for purposes of this provision shall be distributed consistent with Sections 6216 to 6223, inclusive, of the Business and Professions Code. Any funding not allocated for joint projects shall be redistributed consistent with Sections 6216 to 6223, inclusive, of the Business and Professions Code. The Judicial Council may establish additional reporting or

quality control requirements consistent with Sections 6213 to 6223, inclusive, of the Business and Professions Code. Of the amount appropriated for purposes of this provision, not more than 2.5 percent shall be available, upon order of the Department of Finance, for administrative costs of the Judicial Council and the State Bar.

- 1.5. *Funds appropriated under Provision 1 shall not be used for legal services defending a person against removal from the United States consistent with the restrictions set forth in paragraph 3 of subdivision (b) of Section 13303 of the Welfare and Institutions Code.*
2. In order to improve equal access and the fair administration of justice, \$5,000,000 shall be annually appropriated in Schedule (5) by the Judicial Council to the California Access to Justice Commission for grants to civil legal aid nonprofits, including qualified legal services projects and qualified support centers as defined in Sections 6213 to 6215, inclusive, of the Business and Professions Code, to be used to support the infrastructure and innovation needs of legal services in civil matters for indigent persons. Of this amount, not more than 2.5 percent shall be available for administrative costs of the California Access to Justice Commission associated with distributing and monitoring the grants.
3. The California Access to Justice Commission shall make award determinations for grants described in Provision 2. In awarding these grants, preference shall be given to qualified legal aid agencies' proposals that focus on services to rural or underserved immigrant communities regardless of citizenship status and proposals that are innovative or that involve partnership with community-based nonprofits. Any funding not allocated in a given fiscal year shall be reallocated pursuant to Provision 1.
4. The grant process described in Provision 2 shall ensure that any qualified legal service project and qualified support center demonstrates a high need for infrastructure and innovation to ensure that funding is distributed equitably among qualified legal service projects and support centers. The qualified legal service project or support center shall demonstrate that funds received under this provision will not be used to supplant existing resources.
5. The funds described in Provisions 1 and 2 are available for encumbrance or expenditure until June 30, 2027.
6. The amount appropriated in Schedule (1) is available for reimbursement of court costs related to the following activities: (a) payment of service of process fees billed to the trial courts pursuant to Chapter 1009 of the Statutes of 2002, (b) payment of the court costs payable under Sections 4750 to 4755, inclusive, and Section 6005 of the Penal Code, and (c) payment of court costs of extraordinary homicide trials.
7. Of the amount appropriated in Schedule (1), \$63,950,000 shall be allocated to the Judicial Council to fund local assistance to each superior court based on each county's relative proportion of the state

population that is 18 through 25 years of age. These resources may be used for the following:

- (a) Costs associated with judicial officer pretrial release decisions prior to or at arraignment.
- (b) Costs for technology to facilitate information exchange and process automation between courts and county departments.
- (c) Costs for implementation and improvement of court date reminder programs.
- (d) Costs associated with assessments of defendants' ability to pay a financial condition in cases where the court determines that such a condition is necessary to ensure public safety and return to court.
- (e) Costs associated with providing services to and monitoring of individuals released pretrial. The pretrial services agencies shall implement evidence-based monitoring practices of defendants released prearraignment and pretrial with the least restrictive interventions and practices necessary to enhance public safety and ensure the defendants' return to court. Electronic monitoring that is funded under this program may only be used in limited cases after other less restrictive interventions are deemed insufficient to enhance public safety and to ensure the defendants return to court.
- (f) Other programs and practices related to pretrial decisionmaking that address public safety, appearance in court, and the efficient and fair administration of justice.
- ~~(g) Costs associated with providing services to and monitoring individuals subject to treatment-mandated felonies pursuant to Section 11395 of the Health and Safety Code.~~

7.1. Of the amount allocated in Provision 7, \$15,000,000 shall be available for expenditure or encumbrance until June 30, 2028. Notwithstanding Section 77203 of the Government Code, trial courts may carry any unexpended balances of this amount through June 30, 2028. Any unspent funds shall revert to the General Fund.

- 8. Courts shall contract with any county department, including county probation departments, to provide pretrial services, except those departments or agencies that have primary responsibility for making arrests or prosecuting criminal offenses.
- 9. The Superior Court of California, County of Santa Clara, may contract with the Office of Pretrial Services in that county. The Superior Court of California, County of San Francisco, may contract with the Sheriff's Office and the existing not-for-profit entity that is performing pretrial services in the city and county for pretrial assessment and supervision services.
- 10. The county department with which the court has contracted is not precluded from contracting with community-based organizations to provide complementary or supportive services in furtherance

of the county department's pretrial release services if all of the following conditions have been satisfied:

- (a) The contractor adheres to the same transparency, accountability, and outcome measure standards that apply to county probation departments.
- (b) The contractor has a proven record of providing culturally competent and responsive rehabilitative services.
- (c) The contract will not result in the displacement of county employees or a reduction in the provision of services by county probation department employees.
- (d) The contractor pays wages and benefits to its nonsupervisory employees that are commensurate with or greater than the wages and benefits paid to public employees in similar job classifications.
- (e) The contractor does not pay wages and benefits to its most highly compensated executive and managerial employees that are significantly higher than the rates that would be paid to public employees performing similar job duties.
- (f) The county has consulted with the court prior to entering into a contract for the provision of these services.

- 11. Of the amount allocated in Provision 7, superior courts may retain up to 30 percent of the funding for costs associated with these programs and practices. The superior courts shall contract with a county department as described in Provision 8 and shall provide the county department with the remainder of the funds to be used for costs outlined in Provision 10, as appropriate.
- 12. To receive the funding allocated in Provision 7, courts and county departments and their contractors shall collaborate with local justice system partners in reporting to the Judicial Council on pretrial programs and practices, including information on expenditure of funds, as required by the Judicial Council, for evaluation of the programs and practices.
- 12.5. The Judicial Council may reallocate unspent funds from counties to other counties with demonstrated needs.
- 13. The Judicial Council shall provide an annual report to the Legislature providing an evaluation of pretrial programs and practices, and shall include any changes made to the pretrial allocation.
- 14. Of the funds appropriated in this item, \$15,750,000 is available for legal services to implement the Community Assistance, Recovery, and Empowerment (CARE) Act (Part 8 (commencing with Section 5970) of Division 5 of the Welfare and Institutions Code), and shall be distributed by the Judicial Council through the Legal Services Trust Fund Commission of the State Bar of California as grants to qualified legal services projects, as defined in Sections 6213 to 6214.5, inclusive, of the Business and Professions Code, to provide legal counsel pursuant to

subdivision (c) of Section 5976 of the Welfare and Institutions Code for representation in CARE Act proceedings, matters related to CARE agreements, and CARE plans by July 1, 2025. Funds shall be available for encumbrance or expenditure by qualified legal services projects and public defender offices until January 1, 2027. As a condition of receiving these funds, recipients are required to comply with Judicial Council or Legal Services Trust Fund Commission directions on the collection and reporting of data necessary for the Judicial Council to comply with all CARE Act reporting requirements specified in Item 0250-001-0001.

- (a) Notwithstanding the competitive nature of these grants, the Legal Services Trust Fund Commission shall use a formula to determine the amount of funding to provide representation in CARE Act proceedings, matters related to CARE agreements, and CARE plans in each county.
- (b) These grants are to serve the counties described in subdivisions (a) and (b) of Section 5970.5 of the Welfare and Institutions Code. The Legal Services Trust Fund Commission shall provide any funds not awarded to qualified legal services projects for representation in CARE Act proceedings, matters related to CARE agreements, and CARE plans in each county to that county's public defender office, public defender services shared with another county, or organization providing public defender services to the county to provide those services.
- (c)
 - (1) Commencing with the 2025–26 fiscal year, the Legal Services Trust Fund Commission of the State Bar shall seek proposals from qualified legal services projects to provide legal counsel pursuant to subdivision (c) of Section 5976 of the Welfare and Institutions Code for a three-year period.
 - (2) If funds are provided to a county for public defender services pursuant to this item, an associated funding commitment shall also be provided for a three-year period. If a county receives funding for public defender services according to this item, the county's proportional share of overall funding for legal counsel in the county pursuant to subdivision (c) of Section 5976 of the Welfare and Institutions Code, shall not be reduced by more than 50 percent at the next three-year funding cycle.
 - (3) For the initial three-year 2025–26 fiscal year grant cycle, neither a qualified legal services project nor a county for public defender services shall have their proportional share of overall funding for legal counsel in the county, pursuant to subdivision (c) of Section 5976 of the Welfare and Institutions Code, be reduced by more than 25 percent

compared to the 2024–25 fiscal year,
unless the qualified legal services project
does not apply.

15. Of the funds appropriated in Schedule (5), up to \$788,000 is available to provide legal training and technical assistance related to the implementation of the CARE Act. These funds shall be distributed by the Judicial Council through the Legal Services Trust Fund Commission of the State Bar of California by December 1, 2025, as grants to qualified support centers or other entities that have expertise in providing legal training and technical assistance to legal aid providers or public defenders. The Legal Services Trust Fund Commission shall provide any funds not awarded for legal training and technical assistance related to the implementation of the CARE Act to qualified legal services projects and public defender offices to provide legal counsel pursuant to subdivision (c) of Section 5976 of the Welfare and Institutions Code for representation in CARE Act proceedings, matters related to CARE agreements, and CARE plans by December 1, 2025. Funds under this provision shall be available for encumbrance or expenditure by recipients until January 1, 2027.
16. If any funds in Provision 15 remain after grants are awarded, upon order of the Department of Finance, up to \$275,000 shall be transferred to Item 8140-001-0001 for the State Public Defender to provide legal training and technical assistance to legal aid providers or public defenders.
17. Of the amount appropriated in Schedule (1), ~~\$30,000,000~~ \$20,000,000 shall be allocated to the Judicial Council to support the implementation of Proposition 36 (2024). Of this amount, at least ~~\$29,000,000~~ \$19,000,000 shall be distributed to the trial courts, with allocations determined by the Judicial Council, but with at least 50 percent of the funding allocated based on each trial court's share of non-traffic misdemeanor and felony filings in the 2023–24 fiscal year.
18. The funding allocated in Provision 17 shall be used to address increased workload and expanding or establishing collaborative courts for the implementation of Proposition 36 (2024).
19. Courts shall collaborate with county departments and treatment providers to ensure maximum federal financial participation for eligible services.
- 19.5 *Any trial court receiving an allocation from the Judicial Council as described in Provision 17 shall provide the following information covering the period between December 18, 2024, and June 30, 2025, to the Judicial Council no later than August 15, 2025, in order for the Judicial Council to provide a preliminary report to the Legislature by October 1, 2025:*
 - (a) *The number of cases filed that included a violation of a treatment-mandated felony pursuant to section 11935 of the Health and Safety Code.*
 - (b) *The number of cases described in subprovision (a) in which the defendant elected treatment by pleading guilty or no contest to a violation and*

agreed to complete a detailed treatment program developed by a drug addiction expert and approved by the court, pursuant to subparagraph (A) of paragraph (1) of subdivision (d) of section 11395 of the Health and Safety Code.

- (c) *The number of cases described in subprovision (a) in which the defendant was ordered into treatment.*
- (d) *The number of cases described in subprovision (a) in which the defendant successfully completed the treatment program, received the positive recommendation of the treatment program, and the court subsequently dismissed the charge pursuant to paragraph (3) of subdivision (d) of section 11395 of the Health and Safety Code.*
- (e) *The number of cases described in subprovision (a) for which judgment was imposed and the defendant sentenced because the court found the defendant was performing unsatisfactorily in the program, was not benefiting from treatment, was not being amenable to treatment, was refusing treatment, or was convicted of a crime.*

20. ~~The Judicial Council, in collaboration with the State Department of Health Care Services and the State Public Defender, shall provide an annual report~~*The Judicial Council shall, in collaboration with the State Department of Health Care Services provide to the Legislature no later than January 1 providing an evaluation March 1, an annual report* of Proposition 36 implementation *during the prior calendar year* until all funds are spent. This report shall include the ~~following:~~ *following, by county:* specific allocations made to individual trial courts, a summary of how trial courts are using the funding, and the number of people served by trial court by criminal charge. For the number of people served by each trial court, key outcome and demographic data shall also be reported including, but not limited to, the following: ~~the number of people offered treatment; the number of people rejecting treatment; the number of people who successfully completed treatment, are pending treatment, failed treatment, or did not otherwise complete treatment; the number of people receiving key types of services, including, but not limited to, substance use disorder treatment, mental health treatment, and housing assistance; demographic data including, at a minimum, race, gender, age, and housing status; and detention length prearrest and pretrial. This report shall include data submitted to the Judicial Council by the State Department of Health Care Services pursuant to provision 24 of Item 4260-101-0001 and the State Public Defender pursuant to Provision 4 of Item 0140-101-0001.~~

- (a) *The number of cases charged that included a violation of a treatment-mandated felony pursuant to section 11935 of the Health and Safety Code.*

- (b) *The number of cases described in subprovision (a) in which it is alleged that the defendant had previously been charged with a violation of a treatment-mandated felony pursuant to section 11395 of the Health and Safety Code, and whether the defendant:*
- (1) *Did not agree to participate in a treatment program and was convicted of a treatment-mandated felony pursuant to section 11395 of the Health and Safety Code or another charge in the same indictment, complaint, or information,*
 - (2) *Agreed to participate in a treatment program, and: (i) successfully completed the treatment program and had the charge dismissed pursuant to paragraph (3) of subdivision (d) of section 11395 of the Health and Safety Code, (ii) was participating in a treatment program at the time they allegedly committed a treatment-mandated felony pursuant to section 11395 of the Health and Safety Code, and, (iii) did not successfully complete a treatment program and sustained a conviction of a treatment-mandated felony pursuant to Code section 11395 of the Health and Safety.*
- (c) *The number of cases described in subprovision (a) in which the defendant elected treatment by pleading guilty or no contest to a violation agreeing to participate in, and complete, a detailed treatment program developed by a drug addiction expert and approved by the court, pursuant to subparagraph (A) of paragraph (1) of subdivision (d) of section 11395 of the Health and Safety Code.*
- (d) *The number of cases described in subprovision (a) in which the court ordered a drug addiction expert to conduct a substance abuse and mental health evaluation of the defendant pursuant to subparagraph (B) of paragraph (1) of subdivision (d) of section 11395 of the Health and Safety Code.*
- (e) *The number of cases described in subprovision (a) in which an expert submitted a report of the evaluation to the court and the parties.*
- (f) *The number of cases described in subprovision (a) in which the court ordered that a case worker or other qualified individual determine whether the defendant was eligible to receive Medi-Cal, Medicare, or any other relevant benefits for any programs or evaluations, pursuant to subparagraph (C) of paragraph (1) of subdivision (d) of Section 11395 of the Health and Safety Code.*
- (g) *The number of cases described in subprovision (a) in which the defendant entered into drug treatment but not mental health treatment.*
- (h) *The number of cases described in subprovision (a) in which the defendant entered into mental health treatment but not drug treatment.*

- (i) *The number of cases described in subprovision (a) in which the defendant entered into drug treatment and mental health treatment.*
- (j) *The number of cases described in subprovision (a) in which the defendant was ordered to receive job training.*
- (k) *The number of cases described in subprovision (a) in which the defendant successfully completed the treatment program and received the positive recommendation of the treatment program pursuant to paragraph (3) of subdivision (d) of section 11395 of the Health and Safety Code.*
- (l) *The number of cases described in subprovision (a) in which the defendant successfully completed the treatment program, received the positive recommendation of the treatment program, and the court subsequently dismissed the charge pursuant to paragraph (3) of subdivision (d) of Section 11395 of the Health and Safety.*
- (m) *The number of cases described in subprovision (a) in which the defendant is currently undergoing treatment at the time data is submitted to the Judicial Council.*
- (n) *The number of cases described in subprovision (a) in which the prosecuting attorney, the court, or the probation department moves for entry of judgment and sentencing and whether that motion was based on the defendant performing unsatisfactorily in the program, not benefiting from treatment, not being amenable to treatment, refusing treatment, or having been convicted of a crime.*
- (o) *The number of cases described in subprovision (a) for which judgment was imposed and the defendant sentenced because the court found true one or more of the foregoing circumstances.*
- (p) *Demographic data as available including, at a minimum: race, gender, age, and housing status for reporting pursuant to subprovisions (a) to (o), inclusive.*

20.5. *Trial courts receiving an allocation described in Provision 17 shall provide all necessary information described in Provision 20 to the Judicial Council by January 15 of each calendar year.*

21. The funding allocated in Provision 17 shall be available for both state operations and local assistance, and shall be available for expenditure or encumbrance until June 30, 2028. Any unspent funds shall revert to the General Fund.

~~22. Funds appropriated under Schedule (5) shall not be used for legal services defending an immigrant against removal from the United States or another immigration remedy based on a documented felony conviction.~~

SEC. 5. *Item 0250-101-0932 of Section 2.00 of the Budget Act of 2025 is amended to read:*

0250-101-0932—For local assistance, Judicial Branch, payable
from the Trial Court Trust Fund 3,428,669,000

Schedule:

(1)	0150010-Support for Operation of Trial Courts	2,761,686,000
(2)	0150019-Compensation of Superior Court Judges	466,001,000
(3)	0150028-Assigned Judges	32,519,000
(4)	0150037-Court Interpreters	134,836,000
(5)	0150067-Court Appointed Special Advocate (CASA) program	2,713,000
(6)	0150071-Model Self-Help Program	957,000
(7)	0150083-Equal Access Fund	5,482,000
(8)	0150087-Family Law Information Centers	345,000
(9)	0150091-Civil Case Coordination	832,000
(10)	0150095-Expenses on Behalf of the Trial Courts	23,299,000
(11)	Reimbursements to 0150010- Support for Operation of Trial Courts	-1,000

Provisions:

1. Of the funds appropriated in Schedule (1), \$25,300,000 shall be available for support of services for self-represented litigants, and any unexpended funds shall revert to the General Fund.
2. The funds appropriated in Schedule (2) shall be made available for costs of the workers' compensation program for trial court judges.
3. The amount appropriated in Schedule (3) shall be made available for all judicial assignments. Schedule (3) expenditures for necessary support staff shall not exceed the staffing level that is necessary to support the equivalent of three judicial officers sitting on assignments. Prior to utilizing funds appropriated in Schedule (3), trial courts shall maximize the use of judicial officers who may be available due to reductions in court services or court closures.
4. Upon order of the Department of Finance, the amount available for expenditure in this item may be augmented by the amount of any additional resources available in the Trial Court Trust Fund, which is in addition to the amount appropriated in this item. Any augmentation shall be approved in joint determination with the Chairperson of the Joint Legislative Budget Committee and shall be authorized not 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 committee, or not sooner than whatever lesser time the chairperson of the joint committee, or the chairperson's designee, may determine. When a request to augment this item is submitted to the Director of Finance, a copy of that request shall be delivered to the chairpersons of the committees and appropriate subcommittees that consider the State Budget. Delivery of a copy of that request shall not be deemed to be notification in writing for purposes of this provision.

5. Notwithstanding any other law, upon approval and order of the Department of Finance, the amount appropriated in this item shall be reduced by the amount transferred in Item 0250-115-0932 to provide adequate resources to the Judicial Branch Workers' Compensation Fund to pay workers' compensation claims for judicial branch employees and judges, and administrative costs pursuant to Section 68114.10 of the Government Code.
6. In order to improve equal access and the fair administration of justice, the funds appropriated in Schedule (7) are available for distribution by the Judicial Council through the Legal Services Trust Fund Commission in support of the Equal Access Fund program to qualified legal services projects and support centers as defined in Sections 6213 to 6215, inclusive, of the Business and Professions Code, to be used for legal services in civil matters for indigent persons. The Judicial Council shall approve awards made by the commission if the council determines that the awards comply with statutory and other relevant guidelines. Upon approval by the Administrative Director of the Courts, the Controller shall transfer up to 5 percent of the funding appropriated in Schedule (7) to Item 0250-001-0932 for administrative expenses. Ten percent of the funds remaining after administrative costs shall be for joint projects of courts and legal services programs to make legal assistance available to pro per litigants and 90 percent of the funds remaining after administrative costs shall be distributed, consistent with Sections 6216 to 6223, inclusive, of the Business and Professions Code. The Judicial Council may establish additional reporting or quality control requirements, consistent with Sections 6213 to 6223, inclusive, of the Business and Professions Code.
7. Funds available for expenditure in Schedule (7) may be augmented by order of the Department of Finance by the amount of any additional resources deposited for distribution to the Equal Access Fund program in accordance with Sections 68085.3 and 68085.4 of the Government Code. Any augmentation under this provision shall be authorized not 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 committee, or the chairperson's designee, may determine.

- 7.5. Funds appropriated under Schedule (7) shall not be used for legal services defending a person against removal from the United States consistent with the restrictions set forth in paragraph 3 of subdivision (b) of Section 13303 of the Welfare and Institutions Code.*
8. Sixteen (16.0) subordinate judicial officer positions are authorized to be converted to judgeships in the 2025–26 fiscal year in the manner and pursuant to the authority described in subparagraph (B) of paragraph (1) of subdivision (c) of Section 69615 of the Government Code, as described in the notice filed by the Judicial Council under subparagraph (B) of paragraph (3) of subdivision (c) of Section 69615 of the Government Code.
 9. Notwithstanding any other law, and upon approval of the Department of Finance, the amount available for expenditure in Schedule (1) may be increased by the amount of any additional resources collected for the recovery of costs for court-appointed dependency counsel services.
 10. Upon approval of the Administrative Director of the Courts, the Controller shall transfer up to \$556,000 to Item 0250-001-0932 for administrative services provided to the trial courts in support of the court-appointed dependency counsel program.
 11. Of the amounts appropriated in Schedule (1), \$325,000 shall be allocated by the Judicial Council in order to reimburse the California State Auditor for the costs of trial court audits incurred by the California State Auditor pursuant to Section 19210 of the Public Contract Code.
 12. Upon approval of the Administrative Director of the Courts, the Controller shall transfer up to \$500,000 of the funding appropriated in Schedule (10) of this item to Schedule (1) of Item 0250-001-0932 for administrative services provided by the Judicial Council to implement and administer the civil representation pilot program.
 13. Upon approval of the Administrative Director of the Courts, the amount available for expenditure in Schedule (10) may be augmented by the amount of resources collected to support the implementation and administration of the civil representation pilot program.
 14. Of the amount appropriated in this item, up to \$1,887,000 is available to reimburse the Controller for the costs of audits incurred by the Controller.
 15. Upon order of the Department of Finance, the amount available for expenditure in Schedules (1) and (4) may be augmented by an amount sufficient to fund trial court employee benefit increases in the 2025–26 fiscal year.
 16. Notwithstanding any other law, and upon approval of the Department of Finance, the amount available for expenditure in Schedule (10) may be increased by the amount of any additional resources collected to support programs pursuant to the Sargent Shriver

Civil Counsel Act (Chapter 2.1 (commencing with Section 68650) of Title 8 of the Government Code).

17. The funds appropriated in Schedule (4) shall be for payments to contractual court interpreters and certified and registered court interpreters employed by the courts for services provided during court proceedings and other services related to pending court proceedings, including services provided outside a courtroom, and for court interpreter coordinator positions. For the purposes of this provision, "court interpreter coordinators" may be full- or part-time court employees.
18. The Judicial Council shall set statewide or regional rates and policies for payment of court interpreters, not to exceed the rate paid to certified interpreters in the federal court system.
19. The Judicial Council shall adopt appropriate rules and procedures for the administration of these funds. The Judicial Council shall report to the Legislature and the Department of Finance annually regarding expenditure of the funds appropriated in Schedule (4).
20. Of the funds appropriated in Schedule (1), \$7,000,000 shall be available for the Judicial Council to establish a methodology to allocate a share of resources to all courts to cover the costs associated with the increased transcript rates.
- ~~21. The Judicial Council shall annually report to the Legislature on the operations of each trial court that includes various operational and budgetary metrics. These metrics shall include, but are not limited to, all of the following: time to disposition and case clearance rates by case type, backlogs by case type, court hours of operations including public counter hours, staff vacancy rates by classification, fund balance detail from the prior fiscal year, calculated funding level of each court and the percent of funding actually provided to each court, and funding level of each trial court as measured by the Judicial Council-approved workload formula. This report shall be submitted no later than February 1 and reflect metrics from the prior fiscal year.~~
22. Of the amount appropriated in Schedule (1), \$30,000,000 shall be allocated by the Judicial Council in a manner that ensures all courts are allocated funds to be utilized to increase the number of official court reporters in family and civil law cases. This funding may be used for recruitment and retention purposes, filling existing vacancies, converting part-time positions to full-time positions, increasing salary schedules, and providing signing and retention bonuses to enable trial courts to compete with private employers in the labor market. This funding shall not supplant existing trial court expenditures on court reports in family law and civil law cases. Any unspent funds shall revert to the General Fund.
23. Of the funds appropriated in Schedule (1), \$32,884,000 is available for the implementation of the Community Assistance, Recovery, and Empowerment (CARE) Act.

~~24. Funds appropriated under Schedule (7) shall not be used for legal services defending an immigrant against removal from the United States or another immigration remedy based on a documented felony conviction.~~

SEC. 6. *Item 0509-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

0509-001-0001—For support of Governor's Office of Business
and Economic Development (GO-Biz) ~~72,171,000~~
81,671,000

Schedule:

(1)	0220-GO-Biz	36,294,000 45,794,000
(2)	0225-California Business Investment Services	3,499,000
(3)	0230-Office of the Small Business Advocate	29,276,000
(4)	0235010-California Film Commission	3,232,000
(5)	0235019-Tourism	860,000
(6)	0235028-California Infrastructure and Economic Development Bank	212,000
(7)	0235037-Small Business Expansion	492,000
(8)	Reimbursements to 0220-GO-Biz	-19,000
(9)	Reimbursements to 0225-California Business Investment Services	-50,000
(10)	Reimbursements to 0230-Office of the Small Business Advocate	-256,000
(11)	Reimbursements to 0235019- Tourism	-670,000
(12)	Reimbursements to 0235028- California Infrastructure and Economic Development Bank	-212,000
(13)	Reimbursements to 0235037-Small Business Expansion	-487,000

Provisions:

1. Of the amount appropriated in Schedule (3), \$3,000,000 shall be used to draw down federal funds in the California Small Business Development Center Program.
2. Of the amount appropriated in Schedule (3), \$23,000,000 shall be used for the California Small Business Development Technical Assistance Expansion Program. Notwithstanding any other law, this funding shall be available for encumbrance or expenditure until June 30, 2027.
3. Upon order of the Department of Finance, the amount available in Schedule (1) may be augmented by up to \$650,000 to cover the required

state match to receive a federal award for the State Trade Expansion Program. Any augmentation shall be authorized not 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 committee, or the chairperson's designee, may determine.

4. *Of the amount appropriated in Schedule (1), \$7,500,000 shall be for the SEED Initiative.*
5. *Of the amount appropriated in Schedule (1), \$2,000,000 shall be for the Initiating Change in Our Neighborhoods Community Development Corporation.*

SEC. 7. *Item 0509-101-0001 is added to Section 2.00 of the Budget Act of 2025, to read:*

0509-101-0001—For local assistance, Governor's Office of Business and Economic Development (GO-Biz) 100,000,000

Schedule:

(1) 0220-GO-Biz 100,000,000

Provisions:

1. *Of the amount appropriated in this item, \$100,000,000 shall be available to the City of Fresno to support the city's Public Infrastructure Plan.*

SEC. 8. *Item 0509-102-0001 is added to Section 2.00 of the Budget Act of 2025, to read:*

0509-102-0001—For local assistance, Governor's Office of Business and Economic Development (GO-Biz) 17,000,000

Schedule:

(1) 0230-Office of the Small Business Advocate 17,000,000

Provisions:

1. *The amount appropriated in Schedule (1) of this item shall be available for the California Regional Initiative for Social Enterprises Program. Upon the Order of the Department of Finance, three percent of the amount appropriated in this item shall be available to be transferred to Schedule (1) of Item 0509-001-0001 for costs to administer the program.*
2. *The amount appropriated in Schedule (1) in this item is available for encumbrance or expenditure until June 30, 2028.*

SEC. 9. *Item 0509-491 of Section 2.00 of the Budget Act of 2025 is amended to read:*

0509-491—Reappropriation, Governor's Office of Business and Economic Development. The amounts specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2026:

~~0010001~~—General Fund

- (1) Up to \$240,000 in Item 0509-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).
- (2) Up to \$2,153,000 in Item 0509-001-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).
- (3) Up to ~~\$350,000~~ **\$700,000** in Item ~~0509-101-0001~~, **0509-001-0001**, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).
- (4) Up to \$8,000,000 of the amount appropriated for the Performing Arts Equitable Payroll Fund in Schedule (1) of Item 0509-101-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) as reappropriated by Item 0509-491, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) and Item 0509-493, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).
- (5) Up to \$3,500,000 of the amount appropriated for the Performing Arts Equitable Payroll Fund in Schedule (1) of Item 0509-104-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), as reappropriated by Item 0509-491, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), and Item 0509-493, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).

SEC. 10. *Item 0509-495 of Section 2.00 of the Budget Act of 2025 is repealed.*

~~0509-495—Reversion, Governor's Office of Business and Economic Development. As of June 30, 2025, the balances specified below, of the appropriations provided in the following citations, shall revert to the fund balances of the funds from which the appropriations were made:~~

~~0001—General Fund~~

- ~~(1) Up to \$350,000 in Item 0509-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022)~~

SEC. 11. *Item 0511-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

0511-001-0001—For support of Secretary of Government Operations

~~23,948,000~~

20,448,000

Schedule:

- (1) 0250-Office of the Secretary of Government Operations 7,066,000
- (2.5) 0254-Education and Workforce Development Coordinating Council ~~5,000,000~~
1,500,000
- (3) 0257-Cradle to Career 15,665,000
- (4) Reimbursements to 0250-Office of the Secretary of Government Operations -3,783,000

SEC. 12. Item 0511-002-0001 is added to Section 2.00 of the Budget Act of 2025, to read:

0511-002-0001—For support of Secretary of Government
Operations 500,000

Schedule:

(1) (1) 0250-Office of the Secretary of
Government Operations
..... 500,000

Provisions:

1. The funds appropriated in this item shall be available for *Hispanas Organized for Political Equality* leadership initiatives.
2. *Hispanas Organized for Political Equality* must submit proposals to the Government Operations Agency for consideration.
3. Notwithstanding any other law, grants awarded or contracts entered into pursuant to Provision 1, amendments to those contracts during their terms, or contracts for services reasonably related to those contracts, shall not be subject to competitive bidding or any other state contracting requirements, shall not require the review, consent, or approval of the Department of General Services or any other state department or agency, and are not subject to the requirements of the State Contracting Manual, the Public Contract Code, or the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code.

SEC. 13. Item 0515-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:

0515-001-0001—For support of Secretary of Business,
Consumer Services, and Housing ~~14,140,000~~
18,189,000

Schedule:

(1) 0260-Support ~~3,809,000~~
8,314,000

(2) 0265-California Interagency Council
on Homelessness 13,720,000

(3) Reimbursements to 0260-Support
..... ~~-3,389,000~~
-3,845,000

Provisions:

1. Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.

SEC. 14. Item 0515-001-0299 of Section 2.00 of the Budget Act of 2025 is amended to read:

0515-001-0299—For support of Secretary of Business,
Consumer Services, and Housing, payable from the Credit
Union Fund ~~39,000~~
32,000

Schedule:

(1)	0260-Support	39,000
		32,000

Provisions:

1. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.*

SEC. 15. *Item 0515-001-0317 of Section 2.00 of the Budget Act of 2025 is amended to read:*

0515-001-0317—For support of Secretary of Business, Consumer Services, and Housing, payable from the Real Estate Fund

~~313,000~~
255,000

Schedule:

(1)	0260-Support	313,000
		255,000

Provisions:

1. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.*

SEC. 16. *Item 0515-001-3036 of Section 2.00 of the Budget Act of 2025 is amended to read:*

0515-001-3036—For support of Secretary of Business, Consumer Services, and Housing, payable from the Alcohol Beverage Control Fund

~~351,000~~
286,000

Schedule:

(1)	0260-Support	351,000
		286,000

Provisions:

1. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.*

SEC. 17. *Item 0515-001-3153 of Section 2.00 of the Budget Act of 2025 is amended to read:*

0515-001-3153—For support of Secretary of Business, Consumer Services, and Housing, payable from the Horse Racing Fund

~~55,000~~
45,000

Schedule:

(1)	0260-Support	55,000
		45,000

Provisions:

1. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.*

SEC. 18. *Item 0515-001-3363 of Section 2.00 of the Budget Act of 2025 is amended to read:*

0515-001-3363—For support of Secretary of Business, Consumer Services, and Housing, payable from the Financial Protection Fund ~~446,000~~
364,000

Schedule:

- (1) 0260-Support ~~446,000~~
364,000

Provisions:

1. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.*

SEC. 19. *Item 0540-001-6088 of Section 2.00 of the Budget Act of 2025 is amended to read:*

0540-001-6088—For support of Secretary of the Natural Resources Agency, payable from the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Fund 2,482,000

Schedule:

- (1) 0320-Administration of Natural Resources Agency 2,482,000

Provisions:

1. The amount appropriated in this item shall be available to support the following:
 - (a) ~~\$150,000~~ **\$151,000** shall be available for trails and greenway investments, consistent with subdivision (a) of Section 80080 of the Public Resources Code.
 - (b) \$164,000 shall be available for marine wildlife and healthy ocean and coastal ecosystems, consistent with subdivision (a) of Section 80120 of the Public Resources Code.
 - (c) ~~\$144,000 shall be available for projects that assist coastal communities, consistent with subdivision (a) of Section 80133 of the Public Resources Code.~~
 - (d) ~~\$110,000~~ **\$111,000** shall be available for multibenefit green infrastructure investments, consistent with subdivision (b) of Section 80137 of the Public Resources Code.
 - (e) ~~\$697,000~~ **\$698,000** shall be available for multibenefit flood projects, consistent with paragraph (3) of subdivision (a) of Section 80145 of the Public Resources Code.
 - (f) ~~\$1,012,000~~ **\$1,358,000** shall be available for statewide bond costs.

SEC. 20. Item 0540-003-6093 is added to Section 2.00 of the Budget Act of 2025, to read:

0540-003-6093—For support of Secretary of the Natural Resources Agency, payable from the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Fund

..... 562,000

Schedule:

(1) 0320-Administration of Natural Resources Agency 562,000

SEC. 21. Item 0540-103-0001 is added to Section 2.00 of the Budget Act of 2025, to read:

0540-103-0001—For local assistance, Secretary of the Natural Resources Agency

34,715,000

Schedule:

(1) 0320-Administration of Natural Resources Agency 34,715,000

Provisions:

1. Of the amount appropriated in this item, \$13,620,000 shall be available for Clear Lake Restoration.
2. Of the amount appropriated in this item, \$5,400,000 shall be available to the Jewish Community Center of the East Bay for security and infrastructure.
3. Of the amount appropriated in this item, \$5,000,000 shall be available for the Los Angeles Holocaust Memorial.
4. Of the amount appropriated in this item, \$3,095,000 shall be available to the Child and Family Center for facility purchase, infrastructure improvements, vehicle purchases, and services.
5. Of the amount appropriated in this item, \$2,500,000 shall be available to the City of San Diego for the Rancho Bernardo Community Park.
6. Of the amount appropriated in this item, \$1,500,000 shall be available to the City of San Diego for vegetation management.
7. Of the amount appropriated in this item, \$1,500,000 shall be available to the Escondido YMCA for infrastructure improvements and repairs.
8. Of the amount appropriated in this item, \$1,100,000 shall be available to the City of Santa Clarita for oil well capping.
9. Of the amount appropriated in this item, \$1,000,000 shall be available to the San Francisco Parks and Recreation Department for Portsmouth Square.

SEC. 22. Item 0540-490 of Section 2.00 of the Budget Act of 2025 is amended to read:

0540-490—Reappropriation, Secretary of the Natural Resources Agency. The balance of the appropriation provided in the following citation is reappropriated for the purpose provided for in that appropriation and shall be available for encumbrance or expenditure until June 30, 2028:

6088—California Drought, Water, Parks, Climate,
Coastal Protection, and Outdoor Access for All Fund

- (1) Provision 2 of Item 0540-001-6088, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018) for the Salton Sea Management Program Restoration Activities, as reverted by Item 0540-495, Budget Act of 2019 (Chs. 23 and 55, Stats. 2019) and reappropriated by Item 0540-490, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020).

0001—General Fund

- (1) Item 0540-001-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), as reappropriated by Item 0540-490, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).

0183—Environmental Enhancement and Mitigation
Program Fund

- (1) Item 0540-101-0183, Budget Act of 2015 (Chs. 10 and 11, Stats. 2015), as reappropriated by Item 0540-490, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017) and Item 0540-490, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020).
- (2) Item 0540-101-0183, ~~Budget Act of 2013 (Chs. 20 and 354, Stats. 2013)~~, *Budget Act of 2016 (Ch. 23, Stats. 2016)*, as reappropriated by Item 0540-490, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017) and Item 0540-490, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020).

3228—Greenhouse Gas Reduction Fund

- (1) Item 0540-101-3228, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), as reappropriated by Item ~~540-490~~, *0540-490*, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020).

6015—River Protection Subaccount

- (1) Item 0540-101-6015, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), as reappropriated by Item 0540-490, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020).

6083—Water Quality, Supply, and Infrastructure
Improvement Fund of 2014

- (1) Item 0540-101-6083, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), as reappropriated by Item 0540-490, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020).

SEC. 23. *Item 0540-491 of Section 2.00 of the Budget Act of 2025 is amended to read:*

0540-491—Reappropriation, Secretary of the Natural Resources Agency. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance, or expenditure until June 30, 2027:

0001—General Fund

- (1) Item 0540-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), as reappropriated by Items 0540-490 and ~~050-491~~, *0540-491*, Budget Act of 2023 (Chs. 12, 38, and 189, Stats.

2023), and Item 0540-494, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).

- (2) Item 0540-102-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023), including the funding transferred for administrative costs per Provision 1.

6051—Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006

- (1) Item 0540-001-6051, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008), as reappropriated by Item 0540-490, Budget Act of 2011 (Ch. 33, Stats. 2011), Item ~~0540-490~~, **0540-490**. Budget Act of 2014 (Chs. 25 and 663, Stats. 2014), Item 0540-490, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), and Item 0540-490, Budget Act of 2020 (Chs.6 and 7, Stats. 2020).

SEC. 24. *Item 0540-495 of Section 2.00 of the Budget Act of 2025 is repealed.*

~~0540-495—Reversion, Secretary of the Natural Resources Agency. As of June 30, 2025, the balances specified below, of the appropriations provided in the following citations shall revert to the balances in the funds from which the appropriations were made:~~

~~0001—General Fund~~

- (1) ~~\$55,700,000 of the amount appropriated for programs and projects that improve environmental conditions to promote recovery of native fish species in the Sacramento-San Joaquin watershed in Provision 5 of Item 0540-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).~~
- (2) ~~\$171,000,000 of the amount appropriated for programs and projects that improve environmental conditions to promote recovery of native fish species in the Sacramento-San Joaquin watershed in Provision 4 of Item 0540-101-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).~~

SEC. 25. *Item 0559-002-0001 is added to Section 2.00 of the Budget Act of 2025, to read:*

0559-002-0001—For support of Secretary of Labor and Workforce Development 1,000,000

Schedule:

- (1) 0350-Office of the Secretary of Labor and Workforce Development 1,000,000

Provisions:

1. *The amount appropriated in this item shall be available to evaluate, in collaboration with the Executive Director of the State Board of Education and the California Community Colleges Chancellor's Office, how regional coordination models can be expanded to create sustainable forums where educators, workforce training*

providers, and employers work together to align programs with employer needs.

SEC. 26. *Item 0650-495 of Section 2.00 of the Budget Act of 2025 is amended to read:*

0650-495—Reversion, Office of Land Use and Climate Innovation. Notwithstanding any other law, as of June 30, 2025, the balances specified below, of the appropriations provided in the following citations shall revert to the balances in the funds from which the appropriations were made.

0001—General Fund

- (1) \$9,800,000 of the amount appropriated for the Regional Climate Collaboratives Program in Item 0650-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).
- (2) \$10,000,000 of the amount appropriated for the ICARP Climate Adaptation and Resilience Planning Grants in Item 0650-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).
- (3) \$15,000,000 of the amount appropriated for the ICARP Extreme Heat and Community Resilience Grant Program in Item ~~0650-101-0001~~, *0650-101-0001*, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).

SEC. 27. *Item 0680-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

0680-001-0001—For support of Governor's Office of Service and Community Engagement ~~58,804,000~~
107,383,000

Schedule:

- (1) 0372-California Volunteers ~~62,032,000~~
90,215,000
- (2) *0373-Office of Community Partnerships and Strategic Communications* *20,396,000*
- (3) Reimbursements to 0372-California Volunteers -3,228,000

Provisions:

- 1. The California Volunteers' database shall be subject to all state privacy and use policies, as required by the Department of Technology.
- 2. Of the amount appropriated in Schedule (1), ~~\$51,100,000~~ *\$68,100,000* shall be available for the California Volunteers Youth Corps.
 - (a) It is the intent of the Administration that the Youth Corps program, including its fellowship program, prioritize the recruitment of, and outreach to, students described in Chapter 513 of the Statutes of 2019 (AB 540), and immigrant youth with federal work authorization, including Deferred Action for Childhood Arrivals (DACA) beneficiaries, and this section is therefore enacted pursuant to subdivision (d) of Section 1621 of Title 8 of the United States Code. For purposes of

implementing this initiative, no entity or person shall seek information that is unnecessary to determine eligibility, including immigration or citizenship status.

- (b) Of the amount allocated in this provision, \$2,000,000 shall be available for California's tribal communities to apply through a competitive process.
- (c) Of the amount remaining after the allocation described in subprovision (b), a share proportional to funding provided in Provision 1 of Item 0650-163-8506, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) shall be provided to the 13 largest cities in California. Funding shall be proportional to each city's population as a percent of the total population of the 13 largest cities, as estimated by the Department of Finance.
- (d) Of the amount remaining after the allocation described in subprovision (b), a share proportional to funding provided in Provision 2 of Item 0650-163-8506, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) shall be distributed, via a competitive grant process, to all cities and counties that are not funded pursuant to subprovision (c), without regard to total population size.

3. *Of the funds appropriated in Schedule (2), \$5,000,000 is available for the Belonging Campaign and shall be used solely for that program. Any funds not used for this purpose shall revert to the General Fund.*

4. *Of the funds available in Schedule (1), \$9,383,000 shall be available for support or local assistance and shall be used for the purpose of implementing the California Climate Action Service Corps program to create service opportunities to take on climate action such as urban greening, food waste recovery, and wildfire prevention.*

SEC. 28. *Item 0680-101-0001 is added to Section 2.00 of the Budget Act of 2025, to read:*

0680-101-0001—For local assistance, Governor's Office of Service and Community Engagement 5,000,000

Schedule:

(1) 0372-California Volunteers 5,000,000

Provisions:

- 1. *Funds appropriated in this item are for the California Student Success Coach Grant Program.*

SEC. 29. *Item 0680-102-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

0680-102-0001—For local assistance, Governor's Office of Service and Community Engagement ~~81,865,000~~
85,065,000

Schedule:

(1) 0372-California Volunteers
.....
81,865,000
85,065,000

SEC. 30. *Item 0690-001-0022 of Section 2.00 of the Budget Act of 2025 is amended to read:*

0690-001-0022—For support of Office of Emergency Services,
payable from the State Emergency Telephone Number Account
..... 42,646,000

Schedule:

(1) 0395-Public Safety Communications
..... 42,646,000

Provisions:

1. The Department of Finance may augment the amount appropriated in this item to reflect mid-year changes necessary to continue implementation of the Next Generation 9-1-1-~~system~~: *system, including transition from the legacy 9-1-1 system.*
No augmentations shall be authorized pursuant to this item that would result in the monthly 9-1-1 surcharge exceeding the rate in effect as of January 1, 2025. Any augmentation shall be authorized no sooner than 30 days after written notification to the chairperson of the committee in each house of the Legislature that considers appropriations, the chairpersons of the committees and appropriate subcommittees that consider the state budget, and the ~~Chairperson~~ *chairperson* of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the joint committee, or the chairperson's designee, may determine.
2. The Office of Emergency Services shall provide ~~quarterly~~ *two* reports to the Legislature on the development and implementation of, as well as total and current year funding spent on, the Next Generation 9-1-1 system in California. These reports shall document progress toward, as well as major challenges facing, statewide development and implementation of Next Generation 9-1-1. Such challenges include technological, operational, and legal or contractual challenges, as well as other challenges identified by the ~~office~~: *Office*. The ~~quarterly~~ reports shall also include information on proposed solutions to these identified challenges, the potential costs of such solutions, effects on and changes to the implementation timeline and expected ~~date(s)~~ *dates* of completion, as well as progress made in implementing chosen solutions. The Office of Emergency Services shall submit a copy of each ~~quarterly~~ report to the chairpersons of the ~~budget committees of both houses and~~ *appropriate subcommittees in each house* of the Legislature *that consider the state budget* and the Legislative Analyst's Office on or before ~~September 1, 2025, December 1, 2025, November 1, 2025,~~ and March 1, 2026.

SEC. 31. *Item 0690-005-0001 is added to Section 2.00 of the Budget Act of 2025, to read:*

0690-005-0001—For support of Office of Emergency Services
..... 3,000,000

Schedule:

(1) 0385-Special Programs and Grant
Management 3,000,000

Provisions:

1. The amount appropriated in this item is for the support costs of administering grants to supplement funding under the federal Victims of Crime Act of 1984 (34 U.S.C. 20101 et seq.).
2. If the Office of Emergency Services determines any amount appropriated in this item is not necessary for the purposes identified in Provision 1, upon order of the Department of Finance, that amount may be transferred to Schedule (1) of Item 0690-105-0001 of the Budget Act of 2025 to support local assistance grants.

SEC. 32. Item 0690-101-0022 of Section 2.00 of the Budget Act of 2025 is amended to read:

0690-101-0022—For local assistance, Office of Emergency Services, payable from the State Emergency Telephone
Number Account 138,465,000

Schedule:

(1) 0395-Public Safety Communications
..... 138,465,000

Provisions:

1. The funds appropriated in this item are for reimbursement of local agencies, service suppliers, and communication equipment companies for costs incurred pursuant to Sections 41137, 41137.1, 41138, and 41140 of the Revenue and Taxation Code.
2. ~~Of the amount appropriated in Schedule (1), The~~ Office of Emergency Services estimates that \$30,000,000 ~~is available~~ of the amount appropriated in this item will be needed to support elements of the legacy 9-1-1 system ~~previously intended for retirement in 2024–25~~, through June 30, 2026.
3. The Department of Finance may augment the amount appropriated in this item to reflect ~~midyear~~ mid-year changes necessary to continue implementation of the Next Generation 9-1-1 ~~system~~ system, including transition from the legacy 9-1-1 system. No augmentations shall be authorized pursuant to this item that would result in the monthly 9-1-1 surcharge exceeding the rate in effect as of January 1, 2025. Any augmentation shall be authorized no sooner than 30 days after written notification to the chairperson of the committee in each house of the Legislature that considers 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 committee, or the chairperson's designee, may determine.

SEC. 33. Item 0690-104-0001 is added to Section 2.00 of the Budget Act of 2025, to read:

0690-104-0001—For local assistance, Office of Emergency
Services 25,150,000

Schedule:

(1) 0385-Special Programs and Grant
Management 25,150,000

Provisions:

1. Of the amount appropriated in this item, \$10,000,000 shall be available for grants to family justice centers throughout the state to support and provide legal services to victims of domestic violence, intimate partner violence, sexual assault, child abuse, elder abuse, transnational abandonment, and human trafficking, and to help victims file petitions for protective orders, including domestic violence restraining orders and gun violence restraining orders.
2. Of the amount appropriated in this item, \$10,000,000 shall be available for World Cup security in the Bay Area and the Los Angeles region.
3. Of the amount appropriated in this item, \$5,000,000 shall be available to Fresno County Fire Protection District for Mid Valley Regional Fire Training Center upgrades and expansion.
4. Of the amount appropriated in this item, \$150,000 shall be available to Mendocino County for the Covelo fire hydrant system.

SEC. 34. Item 0690-105-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:

0690-105-0001—For local assistance, Office of Emergency
Services ~~100,000,000~~
97,000,000

Schedule:

(1) 0385-Special Programs and Grant ~~100,000,000~~
Management 97,000,000

Provisions:

1. The funds appropriated in this item are to supplement funding under the federal Victims of Crime Act of 1984 (34 U.S.C. 20101 et seq.).

SEC. 35. Item 0690-490 is added to Section 2.00 of the Budget Act of 2025, to read:

0690-490—Reappropriation, Office of Emergency Services.
The amounts specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2029

0001—General Fund

- (1) Up to \$10,000,000 of the amount appropriated in Schedule (1) per Provision (6) of Item 0690-101-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024), for the California Law Enforcement Mutual Aid System, available for support or local assistance.

SEC. 36. Item 0690-495 of Section 2.00 of the Budget Act of 2025 is amended to read:

0690-495—Reversion, Office of Emergency Services. As of June 30, 2025, the balances specified below of the appropriations provided in the following citations shall revert to the balances in the funds from which the appropriations were made.

0001—General Fund

- (1) *Up to* \$13,000,000 of the amount appropriated in Program 0385-Special Programs and Grant Management of Item 0690-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), for a communitywide home hardening program or effort.
- ~~(2) \$23,704,000 of the amount appropriated in Schedule (1), per Provision 6 of Item 0690-101-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024) for the California Law Enforcement Mutual Aid System.~~
- (3) *Up to* \$49,650,000 of the amount appropriated in Schedule (2), per Provisions 7 of Item 0690-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), for grants to qualifying community-based organizations to provide direct assistance to eligible survivors.

SEC. 37. *Item 0820-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

0820-001-0001—For support of Department of Justice

..... ~~451,498,000~~
440,498,000

Schedule:

- | | | |
|-----|---|--|
| (1) | 9900100-Administration | 194,233,000 |
| | | |
| (2) | 9900200-Administration—
Distributed | -194,233,000 |
| (3) | 0435-Division of Legal Services | |
| | | 225,479,000
<i>219,479,000</i> |
| (4) | 0440-Law Enforcement | |
| | | 131,170,000
<i>126,170,000</i> |
| (5) | 0445-California Justice Information
Services | 124,173,000 |
| (6) | Reimbursements to 0435-Division of
Legal Services | -1,767,000 |
| (7) | Reimbursements to 0440-Law
Enforcement | -20,485,000 |
| (8) | Reimbursements to 0445-California
Justice Information Services | |
|  | ..... | -7,072,000 |

Provisions:

1. Of the amount appropriated in Schedule (4), \$6,666,000 shall be used to support a statewide enforcement program to combat the manufacturing, distribution, and trafficking of fentanyl throughout and into the state by organized criminal enterprises, including organized cartels. The Department of Justice may coordinate with the State Department of

Health Care Services and the Military Department to support the statewide enforcement program.

2. Of the amount appropriated in Schedule (4), \$361,000 shall be available to support investigations and prosecutions of organized retail crime, including those referred by other law enforcement or prosecutorial agencies. Any unspent funds shall revert to the General Fund and may not be redirected to any other purposes.
3. Of the amount appropriated in Schedule (4), \$7,206,000 shall be used to support statewide enforcement to combat violent career criminals, gangs, and organized crime groups, with priority for disrupting the production, supply, and distribution of illicit fentanyl, opioid, and narcotic operations by multijurisdictional and transnational trafficking organizations, and in seizing illegal, smuggled, and trafficked firearms, ammunition, and component parts used in furtherance of those operations.
4. Of the amount appropriated in Schedule (3), \$3,000,000 shall be used to add capacity in the Consumer Protection Section focused on tenant protection and enforcing the rights of tenants. This finding shall supplement and not supplant existing department work in this area, and may not be directed to other section work.
5. Notwithstanding any other law, the Department of Justice may purchase or lease vehicles that, in the judgment of the Attorney General or the Attorney General's designee, are necessary to the performance of the investigatory and enforcement responsibilities of the Department of Justice, from the funds appropriated for that purpose in this item. This exemption does not apply to vehicles that are classified as military equipment pursuant to subdivision (c) of Section 7070 of the Government Code, except for paragraph 5 of subdivision (c) of Section 7070 of the Government Code.
6. Of the amount appropriated in Schedule (5), \$2,428,000 is allocated for the implementation of Chapter 811 of the Statutes of 2024. The expenditure of these funds is contingent upon the Department of Justice submitting the Stage 1 Business Analysis to the Department of Technology as part of the Project Approval Lifecycle process of the Department of Technology.
7. Of the amount appropriated in Schedule (5), \$3,132,000 shall be used to establish a new connection between the California Law Enforcement Telecommunications System (CLETS) and the new Department of Motor Vehicles Digital eXperience Platform (DXP). The Department of Justice, in consultation with the Department of Motor Vehicles, shall report to the Department of Finance and the Joint Legislative Budget Committee by January 10, 2026, if it does not appear that this new connection will be developed, tested, and fully functional by June 30, 2026. This report shall include, but is not limited to, all of the following: a status update on progress towards completion of the new connection, a mitigation strategy or work-around to ensure minimal impact on law enforcement or criminal

justice agency activities requiring information typically obtained through CLETS, and the identification of any additional resources or statutory changes needed to ensure CLETS functionality and access. The Department of Motor Vehicles shall fully cooperate with the Department of Justice in the preparation of this report.

8. Of the amount appropriated in Schedule (3), \$12,318,000 is available to address legal workload related to various actions taken at the federal level or administrative action authorized under state law to mitigate impacts of federal actions taken by the federal government. The Department of Justice shall report to the Department of Finance and the Joint Legislative Budget Committee annually on the use of all funds provided for these purposes by the Department of Justice in the prior fiscal year on or before August 1 of each year. The report shall include, but is not limited to, both of the following: (1) whether the state is using any of the appropriated funds to contract with outside counsel, if any; and (2) each instance in which the Department of Justice is taking administrative action authorized under state law to mitigate the impacts of actions taken by the federal government. This reporting may be consolidated with the reporting required by Chapter 3 of the Statutes of 2025, First Extraordinary Session. The Department of Justice shall also post details of litigation against the federal government paid for by these funds on the website originally created and maintained pursuant to Chapter 3 of the Statutes of 2025, First Extraordinary Session. These details shall include, but are not limited to, descriptive narratives and supporting documents as needed. Such details shall be posted as soon as feasible each time a court filing is made using these funds, and no less frequently than monthly.
9. ~~Of the amount appropriated in Schedule (4), \$5,000,000 shall be provided to the Department of Justice to administer the Tribal Police pilot contingent upon the enactment of legislation.~~
10. ~~Of the amount appropriated in Schedule (3), \$6,000,000 shall be available to provide \$2,000,000 to each of the entities listed below to defend against enforcement and legal actions taken by the federal government, file affirmative litigation challenging actions taken by the federal government, and take administrative actions authorized under state law to mitigate the impact of actions taken by the federal government and to protect reproductive health, environmental justice, LGBTQ civil rights, immigrant rights, other vulnerable communities in California, and funding for the state and its people. This funding shall be available for encumbrance or expenditure until June 30, 2027. The entities are:~~
 - ~~(a) Office of the City Attorney, City and County of San Francisco.~~
 - ~~(b) Office of the County Counsel, Santa Clara County.~~
 - ~~(c) Office of the County Counsel, Los Angeles County.~~

0845-001-0001—For support of Department of Insurance

..... ~~19,060,000~~
6,560,000

Schedule:

(1) 0525-Consumer Protection
..... ~~13,528,000~~
1,028,000

(2) 0530-Fraud Control 5,532,000

Provisions:

1. The Department of Finance may augment this item not sooner than 10 days after notification of the necessity in writing to the chairpersons of the budget committees of both houses of the Legislature and the Joint Legislative Budget Committee, in response to increased legal costs.

SEC. 39. *Item 0845-002-0001 is added to Section 2.00 of the Budget Act of 2025, to read:*

0845-002-0001—For support of Department of Insurance

..... 12,500,000

Schedule:

(1) 0520-Regulation of Insurance
Companies and Insurance
Producers 12,500,000

Provisions:

1. *Of the amount appropriated in Schedule (1), \$12,500,000 shall be available to support community hardening oversight and wildfire risk mitigation efforts, including measuring risk for communities and individual residential property owners, pursuant to pending legislation.*

SEC. 40. *Item 0890-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

0890-001-0001—For support of Secretary of State

..... 84,751,000

Schedule:

(1) 0700-Filings and Registrations
..... 3,366,000

(2) 0705-Elections 47,062,000

(3) 0710-Archives 15,679,000

(3.5) 0711-Special Items of Expense
..... 17,292,000

(4) 0715-Department of Justice Legal
Services 1,352,000

(5) 9900100-Administration
..... 66,578,000

(6) 9900200-Administration—
Distributed -66,578,000

Provisions:

1. The Secretary of State shall not expend any special handling fees authorized by Chapter 999 of the Statutes of 1999 that are collected in excess of the cost of administering those special handling

fees unless specifically authorized by the Legislature.

2. Of the funds appropriated in this item, \$17,292,000 is available for the following election-related activities:

- (a) Parallel Monitoring.
- (b) Printing and Mailing of Voter Information Guides.
- (c) Printing and Mailing of Voter Registration Cards.
- (d) Election Night Reporting.

(e) Office of State Publishing Warehouse Lease

Any unexpended funds pursuant to this provision shall revert to the General Fund. Upon order of the Department of Finance, the amount available in Schedule (3.5) may be augmented by the amount necessary to cover costs associated with parallel monitoring, printing and mailing of Voter Information Guides and Voter Registration Cards, and election night reporting. Any augmentation shall be authorized not 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 the Chairperson's designee, may determine.

3. Of the amount appropriated in this item, \$2,000,000 shall be used to establish and operate the Office of Elections Cybersecurity. Activities performed by the Office of Elections Cybersecurity are intended to be specific to elections and shall be designed so as to minimize overlap and in coordination with statewide cybersecurity efforts performed by the California Cybersecurity Integration Center.
4. Of the amount appropriated in this item, \$150,000 shall be used for support of the State Government Oral History Program consistent with Section 12233 of the Government Code, and \$75,000 shall be used for the costs of a digital preservation subscription service. Expenditure of this funding requires the collaboration between the Secretary of State and the California State Library on projects and activities related to the State Government Oral History Program.
5. Upon order of the Department of Finance, the amount available in Schedule (4) may be augmented by the amount necessary to cover costs associated with legal services provided by the Department of Justice. Any augmentation shall be authorized not 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 the Chairperson's designee, may determine.

SEC. 41. *Item 0950-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

0950-001-0001—For support of Treasurer ~~14,203,000~~
15,203,000

Schedule:

- (1) 0740-State Treasurer's Office
..... ~~41,005,000~~
42,005,000
- (2) Reimbursements to 0740-State
Treasurer's Office -26,802,000

Provisions:

1. The Director of Finance may authorize a loan from the General Fund, in an amount not to exceed the level of reimbursements appropriated in Schedule (2) to the Treasurer, provided that:
 - (a) The loan is to meet cash needs resulting from a delay in receipt of reimbursements.
 - (b) The loan is short term, and is repaid within six months.
 - (c) Interest charges may be waived pursuant to subdivision (e) of Section 16314 of the Government Code.
 - (d) The Director of Finance shall not approve the loan unless the approval is made in writing and filed with the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the committees in each house of the Legislature that consider appropriations not later than 30 days before the effective date of the approval, or not later than whatever lesser time the chairperson of the joint committee, or the chairperson's designee, may determine.
 - (e) At the end of the six-month term of the loan, the Treasurer shall notify the Chairperson of the Joint Legislative Budget Committee whether the Treasurer has repaid the loan pursuant to subprovision (b).
2. Notwithstanding any other law, upon certification by the Treasurer, the Department of Finance may authorize expenditures of up to \$1,700,000 in excess of the amount appropriated in this item for the payment of expenses incurred on general obligation bond, lease-revenue bond, and revenue anticipation note sales that have been canceled. Prior to expenditure from the General Fund, the Treasurer shall determine if any bond funds are authorized and available for the payment of expenses, and then shall apply those funds to such payment. The Department of Finance shall provide notification in writing to the chairpersons of the fiscal committees of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee no more than 30 days after that authorization.

3. Notwithstanding any other law, the Treasurer may enter into agreements for proprietary economic data, financial market data, credit ratings, research, and risk analysis as required in connection with the Treasurer's duties pursuant to Section 16480.3 of the Government Code. The total amount of any single agreement shall not exceed \$300,000. This provision shall remain in effect through July 1, 2026, or shall become invalid upon implementation of a suitable updated electronic subscription purchasing process by the Department of General Services, whichever date is sooner.
4. Of the amount provided in this item, \$735,000 is provided on a one-time basis to cover the cost of relocating staff and building contents to the State Treasury Building. Notwithstanding any other law, the Director of Finance may authorize expenditures in excess of the amount provided, if deemed necessary but not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the joint committee, or the chairperson's designee, may in each instance determine.
5. *Of the amount provided in this item, \$1,000,000 is provided on a one-time basis for continuation of the CalAccount Blue Ribbon Commission to evaluate the feasibility of CalAccounts.*

SEC. 42. *Item 0954-490 is added to Section 2.00 of the Budget Act of 2025, to read:*

0954-490—Reappropriation, California Kids Investment and Development Savings Program. The amount specified in the following citation is reappropriated on a one-time basis to support college savings accounts for foster youth pursuant to paragraph (3) of subdivision (a) of Section 69996.9 of the Education Code. Funds shall be available for encumbrance or expenditure until January 1, 2029.

0001—General Fund

- (1) *\$6,112,000 from item 0954-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).*

SEC. 43. *Item 0957-011-3403 of Section 2.00 of the Budget Act of 2025 is amended to read:*

0957-011-3403—For transfer by the Controller, upon order of the Department of Finance, from the California Hope, Opportunity, Perseverance, and Empowerment (HOPE) for Children Trust Account Fund to the General Fund. ~~40,000,000~~
(40,000,000)

SEC. 44. *Item 0977-401 is added to Section 2.00 of the Budget Act of 2025, to read:*

0977-401—(a) The repayment period as described in subdivision (b) shall be extended for Palomar Health pursuant to the Nondesignated Public Hospital Loan Program authorized under Provision (1) of Item 0977-101-0001 of the Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).

(b) Notwithstanding Provision (1)(e) of Item 0977-101-0001 of the Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), Palomar

Health shall be required to begin monthly repayments on the loan 36 months after the date of that loan, and shall discharge the loan within 24 months after beginning the monthly repayments. The monthly payments shall be amortized over the term of the loan at zero percent interest and there shall be no prepayment penalty.

(c) Upon request by the California Health Facilities Financing Authority, Palomar Health shall provide any financial documentation or records deemed necessary to monitor compliance with the terms of such loan.

SEC. 45. Item 1111-001-0069 of Section 2.00 of the Budget Act of 2025 is amended to read:

1111-001-0069—For support of State Board of Barbering and Cosmetology, payable from the Barbering and Cosmetology Contingent Fund ~~22,326,000~~
22,333,000

Schedule:

- (1) 1125-State Board of Barbering and Cosmetology ~~22,383,000~~
22,390,000
- (2) Reimbursements to 1125-State Board of Barbering and Cosmetology -57,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.*

SEC. 46. Item 1111-001-0108 of Section 2.00 of the Budget Act of 2025 is amended to read:

1111-001-0108—For support of Acupuncture Board, payable from the Acupuncture Fund ~~3,905,000~~
3,907,000

Schedule:

- (1) 1155-Acupuncture Board ~~3,928,000~~
3,930,000
- (2) Reimbursements to 1155-Acupuncture Board -23,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

SEC. 47. Item 1111-001-0152 of Section 2.00 of the Budget Act of 2025 is amended to read:

1111-001-0152—For support of State Board of Chiropractic Examiners, payable from the State Board of Chiropractic Examiner's Fund ~~5,593,000~~
5,594,000

Schedule:

(1)	1120-State Board of Chiropractic Examiners	5,637,000 5,638,000
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(2)	Reimbursements to 1120-State Board of Chiropractic Examiners	-44,000
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Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.*

SEC. 48. *Item 1111-001-0264 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-001-0264—For support of Osteopathic Medical Board of California, payable from the Osteopathic Medical Board of California Contingent Fund

4,355,000 4,356,000

Schedule:

(1)	1200010-Osteopathic Medical Board of California	4,408,000 4,409,000
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(2)	Reimbursements to 1200010- Osteopathic Medical Board of California	-53,000
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Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

SEC. 49. *Item 1111-001-0280 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-001-0280—For support of Physician Assistant Board, payable from the Physician Assistant Fund

3,148,000 3,149,000

Schedule:

(1)	1165-Physician Assistant Board	3,198,000 3,199,000
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(2)	Reimbursements to 1165-Physician Assistant Board	-50,000
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Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

SEC. 50. *Item 1111-001-0310 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-001-0310—For support of Board of Psychology, payable
from the Psychology Fund ~~8,135,000~~
8,137,000

Schedule:

(1) 1175-Board of Psychology
..... ~~8,186,000~~
8,188,000

(2) Reimbursements to 1175-Board of
Psychology -51,000

Provisions:

1. The amount appropriated in this item may include
revenues derived from the assessment of fines and
penalties imposed as specified in Section 13332.18
of the Government Code.

2. *Expenditure of the funds related to the
reorganization of the Business, Consumer
Services, and Housing Agency is contingent upon
Governor's Reorganization Plan No. 1 of 2025
taking effect.*

SEC. 51. *Item 1111-001-0319 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-001-0319—For support of Respiratory Care Board of
California, payable from the Respiratory Care Fund
..... 4,190,000

Schedule:

(1) 1180-Respiratory Care Board of
California 4,256,000

(2) Reimbursements to 1180-
Respiratory Care Board of California
..... -66,000

Provisions:

1. The amount appropriated in this item may include
revenues derived from the assessment of fines and
penalties imposed as specified in Section 13332.18
of the Government Code.

2. *Expenditure of the funds related to the
reorganization of the Business, Consumer
Services, and Housing Agency is contingent upon
Governor's Reorganization Plan No. 1 of 2025
taking effect.*

SEC. 52. *Item 1111-001-0326 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-001-0326—For support of State Athletic Commission,
payable from the Athletic Commission Fund ~~1,962,000~~
1,963,000

Schedule:

(1) 1110010-State Athletic Commission
—Support ~~1,962,000~~
1,963,000

Provisions:

1. The amount appropriated in this item may include
revenues derived from the assessment of fines and
penalties imposed as specified in Section 13332.18
of the Government Code.

2. Provided that sufficient funds are available and upon request by the Department of Consumer Affairs, the Department of Finance may augment this item by up to \$200,000 not sooner than 30 days after notification in writing is provided to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee. This augmentation shall only be provided for additional funding needed for Athletic Inspectors at sporting events or for Athletic Inspector training.

SEC. 53. *Item 1111-001-0376 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-001-0376—For support of Speech-Language Pathology and Audiology and Hearing Aid Dispensers Board, payable from the Speech-Language Pathology and Audiology and Hearing Aid Dispensers Fund

~~3,117,000~~
3,118,000

Schedule:

- (1) 1185-Speech-Language Pathology and Audiology and Hearing Aid Dispensers Board ~~3,150,000~~
3,151,000
- (2) Reimbursements to 1185-Speech-Language Pathology and Audiology and Hearing Aid Dispensers Board -33,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

SEC. 54. *Item 1111-001-0704 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-001-0704—For support of California Board of Accountancy, payable from the Accountancy Fund

~~19,881,000~~
19,887,000

Schedule:

- (1) 1100-California Board of Accountancy ~~20,177,000~~
20,183,000
- (2) Reimbursements to 1100-California Board of Accountancy -296,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.*

SEC. 55. *Item 1111-001-0706 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-001-0706—For support of California Architects Board,
payable from the California Architects Board Fund

..... ~~4,935,000~~
4,938,000

Schedule:

- (1) 1105013-California Architects Board
—Distributed -26,000
- (2) 1105019-California Architects Board
..... ~~4,966,000~~
4,969,000
- (3) Reimbursements to 1105019-
California Architects Board
..... -5,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.*

SEC. 56. *Item 1111-001-0735 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-001-0735—For support of Contractors State License
Board, payable from the Contractors License Fund

..... ~~83,334,000~~
83,320,000

Schedule:

- (1) 1130010-Contractors State License
Board ~~83,687,000~~
83,673,000
- (2) Reimbursements to 1130010-
Contractors State License Board
..... -353,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

SEC. 57. *Item 1111-001-0741 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-001-0741—For support of Dental Board of California,
payable from the State Dentistry Fund

~~20,296,000~~
20,304,000

Schedule:

- (1) 1135010-Dental Board of California
..... ~~20,579,000~~
20,587,000
- (2) Reimbursements to 1135010-Dental
Board of California -283,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.*

SEC. 58. *Item 1111-001-0757 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-001-0757—For support of California Architects Board, payable from the California Architects Board-Landscape Architects Fund

~~1,253,000~~
1,255,000

Schedule:

- (1) 1105020-Landscape Architects Technical Committee
- (2) Reimbursements to 1105020-Landscape Architects Technical Committee

~~1,254,000~~
1,256,000

-1,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

SEC. 59. *Item 1111-001-0758 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-001-0758—For support of Medical Board of California, payable from the Contingent Fund of the Medical Board of California

~~82,088,000~~
82,103,000

Schedule:

- (1) 1150019-Medical Board of California —Support
- (2) 1150013-Medical Board of California —Distributed
- (3) Reimbursements to 1150019-Medical Board of California—Support

~~84,246,000~~
84,261,000

-1,774,000

-384,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.*

SEC. 60. *Item 1111-001-0759 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-001-0759—For support of Physical Therapy Board of California, payable from the Physical Therapy Fund

..... ~~7,267,000~~
7,270,000

Schedule:

(1) 1160-Physical Therapy Board of California ~~7,366,000~~
7,369,000

(2) Reimbursements to 1160-Physical Therapy Board of California -99,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.*

SEC. 61. *Item 1111-001-0761 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-001-0761—For support of Board of Registered Nursing, payable from the Board of Registered Nursing Fund

..... ~~63,337,000~~
63,351,000

Schedule:

(1) 1220-Board of Registered Nursing ~~64,351,000~~
64,365,000

(2) Reimbursements to 1220-Board of Registered Nursing -1,014,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.*

SEC. 62. *Item 1111-001-0763 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-001-0763—For support of State Board of Optometry, payable from the Optometry Fund

~~4,003,000~~
4,004,000

Schedule:

(1) 1196010-State Board of Optometry —Support ~~4,096,000~~
4,097,000

(2) Reimbursements to 1196010-State Board of Optometry—Support -93,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

SEC. 63. *Item 1111-001-0767 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-001-0767—For support of California State Board of Pharmacy, payable from the Pharmacy Board Contingent Fund

..... ~~35,781,000~~
35,790,000

Schedule:

- (1) 1210-California State Board of Pharmacy ~~36,032,000~~
36,041,000
- (2) Reimbursements to 1210-California State Board of Pharmacy -251,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.*

SEC. 64. *Item 1111-001-0770 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-001-0770—For support of Board for Professional Engineers, Land Surveyors, and Geologists, payable from the Professional Engineer's, Land Surveyor's, and Geologist's Fund

..... ~~13,424,000~~
13,383,000

Schedule:

- (1) 1215014-Board for Professional Engineers, Land Surveyors, and Geologists ~~13,441,000~~
13,400,000
- (2) Reimbursements to 1215014-Board for Professional Engineers, Land Surveyors, and Geologists -17,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.*

SEC. 65. *Item 1111-001-0773 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-001-0773—For support of Board of Behavioral Sciences,
payable from the Behavioral Sciences Fund, Professions and
Vocations Fund ~~14,626,000~~
14,631,000

Schedule:

(1) 1115-Board of Behavioral Sciences
..... ~~14,676,000~~
14,681,000

(2) Reimbursements to 1115-Board of
Behavioral Sciences -50,000

Provisions:

1. The amount appropriated in this item may include
revenues derived from the assessment of fines and
penalties imposed as specified in Section 13332.18
of the Government Code.

2. *Expenditure of the funds related to the
reorganization of the Business, Consumer
Services, and Housing Agency is contingent upon
Governor's Reorganization Plan No. 1 of 2025
taking effect.*

SEC. 66. *Item 1111-001-0775 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-001-0775—For support of Structural Pest Control Board,
payable from the Structural Pest Control Fund ~~6,442,000~~
6,421,000

Schedule:

(1) 1230010-Structural Pest Control
Board ~~6,443,000~~
6,422,000

(2) Reimbursements to 1230010-
Structural Pest Control Board
..... -1,000

Provisions:

1. The amount appropriated in this item may include
revenues derived from the assessment of fines and
penalties imposed as specified in Section 13332.18
of the Government Code.

2. *Expenditure of the funds related to the
reorganization of the Business, Consumer
Services, and Housing Agency is contingent upon
Governor's Reorganization Plan No. 1 of 2025
taking effect.*

SEC. 67. *Item 1111-001-0777 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-001-0777—For support of Veterinary Medical Board,
payable from the Veterinary Medical Board Contingent Fund
..... ~~9,215,000~~
9,218,000

Schedule:

(1) 1235-California Veterinary Medical
Board ~~9,241,000~~
9,244,000

(2) Reimbursements to 1235-California
Veterinary Medical Board
..... -26,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.*

SEC. 68. *Item 1111-001-0779 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-001-0779—For support of Board of Vocational Nursing and Psychiatric Technicians of the State of California, payable from the Vocational Nursing and Psychiatric Technicians Fund

.....	18,702,000
	18,707,000

Schedule:

- (1) 1240019-Board of Vocational Nursing and Psychiatric Technicians
.....

	19,076,000
	19,081,000
- (2) Reimbursements to 1240019-Board of Vocational Nursing and Psychiatric Technicians
.....

	-374,000
--	----------

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.*

SEC. 69. *Item 1111-001-3017 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-001-3017—For support of California Board of Occupational Therapy, payable from the Occupational Therapy Fund

3,285,000

Schedule:

- (1) 1190-California Board of Occupational Therapy
.....

	3,307,000
--	-----------
- (2) Reimbursements to 1190-California Board of Occupational Therapy
.....

	-22,000
--	---------

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon*

SEC. 70. Item 1111-001-3140 of Section 2.00 of the Budget Act of 2025 is amended to read:

1111-001-3140—For support of Dental Hygiene Board of
California, payable from the State Dental Hygiene Fund
..... ~~2,974,000~~
2,975,000

Schedule:

- (1) 1140-Dental Hygiene Board of
California ~~2,980,000~~
2,981,000
- (2) Reimbursements to 1140-Dental
Hygiene Board of California
..... -6,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. Of the amount appropriated in this item, \$264,000 is in lieu of the appropriation provided for operating expenses necessary to manage the dental hygiene licensing examination pursuant to Section 109 of Chapter 307 of the Statutes of 2009.

SEC. 71. Item 1111-002-0239 of Section 2.00 of the Budget Act of 2025 is amended to read:

1111-002-0239—For support of Bureau of Security and
Investigative Services, Department of Consumer Affairs,
payable from the Private Security Services Fund ~~19,262,000~~
19,271,000

Schedule:

- (1) 1405019-Bureau of Security and
Investigative Services, Private
Security Services Program—
Support ~~19,770,000~~
19,787,000
- (2) Reimbursements to 1405019-
Bureau of Security and Investigative
Services, Private Security Services
Program—Support -516,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.*

SEC. 72. Item 1111-002-0305 of Section 2.00 of the Budget Act of 2025 is amended to read:

1111-002-0305—For support of Bureau for Private
Postsecondary Education, Department of Consumer Affairs, ~~17,577,000~~
17,455,000

payable from the Private Postsecondary ~~and Vocation~~
Education Administration Fund

Schedule:

- | | | |
|-----|---|-------------------------------------|
| (1) | 1410013-Bureau for Private
Postsecondary Education
..... | 17,578,000
17,456,000 |
| (2) | Reimbursements to 1410013-
Bureau for Private Postsecondary
Education | -1,000 |

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. *Notwithstanding any other law, the Department of Finance may augment this item, not sooner than 10 days after notification of the necessity in writing to the chairpersons of the budget committees of both houses of the Legislature and the Joint Legislative Budget Committee, in response to increased legal costs and expenses.*
3. *Notwithstanding any other law, any loan to the Private Postsecondary Education Administration Fund authorized by the Director of Consumer Affairs pursuant to Section 14.00 shall not be subject to paragraph (2) of subdivision (a) of Section 14.00 and shall be repaid by June 30, 2032, with interest calculated at the rate earned by the Pooled Money Investment Account at the time of loan.*
4. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.*

SEC. 73. *Item 1111-002-0400 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-002-0400—For support of Bureau of Real Estate Appraisers, Department of Consumer Affairs, payable from the Real Estate Appraisers Regulation Fund ~~6,230,000~~
6,209,000

Schedule:

- | | | |
|-----|--|-----------------------------------|
| (1) | 1441010-Bureau of Real Estate
Appraisers—Support
..... | 6,310,000
6,289,000 |
| (2) | Reimbursements to 1441010-
Bureau of Real Estate Appraisers—
Support | -80,000 |

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

2. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.*

SEC. 74. *Item 1111-002-0421 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-002-0421—For support of Bureau of Automotive Repair,
Department of Consumer Affairs, payable from the Vehicle
Inspection and Repair Fund ~~133,682,000~~
133,721,000

Schedule:

- (1) 1420025-Automotive Repair and
Smog Check Programs—Support
..... ~~133,871,000~~
133,910,000
- (2) 1420013-Automotive Repair and
Smog Check Programs—Distributed
..... -71,000
- (3) Reimbursements to 1420025-
Automotive Repair and Smog Check
Programs—Support -118,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.*

SEC. 75. *Item 1111-002-0582 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-002-0582—For support of Bureau of Automotive Repair,
Department of Consumer Affairs, payable from the High Polluter
Repair or Removal Account ~~51,513,000~~
51,517,000

Schedule:

- (1) 1420033-HPRR—Vehicle Repair
Assistance 2,786,000
- (2) 1420037-HPRR—Vehicle
Retirement 38,723,000
- (3) 1420041-HPRR—Program
Administration ~~10,004,000~~
10,008,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. Notwithstanding Section 26.00, the Department of Finance may authorize transfers among and between Schedules (1) and (2). Any transfer made pursuant to this provision shall be reported in writing to the chairpersons of the fiscal committees

of each house of the Legislature and the
Chairperson of the Joint Legislative Budget
Committee within 30 days of the date of the
transfer.

3. *Expenditure of the funds related to the
reorganization of the Business, Consumer
Services, and Housing Agency is contingent upon
Governor's Reorganization Plan No. 1 of 2025
taking effect.*

SEC. 76. *Item 1111-002-0702 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-002-0702—For support of Department of Consumer
Affairs, payable from the Consumer Affairs Fund 0

Schedule:

(1)	1425041-Division of Investigation	43,442,000
(2)	1425045-DCA Workers Compensation	4,263,000
(3)	1425049-Consumer and Client Services Division	101,308,000 101,239,000
(4)	1426041-Distributed Division of Investigation	-43,442,000
(5)	1426045-Distributed DCA Workers Compensation	-4,263,000
(6)	1426049-Distributed Consumer and Client Services Division	-99,627,000 -99,558,000
(7)	Reimbursements to 1425049- Consumer and Client Services Division	-1,681,000

Provisions:

1. The amount appropriated in this item may include
revenues derived from the assessment of fines and
penalties imposed as specified in Section 13332.18
of the Government Code.
2. The Director of the Department of Consumer
Affairs shall report progress on the Release 3
entities' transition to a new licensing technology
platform to the appropriate committees of the
Legislature by December 31 of each year. Progress
reports shall include updated plans and timelines
for completing: (a) business process
documentation; (b) cost-benefit analyses of IT
options; (c) IT system development and
implementation; (d) any other relevant steps
needed to meet the IT needs of the Release 3
entities; and (e) other information as the
Legislature may request.

SEC. 77. *Item 1111-002-0717 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-002-0717—For support of Cemetery and Funeral Bureau,
Department of Consumer Affairs, payable from the Cemetery
and Funeral Fund, Professions and Vocations Fund
.....
6,914,000
6,915,000

Schedule:

- | | | |
|-----|---|-----------------------------------|
| (1) | 1435019-Cemetery and Funeral Bureau | 7,045,000
7,046,000 |
| (2) | Reimbursements to 1435019-Cemetery and Funeral Bureau | -131,000 |

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.*

SEC. 78. *Item 1111-002-3122 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-002-3122—For support of Bureau of Automotive Repair, Department of Consumer Affairs, payable from the Enhanced Fleet Modernization Subaccount in the High Polluter Repair or Removal Account ~~30,638,000~~
30,639,000

Schedule:

- | | | |
|-----|---|-----------------------------------|
| (1) | 1420049-EFMP—Off-Cycle Vehicle Retirement | 29,500,000 |
| (2) | 1420057-EFMP—Program Administration | 1,138,000
1,139,000 |

Provisions:

1. Notwithstanding any other law, upon request of the Department of Consumer Affairs, the Department of Finance may augment the amount available for expenditure to pay for additional off-cycle retirements. The augmentation may be made no sooner than 30 days after notification in writing to the chairpersons of the committees in each house of the Legislature that consider appropriations and the Chairperson of the Joint Legislative Budget Committee, or no sooner than whatever lesser time the chairperson of the joint committee may in each instance determine. The amount of funds augmented shall be consistent with actual program participation and available revenues in the Enhanced Fleet Modernization Subaccount.

SEC. 79. *Item 1111-002-3438 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1111-002-3438—For support of Bureau of Household Goods and Services, payable from the Household Goods and Services Fund, Professions and Vocations Fund ~~13,654,000~~
13,659,000

Schedule:

- | | | |
|-----|--|-------------------------------------|
| (1) | 1415040-Bureau of Household Goods and Services—Support | 13,672,000
13,677,000 |
|-----|--|-------------------------------------|

- (2) Reimbursements to 1415040-
Bureau of Household Goods and
Services—Support -18,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. *Expenditure of the funds related to the reorganization of the Business, Consumer Services, and Housing Agency is contingent upon Governor's Reorganization Plan No. 1 of 2025 taking effect.*

SEC. 80. *Item 1115-001-3288 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1115-001-3288—For support of Department of Cannabis
Control, payable from the Cannabis Control Fund
..... ~~159,009,000~~
102,682,000

Schedule:

- (1) 1460010-Department of Cannabis
Control—Support ~~159,463,000~~
103,136,000
- (2) Reimbursements to 1460010-
Department of Cannabis Control—
Support -454,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
- ~~2. The Department of Finance may augment this item by an amount not to exceed available funding in the Cannabis Control Fund, after review of a request submitted by the Department of Cannabis Control that demonstrates a need for additional resources for proprietary plant and package tags for the California Cannabis Track and Trace program associated with the implementation of the Medicinal and Adult-Use Cannabis Regulation and Safety Act (Division 10 (commencing with Section 26000) of the Business and Professions Code). Any augmentation shall be authorized not sooner than 30 days after notification in writing to the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson, or their designee, may determine. The written notification to the chairperson for funds for proprietary plant and package tags shall include the total costs needed and a description of the impacts and factors creating the need for additional funds.~~
4. Of the amount appropriated in Schedule (1), up to \$4,100,000 is available for expenditure for Office of Administrative Hearings costs.
6. The Department of Finance may augment this item by an amount not to exceed available funding in the Cannabis Control Fund, after review of a

request submitted by the Department of Cannabis Control that demonstrates a need for additional resources for litigation and administrative hearings associated with the implementation of the Medicinal and Adult-Use Cannabis Regulation and Safety Act (Division 10 (commencing with Section 26000) of the Business and Professions Code). Any augmentation shall be authorized not sooner than 30 days after notification in writing to the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson, or their designee, may determine. The written notification to the chairperson for funds for litigation and administrative hearing costs shall include the total costs needed and a description of the impacts and factors creating the need for additional funds.

7. Of the funds appropriated in Schedule (1) of this item, \$568,000 is to reimburse the State Department of Public Health for lease-revenue bond base rental payments associated with the Department of Cannabis Control's occupancy in the State Department of Public Health's Richmond Laboratory. The Controller shall transfer funds appropriated in Schedule (1) of this item to the State Department of Public Health, in the amount shown in this provision as and when provided in the schedule submitted by the State Public Works Board.

SEC. 81. *Item 1701-001-3363 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1701-001-3363—For support of Department of Financial Protection and Innovation, payable from the Financial Protection Fund

161,300,000

Schedule:

(1)	1510-Investment Program	43,638,000
(2)	1515-Lender-Fiduciary Program	36,113,000
(3)	1520-Licensing and Supervision of Banks and Trust Companies	36,476,000
(4)	1525-Money Transmitters	7,042,000
(5)	1556-California Consumer Financial Protection	14,463,000
(6)	1557-Debt Collectors	12,975,000
(7)	1558-Digital Financial Assets	11,493,000
(8)	Reimbursements to 1520-Licensing and Supervision of Banks and Trust Companies	-900,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

2. The Department of Financial Protection and Innovation shall submit an annual report to the Department of Finance and to the Legislature on January 10 with the new release of the Governor's Budget each year beginning in 2016. This report shall include, as part of the Broker-Dealer and Investment Adviser Program, the number of positions authorized and filled, the number and share of licensees examined, results and outcomes of those examinations, and estimated staffing levels required to achieve targeted examination cycles for licensees under this program.
3. On or before March 1, 2026, and annually thereafter, the commissioner shall report to the Joint Legislative Budget Committee, the Senate Banking and Financial Institutions Committee, and the Assembly Banking and Finance Committee the projected and actual revenues and expenditures, including ~~months in reserve~~ *the difference between revenues and expenditures* for the immediately preceding fiscal year for each of the following subprograms administered by the Department of Financial Protection and Innovation: 1) Broker-Dealers and Investment Advisers, 2) Franchise Investments, 3) Mortgage Bankers, 4) California Finance Lenders, 5) Escrow, 6) Deferred Deposit Transactions, 7) Banks, 8) Money Transmitters, 9) ~~California Consumer Financial Protection~~, *New Covered Persons*, 10) Debt Collectors, and 11) Digital Financial Assets programs. Where applicable, the projected and actual revenues reported shall be categorized and reported as exam or non-exam revenues. The first report required for the Digital Financial Assets Law subprogram shall be submitted on or before ~~January 1, 2027~~, *February 1, 2027, and subsequent reports will be provided by March 1 of that year.*
4. ~~The~~ *On or before February 1, 2026, the* Department of Financial Protection and Innovation shall provide written updates to the Joint Legislative Budget Committee, the Senate Banking and Financial Institutions Committee, and the Assembly Banking and Finance Committee, no later than six months after the effective date of any fee or assessment adjustment enacted pursuant to this act. Each update shall include, for each affected subprogram, prior year, current year, budget year, and budget year plus one: 1) ~~cash balance and fund balance~~, 2) *expenditure levels*, ~~2)~~ *3) an assessment of whether the adjustment is projected to restore or maintain fund solvency, and* ~~3) months in reserve~~, *4) the difference between revenues and expenditures*. The written updates may be provided in summary format and shall be intended to inform the Legislature's oversight of fund stability and assist in evaluating the need for further budgetary or statutory adjustments. To the extent authorized by any existing licensing law, the Department of Financial Protection and Innovation shall issue and collect assessments and charges on a pro rata basis to recover the actual costs of administering the licensing law.

1703-001-0001—For support of the California Privacy
Protection Agency 12,290,000

Schedule:

- (1) 1600-Administration of the California
~~Consumer~~ Privacy ~~Protection~~ Act
..... 12,290,000

Provisions:

1. Pursuant to subdivision (a) of Section 1798.199.95 of the Civil Code, the amount appropriated to the California Privacy Protection Agency is to be adjusted annually for cost-of-living changes to support its operations. To calculate the cost-of-living changes, the agency is to use the Consumer Price Index (CPI)—California, All Items, All Urban Consumers, Percentage change from the previous year report, published by the California Department of Industrial Relations, Office of the Director—Research, and determine the percentage change in the CPI from August of the current year to August of the previous year and apply it to the previous year's final appropriation. The agency shall submit an expenditure plan to the Department of Finance that also includes the CPI calculation.

SEC. 83. *Item 1703-001-3372 of Section 2.00 of the Budget Act of 2025 is amended to read:*

1703-001-3372—For support of the California Privacy
Protection Agency, payable from the Data Brokers' Registry
Fund 3,080,000

Schedule:

- (1) 1600-Administration of the California
~~Consumer~~ Privacy ~~Protection~~ Act
..... 3,080,000

SEC. 84. *Item 2240-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

2240-001-0001—For support of Department of Housing and
Community Development 50,530,000

Schedule:

- (1) 1660-Codes and Standards
Program 1,724,000
- (2) 1665-Financial Assistance Program
..... 20,022,000
- (3) 1670-Housing Policy Development
Program 28,784,000

Provisions:

1. Of the amount available in Schedule (3), \$1,440,000 shall be made available for payment of legal services provided by the Department of Justice.
2. Of the amount appropriated in Schedule 3, \$2,400,000 is for the California Surplus Land Unit pursuant to Section 54902 of the Health and Safety Code.
- ~~3. It is the intent of the Legislature to appropriate \$500,000,000 for a Round 7 of the Homeless Housing Assistance and Prevention (HHAP) program in 2026–27 by formula funding to cities;~~

~~counties, continuums of care, and tribes, with
prompt distribution to eligible recipients.~~

SEC. 85. Item 2240-107-0001 is added to Section 2.00 of the Budget Act of 2025, to read:

2240-107-0001—For local assistance, Department of Housing
and Community Development 3,000,000

Schedule:

(1) 1665-Financial Assistance Program
..... 3,000,000

Provisions:

1. Of the amount appropriated in this item,
\$3,000,000 shall be available to the San Benito
High School District for workforce housing project
infrastructure.

SEC. 86. Item 2240-120-0001 is added to Section 2.00 of the Budget Act of 2025, to read:

2240-120-0001—For local assistance, Department of Housing
and Community Development 100,000,000

Schedule:

(1) 1670-Housing Policy Development
Program 100,000,000

Provisions:

1. The amount appropriated in this item is available
to provide grants to address encampments for
persons experiencing homelessness, in
accordance with applicable laws. Of the amount
appropriated in this item, up to 5 percent shall be
allocated to the Department of Housing and
Community Development to fund the support and
administration of resolving critical encampments
and transition individuals into permanent housing.
The amount appropriated in this item and any
amount allocated to the Department of Housing
and Community Development shall be available for
encumbrance or expenditure until June 30, 2030.
2. Of the amount appropriated in this item, up to 50
percent of the funds shall be reserved for local
jurisdictions with projects that address
encampments on state right-of-ways, as defined in
Section 50250 of the Health and Safety Code, and
that meet priority criteria established by the
Department of Housing and Community
Development, in consultation with the Department
of Transportation. Upon a date specified by the
Department of Housing and Community
Development, if a local jurisdiction that is eligible
for funding pursuant to this provision does not
apply to the Department of Housing and
Community Development by the date established,
the applicable continuum of care in the local
jurisdiction's region shall be eligible for such funds.
The department shall administer these funds
pursuant to subdivisions (a), (b), (d), and (e) of
Section 50251, and Section 50254, of the Health
and Safety Code.

SEC. 87. Item 2660-001-0042 of Section 2.00 of the Budget Act of 2025 is amended to read:

2660-001-0042—For support of Department of Transportation,
payable from the State Highway Account, State Transportation
Fund

~~3,692,476,000~~

3,609,319,000

Schedule:

(1)	1830019-Aeronautics	445,000
(2)	1835010-Capital Outlay Support	919,704,000 918,726,000
(3)	1835020-Local Assistance	61,815,000 61,798,000
(4)	1835029-Program Development	50,016,000 49,990,000
(5)	1835038-Legal	154,607,000 154,679,000
(6)	1835047-Operations	262,752,000 271,854,000
(7)	1835056-Maintenance	1,507,892,000 1,414,411,000
(8)	1840019-State and Federal Mass Transit	2,461,000
(9)	1840028-Intercity Rail Passenger Program	1,404,000
(10)	1845013-Statewide Planning	89,447,000
(11)	1870-Office of Inspector General	16,474,000
(12)	9900100-Administration	463,855,000 467,053,000
(13)	1850010-Equipment Service Program	516,541,000
(14)	Reimbursements to 1835010- Capital Outlay Support	-256,723,000
(15)	Reimbursements to 1835020-Local Assistance	-1,494,000
(16)	Reimbursements to 1835029- Program Development	-860,000
(17)	Reimbursements to 1835038-Legal	-4,088,000
(18)	Reimbursements to 1835047- Operations	-6,718,000 -7,585,000
(19)	Reimbursements to 1835056- Maintenance	-44,303,000
(20)	Reimbursements to 1845013- Statewide Planning	-5,392,000

(21) Reimbursements to 9900100-
Administration -35,519,000

Provisions:

1. Notwithstanding any other law, funds appropriated in this item from the State Highway Account may be reduced and replaced by an equivalent amount of federal funds determined by the Department of Transportation to be available and necessary to comply with Section 8.50 and the most effective management of state transportation resources. Not more than 30 days after replacing the state funds with federal funds, the Director of Finance shall notify in writing the chairpersons of the committees in each house of the Legislature that consider appropriations and the Chairperson of the Joint Legislative Budget Committee of this action.
2. Notwithstanding any other law, funds appropriated in this item may be supplemented with federal funding appropriation authority and with prior fiscal year State Highway Account appropriation balances at a level determined by the Department of Transportation as required to process claims utilizing federal advance construction through the plan of financial adjustment process pursuant to Sections 11251 and 16365 of the Government Code.
3. Notwithstanding any other law, funds appropriated in Program 9900100-Administration may be reduced and replaced by an equivalent amount of reimbursements determined by the Department of Transportation to be available and necessary to comply with Section 28.50 and the most effective management of state transportation resources. The reimbursements may also be reduced and replaced by an equivalent amount of funds from the State Highway Account. Not more than 30 days after replacing the State Highway Account funds with reimbursements and vice versa, the Director of Finance shall notify in writing the chairpersons of the committees in each house of the Legislature that consider appropriations and the Chairperson of the Joint Legislative Budget Committee of this action.
4. Of the funds appropriated in Program 1835056-Maintenance, at least \$234,000,000 is for major maintenance contracts for the preservation of highway pavement, and shall not be used to supplant any other funding that would have been used for major pavement maintenance.
5. Notwithstanding any other law, of the funds appropriated in Program 1835038-Legal, \$75,556,000 is for the payment of tort lawsuit costs, claims, and awards and may be augmented by up to \$20,000,000. Any funds for that purpose that are not needed as of April 1 in any given year, may revert to the originating fund source. The Department of Finance shall authorize the transfers not sooner than 30 days after notification of the necessity therefor in writing to the chairpersons of the committees in each house of the Legislature that consider appropriations and the Chairperson of the Joint Legislative Budget Committee.
6. The Department of Finance may augment the amount appropriated in Program 1835047-

Operations, by up to \$2,000,000 for the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.) consultant contracts if the number of access requests and grievances exceeds the Department of Transportation's projections. The Department of Finance shall authorize the augmentation not sooner than 30 days after notification of the necessity therefor in writing to the chairpersons of the committees in each house of the Legislature that consider appropriations and the Chairperson of the Joint Legislative Budget Committee.

7. Of the funds appropriated in Program 1845013-Statewide Planning, the Department of Transportation shall exempt project initiation document development and oversight services reimbursed from local government agencies from full cost recovery as outlined in its Indirect Cost Recovery Plan.
8. The Department of Transportation shall streamline the cooperative work agreement process related to project initiation document development and oversight to reduce costs to local agencies.
9. The Department of Finance may augment the amount appropriated in Schedule (16) by up to \$900,000 for additional reimbursements from the High-Speed Rail Authority for the review and approval of environmental and engineering documents regarding circumstances in which the high-speed train system interfaces with the state highway system, as well as specific highway realignment projects related to the high-speed train system.
10. The Department of Transportation shall exempt the High-Speed Rail Authority from full cost recovery as outlined in its Indirect Cost Recovery Plan. The Department of Transportation shall charge the High-Speed Rail Authority for functional overhead.
11. The Department of Transportation shall provide data related to its 2025–26 fiscal year Capital Outlay Support budget request on January 10, ~~2025~~. 2026.
12. Of the funds appropriated in Program 1835010-Capital Outlay Support, ~~\$470,935,000~~ \$456,461,000 is for overhead and corporate resources in support of the Capital Outlay Support Program. This amount may be adjusted pursuant to the provisions of Section 3.60 or provisions of Items 9800-001-0001, 9800-001-0494, or 9800-001-0988 with the concurrence of the Department of Finance. The Department of Transportation shall provide quarterly reports, to the Department of Finance, of actual expenditures for overhead and corporate resources beginning October 1, 2015. In addition, the Department of Transportation, in conjunction with the Department of Finance, shall review the overhead and corporate components of the Capital Outlay Support Program. Results associated with this review shall be included in the 2025–26 fiscal year annual May Revision Finance Letter.
13. Of the funds appropriated in Program 1835010-Capital Outlay Support, the Department of Transportation shall exempt Local SB 45 STIP

Projects deprogrammed from the 2016 STIP from the full cost recovery as outlined in its Indirect Cost Recovery Plan if local agencies continue those projects with other funds. The Department of Transportation shall not charge for administrative overhead for the portion of the project's funding that was originally planned to come from the STIP before the project was deprogrammed.

14. Notwithstanding any other law, if the California Transportation Commission reprograms projects removed from the 2016 STIP, the Director of Finance may increase the expenditure authority for additional staffing for Program 1835010-Capital Outlay Support to support the reprogrammed projects not sooner than 30 days after notification in writing is made to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the committees in each house of the Legislature that consider appropriations and the State Budget. The notification shall include a list of the reprogrammed projects and the additional staffing required for each project.
15. Notwithstanding any other law, funds may be transferred intraschedule between Schedule (8) 1840019-State and Federal Mass Transit and Schedule (9) 1840028-Intercity Passenger Rail Program. Any transfer requires the prior approval of the Department of Finance.
16. For Program 1835010-Capital Outlay Support, appropriations include funding and expenditure authority for full-time equivalent staff at an average annual labor rate of \$287,000, totaling \$338,331,000 for project direct external consultant and professional services related to project delivery.
17. For Program 1835010-Capital Outlay Support, appropriations include funding and expenditure authority for state positions and personal services cash overtime totaling ~~\$2,016,344,000~~ **\$1,943,974,000** in the program in the ~~2024-25~~ **2025-26** fiscal year.
18. Any funding from this item used to replace and modernize the Department of Transportation's fleet shall prioritize spending on zero-emission vehicles whenever feasible, and when not feasible, prioritize vehicles with the lowest emissions.
19. The Department of Finance may augment the amount appropriated in Schedule (13) to align the department's budget with actual vehicle insurance costs per the State Motor Vehicle Insurance Account Assessment Memo issued by the Department of General Services.
20. Of the funds appropriated in Schedule (13) of this item, \$2,725,000 shall be available for encumbrance or expenditure until June 30, 2028, and liquidation until June 30, 2030.

SEC. 88. *Item 2660-101-0001 is added to Section 2.00 of the Budget Act of 2025, to read:*

*2660-101-0001—For local assistance, Department of
Transportation 4,000,000*

Schedule:

(1) 1835020-Local Assistance
..... 4,000,000

Provisions:

1. Funds appropriated in this item shall be available to the Sonoma-Marín Area Rail Transit District for freight rail operations and capital, and deferred maintenance.

SEC. 89. Item 2660-108-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:

2660-108-0001—For local assistance, Department of Transportation, Active Transportation Program (ATP)
..... 100,000,000

Schedule:

(1) 1835020-Local Assistance
..... 100,000,000

Provisions:

1. Funds appropriated in this item shall be available for allocation by the California Transportation Commission until June 30, 2027, and available for encumbrance and liquidation until June 30, 2030.

SEC. 90. Item 2720-002-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:

2720-002-0001—For support of Department of the California Highway Patrol ~~3,000,000~~
5,000,000

Schedule:

(1) 2050-Traffic Management
..... ~~3,000,000~~
5,000,000

Provisions:

1. Of the amount appropriated in Schedule (1), up to ~~\$3,000,000~~ \$5,000,000 shall be for use by the California Highway Patrol Computer Crimes Investigation Unit for investigations related to child sexual abuse material and human trafficking. The Computer Crimes Investigation Unit may use these resources to join or otherwise collaborate with other entities investigating similar crimes, including, but not limited to, California Internet Crimes Against Children task forces. The unit shall coordinate its activities with other such entities for the purposes of deconflicting and minimizing unnecessary duplication of effort.

SEC. 91. Item 2720-002-0044 is added to Section 2.00 of the Budget Act of 2025, to read:

2720-002-0044—For support of Department of the California Highway Patrol, payable from the Motor Vehicle Account, State Transportation Fund 4,909,000

Schedule:

(1) 2050-Traffic Management
..... 4,909,000

SEC. 92. Item 3100-490 is added to Section 2.00 of the Budget Act of 2025, to read:

3100-490—Reappropriation, Exposition Park. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2033:

0660—Public Buildings Construction Fund

- (1) Item 3100-301-0660, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023)

- (1) 0010290-South East Underground Parking Structure

- (a) Performance criteria

- (2) Item 3100-301-0660, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024)

- (1) 0010290-South East Underground Parking Structure

- (a) Design-build

Provisions:

1. Notwithstanding any other law, the South East Underground Parking Structure project for which the State Public Works Board is authorized to issue bonds pursuant to the appropriations reappropriated in this item includes the removal and replacement of signage on or near the Project site, and the acquisition of real property rights and rights related to the use of real property. Such rights may be acquired through the use of eminent domain pursuant to the Property Acquisition Law (Part 11 (commencing with Section 15850) of Division 3 of Title 2 of the Government Code).
2. The amounts reappropriated by this item, including funds derived from any interim loans taken out pursuant to Item 3100-301-0660 of the Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023) for purposes of performance criteria, may also be used for acquisition.
3. This item shall not be construed as increasing the total amounts appropriated in Item 3100-301-0660 of the Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023) and Item 3100-301-0660 of the Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).

SEC. 93. Item 3125-001-6093 is added to Section 2.00 of the Budget Act of 2025, to read:

3125-001-6093—For support of California Tahoe Conservancy, payable from the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Fund 150,000

Schedule:

- (1) 2340-Tahoe Conservancy 150,000

Provisions:

1. The amount appropriated in this item shall be exempt from any applicable law requiring competitive bidding or the supervision or approval of another department or agency of state government, with the exception of the Department of General Services, for the procurement of or contracting with vendors for work authorized in

SEC. 94. *Item 3340-491 of Section 2.00 of the Budget Act of 2025 is amended to read:*

3340-491—Reappropriation, California Conservation Corps.
Unless otherwise specified, the balances of the
appropriations provided in the following citations are
reappropriated for the purposes provided for in those
appropriations and shall be available for encumbrance or
expenditure until June 30, 2026:

0001—General Fund

- (1) Up to ~~\$2,600,000~~ **\$2,900,000** of the funding
transferred to the California Conservation Corps
by Executive Order E 23/24 – 47 pursuant to
Provisions 3 and 6 of Item 0540-101-0001,
Budget Act of 2022 (Chs. 43, 45, and 249, Stats.
2022)

6088—California Drought, Water, Parks, Climate,
Coastal Protection, and Outdoor Access For All Fund

- (1) Item 3340-001-6088, Budget Act of 2019 (Chs.
23 and 55, Stats. 2019) as reappropriated via
Control Section 20.00, Budget Act of 2022 (Chs.
43, 45, and 249, Stats. 2022)
- (2) Item 3340-001-6088, Budget Act of 2021 (Chs.
21, 69, and 240, Stats. 2021), as reappropriated
by Item 3340-490, Budget Act of 2022 (Chs. 43,
45, and 249 Stats. 2022)
- (3) Item 3340-101-6088, Budget Act of 2019 (Chs.
23 and 55, Stats. 2019), as reappropriated via
Control Section 20.00, Budget Act of 2022 (Chs.
43, 45, and 249 Stats. 2022)

SEC. 95. *Item 3480-492 of Section 2.00 of the Budget Act of 2025 is amended to read:*

3480-492—Reappropriation, Department of Conservation.
The amounts specified in the following citations are
reappropriated for the purposes provided for in those
appropriations and shall be available for encumbrance or
~~expenditure until June 30:~~ **expenditure, as specified below:**

0001—General Fund

- (1) Up to \$997,000 of the amount transferred by
Executive Order E 22/23 - 102 pursuant to
Provision 3 of Item 3480-101-0001, Budget Act
of 2022 (Chs. 43, 45, and 249, Stats. 2022) **until
June 30, 2026.**
- (2) **Up to \$210,000 of the amount transferred by
Executive Order E 22/23 - 103 pursuant to
Provision 4 of Item 3480-103-0001, Budget Act
of 2022 (Chs. 43, 45, and 249, Stats. 2022) until
June 30, 2027.**
- (3) **Up to \$50,000 of the amount appropriated in
Item 3480-103-0001, Budget Act of 2022 (Chs.
43, 45, and 249, Stats. 2022) until June 30,
2027.**

SEC. 96. *Item 3540-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

3540-001-0001—For support of Department of Forestry and Fire
Protection

~~2,088,497,000~~

1,396,397,000

Schedule:

(1)	2461-Office of the State Fire Marshal	46,118,000 36,618,000
(2)	2465-Fire Protection	2,996,035,000 2,105,851,000
(3)	2470-Resource Management	21,268,000
(4)	2475-Board of Forestry and Fire Protection	370,000
(5)	2480-Department of Justice Legal Services	6,828,000
(6)	9900100-Administration	215,314,000
(7)	9900200-Administration—Distributed	-214,944,000
(8)	Reimbursements to 2461-Office of the State Fire Marshal	-25,567,000
(9)	Reimbursements to 2465-Fire Protection	-954,979,000 -747,395,000
(10)	Reimbursements to 2470-Resource Management	-1,576,000
(11)	Reimbursements to 9900100-Administration	-370,000

Provisions:

1. Notwithstanding any other law, the Director of Finance may authorize the temporary or permanent redirection of funds from this item for purposes of emergency fire suppression and detection costs and related emergency revegetation costs.
2. Notwithstanding any other law, the Director of Finance may authorize a loan from the General Fund, in an amount not to exceed 45 percent of reimbursements appropriated in Schedule (9) of this item, to the Department of Forestry and Fire Protection, provided that:
 - (a) The loan is to meet cash needs resulting from the delay in receipt of reimbursements for services provided.
 - (b) The loan is for a short term and shall be repaid by November 15 of the fiscal year following that in which the loan was authorized.
 - (c) Interest charges may be waived pursuant to subdivision (e) of Section 16314 of the Government Code.
 - (d) Within 10 days after approval, the Director of Finance shall notify the Joint Legislative Budget Committee of the loan approved pursuant to this provision.

3. The Director of Finance may adjust amounts in Schedule (2) to provide equivalent fire protection base funding changes to contract counties in accordance with Section 4130 of the Public Resources Code.
4. Notwithstanding any other law, the funds appropriated in this item for purposes of Division 10.5 (commencing with Section 12200) of the Public Resources Code shall be available for purposes of support or capital outlay.
5. Notwithstanding any other law, the Director of Finance may adjust this item for the direct and indirect cost reimbursements received pursuant to Sections 4142 and 4144 of the Public Resources Code. Any increase shall occur no sooner than 30 days after notification in writing of the necessity of the increase to the Joint Legislative Budget Committee, or not sooner than whatever lesser time after notification the Chairperson of the Joint Legislative Budget Committee, or the Chairperson's designee, may in each instance determine.
6. Notwithstanding any other law, the Department of Forestry and Fire Protection may provide contractual services pursuant to Sections 4142 and 4144 of the Public Resources Code without an executed agreement from July to September of each fiscal year to better align contract start times with the budget process and to finalize staff benefit rates that are dependent upon actions by the Public Employees' Retirement System and passage of the annual Budget Act.
7. Notwithstanding any other law or administrative procedure, the Department of Forestry and Fire Protection may amend its pilot and mechanic contract, along with its parts contract, for both scope changes and contracted amounts to address unanticipated workload resulting from higher than anticipated demand for these contracted services. The Department of Finance may augment this item and authorize expenditures in excess of the amounts appropriated in this item no sooner than 30 days after providing notification in writing of the necessity therefor to the Chairperson of the committee in each house of the Legislature that considers appropriations, the Chairpersons of the committees and the appropriate subcommittees in each house of the Legislature that consider the budget, and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time after that notification the Chairperson of the joint committee, or the Chairperson's designee, may in each instance determine.
- ~~8.~~
9. Notwithstanding Section 28.00 of this act, upon request of the Department of Forestry and Fire Protection, the Department of Finance may adjust Schedules (2) and (9) of this item to reflect increases in reimbursements from non-state entities providing assistance-by-hire emergency fire suppression services. The Director of Finance may authorize expenditures in excess of the amount appropriated in this item after the receipt of the request from the

Department of Forestry and Fire Protection. Within 10 days of approval, the Department of Finance shall provide written notification of any such augmentation to the Chairpersons of the committees in each house of the Legislature that consider appropriations, the Chairpersons of the committees and the appropriate subcommittees of each house of the Legislature that consider the State Budget, and the Chairperson of the Joint Legislative Budget Committee.

~~10.~~

11. Of the amount appropriated in Schedule (2), \$2,250,000 shall be available for deferred maintenance and special repair projects at existing Department of Forestry and Fire Protection facilities to accommodate additional hand crews. These funds shall be available for encumbrance or expenditure until June 30, 2030.
12. Of the amount appropriated in Schedule (1), ~~\$12,500,000 shall be available for a community home hardening program that includes home hardening certification and a wildfire county coordinator program.~~ \$3,000,000 shall be available for a home hardening program, contingent upon passage of future legislation.
13. *Of the amount appropriated in Schedule (2), \$1,804,000 shall be exempt from any applicable law requiring competitive bidding or the supervision or approval of another department or agency of state government for the procurement of or contracting with vendors for logistical support, including, but not limited to, feeding, lodging, training, and the purchase of personal protective equipment for additional fire suppression staff hired for the implementation of the 66-hour workweek.*
14. *Of the amount appropriated in Schedule (2), \$39,000,000 shall be used to begin transitioning a portion of Firefighter I positions assigned to hand crews within the Department of Forestry and Fire Protection to a permanent firefighter employment classification. It is the intent of the Legislature to appropriate \$78,000,000 in 2026-27 and ongoing for this purpose.*
It is the intent of the Legislature to transition Firefighter I positions assigned to Engine Crews, Helitack, and Air Attack to a permanent firefighter employment classification, subject to enactment of future legislation and appropriation of necessary funding.

SEC. 97. *Item 3540-001-3228 of Section 2.00 of the Budget Act of 2025 is amended to read:*

3540-001-3228—For support of Department of Forestry and Fire Protection, payable from the Greenhouse Gas Reduction Fund

..... ~~500,000,000~~
1,000,000,000

Schedule:

- (1) 2465-Fire Protection ~~500,000,000~~
1,207,584,000
- (2) *Reimbursements to 2465-Fire Protection* -207,584,000

Provisions:

1. The Department of Finance may reduce the amount of this appropriation by any amount necessary if the actual amount of Cap-and-Invest auction proceeds receipts are lower than projected and it determines the Greenhouse Gas Reduction Fund balance is projected to be insufficient to support the full amount of this appropriation. The Department of Finance may also augment Item 3540-001-0001 by the same amount of any reduction to maintain full funding for the Department of Forestry and Fire Protection's fire protection ~~and resource management~~ operations. The Department of Finance may also establish any schedules in Item 3540-001-0001 that are necessary to facilitate any such augmentation. Any provisions of this item that are necessary to effectuate the purposes of any funding shifted from this item to Item 3540-001-0001 pursuant to this provision shall also apply to Item 3540-001-0001.
2. Notwithstanding any other law, upon the order of the Department of Finance, one or more loans, not to exceed a cumulative total of 75 percent of the amount appropriated in this item, shall be made available from the General Fund to the Greenhouse Gas Reduction Fund, to be transferred as needed to meet cash needs resulting from the delay in receipt of Cap-and-Invest auction proceeds. All moneys so transferred shall be repaid as soon as sufficient Cap-and-Invest auction proceeds have been collected to meet immediate cash needs, but not later than June 30 of the fiscal year in which the loan was authorized. Interest charges may be waived pursuant to subdivision (e) of Section 16314 of the Government Code.
3. Notwithstanding any other law, ~~the funds appropriated in this item for purposes of Division 10.5 (commencing with Section 12200) of the Public Resources Code shall be available for purposes of support or capital outlay.~~ *the Director of Finance may authorize a loan from the General Fund, in an amount not to exceed 45 percent of reimbursements appropriated in Schedule (2) of this item, to the Department of Forestry and Fire Protection, provided that:*
 - (a) *The loan is to meet cash needs resulting from the delay in receipt of reimbursements for services provided.*
 - (b) *The loan is for a short term and shall be repaid by November 15 of the fiscal year following that in which the loan was authorized.*
 - (c) *Interest charges may be waived pursuant to subdivision (e) of Section 16314 of the Government Code.*
 - (d) *Within 10 days after approval, the Director of Finance shall notify the Joint Legislative Budget Committee of the loan approved pursuant to this provision.*
4. Notwithstanding any other law or administrative procedure, the Department of Forestry and Fire Protection may amend its pilot and mechanic contract, along with its parts contract, for both scope changes and contracted amounts to address

unanticipated workload resulting from higher than anticipated demand for these contracted services. The Department of Finance may augment this item and authorize expenditures in excess of the amounts appropriated in this item no sooner than 30 days after providing notification in writing of the necessity therefor to the chairperson of the committee in each house of the Legislature that considers appropriations, the chairpersons of the committees and the appropriate subcommittees in each house of the Legislature that consider the State Budget, and the chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time after that notification the chairperson of the joint committee, or the chairperson's designee, may in each instance determine.

5. Of the amount appropriated in Schedule (1), ~~\$88,799,000~~ \$86,995,000 shall be exempt from any applicable law requiring competitive bidding or the supervision or approval of another department or agency of state government for the procurement of or contracting with vendors for logistical support, including, but not limited to, feeding, lodging, training, and the purchase of personal protective equipment for additional fire suppression staff hired for the implementation of the 66-hour workweek.
6. The funds appropriated in this item shall not be subject to the provisions of subdivision (b) of Section 15.14. The funds appropriated in this item are exempt from Sections 39712, 39715, and 39718 of the Health and Safety Code. Additionally, the funds appropriated in this item shall not be included in the calculation of funding appropriated from the Greenhouse Gas Reduction Fund for the purposes of Section 39713 of the Health and Safety Code.
7. *Notwithstanding Section 28.00 of this act, upon request of the Department of Forestry and Fire Protection, the Department of Finance may adjust Schedules (1) and (2) of this item to reflect increases in reimbursements from non-state entities providing assistance-by-hire emergency fire suppression services. The Director of Finance may authorize expenditures in excess of the amount appropriated in this item after the receipt of the request from the Department of Forestry and Fire Protection. Within 10 days of approval, the Department of Finance shall provide written notification of any such augmentation to the Chairpersons of the committees in each house of the Legislature that consider appropriations, the Chairpersons of the committees and the appropriate subcommittees of each house of the Legislature that consider the State Budget, and the Chairperson of the Joint Legislative Budget Committee.*
8. (a) *It is the intent of the Legislature and the Governor to appropriate the following amounts from the Greenhouse Gas Reduction Fund for the Department of Forestry and Fire Protection's fire protection activities if the General Fund is projected to be in a deficit: \$1,250,000,000 in the 2026–27 fiscal year, \$500,000,000 in the 2027–28 fiscal year, and \$500,000,000 in the 2028–29 fiscal year.*

(b) *It is the intent of the Legislature and the Governor to appropriate the following amount from the Greenhouse Gas Reduction Fund for the Department of Forestry and Fire Protection's fire protection activities if the General Fund is not projected to be in a deficit: \$500,000,000 in the 2026–27 fiscal year.*

SEC. 98. *Item 3540-006-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

3540-006-0001—For support of Department of Forestry and
Fire Protection ~~605,116,000~~
595,116,000

Schedule:

(1) 2465-Fire Protection ~~605,116,000~~
595,116,000

Provisions:

1. The funds appropriated in this item shall be available for emergency fire suppression and detection costs and related emergency revegetation costs and may be used for these purposes to reimburse the main support appropriation for the Department of Forestry and Fire Protection in Item 3540-001-0001. The funds shall be used only for situations where budgeted Department of Forestry and Fire Protection initial attack forces are unable to cope with a wildland fire emergency, for additional fire detection capability and prepositioning of resources during periods of high fire risk, or to respond to valid requests for mutual aid by another government authority. The funds may also be used on a reimbursable basis for assistance-by-hire for fire emergencies.
2. The Director of Forestry and Fire Protection shall provide quarterly reports on expenditures for emergency fire suppression and detection and related emergency revegetation activities to the Director of Finance, the Chairperson of the Joint Legislative Budget Committee, and the fiscal and appropriate policy committees of each house of the Legislature. The Director of Finance may authorize expenditures in excess of the amount appropriated in this item by an amount necessary to fund emergency fire suppression, detection, and prepositioning costs and related emergency revegetation costs. This authorization shall occur not sooner than 10 days after the receipt by the Legislature of the quarterly expenditure report from the Department of Forestry and Fire Protection, or not sooner than whatever lesser time the Chairperson of the joint committee, or the Chairperson's designee, may in each instance determine.
3. The Department of Forestry and Fire Protection is exempted from any applicable law requiring competitive bidding or the supervision or approval of another department or agency of state government for the procurement of or contracting with vendors for exclusive use aviation aircraft, up to an aggregate annual contractual amount of \$65,000,000, to meet emergency fire suppression operational needs as described in Provision 1 of

this item. Notwithstanding the foregoing, the department shall include information regarding contracts executed under this authority within the quarterly reports specified in Provision 2 of this item.

SEC. 99. *Item 3540-101-0001 is added to Section 2.00 of the Budget Act of 2025, to read:*

3540-101-0001—*For local assistance, Department of Forestry and Fire Protection 9,500,000*

Schedule:

(1) 2465-Fire Protection 9,500,000

Provisions:

1. *The funds appropriated in this item shall be available to the California Fire Safe Council for the Wildfire County Coordinator Program. County coordinators shall prioritize home hardening, defensible space, planning, and education for community-level wildfire mitigation efforts.*

SEC. 100. *Item 3540-491 of Section 2.00 of the Budget Act of 2025 is amended to read:*

3540-491—Reappropriation, Department of Forestry and Fire Protection. The amounts specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure, as specified below:

0001—General Fund

- (1) Up to \$2,629,000 of the amount appropriated in Schedule (3) of Item 3540-001-0001, per Provision 8 of that item, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), shall be available for encumbrance or expenditure until June 30, 2026.
- (2) Up to \$2,691,000 of the amount appropriated in Schedule (2) of Item 3540-001-0001, per Provision 9 of that item, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), shall be exempt from any applicable provision of law requiring competitive bidding and the supervision or approval of another department or agency of state government, with the exception of the Department of General Services, for the procurement of or contracting with vendors for the intended research project, and shall be available for encumbrance or expenditure until June 30, 2026, and for liquidation until June 30, 2029.
- (3) Up to \$10,945,000 of the amount appropriated in Schedule (2) of Item 3540-001-0001, per Provision 13 of that item, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) as reappropriated by Schedule (1) of Item 3540-491, Budget Act of 2024 (Chs. 22, 35, and 994, [Stats. 2024](#)), shall be available for encumbrance or expenditure until June 30, 2026.
- (4) Up to \$51,804,000 of the amount appropriated in Schedule (2) of Item 3540-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), shall be available for encumbrance or expenditure until June 30, 2027.

- (5) Up to \$50,900,000 of the amount appropriated in Schedule (2), per Provision 12 of Item 3540-001-0001, Budget Act of 2022 (Chs. 43, 45, and ~~249~~ 249, Stats. 2022), shall be available for encumbrance or expenditure until June 30, 2026.
- (6) Up to \$50,000 of the amount appropriated in Schedule (1) of Item 3540-102-0001, per Provision 1 of that item, Budget Act of 2022 (Chs. 43, 45, and ~~249~~ 249, Stats. 2022), shall be available for encumbrance or expenditure until June 30, 2027.
- (7) Up to \$2,149,000 of the funding transferred to the Department of Forestry and Fire Protection per paragraph (31) of subdivision (b) of Section 19.56, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), as reappropriated by Schedule (1) of Item 3540-494, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024), *and as partially reverted by Item 3540-496, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024)* shall be available for encumbrance or expenditure until June 30, 2027.

3228—Greenhouse Gas Reduction Fund

- (1) Up to \$6,075,000 of the amount appropriated in Schedule (1) of Item 3540-001-3228, per Provision 7 of that item, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018), as reappropriated by Schedule (5) of Item 3540-492, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), shall be available for encumbrance or expenditure until June 30, 2026.
- (2) Up to \$3,422,000 of the amount appropriated in Schedule (1) of Item 3540-001-3228, per Provision 4 of that item, Budget Act of 2019 (Chs. 23 and 55, Stats. 2019), as reappropriated by Schedule (8) of Item 3540-492, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), shall be available for encumbrance or expenditure until June 30, 2026.

SEC. 101. *Item 3540-492 of Section 2.00 of the Budget Act of 2025 is amended to read:*

3540-492—Reappropriation, Department of Forestry and Fire Protection. Notwithstanding any other law, the period to liquidate encumbrances of the following citations is extended as specified below:

0001—General Fund

- (1) Up to \$1,200,000 of the amount appropriated in Schedule (4) of Item 3540-001-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), shall be available for liquidation until June 30, 2027.
- (2) Up to \$316,000 of the amount appropriated in Schedule (2) of Item 3540-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), shall be available for liquidation until June 30, 2026.
- (3) Up to \$952,000 of the amount appropriated in Schedule (6) of Item 3540-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), shall be available for liquidation until June 30, 2026.

- (4) *Schedule (1) of Item 3540-102-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), shall be available for liquidation until June 30, 2028.*
- (5) *The funding transferred to the Department of Forestry and Fire Protection per Paragraph (31) of subdivision (b) of Section 19.56, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), as reappropriated by Schedule (1) of Item 3540-494, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024), and as partially reverted by Item 3540-496, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024), shall be available for liquidation until June 30, 2028.*

0209—California Hazardous Liquid Pipeline Safety Fund

- (1) Up to \$38,000 of the amount appropriated in Schedule (1) of Item 3540-001-0209, Budget Act of 2022 (Ch. 43, 45, and 249, Stats. 2022), shall be available for liquidation until June 30, 2026.

3228—Greenhouse Gas Reduction Fund

- (1) Up to \$163,000 of the amount appropriated in Schedule (1) of Item 3540-003-3228, Budget Act of 2019 (Chs. 23 and 55, Stats. 2019), as reappropriated by Schedule (7) of Item 3540-492, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), shall be available for liquidation until June 30, 2028.
- (2) Up to \$750,000 of the amount appropriated in Schedule (1) of Item 3540-001-3228, Budget Act of 2019 (Chs. 23 and 55, Stats. 2019), as reappropriated by Schedule (8) of Item 3540-492, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), shall be available for liquidation until June 30, 2028.

SEC. 102. *Item 3540-495 of Section 2.00 of the Budget Act of 2025 is amended to read:*

3540-495—Reversion, Department of Forestry and Fire Protection. As of June 30, 2025, the unencumbered balances of the appropriations provided in the following citations shall revert to the fund balances of the funds from which the appropriations were made.

0001—General Fund

- (1) \$500,000 of the amount appropriated in Item ~~3540-301-001~~, **3540-301-0001**, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020)
 - (1) 0000167-Bieber Forest Fire Station/Helitack Base: Relocate Facility
 - (a) Construction
 - (2) 0006678-Chico Air Attack Base: Infrastructure Improvements
 - (a) Working drawings
 - (3) 0006678-Chico Air Attack Base: Infrastructure Improvements
 - (a) Preliminary plans

- (2) \$2,960,000 of the amount appropriated in Item 3540-301-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021)
 - (1) 0003213-Alhambra Valley Fire Station: Relocate Facility
 - (a) Acquisition
 - (2) 0008424-Boggs Mountain Helitack Base: Relocate Facility
 - (a) Acquisition
 - (3) 0000176-Higgins Corner Fire Station: Replace Facility
 - (a) Preliminary plans
 - (4) 0008988-Riverside Unit Headquarters: Relocate Facility
 - (a) Acquisition
- (3) \$849,000 of the amount appropriated in Item 3540-301-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022)
 - (1) 0000167-Bieber Forest Fire Station/Helitack Base: Relocate Facility
 - (a) Construction
 - (2) 005020-Hemet-Ryan Air Attack Base: Replace Facility
 - (a) Construction
 - (3) 0006681-Howard Forest Helitack Base: Replace Facility
 - (a) Working drawings
 - (4) 0005016-Humboldt-Del Norte Unit Headquarters: Relocate Facility
 - (a) Working drawings
 - (5) 009702-Tehama Glenn Unit Headquarters: Relocate Facilities
 - (a) Acquisition
 - (6) 0008987-Columbia Helitack Base: Replace Facility
 - (a) Preliminary plans
 - (7) 0008990-North Lake Tahoe Fire Station: New Facility
 - (a) Acquisition
- (4) Item 3540-301-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023)
 - (1) 0000167-Bieber Forest Fire Station/Helitack Base: Relocate Facility
 - (2) 0011286-Additional CAL FIRE Training Center
 - (a) Acquisition
- (5) Item 3540-301-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024)
 - (1) 0011024-Hayfork Fire Station: Relocate Facility

- (a) Preliminary plans
- (2) 0011286-Additional CAL FIRE Training Center
 - (a) Acquisition
- (6) \$8,000 appropriated through an augmentation approved by the State Public Works Board at the board's December 13, 2019, meeting.
 - (1) Project 000176-Higgins Corner Fire Station: Replace Facility
 - (a) Acquisition
- 0660—Public Building Construction Fund
 - (1) \$62,000 appropriated through an augmentation approved by the State Public Works Board at the board's March 8, 2019, meeting.
 - (1) 000164-Altaville Forest Fire Station: Replace Automotive Shop
 - (a) Preliminary plans
 - (b) Working drawings
 - (c) Construction
 - (2) \$135,000 appropriated through an augmentation approved by the State Public Works Board at the board's July 12, 2019, meeting.
 - (1) 0000006-Academy: Construct Dormitory Building and Expand Mess Hall
 - (a) Preliminary plans
 - (b) Working drawings
 - (c) Construction
 - (3) \$938,000 appropriated through an augmentation approved by the State Public Works Board through delegated authority at the board's November 2019 meeting.
 - (1) 0000169-Butte Unit Fire Station/Unit Headquarters: Replace Facility
 - (a) Preliminary plans
 - (b) Working drawings
 - (c) Construction
 - (4) \$1,089,000 appropriated through an augmentation approved by the State Public Works Board through delegated authority at the board's July 13, 2020, and July 23, 2021, meetings.
 - (1) 0000165-Badger Forest Fire Station: Replace Facility
 - (c) Construction
 - (5) \$16,000 appropriated through an augmentation approved by the State Public Works Board at the board's October 14, 2016, meeting.
 - (1) 0000179-Las Posadas Forest Fire Station: Replace Facility
 - (b) Working drawings
 - (c) Construction

- (6) \$4,000 appropriated through an augmentation approved by the State Public Works Board at the board's June 14, 2019, meeting.
 - (1) Project 0000182-Parkfield Fire Station: Relocate Facility
 - (a) Acquisition
- (7) \$2,004,000 appropriated through an augmentation approved by the State Public Works Board at the board's May 17, 2021, and May 16, 2022, meetings.
 - (1) Project 0000189-San Mateo/Santa ~~Cruz~~ **Cruz** Unit Headquarters: Relocate Automotive Shop
 - (a) Construction

SEC. 103. *Item 3600-002-0001 is added to Section 2.00 of the Budget Act of 2025, to read:*

3600-002-0001—For support of Department of Fish and Wildlife 2,000,000

Schedule:

- (1) 2590-Biodiversity Conservation Program 2,000,000

Provisions:

- 1. *Notwithstanding Section 1501.6 of the Fish and Game Code, of the amount appropriated in this item, \$2,000,000 shall be available for the Wolf-Livestock Compensation Program.*

SEC. 104. *Item 3760-001-6093 is added to Section 2.00 of the Budget Act of 2025, to read:*

3760-001-6093—For support of State Coastal Conservancy, payable from the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Fund 261,000

Schedule:

- (1) 2790-Coastal Conservancy Programs 261,000

SEC. 105. *Item 3790-001-0516 of Section 2.00 of the Budget Act of 2025 is amended to read:*

3790-001-0516—For support of Department of Parks and Recreation, payable from the Harbors and Watercraft Revolving Fund 19,586,000

Schedule:

- (1) 2840-Support of the Department of Parks and Recreation 5,231,000
- (2) 2850-Division of Boating and Waterways 21,055,000
- (3) Reimbursements to 2850-Division of Boating and Waterways -6,700,000

Provisions:

- 1. ~~The Department of Parks and Recreation~~ **No later than January 10, 2027, the Administration** shall, in consultation with stakeholders ~~and staff of the relevant fiscal and policy committees of the Legislature, develop a proposal that includes a combination of fee increases, expenditure~~

~~reductions, and other actions~~ develop a comprehensive proposal designed to keep the Harbors and Watercraft Revolving Fund in structural balance on an ongoing basis. ~~The department shall present this proposal to the Legislature for consideration no later than January 10, 2026.~~

SEC. 106. Item 3790-002-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:

3790-002-0001—For support of Department of Parks and Recreation 13,960,000

Schedule:

(1) 2840-Support of the Department of Parks and Recreation 13,960,000

Provisions:

1. The amount appropriated in this item shall be available for support or capital outlay and shall be available for expenditure or encumbrance until June 30, ~~2027~~ 2028.

SEC. 107. Item 3790-003-0392 is added to Section 2.00 of the Budget Act of 2025, to read:

3790-003-0392—For support of Department of Parks and Recreation, payable from the State Parks and Recreation Fund 6,750,000

Schedule:

(1) 2840-Support of the Department of Parks and Recreation 6,750,000

Provisions:

1. The amount appropriated in this item shall be available to support the California State Library Parks Pass Program.

SEC. 108. Item 3790-009-6093 is added to Section 2.00 of the Budget Act of 2025, to read:

3790-009-6093—For support of Department of Parks and Recreation, payable from the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Fund 1,190,000

Schedule:

(1) 2840-Support of the Department of Parks and Recreation 1,190,000

SEC. 109. Item 3790-012-0001 is added to Section 2.00 of the Budget Act of 2025, to read:

3790-012-0001—For transfer by the Controller, to the State Parks and Recreation Fund 6,750,000

SEC. 110. Item 3790-301-0001 is added to Section 2.00 of the Budget Act of 2025, to read:

3790-301-0001—For capital outlay, Department of Parks and Recreation 3,600,000

Schedule:

(1)	0015700-Will Rogers State Historic Park: Restore Visitor Center and Other Fire Damaged Facilities	3,600,000
(a)	Preliminary plans	360,000
(b)	Working drawings	360,000
(c)	Construction	2,880,000

Provisions:

1. Notwithstanding any other law, the funds appropriated in this item shall be available for encumbrance or expenditure until June 30, 2028.

SEC. 111. Item 3790-301-0392 of Section 2.00 of the Budget Act of 2025 is amended to read:

3790-301-0392—For capital outlay, Department of Parks and Recreation, payable from the State Parks and Recreation Fund

..... 0

Schedule:

(1)	0004006-California Indian Heritage Center	3,000,000
(a)	Working drawings	3,000,000
(1.5)	0007312—Silver Strand State Beach: Low Cost Accommodations	750,000
(a)	Preliminary Plans	750,000
(1.75)	0010255—Mount Diablo State Park: Visitor Center	1,922,000
(a)	Construction	1,922,000
(2)	Reimbursements to 0004006-California Indian Heritage Center	–3,000,000
(a)	Working drawings	–3,000,000
(3)	Reimbursements to 0007312—Silver Strand State Beach: Low Cost Accommodations	–750,000
(a)	Preliminary Plans	–750,000
(4)	Reimbursements to 0010255-Mount Diablo State Park: Visitor Center	–1,922,000
(a)	Construction	–1,922,000

SEC. 112. Item 3810-002-6093 is added to Section 2.00 of the Budget Act of 2025, to read:

3810-002-6093—For support of Santa Monica Mountains
Conservancy, payable from the Safe Drinking Water, Wildfire
Prevention, Drought Preparedness, and Clean Air Fund

..... 400,000

Schedule:

(1) 2940-Santa Monica Mountains
Conservancy 400,000

SEC. 113. Item 3810-101-0001 is added to Section 2.00 of the Budget Act of 2025, to read:

3810-101-0001—For local assistance, Santa Monica Mountains
Conservancy 5,000,000

Schedule:

(1) 2945-Local Assistance Grants
..... 5,000,000

Provisions:

1. The funds appropriated in this item shall be available for wildfire prevention and enhancing public access to trails at San Vicente Mountain Park. Projects for wildfire prevention and enhancing public access to trails may include, but is not limited to, improving drainage systems, repaving access roads, and replacing gate entrances.

SEC. 114. Item 3825-002-6093 is added to Section 2.00 of the Budget Act of 2025, to read:

3825-002-6093—For support of San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, payable from the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Fund 200,000

Schedule:

(1) 2990-San Gabriel and Lower Los Angeles Rivers and Mountains
Conservancy 200,000

SEC. 115. Item 3845-001-6093 is added to Section 2.00 of the Budget Act of 2025, to read:

3845-001-6093—For support of San Diego River Conservancy, payable from the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Fund 40,000

Schedule:

(1) 3140-San Diego River Conservancy
..... 40,000

SEC. 116. Item 3855-002-6093 is added to Section 2.00 of the Budget Act of 2025, to read:

3855-002-6093—For support of Sierra Nevada Conservancy, payable from the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Fund 50,000

Schedule:

(1) 3220-Sierra Nevada Conservancy
..... 50,000

SEC. 117. Item 3860-005-6093 is added to Section 2.00 of the Budget Act of 2025, to read:

3860-005-6093—For support of Department of Water Resources, Payable from the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Fund 246,000

Schedule:

(1) 3230-Continuing Formulation of the California Water Plan 246,000

.....
Provisions:

1. *The amounts appropriated in this item may be transferred to the Water Resources Resolving Fund (0691) for direct expenditure in such amounts needed to meet operational needs.*

SEC. 118. *Item 3860-490 of Section 2.00 of the Budget Act of 2025 is amended to read:*

3860-490—Reappropriation, Department of Water Resources. The amounts specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2027.

0001—General Fund

- (1) Up to \$14,500,000 of subdivision (b) of Control Section 6.10, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018), as reappropriated by Item 3860-490, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), as reappropriated by Item 3860-491, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).
- (2) Up to \$1,500,000 of Provision 2 of Schedule (1) of Item 3860-001-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021).
- (3) Up to \$1,000,000 in Schedule (1)(d) of Item 3860-101-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), as reappropriated by Item 3860-491, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).
- (4) *Up to \$165,000,000 in Schedule (1)(h) of Item 3860-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), transferred by Provision 3 in Item 0540-101, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).*

3228—Greenhouse Gas Reduction Fund

- (1) Item 3860-001-3228, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).

3398—California Emergency Relief Fund

- (1) Up to \$20,000,000 in Schedule (1)(a), (b), (c), and (f) of Item 3860-101-3398, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021).

6083—Water Quality, Supply, and Infrastructure Improvement Fund of 2014

- (1) Item 3860-101-6083, Budget Act of 2016 (Ch. 23, Stats. 2016), as reappropriated by Item 3860-490, Budget Act of 2019 (Chs. 23 and 55, Stats. 2019), as reappropriated by Control Section 20.00, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).
- (2) Item 3860-301-6083, Budget Act of 2016 (Ch. 23, Stats. 2016), as reappropriated by Item 3860-490, Budget Act of 2019 (Chs. 23 and 55, Stats. 2019), as reappropriated by Control Section 20.00, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).

SEC. 119. *Item 3860-495 of Section 2.00 of the Budget Act of 2025 is amended to read:*

3860-495—Reversion, Department of Water Resources.
Notwithstanding any other law, as of June 30, 2025, the
balances specified below of the appropriations provided in the
following citations shall revert to the balances in the funds
from which the appropriations were made.

0001—General Fund

- (1) \$47,000,000 of the amount allocated for dam safety in Schedule (3) of Item 3860-101-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).
- (2) \$15,000,000 of the amount allocated for Systemwide Flood Risk Reduction of subschedule (b) of Schedule (2) of Item 3860-301-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).
- (3) \$5,200,000 in Schedule (1)(b) of Item 3860-102-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).
- (4) \$2,500,000 of the amount allocated for Systemwide Flood Risk Reduction in Schedule (2)(a) of Item 3860-301-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).
- (5) \$8,800,000 of the amount allocated for Urban Flood Risk Reduction in Schedule (1)(b) of Item 3860-301-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).
- ~~(6) Up to \$125,000,000 in Schedule (1)(h) of Item 3860-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).~~

SEC. 120. Item 3900-011-3228 is added to Section 2.00 of the Budget Act of 2025, to read:

3900-011-3228—For transfer by the Controller, upon order of the Department of Finance, from the Greenhouse Gas Reduction Fund to the Motor Vehicle Account, State Transportation Fund (81,176,000)

Provisions:

1. The funds appropriated in this item shall not be subject to subdivision (b) of Section 15.14.

SEC. 121. Item 3900-101-0001 is added to Section 2.00 of the Budget Act of 2025, to read:

3900-101-0001—For local assistance, State Air Resources Board, for assistance to counties in the operation of local air pollution control districts 1,000,000

Schedule:

- (1) 3500-Mobile Source 1,000,000

Provisions:

1. Of the amount appropriated in this item, \$1,000,000 shall be allocated to the South Coast Air Quality Management District for mobile air monitoring systems pursuant to Section 40458.5 of the Health and Safety Code.

SEC. 122. Item 3900-102-0115 of Section 2.00 of the Budget Act of 2025 is repealed.

~~3900-102-0115—For local assistance, State Air Resources Board, payable from the Air Pollution~~ ~~132,175,000~~

Control Fund.....

Schedule:

(1) 3510-Climate
Change..... 132,175,000

Provisions:

- 1- ~~The funds appropriated in Schedule (1) shall be administered through the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project, when funds are available from the H line Consent Decree entered by the court on May 9, 2025. Eligibility for these incentive funds shall be administered in a manner that enhances market development of medium- and heavy-duty vehicles and benefits disadvantaged communities and small businesses.~~

SEC. 123. Item 3940-001-3058 of Section 2.00 of the Budget Act of 2025 is amended to read:

3940-001-3058—For support of State Water Resources Control Board, payable from the Water Rights Fund 37,305,000

Schedule:

(1) 3570-Water Rights 33,449,000
(1.5) 3571-Administrative Hearings Office
..... 2,820,000
(2) 3575-Department of Justice Legal
Services 1,036,000

Provisions:

1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
2. The amount appropriated in Program 3575 shall be used to reimburse the Department of Justice for legal services. In addition to the amount in Program 3575, upon order of the Department of Finance, any non-General Fund Budget Act item for support of the State Water Resources Control Board may be augmented to reimburse the Department of Justice for legal services. No augmentation shall be made sooner than 30 days after the Joint Legislative Budget Committee has been notified in writing.
3. The Director of Finance may authorize a short-term cash loan of up to \$15,000,000 from the Underground Storage Tank Cleanup Fund to provide cashflow needed to support operational costs that will be covered by fee revenue received by the end of the fiscal year. The cash loan shall be subject to the terms and conditions for repayment as may be prescribed by the Department of Finance. Interest charges may be waived pursuant to subdivision (e) of Section 16314 of the Government Code. For purposes of the budgetary and legal bases of accounting and budgeting, the principal amount of any loans made pursuant to this provision shall not be considered part of the

balance of the fund that receives the loan, nor shall it be deducted from the balance of the fund from which the loan is made. These loans are considered cashflow loans for temporary cash shortages and shall not constitute budgetary loans, revenues, or expenditures. The Department of Finance shall make the final determination of the budgetary and accounting transactions and treatments to ensure proper implementation of this provision pursuant to Section 13344 of the Government Code.

4. The amount appropriated in Program 3571 shall be used to administer Sections 1110 to 1114, inclusive, of the Water Code for operation of the Administrative Hearings Office.

SEC. 124. *Item 3940-102-0001 is added to Section 2.00 of the Budget Act of 2025, to read:*

3940-102-0001—For local assistance, State Water Resources
Control Board 6,000,000

Schedule:

(1) 3560-Water Quality 6,000,000

Provisions:

1. *Of the amount appropriated in this item, \$1,000,000 shall be available to the City of San Juan Bautista for drinking water projects, including, but not limited to, pipeline and well rehabilitation projects.*
2. *Of the amount appropriated in this item, \$4,000,000 shall be available to the County of Monterey for water quality improvement projects of the San Lucas County Water District.*
3. *Of the amount appropriated in this item, \$1,000,000 shall be available for the City and County of San Francisco, Department of Public Works for the Sunset Blvd Recycled Water Irrigation Improvement Project.*

SEC. 125. *Item 3970-101-0001 is added to Section 2.00 of the Budget Act of 2025, to read:*

3970-101-0001—For local assistance, Department of
Resources Recycling and Recovery 8,000,000

Schedule:

(1) 3700-Waste Reduction and
Management 8,000,000

Provisions:

1. *Of the amount appropriated in this item, \$8,000,000 shall be allocated to BEAM Circular for the California Bioeconomy Innovation Campus in the North San Joaquin Valley.*

SEC. 126. *Item 4140-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

4140-001-0001—For support of Department of Health Care
Access and Information ~~34,178,000~~
41,578,000

Schedule:

(1)	3831-Health Care Quality and Affordability	37,027,000 44,427,000
(2)	3835-Health Care Workforce	2,012,000
(3)	3860-Administration	5,139,000
(4)	Reimbursements to 3831-Health Care Quality and Affordability	-10,000,000

Provisions:

1. The Department of Finance may authorize the transfer of expenditure authority between this item and Item 4140-101-0001 to effectively administer the healthcare workforce programs funded in these items.
2. Of the funds appropriated in Schedule (1), \$700,000 is available to implement the CalRx Biosimilar Insulin Initiative.
3. Of the funds appropriated in Schedule (2), \$100,000 is available to conduct evaluations for the Abortion Practical Support Fund, pursuant to Chapter 566 of the Statutes of 2022.
4. (a) *Of the funds appropriated in Schedule (1), \$7,400,000 is available in the 2025–26 fiscal year on a one-time basis to implement the Diaper Access Initiative.*

(b) *Contracts entered into or amended pursuant to this provision shall be exempt from Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, and the State Administrative Manual, and shall be exempt from the review or approval of any division of the Department of General Services.*

SEC. 127. *Item 4140-001-3436 of Section 2.00 of the Budget Act of 2025 is amended to read:*

4140-001-3436—For support of Department of Health Care Access and Information, payable from the Health Care Payments Data Fund

~~15,800,000~~
22,009,000

Schedule:

(1)	3865-Health Care Payments Data program	18,000,000 24,209,000
(2)	Reimbursements to 3865-Health Care Payments Data program	-2,200,000

Provisions:

1. Notwithstanding paragraph (2) of subdivision (c) of Section 1341.45 of the Health and Safety Code, after the Department of Managed Health Care transfers funds pursuant to paragraph (1) of that subdivision, the Department of Managed Health Care shall transfer an amount not to exceed \$4,900,000 to the Health Care Payments Data

Fund from the Managed Care Administrative Fines and Penalties Fund in the ~~202526~~ 2025–26 fiscal year.

2. *\$6,209,000 appropriated in Schedule (1) shall be made available and authorized for encumbrance or expenditure upon approval of the Post-Implementation Evaluation Report by the Department of Technology for the Health Care Payments Database Project.*

SEC. 128. *Item 4140-001-3447 of Section 2.00 of the Budget Act of 2025 is repealed.*

~~4140-001-3447—For support of Department of Health Care Access and Information, payable from the Pharmacy Benefit Manager Fund.....~~
~~6,209,000~~

~~Schedule:~~

~~(1) 3865-Health Care
Payments Data
Program..... 6,209,000~~

~~Provisions:~~

- ~~1. \$6,209,000 appropriated in Schedule (1) shall be made available and authorized for encumbrance or expenditure upon approval of the Post-Implementation Evaluation Report by the Department of Technology for the Health Care Payments Database Project.~~

SEC. 129. *Item 4140-101-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

4140-101-0001—For local assistance, Department of Health Care Access and Information
~~39,133,000~~
50,253,000

Schedule:

(1) 3835-Health Care Workforce
.....
34,133,000
36,133,000

(1.5) 3831-Health Care Quality and Affordability
5,000,000
10,620,000

(2) 3840-Facilities Development
.....
3,500,000

Provisions:

1. The Department of Finance may authorize the transfer of expenditure authority between this item and Item 4140-001-0001 to effectively administer the programs funded in these items.
2. (a) Of the amount appropriated in Schedule (1), up to \$18,667,000 is available to fund grant awards for existing primary care residency slots, up to \$3,333,000 is available to fund new primary care residency slots at existing residency programs, and up to \$5,667,000 is available to fund primary care residency slots for existing teaching health centers under the Song-Brown Health Care Workforce Training Act (Article 1 (commencing with Section 128200) of

Chapter 4 of Part 3 of Division 107 of the Health and Safety Code). Of the funds appropriated in this item, up to \$3,333,000 is available to fund newly accredited primary care residency programs and, as of June 30, 2027, unspent amounts may be redirected to fund new residency slots at existing programs if newly accredited primary care residency programs have not been established. Of the funds appropriated in this item, up to \$333,000 is available for the State Loan Repayment Program.

- (b) The funds described in Provision 2 are available for encumbrance or expenditure until June 30, 2030.
- 3. Of the funds appropriated in this item, \$2,800,000 shall be available to support the California Medicine Scholars Program. These funds shall continue to be appropriated annually.
- ~~4. The certification program for wellness coaches shall include, but is not limited to, evidence-based practices to provide students, youth, and families with social and emotional support in school, the community, and other settings. These services shall be provided to the extent possible, as determined by the Department of Health Care Access and Information, and funded by the Budget Act of 2024. The department shall report at time of budget committee on hearings during 2024–25 on the status of wellness coach certification, the use of evidence-based practice, and current rates of expenditures.~~
- 5. *Of the amount appropriated in Schedule (2), \$3,000,000 shall be available to the Northeast Valley Health Corporation for infrastructure improvements and expansion.*
- 6. *Of the amounts appropriated in Schedule (2), \$500,000 shall be available to the American Reproductive Centers Fertility Clinic in Palm Springs for repairs and structure improvements.*
- 7. *Of the amounts appropriated in Schedule (1), \$2,000,000 shall be available to the Youth Mental Health Academy for a Los Angeles cohort.*
- 8. *The Department of Health Care Access and Information shall continue to seek regular stakeholder input from members of the formal Advisory Workgroup until June 30, 2026. The Advisory Workgroup shall be composed of a majority of active community health workers, Promotores and Promotores de Salud, or their representatives or representative organizations. The Advisory Workgroup may advise the department on current and future policy recommendations regarding the community health worker and promotores workforce. These recommendations may include, but are not limited to, issues related to career development, organizational capacity building, access to and delivery of training, and standards for certification or program accreditation.*

4140-102-0001—For ~~support of local assistance~~, Department of
Health Care Access and Information 52,400,000

Schedule:

- (1) 3836-BH Connect Workforce Initiative
..... 133,300,000
- (2) Reimbursements to 3836-BH Connect
Workforce Initiative -80,900,000

1. (a) *The funds appropriated in this item, in Item 4140-002-0001, or in Provision 1 of Item 4140-101-3085 may be used to contract with an entity to administer the workforce initiatives referenced in Section 14184.102 of the Welfare and Institutions Code, the Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) Terms and Conditions, and the Behavioral Health Services Act (Chapter 790, Statutes of 2023).*
- (b) *The entity that administers the workforce initiatives in subsection (a) may perform, but is not limited to, the following:*
- (A) *Process awardee payments.*
- (B) *Monitor awardee compliance with terms and conditions.*
- (C) *Provide awardees technical assistance.*
- (D) *Report regularly to the department on the administration of the awards, and awardee compliance.*
- (c) *For the purpose of implementing this provision, the department may enter into exclusive or nonexclusive contracts on a bid or negotiated basis, including contracts for the purpose of obtaining subject matter expertise or other assistance. Contracts entered into or amended pursuant to this section shall be exempt from Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, Section 19130 of the Government Code, Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, and the State Administrative Manual, and shall be exempt from the review or approval of any division of the Department of General Services or the Department of Technology.*

SEC. 131. *Item 4140-491 is added to Section 2.00 of the Budget Act of 2025, to read:*

4140-491—Reappropriation, Department of Health Care Access and Information. The balances of the appropriations provided in the following citations are reappropriated for the purposes of the California Health and Human Services Agency entering into partnerships for the manufacturing, procurement, and distribution of generic or brand name drugs to address emerging health concerns, pursuant to Section 127697 of the Health and Safety Code. The reappropriated funds may also be used for pharmaceutical drugs and medical devices related to reproductive health care. These funds shall be available for encumbrance or expenditure until June 30, 2028:

0001—General Fund

- (1) Item 4140-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), up to \$2,870,000 in Program 3835-Health Care Workforce.
- (2) Item 4140-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), up to \$2,750,000 in Program 3840-Hospital Building.

SEC. 132. Item 4170-101-3098 of Section 2.00 of the Budget Act of 2025 is amended to read:

4170-101-3098—For local assistance, California Department of Aging, payable from the State Department of Public Health Licensing and Certification Program Fund ~~12,300,000~~
400,000

Schedule:

- (1) 3900-Supportive Services
..... ~~12,300,000~~
400,000

SEC. 133. Item 4170-102-0942 of Section 2.00 of the Budget Act of 2025 is amended to read:

4170-102-0942—For local assistance, California Department of Aging, payable from the State Health Facilities Citation Penalties Account, Special Deposit Fund ~~1,092,000~~
4,092,000

Schedule:

- (1) 3900-Supportive Services
..... ~~1,092,000~~
4,092,000

Provisions:

1. Notwithstanding any other law, funds appropriated in this item shall be allocated by the California Department of Aging to each local ombudsman program in accordance with a formula calculated on the number of beds in licensed skilled nursing home facilities in each program's area of service in proportion to the total number of beds in licensed skilled nursing home facilities in the state.
2. ~~(a) Notwithstanding any other law, the Department of Finance may augment this item by not more than \$4,000,000 from the applicable fund balance available in the State Health Facilities Citation Penalties Account, Special Deposit Fund, as of June 30, 2025.~~

This funding shall be available for the local long-term care ombudsman programs to investigate complaints made against long-term care facilities and to increase visits to those facilities for the purposes of ensuring residents' rights, safety, health, and quality of life.

~~(b) For the purposes of this provision, the applicable fund balance is defined as the year-end fund balance exceeding \$6,000,000 and excluding any amount of the balance which the Department of Finance determines is necessary to be expended or encumbered by the State Department of~~

~~Public Health in accordance with Section
1417.2 of the Health and Safety Code.~~

3. ~~(e)~~ The California Department of Aging, in coordination with the State Department of Public Health and the Department of Finance, shall publish the projected amount of the applicable fund balance for the following fiscal year subsequent to the publication of the 2026–27 Governor's Budget and the 2026–27 May Revision.

SEC. 134. *Item 4260-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

4260-001-0001—For support of State Department of Health
Care Services ~~311,540,000~~
313,379,000

Schedule:

- (1) 3960-Health Care Services
..... ~~341,547,000~~
339,746,000
- (2) Reimbursements to 3960-Health
Care Services ~~-29,999,000~~
-26,367,000

Provisions:

1. The State Department of Health Care Services, in coordination with other state entities involved in the Medi-Cal Enterprise Systems modernization project efforts, shall provide the appropriate fiscal and policy committees of the Legislature, the Legislative Analyst's Office, the Department of Technology, and the California State Auditor with annual project status updates, including newly executed contracts, their purpose, and cost.
2. Of the funds appropriated in this item, \$605,000 is to reimburse the State Department of Public Health for lease-revenue bond base rental payments associated with the State Department of Health Care Services' occupancy in the State Department of Public Health's Richmond Laboratory. The Controller shall transfer funds appropriated in this item to the State Department of Public Health, in the amount shown in this provision as and when provided for in the schedule submitted by the State Public Works Board.
3.
 - (a) Of the funds appropriated in this item, \$350,000 is available to support the development of a reimbursement policy manual or similar resources for Federally Qualified Health Centers in Medi-Cal. The authority to make expenditures pursuant to this provision, and any associated federal funds, shall be available without regard to fiscal year.
 - (b) For purposes of implementing this provision, the State Department of Health Care Services may enter into exclusive or nonexclusive contracts, or amend existing contracts, on a bid or negotiated basis. Contracts entered into or amended pursuant to this provision shall be exempt from Chapter 6 (commencing with Section 14825)

of Part 5.5 of Division 3 of Title 2 of the Government Code, Section 19130 of the Government Code, Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, and the State Administrative Manual, and shall be exempt from the review or approval of any division of the Department of General Services.

4. The Department of Finance may decrease this item by up to \$3,908,000 if the Centers for Medicare and Medicaid Services' Medicaid and Children's Health Insurance Program Managed Care Access, Finance, and Quality Final Rule (CMS-2439-F), the Ensuring Access to Medicaid Services Final Rule (CMS-2442-F), the Streamlining Medicaid: Medicare Savings Program Eligibility Determination and Enrollment Final Rule (CMS-2421-F), or the Medicaid Program: Streamlining the Medicaid, Children's Health Insurance Program, and Basic Health Program Application, Eligibility, Determination, Enrollment, or the Renewal Processes Final Rule (CMS-2421-F2) is rescinded or repealed. Any adjustment of this item shall be reported in writing to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee within 10 days of the date the adjustment is approved.
5. *Of the amount appropriated in this item, up to \$1,382,000 is allocated for project activities associated with the department's Human Resources Plus Modernization (HR+ Modernization) project. Expenditure of these funds is contingent upon approval by the Department of Technology of the appropriate Project Approval Lifecycle documentation.*

SEC. 135. *Item 4260-001-0890 of Section 2.00 of the Budget Act of 2025 is amended to read:*

4260-001-0890—For support of State Department of Health Care Services, payable from the Federal Trust Fund

.....	609,355,000
	605,540,000

Schedule:

- | | | |
|-----|---------------------------|------------------------|
| (1) | 3960-Health Care Services | |
|  | ..... | 609,355,000 |
| | | 605,540,000 |

Provisions:

1. Of the funds appropriated in this item, \$605,000 is to reimburse the State Department of Public Health for lease-revenue bond base rental payments associated with the State Department of Health Care Services' occupancy in the State Department of Public Health's Richmond Laboratory. The Controller shall transfer funds appropriated in this item to the State Department of Public Health in the amount shown in this provision as and when provided for in the schedule submitted by the State Public Works Board.
2. Of the funds appropriated in this item, \$1,500,000 shall be available for the State Department of Health Care Services, in consultation with

stakeholders, to develop a Comprehensive Value Strategy for Skilled Nursing Facility Services, to inform the reauthorization of the Medi-Cal Long-Term Care Reimbursement Act for dates of service on or after January 1, 2027. The State Department of Health Care Services may enter into exclusive or nonexclusive contracts, or amend existing contracts, on a bid or negotiated basis to implement this provision. Contracts entered into or amended pursuant to this provision shall be exempt from Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, Section 19130 of the Government Code, Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, and the State Administrative Manual, and shall be exempt from review or approval of any division of the Department of General Services.

3. (a) Of the funds appropriated in this item, \$350,000 is available to support the development of a reimbursement policy manual or similar resources for Federally Qualified Health Centers in Medi-Cal. The authority to make expenditures pursuant to this provision, and any associated federal funds, shall be available without regard to fiscal year.
- (b) For purposes of implementing this provision, the State Department of Health Care Services may enter into exclusive or nonexclusive contracts, or amend existing contracts, on a bid or negotiated basis. Contracts entered into or amended pursuant to this provision shall be exempt from Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, Section 19130 of the Government Code, Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, and the State Administrative Manual, and shall be exempt from the review or approval of any division of the Department of General Services.

4. *Of the amount appropriated in this item, up to \$1,382,000 is allocated for project activities associated with the department's Human Resources Plus Modernization (HR+ Mod) project. Expenditure of these funds is contingent upon approval by the Department of Technology of the appropriate Project Approval Lifecycle documentation.*

SEC. 136. *Item 4260-001-3085 of Section 2.00 of the Budget Act of 2025 is amended to read:*

4260-001-3085—For support of State Department of Health Care Services, payable from the Behavioral Health Services Fund

~~70,016,000~~
65,016,000

Schedule:

- (1) 3960-Health Care Services

.....

~~70,016,000~~
65,016,000

Provisions:

1. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated for administration pursuant to subdivision (d) of Section 5892 of the Welfare and Institutions Code.

SEC. 137. *Item 4260-101-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

4260-101-0001—For local assistance, State Department of Health Care Services, California Medical Assistance Program, payable from the Health Care Deposit Fund after transfer from the General Fund

.....	44,945,489,000
	44,042,254,000

Schedule:

- | | | |
|-----|--|---------------------------|
| (1) | 3960015-County and Other Local Assistance Administration | |
|  | ..... | 1,214,167,000 |
| | | 1,351,167,000 |
| (2) | 3960022-Benefits (Medical Care and Services) | 46,775,450,000 |
| | | 45,735,223,000 |
| (3) | Reimbursements to 3960015-County and Other Local Assistance Administration | -49,311,000 |
| (4) | Reimbursements to 3960022-Benefits (Medical Care and Services) | -2,994,825,000 |

Provisions:

1. The aggregate principal amount of disproportionate share hospital general obligation debt that may be issued in the current fiscal year pursuant to subparagraph (A) of paragraph (2) of subdivision (f) of Section 14085.5 of the Welfare and Institutions Code shall be \$0.
2. Notwithstanding any other law, both the federal and nonfederal shares of any moneys recovered for previously paid health care services, provided pursuant to Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code, are hereby appropriated and shall be expended as soon as practicable for medical care and services as defined in the Welfare and Institutions Code.
3. Notwithstanding any other law, accounts receivable for recoveries as described in Provision 2 shall have no effect upon the positive balance of the General Fund or the Health Care Deposit Fund. Notwithstanding any other law, moneys recovered as described in this item that are required to be transferred from the Health Care Deposit Fund to the General Fund shall be credited by the Controller to the General Fund without regard to the appropriation from which it was drawn.
4. Without regard to fiscal year, the General Fund shall make one or more loans available not to exceed a cumulative total of \$1,000,000,000 to be transferred as needed to the Health Care Deposit Fund to meet cash needs. All moneys so transferred shall be repaid as soon as sufficient revenue or reimbursements have been collected to meet immediate cash needs and in

installments as revenue or reimbursements accumulate if the loan is outstanding for more than one year.

5. Notwithstanding any other law, the State Department of Health Care Services may give public notice relative to proposing or amending any rule or regulation or administrative directive that could result in increased costs in the Medi-Cal program only after approval by the Department of Finance. Additionally, any rule or regulation adopted by the State Department of Health Care Services and any communication that increases costs in the Medi-Cal program shall be effective only after the date upon which it is approved by the Department of Finance.
6. Change orders to the medical or the dental fiscal intermediary contract for amounts exceeding a total cost of \$250,000 shall be approved by the Department of Finance not sooner than 30 days after written notification of the change order is provided to the chairpersons of the fiscal and policy committees in each house of the Legislature and to the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time after that notification as the chairperson of the joint committee, or the chairperson's designee, may determine. The semiannual estimates of Medi-Cal expenditures provided to the Legislature in January and May may constitute the notification required by this provision.
7. Recoveries of advances made to counties in prior years pursuant to Section 14153 of the Welfare and Institutions Code are reappropriated to the Health Care Deposit Fund for reimbursement of those counties where allowable costs exceeded the amounts advanced. Recoveries in excess of the amounts required to fully reimburse allowable costs shall be transferred to the General Fund. When a projected deficiency exists in the California Medical Assistance Program, these funds, subject to notification to the Chairperson of the Joint Legislative Budget Committee, are appropriated and shall be expended as soon as practicable for the state's share of payments for medical care and services and county and other local assistance administration.
8. The Department of Finance may transfer funds representing all or any portion of any estimated savings that are a result of improvements in the Medi-Cal claims processing procedures from the Medi-Cal services budget or the support budget of the State Department of Health Care Services (Item 4260-001-0001) to the fiscal intermediary budget item for purposes of making improvements to the Medi-Cal claims system.
9. Notwithstanding any other law, the Department of Finance may authorize the transfer of expenditure authority between schedules within this item and between this item and Items 4260-102-0001, 4260-111-0001, 4260-114-0001, and 4260-117-0001 in order to effectively administer the programs funded in these items. The Department of Finance may revise reimbursement authority in this item in order to effectively administer the programs funded in those items. The Department of Finance shall notify the Legislature within 10 days of authorizing such a transfer unless prior notification of the transfer has been included in the Medi-Cal estimates submitted pursuant

to Section 14100.5 of the Welfare and Institutions Code. The 10-day notification to the Legislature shall include the reasons for the transfer, the fiscal assumptions used in calculating the transfer amount, and any potential fiscal effects on the program from which funds are being transferred or for which funds are being reduced.

10. If a federal grant that provides 75 percent federal financial participation to allow individuals in nursing homes to voluntarily move into a community setting and still receive the same amount of funding for services is awarded to the State Department of Health Care Services during the current fiscal year, then, notwithstanding any other law, the department may count expenditures from the appropriation made to this item as state matching funds for that grant.
11. Notwithstanding any other law, the Department of Finance may authorize an increase to this appropriation to address costs resulting from adverse court rulings. The Department of Finance shall provide a 30-day notice of any proposed increase to the Legislature. The notification shall include the specifics of any cases with adverse rulings and the overall fiscal impact. Submission of the semiannual Medi-Cal estimate provided to the Legislature in January and May shall be considered meeting the notification requirement of this provision if the required information is included in the estimate.
12. To the extent practicable and consistent with existing procedures, the State Department of Health Care Services, in its sole discretion, shall seek favorable terms from the federal government regarding the repayment of federal funds for state-only populations in order to minimize the annual impact on the General Fund in any individual fiscal year.
16. Notwithstanding any other law, the Department of Finance may adjust amounts in this item, Item 4260-111-0001, or any other related item resulting from the State Department of Health Care Services obtaining federal approval to claim federal financial participation for expenditures associated with Designated State Health Programs as part of the CalAIM Demonstration. Within 30 days of making any adjustment pursuant to this provision, the Department of Finance shall report the adjustment in writing to the Joint Legislative Budget Committee. Submission of the semiannual Medi-Cal estimate provided to the Legislature in January and May shall be considered meeting the reporting requirement of this provision if the required information is included in the estimate.
17.
 - (a) The nonfederal share amounts received by the department as monetary sanctions collected in the 2024–25 fiscal year pursuant to subdivision (g) of Section 14197.7 of the Welfare and Institutions Code shall, pursuant to paragraph (1) of subdivision (q) of Section 14197.7 of the Welfare and Institutions Code, be deposited into the General Fund.
 - (b) This item shall be augmented by the amount deposited into the General Fund pursuant to subprovision (a), which shall be available for encumbrance or expenditure until June 30, 2026, for the department to award grants to qualifying,

nonprofit legal aid programs and organizations that serve Medi-Cal managed care enrollees in the County of Los Angeles or other impacted counties, as necessary.

- (c) The department shall determine the eligibility criteria, methodology, and distribution of funds appropriated in this provision.
 - (d) The department may enter into exclusive or nonexclusive contracts, or amend existing contracts, on a bid or negotiated basis for purposes of implementing this provision. Contracts entered into or amended pursuant to this provision shall be exempt from Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, Section 19130 of the Government Code, Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, and from the State Administrative and State Contracting manuals, and shall be exempt from the review or approval of any division of the Department of General Services.
19. (a) Of the funds appropriated in Schedule (2), up to \$10,000,000 is available for the Hearing Aid Coverage for Children Program for the purpose of providing medically necessary hearing aids and related services to eligible persons as described in subprovision (b).
- (b) A person is eligible for the program described in this provision if they meet all of the following criteria:
- (1) (A) The person is under 18 years of age; or
(B) effective January 1, 2023, the person is under 21 years of age.
 - (2) The person's household income does not exceed 600 percent of the federal poverty level.
 - (3) The person is not eligible for the Medi-Cal program or the California Children's Services Program.
 - (4) The person does not have health insurance coverage for hearing aids.
- (c) For purposes of paragraph (4) of subprovision (b), a person is deemed to have no health insurance coverage if any of the following apply:
- (1) The person has no health insurance coverage.
 - (2) The person has health insurance coverage that excludes coverage for hearing aids.
 - (3) Effective January 1, 2023, the person has health insurance coverage that has a coverage limit of \$1,500 or less for hearing aids.
- (d) The State Department of Health Care Services shall specify the benefits and services provided to eligible persons under the program described in this provision. This shall include hearing aids,

including bone conduction devices, when medically necessary.

- (e) The State Department of Health Care Services shall develop processes to ensure, to the extent practicable, health insurance coverage for hearing aids and related services covered pursuant to this provision is used before the Hearing Aid Coverage for Children Program is billed.
- (f) The State Department of Health Care Services may contract with public and private entities in order to implement this provision. Contracts entered into or amended pursuant to this provision shall be exempt from Chapter 1 (commencing with Section 14600) of Part 5.5 of Division 3 of Title 2 of the Government Code, Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code, Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, the State Contracting Manual, and the State Administrative Manual, and shall be exempt from the review or approval of any division of the State Department of General Services.

Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the State Department of Health Care Services may implement, interpret, or make specific this provision, in whole or in part, by means of provider bulletin or similar instructions, without taking any further regulatory action.

- 20. Of the amounts appropriated in Schedule (2), \$12,130,000 is available for encumbrance or expenditure for the State Department of Health Care Services to support the urgent needs and emergent issues of children and youth, including wellbeing and mindfulness programs, peer-to-peer programs, and the development of a video series to provide parents with resources and skills to support their children's mental health and to develop next generation digital supports for remote mental health assessment and intervention as a component of the Children and Youth Behavioral Health Initiative.
- 21. (a) The department may enter into exclusive or nonexclusive contracts on a bid, non-bid, or negotiated basis with a drug rebate aggregator or another entity that provides rebate aggregation services to consolidate and manage drug rebate negotiation, invoicing, collection, dispute resolution, and other related activities with manufacturers, distributors, dispensers, or suppliers of single-source and multiple source drugs, appliances, durable medical equipment, medical supplies, and other product type health care services. Contracts entered into or amended pursuant to this section shall be exempt from Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of

the Government Code, Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, the State Contracting Manual and the State Administrative Manual and shall be exempt the from review or approval of any division of the State Department of General Services.

- (b) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may implement, interpret, or make specific this section, in whole or in part, by means of plan or county letters, information notices, plan or provider bulletins, or other similar instructions without taking any further regulatory action.
22. Notwithstanding Section 16531.1 of the Government Code, the General Fund cash ~~loan loans~~ made to the Medical Providers Interim Payment Fund in fiscal ~~year~~ ~~years~~ 2024–25 ~~is and 2025–26 are~~ available over the 2024–25 and 2025–26 fiscal years for programs funded within this item. No later than June 30, 2034, an allocation from the General Fund shall be made to recognize for budgetary financial reporting the cost of the ~~loan loans~~ made to the Medical Providers Interim Payment Fund in the 2024–25 ~~and 2025–26~~ fiscal ~~year~~ ~~years~~. The Director of Finance may order the repayment of all or a portion of the ~~loan loans~~ sooner if the Department of Finance, in consultation with the Department of Health Care Services, determines that the funds appropriated in this item exceed the required costs for programs funded within the item.
23. (a) ~~Of the amount appropriated in Schedule (2), \$50,000,000 shall be available for the Department of Health Care Services (DHCS) to provide non-competitive grants to county behavioral health departments to support the implementation of Proposition 36 (2024).~~
- (b) ~~Grants shall be provided to counties according to a schedule determined by DHCS, in coordination with the Judicial Council.~~
- (c) ~~County behavioral health departments must maximize federal reimbursements for eligible services, in collaboration with the courts and other partners. Funding allocated under this provision may not be used to cover costs that are eligible for Medi-Cal or other reimbursement. Counties must continue to provide their local match requirements for all Medi-Cal covered services. These provisions are not intended to replace or relieve current county funding obligations required to draw down federal matching funds for Medi-Cal covered services.~~
- (d) ~~Funding may be used to cover costs associated with Proposition 36 (2024) that are not Medi-Cal reimbursable, including workload related to court proceedings and up to 90 percent of the costs of treatment not covered by Medi-Cal or private insurance.~~
- (e) ~~As a condition of receiving funds pursuant to this provision, county behavioral health departments shall provide data and outcomes, including, but not limited to, expenditure of funds and the~~

~~number of people served, in a manner determined by DHCS, in collaboration with Judicial Council. DHCS shall coordinate with the Judicial Council to ensure that the office collects and reports the data necessary for the Judicial Council to comply with the reporting requirements in Provision 20 of Item 0250-101-0001.~~

- ~~(f) Up to 5 percent of this funding may be retained by DHCS for administering this funding.~~
- ~~(g) The funding allocated in this provision shall be available for expenditure or encumbrance until June 30, 2028.~~
- ~~(h) In providing the funding allocated in this provision it is the intent of the Legislature to help offset county responsibilities related to the initial implementation of Proposition 36 (2024).~~

24. (a) *Of the amounts appropriated in Schedule (2), \$15,000,000 shall be made available for Title X family planning funding to maintain and support the delivery of equitable, affordable, high quality, client-centered family planning services to eligible patients with low-incomes across the state.*
- (b) *The State Department of Health Care Services shall receive and provide the funds to Essential Access Health, the designated statewide federal Title X grantee, no later than September 30, 2025.*
- (c) *Funding provided to Essential Access Health may be used for the following purposes:*
- (1) Funding administration and distribution to current members of the 2024–25 statewide federal Title X provider network to prevent any disruption in the delivery of family planning and related services during the 2025–2026 state fiscal year.*
 - (2) Technical assistance, training, and other capacity-building support for subrecipients to ensure quality of care.*
 - (3) Provider network meetings.*
 - (4) Linking community members to family planning services provided by subrecipients.*
 - (5) Data collection and evaluation.*
 - (6) Drafting and submission of a final report under subprovision (d).*
- (d) *Essential Access Health shall prepare and submit a report of expenditures, numbers of patient served, and other information that aligns with Title X Family Planning Annual Report requirements and guidelines, to the State Department of Health Care Services no later than September 30, 2026.*
- (e) *The State Department of Health Care Services shall submit the report to the Legislature no later than October 1, 2026.*
- (f) *Eighty-five percent of funding shall be distributed to current members of the 2024–25 statewide*

Title X provider network that includes federally qualified health centers, city and county health departments, Urban Indian Health Centers, universities, hospitals, Planned Parenthood affiliates, and other stand-alone family planning and women's health centers, and to fund activities to support subrecipients and patient access outlined in (c) 2- 4.

- (g) Fifteen percent of funds allocated may be used by Essential Access Health to cover administrative costs related to completing activities consistent with this provision.*

25. The Legislature finds that the total funds appropriated in this item exceeds the amount of General Fund revenue appropriated to support the Medi-Cal program prior to the effective date of Chapter 7.5 (commencing with Section 14199.100) of Part 3 of Division 9 of the Welfare and Institutions Code (Proposition 35). The Legislature further finds that, for purposes of Proposition 35, increases in Medi-Cal base managed care capitation rates reflect an expansion of healthcare benefits, healthcare services, healthcare workforce, and payment rates above and beyond those already in effect or in existence as of January 1, 2024, and are in addition to existing reimbursement rates and any other payments made by the department as of January 1, 2024, and do not supplant amounts that would otherwise be payable by a Medi-Cal managed care plan or the department, as applicable, to a recipient of moneys provided by Article 4 (commencing with Section 141900.109) of Chapter 7.5 of Part 3 of Division 9 of the Welfare and Institutions Code.

- 26. (a) Of the amount appropriated in Schedule (2), a one-time \$50,000,000 allocation shall be available for the Department of Health Care Services (DHCS) to provide non-competitive grants to county behavioral health departments to support the implementation of Proposition 36 (2024).*
- (b) Grants shall be provided to counties according to an allocation methodology determined by DHCS, in consultation with the Judicial Council.*
- (c) Counties shall spend at least 50 percent of the funds allocated pursuant to this provision to support planning and capacity building activities to expand and accelerate services, including, but not limited to, capital for housing and treatment, including recovery housing; hiring, training, and development of policies and procedures; support for information technology infrastructure costs, including, but not limited to, changes needed to electronic medical record systems; and changes needed for reporting data, and case tracking. No matching funds are required for any portion of a county's allocation that is expended solely on planning and capacity building activities.*
- (d) Any portion of a county's allocation expended on behavioral health treatment services shall be matched by a 25 percent match from local funding sources. County behavioral health departments must maximize federal reimbursements for eligible services, in*

collaboration with the courts and other partners. Funding allocated under this provision may not be used to pay for services that are covered by an individual's commercial insurance coverage. These provisions are not intended to replace or relieve current county funding obligations required to draw down federal matching funds for Medi-Cal covered services.

- (e) Funding spent on services pursuant to subprovision (d) may be used to cover costs associated with Proposition 36 (2024) that are not Medi-Cal reimbursable, including workload and behavioral health evaluations related to court proceedings and treatment not covered by Medi-Cal, or private commercial insurance.
- (f) As a condition of receiving funds pursuant to this provision, county behavioral health departments shall provide data and outcomes, including, but not limited to, information on how funds were expended and the number of people served, in a manner determined by DHCS, in consultation with the Judicial Council. DHCS shall coordinate with the Judicial Council to ensure that the data is collected and reported necessary for the Judicial Council to comply with the reporting requirement in Provision 20 of Item 0250-101-0001.
- (g) Up to 5 percent of this funding may be retained by DHCS for administering this funding.
- (h) The funding allocated in this provision shall be available for expenditure or encumbrance until June 30, 2028.
- (i) In providing the funding allocated in this provision, it is the intent of the Legislature to help offset county responsibilities related to the initial implementation of Proposition 36 (2024).
- (j) For purposes of implementing this section, the State Department of Health Care Services may enter into exclusive or nonexclusive contracts, or amend existing contracts, on a bid or negotiated basis. Notwithstanding any other law, contracts entered into or amended pursuant to this section shall be exempt from Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, Section 19130 of the Government Code, and Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, and shall be exempt from the review or approval of any division of the Department of General Services.
- (k) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the State Department of Health Care Services, without taking any further regulatory action, shall implement, interpret, and make specific this section by means of all-county letters, plan letters, information notices, or similar instructions.

27. Of the amount appropriated in Schedule (2), \$2,000,000 is available for encumbrance or expenditure for the State Department of Health Care Services to support the urgent needs and emergent issues of children and

youth, including the promotion and enhancement of next generation digital support tools for mental health as a component of the Children and Youth Behavioral Health Initiative, as well as the development of single-session interventions and tools to support children, youth and families affected by wildfires.

SEC. 138. *Item 4260-101-0890 of Section 2.00 of the Budget Act of 2025 is amended to read:*

4260-101-0890—For local assistance, State Department of Health Care Services, payable from the Federal Trust Fund ~~119,143,159,000~~
119,149,703,000

Schedule:

- (1) 3960015-County and Other Local Assistance Administration ~~5,823,604,000~~
5,821,725,000
- (2) 3960022-Benefits (Medical Care and Services) ~~113,319,475,000~~
113,327,978,000

Provisions:

1. Notwithstanding any other law, the Department of Finance may authorize the transfer of expenditure authority between Schedules (1) and (2) of this item and between this item and Items 4260-102-0890, 4260-106-0890, 4260-111-0890, 4260-114-0890, and 4260-117-0890 in order to effectively administer the programs funded in these items. The Department of Finance shall notify the Legislature within 10 days of authorizing such a transfer unless prior notification of the transfer has been included in the Medi-Cal estimates submitted pursuant to Section 14100.5 of the Welfare and Institutions Code. The 10-day notification to the Legislature shall include the reasons for the transfer, the fiscal assumptions used in calculating the transfer amount, and any potential fiscal effects on the program from which funds are being transferred or for which funds are being reduced.
2.
 - (a) The Department of Finance is authorized to approve expenditures payable from the Federal Trust Fund (Item 4260-101-0890) in those amounts made necessary by changes in either caseload or payments.
 - (b) If the Department of Finance determines that the estimate of expenditures will exceed the expenditures authorized for this item, the Department of Finance shall so report to the Legislature. At the time the report is made, the amount of the appropriation made in this item shall be increased by the amount of the excess unless and until otherwise provided by law.

SEC. 139. *Item 4260-101-3085 of Section 2.00 of the Budget Act of 2025 is amended to read:*

4260-101-3085—For local assistance, State Department of Health Care Services, payable from the Behavioral Health Services Fund ~~150,667,000~~
148,708,000

Schedule:

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|-----|--|------------------------|
| (1) | 3960015-County and Other Local Assistance Administration | |
| | | 150,667,000 |
| | | 58,708,000 |
| (2) | 3960022-Benefits(Medical Care and Services) | 90,000,000 |

Provisions:

1. (a) Of the funds appropriated in this item, \$2,708,000 is available for provider training for trauma screenings. In developing the provider training curriculum, the State Department of Health Care Services shall work closely and coordinate with subject matter experts in trauma-informed care, professional associations, academic institutions, and entities that meet accreditation requirements pursuant to subdivision (e) of Section 2190.1 of the Business and Professions Code.
- (b) For purposes of implementing this provision, the department may enter into exclusive or nonexclusive contracts, or amend existing contracts, on a bid or negotiated basis. Contracts entered into or amended pursuant to this provision shall be exempt from Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, Section 19130 of the Government Code, and Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, and shall be exempt from the review or approval of any division of the Department of General Services.
- 2: ~~Of the funds appropriated in this item, \$20,000,000 is available for encumbrance or expenditure until June 30, 2028, to support the Call HOPE Peer-Run Warm Line.~~
- 3: ~~Of the funds appropriated in this item, \$5,000,000 is available for encumbrance or expenditure until June 30, 2028, to support the Orange County Warm Line.~~
- 4: ~~Of the funds appropriated in this item, \$3,000,000 is available for encumbrance or expenditure until June 30, 2028, to support the Parents Anonymous Warm Line.~~
- 5: ~~Of the funds appropriated in this item, \$20,000,000 is available for encumbrance or expenditure until June 30, 2028, to support the ACEs Aware Initiative.~~
- 6: ~~Of the funds appropriated in this item, \$30,000,000 shall be available for other legislative priorities.~~

SEC. 140. *Item 4260-101-3311 of Section 2.00 of the Budget Act of 2025 is amended to read:*

4260-101-3311—For local assistance, State Department of Health Care Services, payable from the Health Care Services Plan Fines and Penalties Fund	24,900,000
	20,400,000

Schedule:

(1)	3960022-Benefits (Medical Care and Services)	24,900,000 20,400,000
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Provisions:

1. The funds appropriated to this item are available for expenditure pursuant to Section 15894 of the Welfare and Institutions Code.
2. To effectively administer the Medi-Cal program, the Department of Finance may decrease or increase the expenditure authority in this item to conform the appropriation to revised revenue estimates pursuant to Section 15894 of the Welfare and Institutions Code.
3. The Department of Finance shall notify the Joint Legislative Budget Committee within 10 days of authorizing a revision to this item. Submission of the semiannual Medi-Cal estimate provided to the Legislature in January and May shall be deemed to have met the notification requirement of this provision if the required information is included in the estimate.

SEC. 141. *Item 4260-116-3397 of Section 2.00 of the Budget Act of 2025 is amended to read:*

4260-116-3397—For local assistance, State Department of Health Care Services, payable from the Opioid Settlements Fund	2,964,000 22,964,000
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Schedule:

(1)	3960050-Other Care Services	2,964,000 22,964,000
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Provisions:

1. The Department of Finance may approve a request to augment this item by up to \$15,250,000 to support expansion of the Naloxone Distribution Project if the Department of Finance determines sufficient resources are available in the Opioid Settlements Fund to support the augmentation.
2. Upon order of the Director of Finance, the Controller shall transfer funds received in the Litigation Deposits Fund allocated to the state for state opioid remediation from the Purdue Pharma bankruptcy, including any related settlements with the Sackler Family, to the Opioid Settlements Fund.

SEC. 142. *Item 4265-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

4265-001-0001—For support of State Department of Public Health	392,073,000 392,043,000
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Schedule:

(1)	4040-Public Health Emergency Preparedness	17,036,000
(2)	4045-Public and Environmental Health	597,847,000 597,817,000
(3)	4050-Licensing and Certification	28,250,000

(4)	9900100-Administration	101,555,000
(5)	9900200-Administration—Distributed	-101,555,000
(6)	Reimbursements to 4045-Public and Environmental Health	-235,412,000
(7)	Reimbursements to 4050-Licensing and Certification	-15,648,000

Provisions:

1. Except as otherwise prohibited by law, the State Department of Public Health shall promulgate emergency regulations to adjust the public health fees set by regulation to an amount such that, if the new fees were effective throughout the 2025–26 fiscal year, the estimated revenues would be sufficient to offset at least 95 percent of the approved program level intended to be supported by those fees. The General Fund fees of the department that are subject to the annual fee adjustment pursuant to subdivision (a) of Section 100425 of the Health and Safety Code shall be increased by 20.3 percent. The special fund fees of the department that are subject to the annual fee adjustment pursuant to subdivision (a) of Section 100425 of the Health and Safety Code may be increased by 20.3 percent only if the fund condition statement for a fund projects a reserve less than 10 percent of estimated expenditures and the revenues projected for the 2024–25 fiscal year are less than the appropriation contained in this act.
2. Notwithstanding subdivision (b) of Section 100450 of the Health and Safety Code, departmental fees that are subject to the annual fee adjustment pursuant to subdivision (a) of Section 100450 of the Health and Safety Code shall not be increased for the 2025–26 fiscal year. This adjustment shall not be applied to fees established by subdivisions (f), (g), (m), and (s) of Section 1300 of the Business and Professions Code.
3. The State Department of Public Health shall limit expenditures in this item to implement the Uniform Anatomical Gift Act (Chapter 3.5 (commencing with Section 7150) of Part 1 of Division 7 of the Health and Safety Code) to the amount of actual fees collected from tissue banks.
4. Notwithstanding any other law, and upon approval of the Director of Finance, the amount appropriated in Schedule (1) shall be increased to adjust for federal reimbursement from the Federal Emergency Management Agency for wildfires and related emergencies. The Department of Finance shall notify the Legislature within 10 days of authorizing an augmentation pursuant to this provision. The notification to the Legislature shall describe the reason for the augmentation.
5. (a) Of the amount appropriated in Schedule (2), ~~\$400,000~~ \$370,000 shall be available to support a Public Health Workforce Development and Engagement Program aimed at supporting worker upskilling to improve retention of the public health workforce and help incumbent workers develop their skills to

meet future public health demands. The State Department of Public Health may use up to \$160,000 of the funding in this provision to administer the program.

- (b)
 - (1) "Eligible employee" means a full or part-time employee within a local health department who has been employed by that entity for a minimum of one year.
 - (2) "Eligible educational pursuits" includes any of the following: (A) educational programs at regionally accredited institutions in the public health field, such as nursing, microbiology, public health, public administration, epidemiology, lab science, and community health; (B) industry-recognized training programs related to the public health field; (C) continuing education units required to maintain an individual's license or certification; or (D) earn and learn programs, as defined in subdivision (q) of Section 14005 of the Unemployment Insurance Code, in the public health field.
- (c) The State Department of Public Health shall use funds to award grants to local health departments for education and training opportunities for incumbent employees within the governmental public health workforce. Eligible uses of funding shall include any of the following:
 - (1) Providing stipends to eligible employees to offset the loss of compensation for up to 12 hours per workweek for eligible educational pursuits. Stipends shall be up to \$600 per week per eligible employee for up to 12 weeks per year.
 - (2) Hiring additional employees to support the goals of the program, such as covering employees while they participate in eligible educational pursuits.
 - (3) Reimbursement for educational costs for eligible employees, such as tuition, registration fees, or other related educational expenses when participating in eligible educational pursuits.
- (d) The State Department of Public Health shall solicit applications from local health departments to participate in the program.
- (e) Applications shall include all of the following: (1) the proposed use of the funds; (2) the total amount requested; and (3) any other information required by the department for the purpose of implementing this program.
- (f) No later than July 1, 2026, the State Department of Public Health shall, in accordance with Section 9795 of the Government Code, submit to the Legislature a report regarding the uses and outcomes of funds appropriated for the program. The report

shall include, at a minimum, all of the following information: (1) the amount of funding provided to local health departments; (2) the total number of applicants that apply for funding; (3) the number of individuals participating in eligible educational pursuits; (4) a summary of the types of credentials and skills attained through the program; (5) the number of workers hired to cover for employees attaining educational opportunities; and (6) an evaluation of the effectiveness of the program.

14. (a) Of the amount appropriated in Schedule (2), \$13,700,000 shall be available for the Children and Youth Behavioral Health Initiative.
- (b) Notwithstanding any other law, contracts entered into or amended pursuant to this provision are exempt from the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code, from Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, the State Administrative Manual, and the State Contracting Manual, and are further exempt from the review or approval of the Department of General Services, including as specified in Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code.
15. Of the funds appropriated in Schedule (2), \$2,196,000 shall be available for encumbrance or expenditure until June 30, 2027, for the State Department of Public Health to develop an online accreditation and certification application system.
- (a) Up to \$1,760,000 of these funds shall be available for the System Integrator Solution upon approval of Project Approval Lifecycle project documents by the Department of Technology.

SEC. 143. *Item 4265-001-0231 of Section 2.00 of the Budget Act of 2025 is amended to read:*

4265-001-0231—For support of State Department of Public Health, payable from the Health Education Account, Cigarette and Tobacco Products Surtax Fund ~~6,052,000~~
16,212,000

Schedule:

- (1) 4045-Public and Environmental
Health ~~6,052,000~~
16,212,000

SEC. 144. *Item 4265-001-3385 of Section 2.00 of the Budget Act of 2025 is amended to read:*

4265-001-3385—For support of State Department of Public Health, payable from the Transgender, Gender Nonconforming, and Intersex (TGI) Wellness and Equity Fund ~~500,000~~
3,200,000

Schedule:

- (1) 4045-Public and Environmental
Health ~~500,000~~
3,200,000

Provisions:

1. *Notwithstanding any other law, contracts entered into or amended pursuant to this item are exempt from the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code, from Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, the State Administrative Manual, and the State Contracting Manual, and are exempt from the review or approval of the Department of General Services, including as specified in Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code.*
2. *Of the funds appropriated in Schedule (1), \$2,700,000 shall be available for encumbrance or expenditure until June 30, 2029, for the State Department of Public Health to administer grants and contracts to community-based organizations for Transgender, Gender Nonconforming, and Intersex Wellness and Equity services.*
3. *Of the funds appropriated in Schedule (1), \$500,000 shall be available to fund services related to prevention, care and treatment for eligible individuals living with HIV and AIDS, or at risk of HIV infection.*

SEC. 145. *Item 4265-004-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

4265-004-0001—For transfer to State Department of
Public Health Licensing and Certification Program Fund
..... ~~3,700,000~~
3,505,000

SEC. 146. *Item 4265-012-0001 is added to Section 2.00 of the Budget Act of 2025, to read:*

4265-012-0001—For transfer by the Controller to the
Transgender, Gender Nonconforming, and Intersex (TGI)
Wellness and Equity Fund 2,700,000

SEC. 147. *Item 4265-111-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

4265-111-0001—For local assistance, State Department of Public
Health ~~359,594,000~~
348,094,000

Schedule:

- | | | |
|-----|--|---------------------------------------|
| (1) | 4040-Public Health Emergency Preparedness | 4,960,000 |
| (2) | 4045-Public and Environmental Health | 706,465,000
694,965,000 |
| (3) | Reimbursements to 4045-Public and Environmental Health | -351,831,000 |

Provisions:

1. The Office of AIDS in the State Department of Public Health, in allocating and processing contracts and grants, shall comply with the same requirements that are established for contracts and grants for other

public health programs. Notwithstanding any other law, the contracts or grants administered by the Office of AIDS shall be exempt from the Public Contract Code and shall not require approval by the Department of General Services prior to their execution.

2. The appropriation in this item for the California Alzheimer's Research Centers shall be used for direct services, including, but not limited to, diagnostic screening, case management, disease management, support for caregivers, and related services necessary for positive client outcomes.
3. *Of the amount appropriated in Schedule (2), \$3,500,000 shall be available to the ALS Network, to provide a wraparound model of care for individuals diagnosed with amyotrophic lateral sclerosis and their caregivers.*

SEC. 148. *Item 4265-111-0231 of Section 2.00 of the Budget Act of 2025 is amended to read:*

4265-111-0231—For local assistance, State Department of Public Health, payable from the Health Education Account, Cigarette and Tobacco Products Surtax Fund ~~23,412,000~~
13,252,000

Schedule:

- (1) 4045-Public and Environmental Health ~~23,412,000~~
13,252,000

SEC. 149. *Item 4265-111-3385 of Section 2.00 of the Budget Act of 2025 is amended to read:*

4265-111-3385—For local assistance, State Department of Public Health, payable from the Transgender, Gender Nonconforming, and Intersex (TGI) Wellness and Equity Fund ~~4,500,000~~
16,800,000

Schedule:

- (1) 4045-Public and Environmental Health ~~4,500,000~~
16,800,000

Provisions:

1. *Notwithstanding any other law, contracts entered into or amended pursuant to this item are exempt from the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code, Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, the State Administrative Manual and the State Contracting Manual, and are exempt from the review or approval of the Department of General Services, including as specified in Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code.*
2. *Of the funds appropriated in Schedule (1), \$12,300,000 shall be available for encumbrance or expenditure until June 30, 2029, for grants and contracts to community-based organizations for Transgender, Gender Nonconforming, and Intersex Wellness and Equity services.*

3. *Of the funds appropriated in Schedule (1), \$4,500,000 shall be available to fund services related to prevention, care and treatment for eligible individuals living with HIV and AIDS, or at risk of HIV infection.*

SEC. 150. *Item 4265-112-0001 is added to Section 2.00 of the Budget Act of 2025, to read:*

4265-112-0001—For transfer by the Controller to the
Transgender, Gender Nonconforming, and Intersex (TGI)
Wellness and Equity Fund 12,300,000

SEC. 151. *Item 4265-401 is added to Section 2.00 of the Budget Act of 2025, to read:*

4265-401— (1) *The Department of Public Health may enter into exclusive or nonexclusive contracts, or amend existing contracts, on a bid or negotiated basis for the purposes of preparedness, mitigation, response and recovery activities for:*

- (a) *National, state, regional or local emergencies, defined as a sudden unexpected occurrence, emerging threat, natural disaster, or imminent public health hazard requiring Medical and Health Coordination Center activation or immediate action in preparedness for or in response to, the prevention or mitigation of loss or damage to life, health, property, or essential public services.*
- (b) *National, state, regional, or local threats, defined as a condition creating a substantial probability of harm requiring action to prevent, reduce, or mitigate damage to persons, property, or the public health or safety. Use of this exemption is limited to procure and address the need for required goods or services that cannot otherwise be met through normal procurement methods given the situational risk or urgency.*
- (2) *Contracts entered into or amended pursuant to this item shall be exempt from Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, Section 19130 of the Government Code, Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, and the State Administrative Manual, and shall be exempt from review or approval of any division of the Department of General Services. Use of this exemption is limited to procure and address the need for required goods or services that cannot otherwise be met through normal procurement methods given the situational risk or urgency.*

SEC. 152. *Item 4265-490 of Section 2.00 of the Budget Act of 2025 is amended to read:*

4265-490—Reappropriation, Department of Public Health. All remaining amounts in the following citations are reappropriated for the purposes specified below and shall be available for encumbrance or expenditure until June 30, 2027:

0001—General Fund

- (1) ~~Provision 19 of Item 4265-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), to be transferred to the Transgender, Gender~~

Nonconforming, and Intersex (TGI) Wellness and Equity Fund:

- (2) Provision 4 of Item 4265-001-0001, Budget Act of 2019 (Chs. 23 and 55, Stats. 2019), for activities that address lesbian, bisexual, and queer women's health disparities.
- (3) Provision 4 of Item 4265-111-0001, Budget Act of 2019 (Chs. 23 and 55, Stats. 2019), for activities that address lesbian, bisexual, and queer women's health disparities.
- (4) Provision 21 of Item 4265-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), to support the Increased Capacity, Training, and Care for LGBTQ+ Foster Youth.
- (5) Provision 14 of Item 4265-111-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), to support the Increased Capacity, Training, and Care for LGBTQ+ Foster Youth.
- (6) Provision 16 of Item 4265-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), to promote awareness of reproductive health rights and services and research into disparities in reproductive health access.
- (7) Provision 9 of Item 4265-111-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), to support grants to community-based organizations to provide comprehensive reproductive health and sexual health education.

SEC. 153. *Item 4265-493 is added to Section 2.00 of the Budget Act of 2025, to read:*

4265-493—Reappropriation, State Department of Public Health. The amount specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2027:

0001—General Fund

- (1) *Up to \$2,997,000 in Provision 7 of Item 4265-001-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), to support the California Parkinson's Disease Registry and California Neurodegenerative Disease Registry.*
- (2) *Up to \$2,500,000 in Provision 19 of Item 4265-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), to support the Governor's Fitness Council.*

SEC. 154. *Item 4300-101-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

4300-101-0001—For local assistance, State Department of Developmental Services, for Regional Centers	11,780,704,000
	11,777,915,000

Schedule:

- | | |
|--|--------------------------|
| (1) 4140015-Operations | 1,647,367,000 |
| | 1,644,578,000 |
| (2) 4140019-Purchase of Services | |
| | 16,488,628,000 |

(3)	4140031-Early Start Family Resource Services	2,003,000
(4)	Reimbursements to 4140015- Operations	-477,671,000
(5)	Reimbursements to 4140019- Purchase of Services	-5,879,623,000

Provisions:

1. Upon order of the Director of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4300-001-0001. Within 10 working days after approval of a transfer as authorized by this provision, the Director of Finance shall notify the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee of the transfer, including the amount transferred, how the amount transferred was determined, and how the amount transferred will be utilized.
2. A loan or loans shall be made available from the General Fund to the State Department of Developmental Services not to exceed a cumulative total of \$1,271,459,000. The loan funds shall be transferred to this item as needed to meet cashflow needs due to delays in collecting reimbursements from the Health Care Deposit Fund. All moneys so transferred shall be repaid as soon as sufficient reimbursements have been collected to meet immediate cash needs and in installments as reimbursements accumulate if the loan is outstanding for more than one year.
3. Notwithstanding Section 26.00, the Director of Finance may authorize transfer of expenditure authority between Schedules (1) and (2) in order to more accurately reflect expenditures in the Early Intervention Program (Part C of the federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1431 et seq.)).
4. Notwithstanding Section 26.00, the Director of Finance may authorize transfer of expenditure authority from Schedule (3) 4140031-Early Start Family Resource Services to Schedule (2) 4140019-Purchase of Services to more accurately reflect expenditures in the Early Start Programs.
5. Notwithstanding Section 26.00, the Director of Finance may authorize a transfer of up to \$5,000,000 in expenditure authority from Schedule (1) to Schedule (2) to more accurately reflect year-end expenditures.

SEC. 155. *Item 4440-301-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

4440-301-0001—For capital outlay, State Department of State
Hospitals 37,198,000

Schedule:

- | | | |
|-----|--|-----------|
| (1) | 0014583-Napa: Electrical Infrastructure
Upgrade | 2,844,000 |
| (a) | Preliminary plans
..... | 2,844,000 |

- (2) ~~008343-Coalinga~~-0008343-Coalinga
Hydronic Loop Replacement
..... 34,354,000
- (a) Construction
..... 34,354,000

SEC. 156. *Item 4560-101-3085 of Section 2.00 of the Budget Act of 2025 is amended to read:*

4560-101-3085—For local assistance, Behavioral Health Services Oversight and Accountability Commission, payable from the Behavioral Health Services Fund ~~44,306,000~~
34,306,000

Schedule:

- (1) 4170-Behavioral Health Services Oversight and Accountability Commission ~~44,306,000~~
34,306,000

Provisions:

1. Of the funds appropriated in this item, ~~\$30,000,000~~ \$20,000,000 is available for encumbrance or expenditure until June 30, ~~2026~~, 2027, to support crisis prevention, early intervention, and crisis response strategies described in Part 3.8 (commencing with Section 5848.5) of Division 5 of the Welfare and Institutions Code. ~~Of this amount, \$5,000,000 shall be allocated to support programs addressing substance use disorders among youth.~~

SEC. 157. *Item 4800-101-3381 of Section 2.00 of the Budget Act of 2025 is amended to read:*

4800-101-3381—For local assistance, California Health Benefit Exchange, payable from the Health Care Affordability Reserve Fund ~~217,000,000~~
192,000,000

Schedule:

- (1) 4202-State Subsidy Program
..... ~~217,000,000~~
192,000,000

Provisions:

1. (a) Of the funds appropriated in Schedule (1), up to \$2,000,000 is available to support health care coverage for striking workers, pursuant to Chapter 695 of the Statutes of 2022.
- (b) Upon notification from the California Health Benefit Exchange that the program to support health care for striking workers will exceed the appropriation referenced in subprovision (a), the Department of Finance shall authorize one or more increases in this appropriation totaling up to \$3,000,000 to pay for health care coverage for striking workers pursuant to Chapter 695 of the Statutes of 2022. The authorizations shall be contingent upon sufficient funding in the Health Care Affordability Reserve Fund, and subject to revenue availability, pursuant to Section 61035 of the Revenue and Taxation Code. The Department of Finance shall provide notification in writing of the necessity

and amount of each of the augmentations to the Joint Legislative Budget Committee no later than 10 days prior to the effective date of each of the augmentations. The Department of Finance shall also provide notification in writing when the funding authorized in this item has been fully spent.

2. Of the funds appropriated in Schedule (1), up to ~~\$215,000,000~~ \$190,000,000 is available to support a program of financial assistance, ~~including which~~ *may include* premium subsidies, for coverage year ~~2025-~~ 2026.
3. The amount appropriated in this item shall also provide any retroactive premium assistance subsidies owed to qualified health plan issuers under Item 4800-101-0001 of the Budget Act of 2019 (Chs. 23 and 55, Stats. 2019) and Item 4800-101-0001 of the Budget Act of 2020 (Chs. 6 and 7, Stats. 2020) due to eligibility and enrollment reconciliations.
4. Pursuant to and consistent with the enabling 2024 Budget Act agreement (Chs. 22, 35, and 994, Stats. 2024), the Department of Finance may transfer \$109,000,000 from idle resources within the Health Care Affordability Reserve Fund to the General Fund as a budgetary loan during the 2025–26 fiscal year.

SEC. 158. *Item 5180-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

5180-001-0001—For support of State Department of Social
Services ~~356,495,000~~
358,599,000

Schedule:

- | | | |
|-----|---|-------------------------------------|
| (1) | 4270-Welfare Programs
..... | 75,372,000
77,476,000 |
| (2) | 4275-Social Services and Licensing
..... | 282,434,000 |
| (3) | 4285-Disability Evaluation and
Other Services | 67,477,000 |
| (4) | Reimbursements to 4270-Welfare
Programs | –2,668,000 |
| (5) | Reimbursements to 4275-Social
Services and Licensing
..... | –29,693,000 |
| (6) | Reimbursements to 4285-Disability
Evaluation and Other Services
..... | –36,427,000 |

Provisions:

1. The Department of Finance may authorize the transfer of funds from Schedule (2) of this item to Schedule (1), Program 4275019, of Item 5180-151-0001, Children and Adult Services and Licensing, in order to allow counties to perform the facilities evaluation function.
2. The Department of Finance may authorize the transfer of funds from Schedule (2) of this item to Schedule (1), Program 4275019, of Item 5180-151-

0001, Children and Adult Services and Licensing, in order to allow counties to perform the adoptions program function.

3. Nonfederal funds appropriated in this item that have been budgeted to meet the state's Temporary Assistance for Needy Families maintenance-of-effort requirement established pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) shall not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.
4. Notwithstanding paragraph (4) of subdivision (b) of Section 1778 of the Health and Safety Code, the State Department of Social Services may use no more than 20 percent of the fees collected pursuant to Chapter 10 (commencing with Section 1770) of Division 2 of the Health and Safety Code for overhead costs, facilities operation, and indirect department costs.
5. Upon request of the State Department of Social Services and the State Department of Health Care Services, the Director of Finance may authorize the transfer of amounts from Item 4260-101-0001, State Department of Health Care Services, to this item to fund the cost of the administrative hearing process associated with changes in aid or service payments in the Medi-Cal program. The Department of Finance shall report to the Legislature the amount to be transferred pursuant to this provision. The transfer shall be authorized at the time the report is made.
6. Provision 1 of Items 5180-001-0270 and 5180-001-0279 also applies to this item.
7. Notwithstanding any other law, upon approval of the Department of Finance, expenditure and position authority may be transferred between schedules within or between the following items for the State Department of Education and the State Department of Social Services: Items 6100-001-0001, 5180-001-0001, and reimbursements. Of the amount appropriated in Schedule (1), up to \$6,000,000 shall be available for this purpose upon approval of the Department of Finance. The aggregate amount of General Fund appropriation increases provided under this item during the fiscal year may not exceed the aggregate amount of General Fund appropriation decreases. This provision supports the continuity of care in the programs transitioned from the State Department of Education to the State Department of Social Services.
8. The State Department of Social Services may contract with a vendor to provide direct deposit to childcare contractors. Contracts awarded pursuant to this section shall allow for advance payment. The department is hereby authorized to provide advance payment in order to implement direct deposit to childcare contractors. Contracts awarded pursuant to this section shall be exempt from the personal services contracting requirements of Article 4 (commencing with Section 19130) of

Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code. For purposes of this provision, the State Department of Social Services is exempt from the requirements of Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code and from the requirements of Article 6 (commencing with Section 999) of Chapter 6 of Division 4 of the Military and Veterans Code.

9. The Department of Finance is authorized to approve expenditures in excess of the amounts appropriated in this item, upon notification from the State Department of Social Services, to cover costs associated with increased fair hearing requests due to Medi-Cal redeterminations.
10. For the funds appropriated in this item for Child and Family Services Acute Review and Response, the State Department of Social Services shall report annually on January 10 to the policy and fiscal committees of the Legislature on key metrics, including, but not limited to, shelter stays for children under six years of age and overstay for youth at short-term residential therapeutic program placements.
11. The Department of Finance may increase expenditure authority in this item up to \$250,000 to comply with the federal Able-Bodied Adult Without Dependents (ABAWD) rule.
12. Upon approval of the Department of Finance, Schedule (1) may be augmented to continue the contract to provide direct deposit payments with vendors until the FISCAL EFT system is fully integrated into the State Department of Social ~~Services~~ 'Services' accounting and payment business practices. The State Department of Social Services is hereby authorized to provide advance payment in order to implement direct deposit to childcare contractors. Contracts awarded pursuant to this section shall allow for advance payment. The department is hereby authorized to provide advance payment in order to implement direct deposit to childcare contractors. Contracts awarded pursuant to this section shall be exempt from the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code. For purposes of this provision, the State Department of Social Services is exempt from the requirements of Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code and from the requirements of Article 6 (commencing with Section 999) of Chapter 6 of Division 4 of the Military and Veterans Code.
13. Notwithstanding any other law, upon approval of the Plan for Operations and Management and the Implementation Advance Planning Document Update by the United States Department of Agriculture Food and Nutrition Service, the Department of Finance may augment this item for costs associated with the implementation and administration of the Summer Electronic Benefits Transfer for Children (Summer EBT) established pursuant to 42 U.S.C. Sec. 1762, also known as SUN Bucks, no sooner than 30 days after

notification in writing is provided to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee.

14. Of the amount appropriated in Schedule (2), up to \$14,784,000 is allocated for project activities associated with the Facility Management System project. The expenditure of funds is contingent upon project approval by the Department of Technology. Expenditures shall be in alignment with approved project documents.
15. *Of the funds appropriated in this item, \$200,000 shall be allocated for the purposes of developing a strategic plan for how the State Department of Social Services' methodology and outreach strategies will be implemented and executed to maximize benefits to those eligible for CalFresh benefits, pursuant to the requirements of Section 18901.58 of the Welfare and Institutions Code.*

SEC. 159. *Item 5180-001-0890 of Section 2.00 of the Budget Act of 2025 is amended to read:*

5180-001-0890—For support of State Department of Social Services, payable from the Federal Trust Fund ~~618,461,000~~
619,364,000

Schedule:

- | | | |
|-----|------------------------------------|---------------------------------------|
| (1) | 4270-Welfare Programs | |
| | | 149,690,000
150,593,000 |
| (2) | 4275-Social Services and Licensing | |
|  | ..... | 147,782,000 |
| (3) | 4285-Disability Evaluation and | |
| | Other Services | 320,989,000 |

Provisions:

1. The Department of Finance may authorize the transfer of federal funds from this item to Item 5180-151-0890 in order to allow counties to perform the adoption program functions and the facilities evaluation function in the Community Care Licensing Division of the State Department of Social Services.
2. Notwithstanding any other law, upon approval of the Department of Finance, expenditure and position authority may be transferred between schedules within or between the following items for the State Department of Education and the State Department of Social Services: Items 6100-001-0890, 5180-001-0890, and reimbursements. The aggregate amount of appropriation increases provided under this section during the fiscal year may not exceed the aggregate amount of appropriation decreases. This provision supports the continuity of care in the programs transitioned from the State Department of Education to the State Department of Social Services.
3. (a) Notwithstanding any other law, upon approval of the Department of Finance, expenditure and position authority may be transferred between schedules within or between the following items for the State Department of Education and the State

Department of Social Services: Items 6100-001-0890, 5180-001-0890, and reimbursements. The aggregate amount of appropriation increases provided under this provision during the fiscal year may not exceed the aggregate amount of appropriation decreases. This provision supports the administration and implementation of the Summer Electronic Benefit Transfer program established pursuant to Section 1762 of Title 42 of the United States Code.

- (b) Notwithstanding any other law, the allocation of these funds by the State Department of Social Services shall be exempt from the requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code, and from the Public Contract Code and the State Contracting Manual, and shall not be subject to the review or approval of the Department of General Services.

4. Notwithstanding any other law, upon selection of the State of California, the Department of Finance may augment this item in Schedule (1) for future annual expenditure authority to expend funding awarded through the Preschool Development Grant, no sooner than 30 days after notification in writing is provided to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee.
5. The Department of Finance may increase expenditure authority in this item by up to \$250,000 to comply with the federal able-bodied adults without dependents (ABAWD) time limit specified in Section 273.24 of Title 7 of the Code of Federal Regulations.
6. Of the amount appropriated in Schedule (2), \$186,000 is available for administrative costs related to the Elder Justice Award, and shall be available for encumbrance or expenditure until June 30, 2027.

7. *Provision 15 of Item 5180-001-0001 also applies to this item.*

SEC. 160. *Item 5180-101-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

5180-101-0001—For local assistance, State Department of Social Services

~~6,758,199,000~~
6,790,803,000

Schedule:

- | | | |
|-----|---|---|
| (1) | 4270010-CalWORKs | 1,539,060,000
1,529,922,000 |
| (2) | 4270019-Other Assistance Payments | 960,769,000
943,151,000 |
| (3) | 4270020-Child Care | 4,298,570,000
4,357,930,000 |

(4)	Reimbursements to 4270010-CalWORKs	0
(5)	Reimbursements to 4270019-Other Assistance Payments	-40,200,000

Provisions:

1. (a) Funds appropriated in this item shall not be encumbered unless every rule or regulation adopted and every all-county letter issued by the State Department of Social Services that adds to the costs of any program is approved by the Department of Finance as to the availability of funds before it becomes effective. In making the determination as to availability of funds to meet the expenditures of a rule, regulation, or all-county letter that would increase the costs of a program, the Department of Finance shall consider the amount of the proposed increase on an annualized basis, the effect the change would have on the expenditure limitations for the program set forth in this act, the extent to which the rule, regulation, or all-county letter constitutes a deviation from the premises under which the expenditure limitations were prepared, and any additional factors relating to the fiscal integrity of the program or the state's fiscal situation.
- (b) Notwithstanding Sections 28.00 and 28.50, the availability of funds contained in this item for rules, regulations, or all-county letters that add to program costs funded from the General Fund in excess of \$500,000 on an annual basis, including those that are the result of a federal regulation, but excluding those that are (1) specifically required as a result of the enactment of a federal or state law or (2) included in the appropriation made by this act, shall not be approved by the Department of Finance sooner than 30 days after notification in writing to the chairpersons of the committees in each house of the Legislature that consider appropriations and the Chairperson of the Joint Legislative Budget Committee, or sooner than such lesser time after notification as the chairperson of the joint committee, or the chairperson's designee, may in each instance determine.
2. Notwithstanding Chapter 1 (commencing with Section 18000) of Part 6 of Division 9 of the Welfare and Institutions Code, a loan not to exceed \$500,000,000 shall be made available from the General Fund, from funds not otherwise appropriated, to: (a) cover the costs of a program or programs when the federal funds have not been received or funds in any subaccount within the Local Revenue Fund have not been deposited prior to the usual time for the state to transmit payment to the counties or (b) ensure cash disbursement needs in this item are met when abatements have not yet posted in time for disbursement. For this purpose, the Department of Finance may authorize an augmentation to this item to ensure cash disbursement requirements are met. This loan from the General Fund shall be repaid when the federal funds or the funds for any subaccounts within the Local Revenue Fund for the program or programs becomes available.

3. The Department of Finance may authorize the transfer of amounts from this item to Item 5180-001-0001 in order to fund the costs of the administrative hearing process associated with the CalWORKs program.
4.
 - (a) The Department of Finance is authorized to approve expenditures in those amounts made necessary by changes in either caseload or payments, including, but not limited to, the timing of federal payments, or any rule or regulation adopted and any all-county letter issued as a result of the enactment of a federal or state law, the adoption of a federal regulation, or a court action, during the 2025–26 fiscal year that are within or in excess of amounts appropriated in this act for that year.
 - (b) If the Department of Finance determines that the estimate of expenditures will exceed the expenditures authorized for this item, the department shall so report to the Legislature. At the time the report is made, the amount of the appropriation made in this item shall be increased by the amount of the excess unless and until otherwise provided by law.
5. Nonfederal funds appropriated in this item which have been budgeted to meet the state's Temporary Assistance for Needy Families maintenance-of-effort requirement established pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) shall not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.
6. In the event of a declared disaster and upon county request, the State Department of Social Services may act in the place of any county and assume direct responsibility for the administration of eligibility and grant determination. The Department of Finance may authorize the transfer of funds from this item and Item 5180-101-0890 to Items 5180-001-0001 and 5180-001-0890, for this purpose.
7. Pursuant to the Electronic Benefits Transfer (EBT) Act (Chapter 3 (commencing with Section 10065) of Part 1 of Division 9 of the Welfare and Institutions Code) and in accordance with the EBT System regulations (Manual of Policies and Procedures Section 16-401.15), in the event a county fails to reimburse the EBT contractor for settlement of EBT transactions made against the county's cash assistance programs, the state is required to pay the contractor. The State Department of Social Services may use funds from this item to reimburse the EBT contractor for settlement on behalf of the county. The county shall be required to reimburse the department for the county's settlement via direct payment or administrative offset.
8. The Department of Finance is authorized to approve expenditures for the California Food Assistance Program in those amounts made necessary by changes in the CalFresh Program Standard Utility Allowance, including changes that result from midyear Standard Utility Allowance adjustments requested by the state and any adjustments necessary to maintain parity with federal program changes. If the Department of Finance

determines that the estimate of expenditures will exceed the expenditure authority of this item, the department shall so report to the Legislature. At the time the report is made, the amount of the appropriation made in this item shall be increased by the amount of the excess unless and until otherwise provided by law.

9. The Department of Finance is authorized to approve expenditures in excess of the amounts appropriated in Schedule (2), upon notification from the State Department of Social Services, to replenish the State Emergency Food Bank Reserve.
10. Notwithstanding any other law, upon approval of the Department of Finance, expenditure authority may be transferred between schedules within or between the following items for the State Department of Education and the State Department of Social Services: Items 6100-194-0001, 5180-101-0001, and reimbursements. The aggregate amount of General Fund appropriation increases provided under this section during the fiscal year may not exceed the aggregate amount of General Fund appropriation decreases. This provision supports the continuity of care in the programs transitioned from the State Department of Education to the State Department of Social Services.
11. Notwithstanding any other law, the Department of Finance may authorize a cash loan from the General Fund for cashflow purposes, in an amount not to exceed \$20,000,000, under the following conditions:
 - (a) The loan shall meet cash needs resulting from a delay in the receipt of reimbursements from the General Child Care program (CCTR) funds.
 - (b) The loan shall be used for a short-term need and shall be repaid within 90 days of the loan origination date.
 - (c) Interest charges may be waived pursuant to Section 16314 of the Government Code.
12. Of the funds appropriated in Schedule (3), \$1,618,271,000 shall be allocated for Alternative Payment Program, General Child Care and Migrant Child Care slots to expand childcare access, with a priority for General Child Care slots serving children who are 0 to 3 years of age.
13. Funds allocated for Resource and Referral, California Child Care Initiative, Quality Improvement, and Local Planning Councils shall be allocated to meet federal requirements to improve the quality of childcare and shall be used in accordance with the approved California State Plan for the federal Child Care and Development Fund that is developed pursuant to the requirements of Section 10211.5 of the Welfare and Institutions Code.
14. Notwithstanding any other law, funds in accounts payable are available for alternative payment programs for actual and allowable costs incurred for additional services, pursuant to Section 10228.1 of the Welfare and Institutions Code. The State Department of Social Services shall give priority for the allocation of these funds for accounts payable.
15. (a) (1) The State Department of Social Services shall conduct monthly analyses of

CalWORKs Stage 2 and Stage 3 caseloads and expenditures and adjust agency contract maximum reimbursement amounts and allocations as necessary to ensure funds are distributed proportionally to need.

- (2) Notwithstanding any other law or any other provision of this act, the Department of Finance may augment the appropriation for CalWORKs Stage 3 if the estimate of expenditures, as determined by the Department of Finance, will exceed the expenditures authorized in Schedule (3). The Department of Finance shall report any augmentation pursuant to this paragraph to the Joint Legislative Budget Committee. At the time the report is made, the amount of the appropriation made in Schedule (3) shall be increased by the amount of the augmentation.
 - (3) An augmentation may be authorized not sooner than 30 days after notification in writing of the necessity to exceed the limitations is provided to the Joint Legislative Budget Committee, or whatever lesser time the chairperson of the joint committee may determine. Any request made by the State Department of Social Services to augment the CalWORKs Stage 3 appropriation shall be approved only in order to cover increases in costs that are consistent with assumptions of this act. This provision shall not be construed to treat Stage 3 as an entitlement.
- (b) Notwithstanding any other law, the funds in Schedule (3) are reserved exclusively for continuing childcare for the following families:
 - (1) Former CalWORKs families who are working, have left cash aid, and have exhausted their two-year eligibility for transitional services in either Stage 1 or Stage 2 pursuant to subdivision (c) of Section 10371 or Section 10372 of the Welfare and Institutions Code, respectively, but still meet eligibility requirements for receipt of subsidized childcare services.
 - (2) Families who received lump-sum diversion payments or diversion services under Section 11266.5 of the Welfare and Institutions Code and have spent two years in Stage 2 off of cash aid, but still meet eligibility requirements for receipt of subsidized childcare services.
- (c) Notwithstanding any other law, each local planning council receiving funds appropriated in Schedule (3) shall meet the requirements of Section 10486 of the Welfare and Institutions Code to the extent feasible and to the extent data is readily accessible.
- (d)
 - (1) Notwithstanding any other law, families shall be disenrolled from subsidized childcare services consistent with the

priorities for services specified in subdivision (b) of Section 10271 of the Welfare and Institutions Code. Families shall be disenrolled in the following order:

- (A) Families with the highest income below 85 percent of the State Median Income (SMI) adjusted for family size.
 - (B) Of families with the same income level, those that have been receiving childcare services for the longest period of time.
 - (C) Of families with the same income level, those that have a child with exceptional needs.
 - (D) Families with children who are receiving child protective services or are at risk of being neglected or abused, regardless of family income.
- (2) Notwithstanding any other law, the implementation of paragraph (1) of this subprovision is not subject to the appeal and resolution procedures for agencies that contract with the State Department of Social Services for the provision of childcare services or the due process requirements afforded to families that are denied services specified in Chapter 19 (commencing with Section 18000) of Division 1 of Title 5 of the California Code of Regulations.
- (3) The reimbursement for meals served in childcare centers and homes shall be ~~\$0.2212~~ **\$0.2160** per meal.
16. Of the amount appropriated in Schedule (3), up to ~~\$9,296,000~~ **\$9,440,000** shall be available for the child nutrition program state match for the program.
17. The Department of Finance is authorized to approve expenditures in excess of the amounts appropriated in Schedule (3) for accounts payable, upon notification from the State Department of Social Services, to reimburse for actual and allowable costs incurred to Child Care and Development Programs, as defined in Section 10213.5 of the Welfare and Institutions Code.
18. The Department of Finance may increase expenditure authority in this item for increased costs related to the reimbursement of stolen food and cash benefits.
19. Of the amount appropriated in Schedule (3), up to ~~\$21,900,000~~ **\$30,091,000** is available to all programs funded by the State Department of Social Services pursuant to Chapter 3 (commencing with Section 10225), Chapter 6 (commencing with Section 10235), Chapter 7 (commencing with Section 10240), Chapter 8 (commencing with Section 10250), Chapter 9 (commencing with Section 10260), and Chapter 21 (commencing with Section 10370) of Part 1.8 of, and Chapter 2 (commencing with Section 11200) of Part 3 of, Division 9 of the Welfare and Institutions Code, ~~and for transfer to the State Department of Education for purposes of the California State Preschool Program;~~ for

implementation costs associated with paying child care and development providers prospectively, based on enrollment, pursuant to Section 10280 of the Welfare and Institutions Code and Section 8242 of the Education Code. Notwithstanding any other law, the State Department of Social Services may provide written directives for the amount and manner of reimbursement for these costs and the manner of implementation.

20. Of the amount appropriated in Schedule (3), up to \$70,000,000 is available to alternative payment programs funded by the State Department of Social Services pursuant to Chapter 3 (commencing with Section 10225) or Chapter 21 (commencing with Section 10370) of Part 1.8 of, and Chapter 2 (commencing with Section 11200) of Part 3 of, Division 9 of the Welfare and Institutions Code, to provide resources to alternative payment program agencies for administration and support costs associated with implementing ongoing provisions of the Memorandum of Understanding with Child Care Providers United. Notwithstanding any other law, the State Department of Social Services may provide written directives for the amount and manner of reimbursement for these costs and the manner of implementation.
21. Of the funds appropriated in this item, \$36,000,000 shall be allocated on a one-time basis for the CalFresh Fruit and Vegetable Pilot Program.
22. Of the funds appropriated in this item, \$52,000,000 shall be allocated on a one-time basis for the CalFood Program.
23. Of the funds appropriated in Schedule (2), \$7,400,000 shall be available to the State Department of Social Services to provide allocations to the following organizations for diaper and wipe distribution to low-income families with infants or toddlers: (1) Community Action Partnership of Orange County, (2) Community Partnership of San Bernardino, (3) Central California Food Bank, (4) Help a Mother Out (located in the San Francisco Bay Area), (5) Los Angeles Regional Food Bank, (6) Redwood Empire Food Bank, (7) Sacramento Food Bank and Family Services, (8) Jacobs and Cushman San Diego Food Bank, (9) Food Share Ventura County, (10) Second Harvest Food Bank of Santa Cruz, and (11) Food Bank of Contra Costa and Solano.
- ~~24. Of the funds appropriated in this item, \$200,000 shall be allocated for the purposes of developing a strategic plan for how the State Department of Social Services' methodology and outreach strategies will be implemented and executed to maximize benefits to those eligible for CalFresh benefits, pursuant to the requirements of Section 10901.58 of the Welfare and Institutions Code.~~
- ~~25. Of the funds appropriated in this item, \$23,000,000 shall be allocated on a one-time basis for foster family agencies to receive an automatic award based on placement data. This amount is intended to assist foster family agencies in continuing their operations and services for children and youth in the foster care system, and shall be available for encumbrance or expenditure until June 30 2027.~~

24. (a) *Of the amount appropriated in this item.
\$7,500,000 shall be available to the State
Department of Social Services for the YMCA of
Metropolitan Los Angeles for Food Assistance
and Legal Aid Services.*
- (b) *The State Department of Social Services shall
determine the best method for allocation of this
funding.*
- (c) *Notwithstanding any other law, the department's
allocation of funds pursuant to this provision shall
be exempt from the requirements of Article 4
(commencing with Section 19130) of Chapter 5 of
Part 2 of Division 5 of Title 2 of the Government
Code, and from the Public Contract Code and the
State Contracting Manual, and shall not be
subject to the review or approval of the
Department of General Services.*

SEC. 161. *Item 5180-101-0890 of Section 2.00 of the Budget Act of 2025 is amended to read:*

5180-101-0890—For local assistance, State Department of Social
Services, payable from the Federal Trust Fund ~~7,435,306,000~~
7,310,877,000

Schedule:

- | | | |
|-----|--|---|
| (1) | 4270010-CalWORKs
..... | 3,031,425,000 |
| (2) | 4270019-Other Assistance
Payments | 2,499,571,000
2,375,142,000 |
| (3) | 4270020-Child Care | 1,904,310,000 |

Provisions:

1. Provisions 1, 4, 6, and 7 of Item 5180-101-0001 also apply to this item.
2. The Department of Finance may authorize the transfer of amounts from this item to Item 5180-001-0890 in order to fund the costs of the administrative hearing process associated with the CalWORKs program.
3. Upon request of the State Department of Social Services, the Department of Finance may increase or decrease the expenditure authority in this item to offset any increases or decreases in collections deposited in the Child Support Collections Recovery Fund and appropriated in Item 5180-101-8004. The Department of Finance shall provide notification of the adjustment to the Joint Legislative Budget Committee within 10 working days from the date of the department's approval of the adjustment.
4. Upon request by the Department of Finance, the Controller shall transfer funds between this item and Item 5180-151-0890 as needed to reflect the estimated expenditure amounts for counties receiving funds provided by the federal Families First Transition Act. The Department of Finance shall report to the Legislature the amount to be transferred pursuant to this provision. The transfer shall be authorized at the time the report is made.
5. Notwithstanding any other law, upon approval of the Department of Finance, expenditure authority may

be transferred between schedules within or between the following items for the State Department of Education and the State Department of Social Services: Items 6100-201-0890 and 5180-101-0890, and reimbursements. The aggregate amount of appropriation increases provided under this section during the fiscal year may not exceed the aggregate amount of appropriation decreases. This provision supports the continuity of care in the programs transitioned from the State Department of Education to the State Department of Social Services.

6.
 - (a) Funds shall be allocated to meet federal requirements to improve the quality of childcare and shall be used in accordance with the approved California state plan for the federal Child Care and Development Fund that is developed pursuant to the requirements of Section 10211.5 of the Welfare and Institutions Code.
 - (b) Funds appropriated in this item shall not be expended to develop or support new information technology projects unless approved by the Department of Finance and not sooner than 30 days after notification to the chairperson of the Joint Legislative Budget Committee.
7. Of the funds appropriated in Schedule (3), \$21,767,000 shall be allocated for federal compliance items, including, but not limited to, implementation ~~of rates~~ *a single rate structure* informed by the alternative ~~methodology and the single rate structure. The Department shall provide a written notification to the Joint Legislative Budget Committee, no later than January 1, 2026. This written notification shall include, at a minimum, the following: a spending plan describing the specific goals and activities the department will conduct with these funds; how these activities will achieve the implementation of a single rate structure for child care reimbursement; how actual rates set pursuant to the single rate structure will differ from the rates in effect on June 30, 2025, by program; and how the department proposes to increase child care reimbursement rates pursuant to the single rate structure in future fiscal years. The Joint Legislative Budget Committee shall respond in writing within 60 days of receiving notification. Allocation of these funds shall not be made prior to written approval from the Joint Legislative Budget Committee.~~ *methodology. Prior to entering into any contracts for this purpose, the department shall provide a written notification to the Joint Legislative Budget Committee. This written notification shall include, at a minimum, an update regarding how the department proposes to structure childcare rates pursuant to the single rate structure in future years. The department shall include any updates on the use of these funds consistent with the reporting requirements in Section 10227.6 of the Welfare and Institutions Code. It is the intent of the Legislature that implementation of a single rate structure is consistent with Section 10227.6 of the Welfare and Institutions Code and subject to approval of the Legislature in a future budget act.*

- (a) Notwithstanding any other law, contracts entered into or amended pursuant to this provision shall be exempt from the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code, from the Public Contract Code and the State Contracting Manual, and shall not be subject to the review and approval of the Department of General Services, including provisions pursuant to Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, and the State Administrative Manual.
- (b) Notwithstanding Section 11546 of the Government Code, contracts entered into or amended pursuant to this provision are exempt from review or approval of any division of the Department of Technology, upon approval from the Department of Finance.
- (c) Funds shall be available for encumbrance through September 30, 2027 and for liquidation through September 30, 2028 in alignment with the federal award.

~~8: Of the funds appropriated in this item, \$8,500,000 shall be allocated on a one-time basis for Foster Family Agencies to receive an automatic award based on placement data. This is intended to assist Foster Family Agencies to continue operating in service to children and youth in the foster care system and shall be available for encumbrance or expenditure until June 30, 2027.~~

SEC. 162. *Item 5180-141-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

5180-141-0001—For local assistance, State Department of Social Services	1,429,974,000
	1,446,625,000

Schedule:

- (1) 4270037-County Administration and Automation Projects ~~1,647,397,000~~
1,664,048,000
- (2) Reimbursements to 4270037-County Administration and Automation Projects -217,423,000

Provisions:

- 1. Notwithstanding Chapter 1 (commencing with Section 18000) of Part 6 of Division 9 of the Welfare and Institutions Code, a loan not to exceed \$140,000,000 shall be made available from the General Fund, from funds not otherwise appropriated, to cover the federal or reimbursable share, or both, of costs of a program or programs when the federal funds or reimbursements have not been received by this state prior to the usual time for transmitting state payments for the federal or reimbursable share of costs. This loan from the General Fund shall be repaid when the federal share

of costs or the reimbursements for the program or programs become available.

2. In the event of a declared disaster and upon county request, the State Department of Social Services may act in the place of any county and assume direct responsibility for the administration of eligibility and grant determination. The Department of Finance may authorize the transfer of funds from this item and Item 5180-141-0890 to Items 5180-001-0001 and 5180-001-0890, for this purpose.
3. Provision 1 of Item 5180-101-0001 also applies to this item.
4. Pursuant to public assistance caseload estimates reflected in the annual Governor's Budget, the Department of Finance may approve expenditures in those amounts made necessary by a court action or changes in caseload that are in excess of amounts appropriated in this act. If the Department of Finance determines that the estimate of expenditures will exceed the expenditures authorized for this item, the department shall so report to the Legislature. At the time the report is made, the amount of the appropriation made by this item shall be increased by the amount of the excess unless and until otherwise provided by law.
5. Nonfederal funds appropriated in this item which have been budgeted to meet the state's Temporary Assistance for Needy Families maintenance-of-effort requirement established pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) shall not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.
6. This item may be increased by order of the Department of Finance to address system changes necessary to implement the requirements of the federal Patient Protection and Affordable Care Act (P.L. 111-148). The Director of Finance shall provide notification in writing to the Joint Legislative Budget Committee of any expenditure approved under this provision not less than 30 days prior to the effective date of the approval.
7. The Department of Finance may increase expenditure authority in this item for the State Department of Social Services in order to fund the administrative costs to prepare for and respond to a declaration of a major disaster by the President of the United States and to maximize the amount of assistance requested and received through the federal Disaster Supplemental Nutrition Assistance Program and other federally funded nutrition assistance programs.
8. The Department of Finance may increase expenditure authority in this item for the costs associated with an updated project schedule, clarified requirements, and negotiated vendor costs for the California Statewide Automated Welfare System project, upon notification from the Office of Systems Integration. Any such increase shall be authorized not less than 30 days following written notification to the Chairperson of the Joint Legislative

Budget Committee, or a lesser period if requested by the department and approved by the chairperson or the chairperson's designee.

9. (a) Of the funds appropriated in Schedule (1), \$121,649,000 is for the support of activities related to the Child Welfare Services-California Automated Response and Engagement System (CWS-CARES) project. Expenditure of these funds is contingent upon the CWS-CARES project receiving project continuation approval from the Department of Technology. This amount may be augmented up to \$36,641,000 by the Department of Finance. Additionally, this amount may be augmented from unspent appropriations and augmentation amounts authorized in prior years upon approval by the Department of Finance. In providing approval of any augmentation, the Department of Finance, in consultation with the Department of Technology, shall consider verified satisfactory progress toward milestones associated with the CWS-CARES Product Roadmap, product adoption, and the roadmap change management process. Satisfactory progress shall be defined as: (1) The completion of planned product milestones including all planned data conversion, hardening, and testing without significant deviation from the baseline project cost, schedule, and scope in the most recent Special Project Report; (2) Incorporation of relevant end user feedback into product design, development, and implementation, to the extent possible, without significant increases in the total CWS-CARES project cost, schedule, and scope; (3) Demonstrable progress made towards user adoption that is consistent with the project's strategic plan for user engagement, communication, and adoption, including clearly defined processes that measure and report on stakeholder engagements with the project (such as, for example, stakeholder impact assessments). Such an augmentation shall be aligned with planned project activities and shall not be used to increase total project costs. Any such augmentation shall be authorized no less than 30 calendar days following written notification to the Chairperson of the Joint Legislative Budget Committee, or a lesser period if requested by the Department of Finance and approved by the Chairperson of the Joint Legislative Budget Committee, or the chairperson's designee. The Department of Finance's written notification shall include, at a minimum, its consideration of verified satisfactory progress as defined above.
- (b) The Department of Finance may authorize the transfer of funds appropriated for the CWS-CARES project in Schedule (1) to Item 5180-001-0001, for project-related activities, including, but not limited to, necessary personal services expenditures, interagency agreements, and contracts.

- (c) Of the amount appropriated in this item, \$100,000 is available to fund reimbursements to Indian tribes, as defined in subdivision (a) of Section 224.1 of the Welfare and Institutions Code, or the tribe's designee, for costs associated with participating with the State Department of Social Services to guide the development of an automated system used for Child Welfare Services. Notwithstanding any other law, the amount and manner of reimbursements shall be determined by the State Department of Social Services in written directives.
 - (d) By August 15, 2025, the Department of Social Services, in coordination with the Department of Finance, shall report to the Joint Legislative Budget Committee, relevant fiscal and policy committee staff, and the Legislative Analyst's Office any changes in ~~CWS-CARES~~ CWS-CARES project funding resulting from the federal Administration for Children and Families' determination of the project's Comprehensive Child Welfare Information System claiming status.
 - (e) The Department of Social Services, in coordination with the Department of Finance and the Office of Technology and Solutions Integration, shall provide written notification to the Joint Legislative Budget Committee, relevant fiscal and policy committee staff, and the Legislative Analyst's Office if the scheduled implementation of any child welfare program changes will be delayed due to changes in CWS-CARES project schedule. The Department of Social Services shall provide this written notification no later than 30 days after its determination that project schedule changes will delay program changes.
- 10. Of the amount appropriated in Schedule (1), up to \$2,000,000 shall be available for the State Department of Social Services for the purpose of updating public benefit program forms, notices, or reports necessary to maintain compliance with federal regulation or state law.
 - 11. The Department of Finance may authorize the transfer of amounts in this item to Item 5180-001-0001 in order to fund the costs of administration and implementation of the SUN Bucks California program established pursuant to Section 1762 of Title 42 of the United States Code.
 - 12. The Department of Finance may increase expenditure authority in this item for increased costs related to the reimbursement of stolen food and cash benefits.
 - 13. Notwithstanding any other law, for the purpose of administering and implementing the Summer Electronic Benefit Transfer program established pursuant to Section 1762 of Title 42 of the United States Code, any contract or grants entered into by the State Department of Social Services shall be exempt from the requirements of Article 4 (commencing with Section 19130) of Chapter 5 of

Part 2 of Division 5 of Title 2 of the Government Code, and from the Public Contract Code and the State Contracting Manual, and shall not be subject to the review or approval of the Department of General Services or the Department of Technology.

14. The Department of Finance may increase expenditure authority in this item for any unanticipated automation and county administrative costs resulting from the United States Department of Agriculture Food and Nutrition Service's determination of the state's Supplemental Nutrition Assistance Program's Standard Utility Allowance methodology update.

SEC. 163. *Item 5180-141-0890 of Section 2.00 of the Budget Act of 2025 is amended to read:*

5180-141-0890—For local assistance, State Department of Social Services, payable from the Federal Trust Fund ~~1,973,839,000~~
1,984,732,000

Schedule:

- (1) 4270037-County Administration and Automation Projects ~~1,973,839,000~~
1,984,732,000

Provisions:

1. Provisions 2, 3, 4, 6, 7, 8, 9, and 11 of Item 5180-141-0001 also apply to this item.
2. Notwithstanding any other law, for the purpose of administering and implementing the Summer Electronic Benefit Transfer program established pursuant to Section 1762 of Title 42 of the United States Code, any contract or grants entered into by the State Department of Social Services shall be exempt from the requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code, and from the Public Contract Code and the State Contracting Manual, and shall not be subject to the review or approval of the Department of General Services or the Department of Technology.
3. Upon notification by the Department of Social Services, the Controller is authorized to transfer funds from this item to the CalFresh E&T Workers' Compensation Fund in accordance with Section 18926.8 of the Welfare Institutions Code.

SEC. 164. *Item 5180-151-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

5180-151-0001—For local assistance, State Department of Social Services ~~807,759,000~~
841,759,000

Schedule:

- (1) 4275019-Children and Adult Services and Licensing ~~1,175,335,000~~
1,199,335,000
- (2) 4275028-Special Programs ~~189,321,000~~
199,321,000
- (3) Reimbursements to 4275019-Children and Adult Services and -534,397,000

Licensing

- (4) Reimbursements to 4275028-
Special Programs -22,500,000

Provisions:

1. Provision 1 of Item 5180-101-0001 also applies to this item.
2. Notwithstanding Chapter 1 (commencing with Section 18000) of Part 6 of Division 9 of the Welfare and Institutions Code and pursuant to Section 30029.8 of the Government Code, a loan not to exceed \$50,000,000 shall be made available from the General Fund, from funds not otherwise appropriated, to cover the federal share or reimbursable share, or both, of costs of a program or programs when the federal funds or reimbursements have not been received by the state prior to the usual time for transmitting state payments for the federal or reimbursable share of costs. The loan from the General Fund shall be repaid when the federal or reimbursable share of costs for the program or programs becomes available.
3. The Department of Finance may authorize the establishment of positions and transfer of amounts from this item to Item 5180-001-0001, in order to allow the state to perform the facilities evaluation function of the Community Care Licensing Division in the event the counties fail to perform that function.
4. Nonfederal funds appropriated in this item that have been budgeted to meet the state's Temporary Assistance for Needy Families maintenance-of-effort requirement established pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) shall not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.
5. The Department of Finance may authorize the establishment of positions and transfer of amounts from this item to Item 5180-001-0001 in order to allow the state to perform the adoptions function in the event that a county notifies the State Department of Social Services that it intends to cease performing that function.
6. Funds appropriated in this item for the Commercially Sexually Exploited Children Program required by Chapter 5.2 (commencing with Section 16524.6) of Part 4 of Division 9 of the Welfare and Institutions Code shall be appropriately reduced by the Department of Finance to the extent any activities for which funding is included are also required by the federal Preventing Sex Trafficking and Strengthening Families Act (P.L. 113-183).
7. Of the total amount appropriated in this item, up to \$4,000,000 shall be available for a county-optional block grant program, for allocation to local agencies to fund activities the Commission on State Mandates identified as reimbursable state mandates in the Interagency Child Abuse and Neglect Investigation Reports (CSM-00-TC-22) mandate. A local agency that receives funding according to this item shall not be eligible to submit claims to the Controller for

reimbursement under Section 17560 of the Government Code for any costs related to the reimbursable state-mandated activities identified in CSM-00-TC-22 incurred in the same fiscal year during which the local agency received funding according to this item. The State Department of Social Services, in consultation with the California State Association of Counties, shall develop an allocation methodology for the purpose of distributing these funds to participating counties. Block grant funding apportioned according to this item is subject to annual financial and compliance audits.

8. Of the amount appropriated in this item, \$7,000,000 shall be available for contracts under the authority of Chapter 5.6 (commencing with Section 13300) of Part 3 of Division 9 of the Welfare and Institutions Code with organizations qualified pursuant to that chapter, to provide legal services to persons on California State University campuses. Use of these funds shall be reported in updates provided to the Legislature on the State Department of Social Services' immigration programs.
9.
 - (a) Of the funds appropriated in Schedule (1), \$87,000 shall be available to eligible federally recognized Indian tribes or tribal agencies to purchase Live Scan machines and receive ongoing reimbursements for fingerprinting costs, other maintenance and operation items, or related activities necessary to enable the tribes or tribal agencies to complete background checks for the purpose of approving tribally approved homes for the placement of Indian children into foster or adoptive care pursuant to Section 10553.12 of the Welfare and Institutions Code.
 - (b) The funding in subdivision (a) shall be available to the tribes or tribal agencies currently approved by the Department of Justice to receive state and federal level summary criminal history information pursuant to Section 11105.08 of the Penal Code.
 - (c) Of the funding in subdivision (a), the amount that each tribe or tribal agency can utilize for the purposes specified in subdivision (a) will be determined in consultation with, and subject to review and approval by, the State Department of Social Services.
10. Of the funds appropriated in Schedule (1), \$18,146,000 shall be available to support enhanced care planning and assessment services, exceptional care and supervision needs for a child in a licensed setting, or other exceptional community, educational, or family supports that have been identified by a qualified individual or a child and family team, as necessary to meet the needs of a child in the least restrictive setting. The State Department of Social Services shall allocate funds through contracts with community-based providers or entities or through local assistance allocations to counties that support new or expanded programs, services, and practices that ensure the provision of the high-quality continuum of care that is designed to support foster

children in the least restrictive setting, consistent with a child's permanency plan.

11. Of the funds appropriated in Schedule (1), \$4,145,000 shall be available for the State Department of Social Services to provide funding to support legal counsel to represent an Indian tribe in California juvenile court proceedings contingent upon the enactment of statutory changes detailing objectives, implementation design and timelines, data collection, and outcome measurements for these activities.
12. Of the funds appropriated in Schedule (1), \$4,777,000 shall be available for the State Department of Social Services to provide financial assistance with recruiting and approving homes for the purpose of foster or adoptive placement of an Indian child contingent upon the enactment of statutory changes detailing objectives, implementation design and timelines, data collection, and outcome measurements for these activities. The department shall seek federal approvals or waivers necessary to claim federal reimbursement under Title IV-E of the federal Social Security Act (42 U.S.C. Sec. 670 et seq.) in order to maximize funding for the purpose described in this section.
13. Of the amount appropriated in this item, \$10,000,000 shall be available for legal services pursuant to Chapter 5.6 (commencing with Section 13300) of Part 3 of Division 9 of the Welfare and Institutions Code, for, but not limited to, unaccompanied undocumented minors and other minors in removal proceedings, and current or past beneficiaries of federal temporary protected status, to be allocated at the discretion of the State Department of Social Services. These funds shall be available for encumbrance until June 30, 2028, and expenditure until June 30, 2030. Use of these funds shall be reported in updates provided to the Legislature on the department's immigration programs.
14. Of the funds appropriated in this item, \$83,800,000 shall be allocated on a one-time basis for the Home Safe Program and shall be available for encumbrance or expenditure until June 30, ~~2027-~~ 2028. *Upon order of the Department of Finance, up to five percent of the amount appropriated for the Home Safe Program may be transferred to Item 5180-001-0001 for administrative costs for the program, including, but not limited to, the technical assistance and outcomes tracking referenced in Section 10618.8 of the Welfare and Institutions Code. Funds transferred to Item 5180-001-0001 shall also be available for encumbrance or expenditure until June 30, 2028. All funds expended towards the purposes described in Section 10618.8 of the Welfare and Institutions Code shall be subject to subdivision (f) of that section.*
15. Of the funds appropriated in this item, \$81,000,000 shall be allocated on a one-time basis for the Bringing Families Home Program and shall be available for encumbrance or expenditure until June 30, ~~2027-~~ 2028. *Upon order of the Department of Finance, up to five percent of the amount appropriated for the Bringing Families Home*

Program may be transferred to Item 5180-001-0001 for administrative costs for the program, including, but not limited to, the technical assistance and outcomes tracking referenced in Section 10618.8 of the Welfare and Institutions Code. Funds transferred to Item 5180-001-0001 shall also be available for encumbrance or expenditure until June 30, 2028. All funds expended towards the purposes described in Section 10618.8 of the Welfare and Institutions Code shall be subject to subdivision (f) of that section.

16. Of the funds appropriated in this item, \$44,600,000 shall be allocated on a one-time basis for the Housing *and* Disability Advocacy Program and shall be available for encumbrance or expenditure until June 30, ~~2027~~ 2028. *Upon order of the Department of Finance, up to five percent of the amount appropriated for the Housing and Disability Advocacy Program may be transferred to Item 5180-001-0001 for administrative costs for the program, including, but not limited to, the technical assistance and outcomes tracking referenced in Section 10618.8 of the Welfare and Institutions Code. Funds transferred to Item 5180-001-0001 shall also be available for encumbrance or expenditure until June 30, 2028. All funds expended towards the purposes described in Section 10618.8 of the Welfare and Institutions Code shall be subject to subdivision (f) of that section.*
17. Of the funds appropriated in this item, \$10,000,000 shall be allocated on a one-time basis for the Children's Holistic Immigration Representation Project.
18. Of the funds appropriated in this item, \$14,500,000 shall be allocated on a one-time basis for the Holocaust Survivors Assistance Program to continue to provide services through the 2025–26 fiscal year and shall be available for encumbrance or expenditure until June 30, 2027.
19. Of the funds appropriated in this item, \$600,000 shall be allocated for the first year of a multi-year effort to develop, no later than July 1, 2027, a standardized curriculum for mandated reporters, consistent with ~~the requirements of Section 18950 of the Welfare and Institutions Code~~. *statutory changes made to Chapter 11 (commencing with Section 18950) of Part 6 of Division 9 of the Welfare and Institutions Code accompanying this act.*
20.
 - (a) *Of the amount appropriated in Schedule (1), \$23,000,000 shall be provided to the State Department of Social Services to distribute to eligible licensed foster family agencies that experienced a documented increase in the costs of liability insurance.*
 - (b) *The State Department of Social Services shall administer the funding described in subdivision (a) to eligible licensed foster family agencies using criteria and a methodology determined by the department in written directives, developed in consultation with the California Alliance of Child and Family Services and the County Welfare Directors Association of California.*

- (c) *Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the State Department of Social Services may implement, interpret, or make specific this provision, in whole or in part, by means of all-county letters, information notices, or other similar instructions, without taking any further regulatory action.*
21. (a) *Of the amount appropriated in Schedule (2), \$10,000,000 shall be available for grants or contracts, and state operations, under the authority of Chapter 5.6 (commencing with Section 13300) of Part 3 of Division 9 of the Welfare and Institutions Code with organizations qualified pursuant to that chapter, to provide immigration-related services, including removal defense.*
- (b) *Upon approval of the Department of Finance, funds made available pursuant to subprovision (a) may be transferred to Item 5180-001-0001 to implement and administer immigration-related services.*
- (c) *Following the award of funding made available pursuant to subprovision (a), the State Department of Social Services shall provide written notification to the Joint Legislative Budget Committee on the distribution of funds made available pursuant to subprovision (a). The notification shall include, at a minimum, the grant awardees, grant amounts, and grant period, and the amount and intended purpose of any funds transferred pursuant to subprovision (b).*

SEC. 165. *Item 5180-151-0890 of Section 2.00 of the Budget Act of 2025 is amended to read:*

5180-151-0890—For local assistance, State Department of Social Services, payable from the Federal Trust Fund ~~1,713,551,000~~
1,722,051,000

Schedule:

- (1) 4275019-Children and Adult Services and Licensing ~~1,711,301,000~~
1,719,801,000
- (2) 4275028-Special Programs 2,250,000

Provisions:

1. Provisions 1, 3, and 5 of Item 5180-151-0001 also apply to this item.
2. Upon request by the Department of Finance, the Controller shall transfer funds between this item and Item 5180-101-0890 as needed to reflect the estimated expenditure amounts for counties receiving funds provided by the federal Family First Transition Act (Sec. 602, P.L. 116-94). The Department of Finance shall report to the Legislature the amount to be transferred pursuant to this provision. The transfer shall be authorized at the time the report is made.

3. (a) *Of the amount appropriated in Schedule (1), \$8,500,000 shall be provided to the State Department of Social Services to distribute to eligible licensed foster family agencies that experienced a documented increase in the costs of liability insurance.*
- (b) *The State Department of Social Services shall administer the funding described in subprovision (a) to eligible licensed foster family agencies using criteria and a methodology determined by the department in written directives, developed in consultation with the California Alliance of Child and Family Services and the County Welfare Directors Association of California.*
- (c) *Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the State Department of Social Services may implement, interpret, or make specific this provision, in whole or in part, by means of all-county letters, information notices, or other similar instructions, without taking any further regulatory action.*

SEC. 166. *Item 5180-492 of Section 2.00 of the Budget Act of 2025 is amended to read:*

5180-492—Reappropriation, State Department of Social Services. The amounts specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2027:

~~001—General Fund~~0001—General Fund

- (1) Up to \$4,000,000 of the amount appropriated in Schedule (1) of Item 5180-151-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), for ~~enhanced~~ enhanced care planning and assessment services, exceptional care and supervision needs for a child in a licensed setting, or other exceptional community, educational, or family supports that have been identified by a qualified individual or a child and family team, as necessary to meet the needs of a child in the least restrictive setting.
- (2) Up to \$521,000 of the amount appropriated in Schedule (2) of Item 5180-101-0001 ~~of the~~ Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024) for the California Fruit and Vegetable EBT Pilot Project.
- (3) Up to \$10,434,000 of the funds transferred to state operations for the administration of housing programs pursuant to Provisions 15, 21, and 25 of 5180-151-0001 and Provision 9 of Item ~~5180-101-0001 of the 2021~~ 5180-101-0001, Budget Act of 2021 (Chs. 21, 69, and 240, ~~Statutes of~~ Stats. 2021).

SEC. 167. *Item 5180-495 of Section 2.00 of the Budget Act of 2025 is amended to read:*

5180-495—Reversion, State Department of Social Services. As of June 30, 2025, the balances specified below, of the appropriations provided in the following citations shall revert

to the balances in the funds from which the appropriations were made.

0001—General Fund

- (1) Item 5180-101-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024). Up to ~~\$22,000,000~~ **\$23,000,000** appropriated in Program 4270019-Other Assistance for the Emergency Child Care Bridge Program.
- (2) Item 5180-151-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024). Up to ~~\$8,000,000~~ **\$7,000,000** appropriated in Program 4275019-Children and Adult Services and Licensing for the Emergency Child Care Bridge Program.
- (3) Item 5180-151-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024). Up to \$9,000,000 appropriated in Program 4275019-Children and Adult Services and Licensing for the Family Urgent Response System.
- (4) Item 5180-151-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023). Up to \$9,000,000 appropriated in Program 4275019-Children and Adult Services and Licensing for the Family Urgent Response System.

SEC. 168. *Item 5225-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

5225-001-0001—For support of Department of Corrections and Rehabilitation	7,675,662,000
	7,769,981,000

Schedule:

- | | | |
|-----|---|--|
| (1) | 4500-Corrections and Rehabilitation Administration | 477,099,000
563,611,000 |
| (2) | 4505-Peace Officer Selection and Employee Development | 126,857,000 |
| (3) | 4510-Department of Justice Legal Services | 73,024,000
74,032,000 |
| (4) | 4530-Adult Corrections and Rehabilitation Operations—General Security | 4,681,745,000
4,686,548,000 |
| (5) | 4540-Adult Corrections and Rehabilitation Operations—Inmate Support | 1,375,991,000
1,376,440,000 |
| (6) | 4550-Adult Corrections and Rehabilitation Operations—Institution Administration | 559,426,000
560,973,000 |
| (7) | 4555-Parole Operations—Adult Supervision | 350,015,000 |
| (8) | 4560-Parole Operations—Adult Community-Based Programs | 98,493,000 |

(9)	4565-Parole Operations—Adult Administration	81,796,000
(10)	4570-Sex Offender Management Board and SARATSO Review Committee	953,000
(11)	Reimbursements to 4500-Corrections and Rehabilitation Administration	-4,812,000
(12)	Reimbursements to 4505-Peace Officer Selection and Employee Development	-150,000
(13)	Reimbursements to 4530-Adult Corrections and Rehabilitation Operations—General Security	-64,998,000
(14)	Reimbursements to 4540-Adult Corrections and Rehabilitation Operations—Inmate Support	-58,263,000
(15)	Reimbursements to 4550-Adult Corrections and Rehabilitation Operations—Institution Administration	-19,999,000
(16)	Reimbursements to 4555-Parole Operations—Adult Supervision	-515,000
(17)	Reimbursements to 4560-Parole Operations—Adult Community-Based Programs	-500,000
(18)	Reimbursements to 4565-Parole Operations—Adult Administration	-500,000

Provisions:

1. The Department of Corrections and Rehabilitation shall store all audio and video obtained through the statewide correctional video surveillance program for a period of no less than 90 days from the date recorded. Additionally, the following events shall require the department to preserve the recorded data for a longer period as potential evidence in an investigation, or an administrative, civil, or criminal proceeding:
 - (a) Any use-of-force incident.
 - (b) Riots.
 - (c) Suspected felonious criminal activity.
 - (d) Any incident resulting in serious bodily injury, great bodily injury, or a suspicious death.
 - (e) Sexual assault allegations.
 - (f) Allegations of staff misconduct by an inmate, employee, visitor, or other person.
 - (g) Incidents that may be potentially referred to the district attorney's office.
 - (h) An employee report to a supervisor of injury. The following events shall require staff to

preserve the recorded data for a longer period if filed or reported within 90 days of the event:

- (1) Inmate claims with the California Victim Compensation Board.
- (2) The Department of Corrections and Rehabilitation's Office of Internal Affairs may request to review audio and video recordings when conducting an inquiry as it relates to a submitted third-level appeal.

An audio or video recording that becomes evidence in a Department of Corrections and Rehabilitation's Office of Internal Affairs investigation shall be stored until resolution of any investigation and written release by the Office of Internal Affairs, Department of Corrections and Rehabilitation's Office of Legal Affairs, the Attorney General, or the Employment Advocacy and Prosecution Team of the Office of Legal Affairs. An audio or video recording that the Department of Corrections and Rehabilitation has reason to believe may become evidence in an administrative, civil, or criminal proceeding shall be stored indefinitely unless other direction is given by the Office of Legal Affairs or, in the event of a criminal proceeding, the district attorney's office.

- ~~1.5.~~ 1.5. The Department of Corrections and Rehabilitation shall utilize video obtained through the statewide correctional video surveillance program during the review of staff complaints and other serious appeals and complaints.
2. Of the amount appropriated in Schedules (4) and (5), \$18,233,000 and \$1,525,000 is available for the Integrated Substance Use Disorder Treatment Program, respectively. Any unencumbered balances of the amounts identified in this provision shall revert to the General Fund on June 30, 2026.
3. The Department of Corrections and Rehabilitation shall report spending on class action lawsuits against the department to the budget committees of both houses of the Legislature and the Legislative Analyst's Office by January 31 of each year. At a minimum, this report shall include spending for each lawsuit in the most recently completed fiscal year on all litigation activities, including, but not limited to, the costs of the department's legal staff time, payments to outside counsel for legal services, and payments to plaintiffs, monitors, and court experts.
4. The Department of Corrections and Rehabilitation shall submit an updated report to the chairpersons of the budget committees of both houses of the Legislature and the Joint Legislative Budget Committee by January 10 of each year until 2030, of the status of state-owned deactivated adult and juvenile correctional facility properties for evaluation. The report shall include an inventory of all deactivated facilities, a discussion of any functions the properties are currently serving, and projected timelines for declaring properties as surplus to the Department of General Services.
5. Of the amount specified in Schedule (6) of this item, up to \$17,567,000 is specified for the purpose of the Air Cooling Pilot Program and shall be available for encumbrance or expenditure until June ~~30~~ 30, 2028.

(a) On or before January ~~10, 2031~~, *January 10, 2026*, the Department of Corrections and Rehabilitation shall submit to the budget committees of each house, the Joint Legislative Budget Committee, and the Legislative Analyst's Office a report on the following:

(1) The department's current capabilities ~~or~~ *and* plans to collect statewide data on ~~temperature, humidity, and the availability of electric fans~~ *temperature* in housing units as well as other areas of prisons that may also require cooling, such as kitchens.

(2) ~~The~~ *For the Air Cooling Pilot Program housing units, the* design type, existing air cooling infrastructure, if any, and number of days with indoor temperatures exceeding ~~78 90~~ degrees ~~over the past year, or similar available data, for each housing unit in the prison system.~~ *between July 1, 2025, and October 31, 2025.*

(2.5) The number of days in Stage 1, 2, and 3 heat alerts in the prior calendar year during the reporting period of May 1 through October 31, by institution.

(3) A discussion of the steps taken or ~~planned;~~ *planned steps*, such as conducting additional engineering studies, to identify cooling options for housing ~~unit design types~~ *units* not included in the pilot.

(4) A discussion of policies ~~or~~ *and/or* practices adopted ~~or~~ *and/or* under consideration to mitigate the effects of indoor heat in the near ~~term, including a description of policies around electric fan usage.~~ *term.*

(b) On or before ~~January 10, 2031~~, *January 10, 2026*, the Department of Corrections and Rehabilitation shall submit to the budget committees of each house, the Joint Legislative Budget Committee, and the Legislative Analyst's Office a report on the results of the pilot program and recommended statewide strategy for scaling air cooling in a timely and efficient manner. To the extent the strategy would involve deactivating housing units while air cooling is being installed, the report should discuss how the department would manage the impact to the prison population and employees. In addition, the report should include consideration of options to expedite ~~construction.~~ *installation.*

6. Schedule (1) of this item reflects an unallocated reduction of ~~\$200,000,000~~ *\$125,000,000* for 2025–26 for the purposes of effectuating planned savings from various operational efficiencies across the Department of Corrections and Rehabilitation. To implement this plan, upon order of the Department of Finance, up to ~~\$200,000,000~~ *\$125,000,000* may be transferred between schedules in this item and the Department of

Finance may order that funds be transferred between this item and schedules within other items of appropriation for the Department of Corrections and Rehabilitation as follows: Items 5225-001-0001, 5225-002-0001, 5225-008-0001, 5225-009-0001, ~~5225-012-0001, 5225-014-0001, 5225-016-0001, 5225-025-0001, 5225-093-0001, 5225-012-0001, 5225-014-0001, 5225-021-0001, 5225-025-0001,~~ 5225-094-0001, and 5225-101-0001. The aggregate appropriation adjustments allocated under this provision shall balance to \$0. The Department of Finance shall notify the Joint Legislative Budget Committee 30 days prior to implementing any adjustments authorized under this provision. It is the intent of the Legislature that in effectuating these planned savings, no reductions shall be made, to the extent possible, to the level, quantity, or quality of rehabilitative and reentry programming, especially programs provided by community-based non-profit organizations, or of programs related to family connection, including phone calls and the frequency and duration of visitation. The administration shall first consider other reductions that do not otherwise violate a court order or jeopardize the health and safety of the staff, incarcerated persons, or the public. The Integrated Substance Use Disorder Treatment Program is not included in the category of rehabilitative or reentry programming for the purposes of this provision.

7. ~~On or before January 10, 2026, the~~ The Department of Corrections and Rehabilitation shall ~~report to the Legislature on the department's natural disaster emergency preparedness and mitigation efforts. The report shall include~~ *provide copies of its regular status* updates on ~~recommendations implemented by the department identified in~~ *implementing* the Office of the Inspector General's ~~2025 Audit of the Department of Corrections and Rehabilitation's~~ Natural Disaster Emergency Preparedness and Mitigation ~~Efforts. This report shall be submitted~~ *Efforts audit* to the budget and policy committees of each house, the Joint Legislative Budget Committee, and the Legislative Analyst's ~~Office. Office at the same intervals the updates are provided to the Office of the Inspector General.~~

SEC. 169. *Item 5225-002-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

5225-002-0001—For support of Department of Corrections and Rehabilitation 4,069,694,000

Schedule:

- (1) 4650-Medical Services—Adult 2,720,310,000
- (2) 4655-Dental Services—Adult 179,314,000
- (3) 4660-Mental Health Services—Adult 729,421,000
- (4) 4665-Ancillary Health Care Services—Adult 434,150,000
- (5) 4670-Dental and Mental Health Services Administration—Adult 72,605,000

(6)	Reimbursements to 4650-Medical Services—Adult	–59,906,000
(7)	Reimbursements to 4665-Ancillary Health Care Services—Adult	–6,200,000

Provisions:

1. On February 14, 2006, the United States District Court in the case of Plata v. Newsom (No. C01-1351-JST) suspended the exercise by the Secretary of the Department of Corrections and Rehabilitation of all powers related to the administration, control, management, operation, and financing of the California prison medical health care system. The court ordered that all such powers vested in the Secretary of the Department of Corrections and Rehabilitation were to be performed by a Receiver appointed by the court commencing April 17, 2006, until further order of the court. The Director of the Division of Correctional Health Care Services of the Department of Corrections and Rehabilitation is to administer this item to the extent directed by the Receiver.
2. Notwithstanding any other law, the Department of Corrections and Rehabilitation is not required to competitively bid for health services contracts in cases in which contracting experience or history indicates that only one qualified bid will be received.
3. Notwithstanding Section 13324 of the Government Code or Section 32.00 of this act, a state employee shall not be held personally liable for any expenditure or the creation of any indebtedness in excess of the amounts appropriated therefor as a result of complying with the directions of the Receiver or orders of the United States District Court in Plata v. Newsom.
4. The amounts appropriated in Schedules (1) and (4) are available for expenditure by the Receiver appointed by the Plata v. Newsom court to carry out its mission to deliver constitutionally adequate medical care to inmates.
5. The amounts appropriated in Schedules (2), (3), and (5) are available for expenditure by the Department of Corrections and Rehabilitation to provide mental health and dental services only.
6. Notwithstanding any other law, the Receiver, on behalf of the Department of Corrections and Rehabilitation, shall process and pay for all medical claims for medical parolees pursuant to Section 3550 of the Penal Code from funds available in Schedule (1).
7. Of the amounts appropriated in Schedules (1) and (4), \$132,298,000 and \$68,707,000 are available for the Integrated Substance Use Disorder Treatment Program, respectively. Any unencumbered balances of the amounts identified in this provision shall revert to the General Fund on June 30, 2026.
8. The amount appropriated in Schedule (4) reflects a reduction of \$13,923,000 based on estimated abatement amounts that will be received by the Department of Corrections and Rehabilitation from

the Pharmaceutical Fiscal Intermediary. Notwithstanding any other law, upon order of the Department of Finance, the amount in Schedule (4) may be adjusted to align with actual or estimated abatement amounts that are received or projected to be received from the Pharmaceutical Fiscal Intermediary and to meet cashflow needs resulting from the delay in receipt of abatement amounts. To the extent an adjustment is made pursuant to this provision related to cashflow needs, the Department of Finance may order subsequent adjustments to the amount in Schedule (4) of this item consistent with receipt of abatement amounts.

9. The Department of Corrections and Rehabilitation shall provide biannual reporting to the Legislature on abatements received and adjustments made pursuant to Provision 8 by July 31 and January 31 of each year, beginning July 31, 2025, through January 1, 2028.
10. The Department of Corrections and Rehabilitation shall work in collaboration with other state agencies, community-based service providers, and other stakeholders as determined by the department, to develop a report focused on alternatives to incarceration for individuals who are advanced in age, disabled, or have significant medical needs. Alternatives may include identifying community correctional reentry centers, Medi-Cal offset possibilities, and the development of new community-based programs, among other alternatives as determined by the department. The report may also identify potential changes the department has or is considering to existing programs, such as the compassionate release, medical parole, and elderly parole programs, to the extent any changes are considered, and any limitations to changes considered. The alternatives shall address the growing number of incarcerated individuals who are advanced in age, disabled, or have significant medical needs. In evaluating the alternatives, the department shall assess the potential to reduce departmental costs, provide the appropriate treatment settings required, challenges faced, and recommendations for accompanying statutory or policy changes that would facilitate the alternatives explored. The department shall provide the report to the Legislature on or before March 1, 2026.
11. The reports required by Provision 10 of this item shall be submitted to the Legislature pursuant to Section 9795 of the Government Code.
12. Upon order of the Department of Finance, the Controller shall deposit any fines related to staffing vacancies into the Mental Health Staffing Special Deposit Fund as ordered by the United States District Court for the Eastern District in *Coleman v. Newsom*. Payment shall be made from the General Fund. The Department of Corrections and Rehabilitation shall provide quarterly reports to the Joint Legislative Budget Committee on any fines paid to the court pursuant to this provision.
13. The amount appropriated in Schedules (1) and (4) incorporates General Fund offsets of \$5,000,000 and

\$6,000,000, respectively, based on anticipated federal reimbursements for the California Advancing and Innovating Medi-Cal Justice Involved Initiative (CalAIM). Notwithstanding any other law, upon order of the Department of Finance, the amounts available in Schedules (1) and (4) of this item may be adjusted to align with actual or estimated reimbursement amounts under CalAIM.

- ~~14. It is the intent of the Legislature to reduce excess inpatient mental health bed capacity in the state prison system while maintaining compliance with court orders. The Department of Corrections and Rehabilitation shall provide a report no later than January 10, 2026 to the relevant budget subcommittees of the Legislature in each house, the Joint Legislative Budget Committee, and the Legislative Analyst's Office detailing the feasibility of reducing excess inpatient mental health bed capacity to the levels projected to be necessary in court-approved population projections:~~

SEC. 170. *Item 5225-008-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

5225-008-0001—For support of Department of Corrections and Rehabilitation

~~648,113,000~~
649,797,000

Schedule:

- | | |
|--|---------------------------------------|
| (1) 4560-Parole Operations—Adult Community-Based Programs | 192,096,000 |
| (2) 4585-Rehabilitative Programs—Adult Education | 266,676,000
268,324,000 |
| (3) 4590-Rehabilitative Programs—Cognitive Behavioral Therapy and Reentry Services | 212,200,000 |
| (4) 4600-Rehabilitative Programs—Adult Administration | 29,351,000
29,387,000 |
| (5) Reimbursements to 4560-Parole Operations—Adult Community-Based Programs | -43,716,000 |
| (6) Reimbursements to 4585-Rehabilitative Programs—Adult Education | -8,494,000 |

Provisions:

1. The funds appropriated in this item shall be used only to support rehabilitation programs for incarcerated and supervised individuals. Any unspent funds at the end of the 2025–26 fiscal year shall revert to the General Fund.
2. Of the amount appropriated in Schedule (3), \$5,000,000 shall be provided for the California Reentry and Enrichment Grant Program to provide grants to community-based organizations that provide rehabilitative services to incarcerated individuals.
3. Of the amount appropriated in Schedule (1) of this item, \$12,900,000 is for support of the Returning Home Well program. The funding for this program shall not supplant existing funding for Specialized Treatment for Optimized Programming. Notwithstanding any other law, contracts or grants awarded or amended to support the Returning Home Well program are exempt from the Public Contract Code and the State Contracting Manual, and are not subject to the approval of the Department of

General Services. Consistent with Provision 3 of Item 5225-008-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), on or before March 1, 2026, the department shall provide the Legislature a report on the Returning Home Well program. The report shall include, for each quarter the program is in operation, a description of how the housing need was determined, how many individuals were released from prison to parole with an identified housing need, the number of unique participants served, the average number of days spent in the program, and the actual costs of the program. The report shall also include, for program participants, data on housing status after leaving the program, return to prison rates, reconviction rates, and arrest rates. The report may include additional relevant outcomes, metrics, or information as determined by the department.

4. Of the amounts appropriated in Schedules (3) and (4), \$54,633,000 and \$608,000 are available for the Integrated Substance Use Disorder Treatment Program, respectively. Any unencumbered balances of the amounts identified in this provision shall revert to the General Fund on June 30, 2026.
5. Of the amount appropriated in Schedule (3) of this item, \$1,950,000 shall be available to transform and expand the Pine Grove Youth Conservation Camp in the County of Amador into a camp that also promotes rehabilitation and life skills. The amount identified in this provision shall be available to expand the Pine Grove Youth Conservation Camp in the County of Amador for additional qualifying participants, and for providing mental health care services, life skills support, peer-to-peer mentorship, life coaches, support groups based on cognitive-behavioral principles, prosocial peer support, and robust reentry preparation support, which includes, but is not limited to, connecting reentering members of society to housing, GED programs, higher education, and career development programs that lead to meaningful employment. The amount identified in this provision shall only be available to nongovernmental organizations that have experience working with formerly or currently incarcerated youth and young adults as well as reentry populations. These organizations shall also have experience providing career development services to formerly or currently incarcerated youth or young adults.
6. The Department of Corrections and Rehabilitation shall provide an annual report to the Legislature, on or before January 10 of each year, related to expansion of community correctional reentry centers as defined in Chapter 9.5 (commencing with Section 6250) of Title 7 of Part 3 of the Penal Code, including funds expended, additional capacity planned and achieved, and challenges to expansion. The report shall also include a plan to introduce annual cost-of-living adjustments into future contracts to operationally and financially sustain existing community correctional reentry facilities.
7. It is the intent of the Legislature that the Department of Corrections and Rehabilitation maximize Medi-Cal reimbursements whenever possible. On or before January 10, ~~2026~~, 2027, the Department of Corrections and Rehabilitation shall submit a report on the status and steps taken pursuant to the plan submitted to the Legislature in response to Provision 10 of Item 5225-008-0001 of the Budget Act of 2024 (Ch. 22, 35, and 994, Stats. 2024), to leverage Medi-Cal, where possible, for Specialized Treatment for Optimized Programming (STOP) services. The report shall provide a status update on the approach outlined in the plan, including ~~(1) monitoring direct referrals for eligible individuals, and (2) collaborating with the Department of Health Care Services to assess the feasibility of providing technical assistance to STOP providers.~~ ~~monitoring direct referrals to Medi-Cal service(s) for STOP participants.~~ This

report shall be submitted to the budget committees of each house, the Joint Legislative Budget Committee, and the Legislative Analyst's Office.

SEC. 171. *Item 5225-017-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

5225-017-0001—For support of Department of Corrections and Rehabilitation 20,000,000

Schedule:

- (1) 4590-Rehabilitative Programs-
Cognitive Behavioral Therapy and
Reentry Services 20,000,000

Provisions:

1. ~~The funds appropriated in this item shall be available for state operations or local assistance and shall be used to establish the Rehabilitative Investment Grants for Healing and Transformation (RIGHT) Grant 3.0 to support community-based, nonprofit organizations for the purpose of delivering trauma-informed, rehabilitative, or restorative justice programming in California prisons. RIGHT Grant 3.0 funds shall not be used for the provision of college educational programming. This funding may be used to sustain or expand existing programs, and up to 10 percent of the allocated funding may be used to support new programs. Organizations seeking to utilize funds to provide a new program in institutions where it is not currently offered or to expand an existing program must receive approval from the warden of the applicable institution.~~
The funds appropriated in this item shall be available for state operations or local assistance, and shall be used to establish the Rehabilitative Investment Grants for Healing and Transformation (RIGHT) Grant 3.0 to support community based, nonprofit organizations for the purpose of delivering trauma-informed, rehabilitative and/or restorative justice programming in California prisons. RIGHT Grant 3.0 funds shall not be used for the provision of college educational programming. This funding may be used to sustain or expand currently existing programs. To the extent the organizations seek to utilize funds to provide a new program in institutions where the program is not currently offered, or to significantly expand a currently existing program, the organization must receive approval from the warden of the applicable institution. This funding shall be allocated by the Department of Corrections and Rehabilitation to each organization that meets the following requirements: (1) The organization is in good standing as a 501(c)(3) nonprofit community-based organization or is a nonprofit community-based organization that is fiscally sponsored by a fiscal agent with nonprofit status, (2) has a preexisting record of providing in-prison rehabilitative programming within the department during at least two of the five years preceding their application, and (3) is providing an existing rehabilitative program. The department shall post the notice by October 1, 2025, and applications shall be submitted within 60 days from the date posted. Following receipt of applications, the

department shall determine eligibility and provide notice to organizations regarding their eligibility determination within 90 days. In all cases where a program is determined to not meet the eligibility requirements, the department shall offer a 30-day window in which the community-based organization may resubmit their proposed program for a possible later determination of eligibility. After this 30-day period, the department shall then issue grant funds to eligible grantees within 90 days.

2. ~~No less than 85 percent of this funding shall be allocated by the Department of Corrections and Rehabilitation to each applicant that meets the following requirements: (a) the applicant is a 501(c)(3) nonprofit community-based organization or is a nonprofit community-based organization that is fiscally sponsored by a fiscal agent with nonprofit status, (b) the applicant has a preexisting record of providing in-prison rehabilitative programming within the department during at least two of the five years preceding their application, and (c) the applicant is providing an existing rehabilitative program.~~ *Individual grant amounts shall be subject to the total number of qualifying applications that are received by the Department of Corrections and Rehabilitation.*
3. ~~No more than 12 percent of this funding shall be allocated by the Department of Corrections and Rehabilitation to each applicant that meets the following requirements: (a) the applicant is a 501(c)(3) nonprofit community-based organization or is a nonprofit community-based organization that is fiscally sponsored by a fiscal agent with nonprofit status, (b) the applicant has a program that is new to the Department of Corrections and Rehabilitation that has been vetted and approved by the Division of Rehabilitative Programs, and (c) the applicant is prepared to provide this new program at a California prison within 90 days of the grant award. Community based organizations that are applying for funding for a new program must submit curriculum and other supporting documents regarding their proposed program within 30 days of applying for funding. The Department of Corrections and Rehabilitation shall review and approve or deny the new programs within 60 days of receipt of the supporting documentation.~~
4. No more than 3 percent of the amount appropriated in this item may be used by the Department of Corrections and Rehabilitation to administer this grant.
5. ~~The Department of Corrections and Rehabilitation shall post the notice by October 1, 2025, and applications shall be submitted within 60 days from the date posted. Following receipt of applications, the department shall determine eligibility and provide notice to organizations regarding their eligibility determination within 60 days. In all cases where a program is determined not to meet the eligibility requirements, the department shall offer a 30-day window in which the community-based organization may resubmit its proposed program for a possible later determination of eligibility. After~~

~~this 30-day period, the department shall issue grant funds to eligible grantees within 90 days:~~

- ~~6. Individual grant amounts shall be subject to the total number of qualifying applications received by the Department of Corrections and Rehabilitation:~~
7. Qualifying organizations shall be awarded grants based on their current organizational budget, or the average budget of the last two years, whichever is greater, as follows:
 - (a) Organizations with budgets under \$250,000 shall be awarded one qualifying point.
 - (b) Organizations with budgets between \$250,000 and \$500,000, inclusive, shall be awarded two qualifying points.
 - (c) Organizations with budgets above \$500,000 shall be awarded three qualifying points.
8. ~~Priority shall be given to programs in underserved institutions, including women's institutions, as follows: organizations applying to provide programs in one or more underserved institutions may be awarded an additional one-half point. The Department of Corrections and Rehabilitation will provide a list of underserved institutions defined by the following: (a) lack of community-based programming services available (in comparison to other institutions); or (b) the number of fewer programming volunteers (in comparison to other institutions). Priority shall also be given to programs serving special populations, including Women's Prisons, Administrative Housing Units/Security Housing Units, and Enhanced Outpatient Programs/Mental Health Crisis Beds, as follows: organizations applying to provide programs to these special populations may be awarded an additional one-half point. The Department of Corrections and Rehabilitation shall provide a list of special population locations, which shall include women's prisons. No more than two-half points (totaling one additional point) may be awarded to an organization.~~
Priority shall be given to programs operating in women's institutions and underserved institutions, as follows: organizations applying to provide existing programs in underserved institutions may be awarded an additional one-half point. The Department of Corrections and Rehabilitation will provide a list of underserved institutions defined by a lack of community-based programming services available relative to other institutions. Priority shall also be given to programs serving special populations, including Women's Prisons, Restricted Housing Units, and Enhanced Outpatient Programs/Mental Health Crisis Beds, as follows: organizations applying to provide programs to these special populations may be awarded an additional one-half point.
9. The total funding available shall be divided by the total points awarded to all applicants as specified above, resulting in a dollar amount for each point.
Each qualifying organization may be awarded more than one additional point total for providing programming outlined in the section above. Each qualifying organization will then receive the value of

the total points that organization was awarded based on the size of ~~its~~ *their* annual budget and additional proposed programming options. All of the funds available shall be distributed based on this system.

- ~~10. More than 25 percent of the total grant amounts awarded under this section may be advanced pursuant to subparagraph (C) of paragraph (1) of subdivision (c) of Section 11019.3 of the Government Code.~~
- ~~11. Funds not used as proposed by the recipient shall be returned to the General Fund by June 30, 2027.~~
12. *The funds appropriated in this item are available for encumbrance and expenditure until December 1, 2028.* Each grant recipient shall submit to the Department of Corrections and Rehabilitation a report that details the expenditures of their grant, including a summary of how the resources enhanced their ability to deliver in-prison programming, by December 1, ~~2027~~ 2029. The department may require of all funded organizations an annual report detailing the use of the funds by each recipient.
13. The Department of Corrections and Rehabilitation shall submit a report to the budget committees of each house of the Legislature no later than April 1, 2028, detailing how the funds for the RIGHT Grant 3.0 program were distributed and how they were spent by recipients. The report shall include copies of all reports submitted by all organizations receiving RIGHT Grant 3.0 funds. This report may be combined with the report required under Provision 10 of Item 5225-017-0001 of the Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).

SEC. 172. *Item 5225-024-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

5225-024-0001—For support of Department of Corrections and Rehabilitation 3,000,000

Schedule:

- | | | |
|-----|---|-----------|
| (1) | 4550-Adult Corrections and Rehabilitation Operations-Institution Administration | 250,000 |
| (2) | 4590-Rehabilitative Programs-Cognitive Behavioral Therapy and Reentry Services | 2,750,000 |

Provisions:

1. The amount appropriated in this item shall be used to establish a sexual assault response and prevention working group and ambassador program, and is available for state operations or local assistance.
2. Of the amount appropriated in this item, \$2,750,000 shall be provided to the Sister Warriors Freedom Coalition to support their sexual assault ambassador program, including, but not limited to, staffing costs, convening and supporting working group participants to identify whistleblower protection best practices, and providing trauma-informed care and support to survivors. This

funding shall be available for expenditure and encumbrance until December 31, 2028.

2.5. *Notwithstanding any other law, for the purposes of entering into or renewing agreements pursuant to this item, any process, regulation, or requirement, including any state government reviews or approvals, or third-party approval that is required under, or implemented pursuant to, any statute that relates to entering into or renewing those agreements, is hereby waived.*

3. Of the amount appropriated in this item, \$250,000 shall be used by the Department of Corrections and Rehabilitation for expenses related to the working group described in Provision 1. The working group shall consist of leadership and staff from the department, correctional officers, community-based organizations led by formerly incarcerated people, representatives from the ambassador program described in Provision 2, and individuals who have survived sexual assault in custody.

SEC. 173. *Item 5227-105-0001 is added to Section 2.00 of the Budget Act of 2025, to read:*

5227-105-0001—For local assistance, Board of State and Community Corrections 8,400,000

Schedule:

(1) 4945-Corrections Planning and Grant Programs 8,400,000

Provisions:

1. *Of the amount appropriated in this item, up to \$8,400,000 shall be available for the Board of State and Community Corrections to distribute to Impact Justice to support the Homecoming Project, California Justice Leaders, and the Menopause Project.*
2. *Of the amount appropriated in this item, up to 3 percent shall be available to the Board of State and Community Corrections for transfer to Schedule (1) of Item 5227-001-0001 for costs to administer the grant programs.*

SEC. 174. *Item 6100-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

6100-001-0001—For support of State Department of Education ~~117,368,000~~
118,460,000

Schedule:

(1) 5205010-Curriculum Services ~~84,827,000~~
85,842,000

(1.5) 5210048-After School Programs 1,583,000

(2) 5210066-Special Program Support ~~41,273,000~~
41,350,000

(3) 9900100-Administration 59,601,000

(4)	9900200-Administration— Distributed	–59,601,000
(5)	Reimbursements to 5205010- Curriculum Services	–9,349,000
(6)	Reimbursements to 5210066- Special Program Support	–966,000

Provisions:

1. Notwithstanding Section 33190 of the Education Code or any other law, the State Department of Education shall not expend funds to prepare a statewide summary of pupil performance on school district proficiency assessments or a compilation of information on private schools with five or fewer pupils.
2. Funds appropriated in this item may be expended or encumbered to make one or more payments under a personal services contract of a visiting educator pursuant to Section 19050.8 of the Government Code, a long-term special consultant services contract, or an employment contract between an entity that is not a state agency and a person who is under the direct or daily supervision of a state agency, only if all of the following conditions are met:
 - (a) The person providing service under the contract provides full financial disclosure to the Fair Political Practices Commission in accordance with the rules and regulations of the commission.
 - (b) The service provided under the contract does not result in the displacement of any represented civil service employee.
 - (c) The rate of compensation for salary and health benefits for the person providing service under the contract does not exceed by more than 10 percent the current rate of compensation for salary and health benefits determined by the Department of Human Resources for civil service personnel in a comparable position. The payment of any other compensation or any reimbursement for travel or per diem expenses shall be in accordance with the State Administrative Manual and the rules and regulations of the California Victim Compensation Board.
3. The funds appropriated in this item shall not be expended for the development or dissemination of program advisories, including, but not limited to, program advisories on the subject areas of reading, writing, and mathematics, unless explicitly authorized by the State Board of Education.
4. Of the funds appropriated in this item, \$206,000 shall be available as matching funds for the Department of Corrections and Rehabilitation to provide coordinated services to disabled pupils.
5. By October 31 of each year, the State Department of Education shall provide to the Department of Finance a file of all charter school average daily

attendance (ADA) and state and local revenue associated with charter school general purpose entitlements as part of the P2 Local Control Funding Formula File. By March 1 of each year, the State Department of Education shall provide to the Department of Finance a file of all charter school ADA and state and local revenue associated with charter school general purpose entitlements as part of the P1 Local Control Funding Formula File. It is the expectation that such reports will be provided annually.

6. On or before April 15 of each year, the State Department of Education shall provide to the Department of Finance an electronic file that includes complete district- and county-level state appropriations limit information reported to the State Department of Education. The State Department of Education shall make every effort to ensure that all districts have submitted the necessary information requested on the relevant reporting forms.
7. The State Department of Education shall make information available to the Department of Finance, the Legislative Analyst's Office, and the budget committees of each house of the Legislature by October 31, March 31, and May 31 of each year regarding the amount of Proposition 98 savings estimated to be available for reversion by June 30 of that year.
8. Reimbursement expenditures pursuant to this item resulting from the imposition by the State Department of Education of a commercial copyright fee shall not be expended sooner than 30 days after the State Department of Education submits to the Department of Finance a legal opinion affirming the authority to impose such fees and the arguments supporting that position against any objections or legal challenges to the fee filed with the State Department of Education. Any funds received pursuant to imposition of a commercial copyright fee may only be expended as necessary for outside counsel contingent on a certification of the Superintendent of Public Instruction that sufficient expertise is not available within departmental legal staff. The State Department of Education shall not expend greater than \$300,000 for such purposes without first notifying the Department of Finance of the necessity therefor, and upon receiving approval in writing.
9. Of the funds appropriated in this item, up to \$1,011,000 is available for dispute resolution services, including mediation and fair hearing services, provided through contract for special education programs.
10. Of the reimbursement funds appropriated in this item, at least \$612,000 is provided to the State Department of Education for the oversight of State Board of Education-authorized charter schools. The Department of Finance may administratively establish up to 2.0 positions for this purpose as workload materializes.

11. Of the funds appropriated in this item, at least \$109,000 shall be for 1.0 position within the State Department of Education to support activities associated with the Clean Energy Job Creation Fund.
12. Of the amount appropriated in this item, at least \$852,000 and 6.0 positions are provided to support the Local Control Funding Formula administration pursuant to Chapter 47 of the Statutes of 2013. These funds and positions shall be used by the State Department of Education to support the apportionment of, and fiscal oversight of, funding pursuant to the Local Control Funding Formula.
13. Of the funds appropriated in this item, at least \$115,000 and 1.0 position shall be available for the State Department of Education to support activities associated with charter school appeals as required under subdivision (k) of Section 47605 of the Education Code.
14. Of the funds appropriated in this item, at least \$1,140,000 and 8.0 positions are provided to support the implementation of the Local Control Funding Formula accountability system pursuant to Chapter 47 of the Statutes of 2013.
15. Of the funds appropriated in this item, at least \$120,000 and 1.0 permanent position are provided to support implementation of the Local Control Funding Formula, such as providing unduplicated pupil counts, matching foster data received from the State Department of Social Services, and meeting foster youth reporting requirements.
16. Of the funds appropriated in this item, \$271,000 and 2.0 positions are provided to continue the development and maintenance of the state and federal accountability systems.
17. Of the funds appropriated in this item, \$129,000 is provided to support 1.0 existing position for workload associated with school district reorganizations.
18. Of the funds appropriated in this item, \$108,000 is provided to support 1.0 existing position to assist local educational agencies applying for a universal meal service program, pursuant to Chapter 724 of the Statutes of 2017.
19. Of the funds appropriated in this item, \$128,000 is provided to support 1.0 existing position to complete additional education equity compliance reviews, pursuant to Chapter 493 of the Statutes of 2017.
20. Of the funds appropriated in Schedule (1), \$252,000 shall be used to support the development and maintenance of a computer-based English Language Proficiency Assessment for California (ELPAC) and a computer-based alternative ELPAC for students with disabilities.
21. Of the funds appropriated in this item, \$257,000 is provided to support 2.0 existing positions for the coordination of a centralized Uniform Complaint Procedures process and database to improve the administration and resolution of Uniform Complaint

Procedures complaints and appeals received by the State Department of Education; to standardize Uniform Complaint Procedures policies, procedures, and templates departmentwide; and to provide a report by January 31 of each year with a summary of the number of days for completion of appeals by complaint type and program area, including the rationale for complaints that exceeded 60 days.

23. Of the funds appropriated in this item, \$600,000 is provided to support 2.0 existing positions and workload related to school-based comprehensive sexual health education.
24. Of the funds appropriated in this item, \$105,000 and 1.0 position are to support increases in emergency average daily attendance waiver requests.
25. Of the funds appropriated in this item, \$452,000 is provided for 3.0 positions to support compliance workload within the State Department of Education's Special Education Division.
26. Of the funds appropriated in this item, at least \$275,000 and 2.0 positions are provided to support the Career Technical Education Incentive Grant Program and the K–12 component of the Strong Workforce Program. Availability of these funds is contingent upon the State Department of Education fully supporting no fewer than 6.0 full-time regional program consultants in agricultural career technical education in the Agricultural Education Unit of the Career and College Transition Division using federal Perkins V Act funding. If the State Department of Education is unable to support at least 6.0 full-time regional program consultants in agricultural career technical education with federal Perkins V Act funding, \$142,000 and 1.0 position provided in this item to support the Career Technical Education Incentive Grant Program and the K–12 component of the Strong Workforce Program shall be redirected for that purpose. As a condition of receiving this funding, the State Department of Education shall make information available to the Department of Finance, the Legislative Analyst's Office, and the budget committees of each house of the Legislature by October 31 of each fiscal year regarding the split of the federal Perkins V Act funding between the State Department of Education and the Chancellor's Office of the California Community Colleges. This information shall include, but is not limited to, the maximum set-asides allowable for state administration and state leadership activities, the minimum amount required for local program distribution, as well as a breakdown of how the State Department of Education is utilizing the funds in each category.
27. Of the funds appropriated in this item, \$303,000 is provided to support 2.0 positions for the joint interagency resolution team and foster youth coordinated services pursuant to Chapter 815 of the Statutes of 2018.

28. Of the funds appropriated in this item, \$77,000 is provided to support 0.5 existing position to update existing, and develop new, resources and strategies, and in-service teacher training to support lesbian, gay, bisexual, transgender, queer, and questioning students, pursuant to Chapter 775 of the Statutes of 2019.
29. Of the funds appropriated in this item, \$77,000 is provided to support 1.0 position to provide appropriate language access in American Sign Language.
30. Of the funds appropriated in this item, \$696,000 and 3.0 positions are available for the department to collect data to track the implementation of the changes for charter school petitions and renewals, pursuant to Chapter 486 of the Statutes of 2019.
31. Of the amount provided in this item, \$192,000 reimbursements are provided on an ongoing basis to support the administration of the California High School Proficiency Examination.
32. Of the funds appropriated in this item, \$264,000 and 2.0 positions are provided to establish a state education disaster team to support activities related to disaster planning, preparedness, and response for schools as part of California's Disaster Preparedness, Response, and Recovery efforts.
33. Of the amount appropriated in this item, \$336,000 and 3.0 positions are available to support new ongoing workload for the School Fiscal Services Division related to deferrals and average daily attendance changes pursuant to Chapter 24 of the Statutes of 2020.
34. Of the amount appropriated in this item, \$136,000 and 1.0 position are provided to support workload related to creating a school emergency reporting system.
35. Of the amount appropriated in this item, \$12,598,000 is provided to support 52.8 existing positions in the Nutrition Services Division, and 30.0 positions in the Early Education Division to support remaining early learning workload after the transition of childcare programs to the State Department of Social Services.
36. Of the funds appropriated in this item, \$376,000 and 3.0 positions are provided to support increased workload in the accounting office.
38. Of the funds appropriated in Schedule (1), \$3,403,000 is provided to support existing authorized administrative positions.
39. Of the funds appropriated in Schedule (2), \$2,960,000 is provided to support existing authorized administrative positions.
40. Of the funds appropriated in Schedule (1), \$700,000 is provided to support 5.0 new positions and 1.0 existing position for the State Department of Education to establish the Office of School-Based Health.
41. Of the funds appropriated in this item, \$250,000 and 1.0 permanent position are provided to

establish the California Computer Science Coordinator. The coordinator shall provide statewide coordination in implementing the computer science content standards developed pursuant to Section 60605.4 of the Education Code and lead the implementation of the computer science strategic implementation plan adopted by the State Board of Education.

42. Of the funds appropriated in Schedule (2), \$425,000 and 2.5 positions are available to support workload associated with expanded Transitional Kindergarten programs.
43. Of the funds appropriated in Schedule (2), \$437,000 and 3.0 positions are available to support early learning workload in the Child Development and Nutrition Fiscal Services Division.
44. Of the funds appropriated in Schedule (2), \$1,670,000 and 3.0 positions are available to support early learning workload in the Early Education Division.
45. Of the funds appropriated in Schedule (2), \$2,583,000 and 11.7 positions are provided to support early learning workload.
46. Of the funds appropriated in Schedule (1), \$143,000 and 1.0 position are available for a Medi-Cal billing coordinator to serve as a liaison with the State Department of Health Care Services, stakeholders, and others with respect to Medi-Cal billing options, the school-based Medi-Cal Administrative Activities Program, and medically necessary federal Early and Periodic Screening, Diagnostic, and Treatment Benefits.
47. Of the funds appropriated in Schedule (1), \$467,000 and 4.0 positions are provided for the School Fiscal Services Division to support workload related to state apportionment calculations, review of average daily attendance waivers, technical assistance, and implementation of grant programs.
48. Of the amount appropriated in this item, \$1,653,000 and 14.0 positions are provided for the Expanded Learning Division to provide students in classroom-based instructional programs with access to comprehensive after school and intersessional expanded learning opportunities.
49. Of the funds appropriated in this item, \$130,000 and 1.0 position are provided to support implementation of the Standardized Account Code Structure web-based application.
50. Of the amount appropriated in this item, at least \$286,000 and 2.0 positions are provided to support professional development programs, including, but not limited to, the National Board Certification Incentive Grant, the Educator Effectiveness Block Grant, Professional Development on Social Emotional Learning and Trauma Informed Practices, Professional Development for Reading Instruction and Intervention, Training for Youth Mental and Behavioral Health, and other teacher professional development.

51. Of the funds appropriated in this item, \$286,000 and 2.0 positions are provided to support the implementation of the universal school meals program.
52. Of the funds appropriated in this item, \$561,000 and 4.0 positions are provided to the School Fiscal Services Division for work related to the Expanded Learning and Transitional Kindergarten Programs.
53. Of the funds appropriated in this item, \$425,000 and 3.0 positions are provided for additional new formula-driven program implementation.
54. Of the funds appropriated in this item, \$155,000 and 1.0 position are provided to the Technology Services Division for Transitional Kindergarten average daily attendance data collection.
55. Of the funds appropriated in this item, \$742,000 and 5.0 positions are provided to support the Community Schools Partnership Grant Program.
56. Of the funds appropriated in this item, \$143,000 and 1.0 position are provided to support the California Healthy Kids Survey and social-emotional learning professional development.
57. Of the funds appropriated in this item, \$143,000 and 1.0 position are provided for the Early Education Division to address increased workload in the California State Preschool Program.
58. Of the funds appropriated in this item, \$130,000 and 1.0 position are provided for the Fiscal and Administrative Services Division to address increased workload in the California State Preschool Program.
61. Of the funds appropriated in Schedule (1), \$201,000 is provided for 2.0 positions in the Office of School Transportation.
62. Of the funds appropriated in Schedule (1), \$161,000 and 1.0 position are provided to support the Supporting Inclusive Practices Grant.
63. Of the funds appropriated in Schedule (1), \$690,000 and 5.0 positions are provided to improve transitions from Part C Early Intervention Services to Part B Special Education Services.
64. Of the funds appropriated in Schedule (1), \$266,000 and 2.0 positions are available to support increased departmental information technology needs and workload.
65. Of the funds appropriated in Schedule (1), \$2,681,000 is provided in the 2025–26 fiscal year to continue supporting departmental information security infrastructure. Of this amount, \$2,632,000 and 6.0 positions are provided on an ongoing basis to support replacement of aging hardware, maintaining already implemented cybersecurity technical capabilities, and implementing the remaining cybersecurity technical capabilities to achieve full compliance with the Department of Technology's Cal-Secure Information Security Roadmap.

66. Of the funds appropriated in Schedule (1), \$1,702,000 and 9.0 positions are provided to support implementation and ongoing workload for the Cradle-to-Career Data System.
69. Of the funds appropriated in Schedule (1), \$383,000 and 3.0 positions are provided to the Budget Management Office to effectively support new and expanded programs and address increased workload due to Fi\$Cal implementation.
70. Of the amount appropriated in this item, \$159,000 and 1.0 position are provided to coordinate improved access to early intervention services for children prior to entering kindergarten.
71. Of the amount appropriated in this item, \$458,000 and 3.0 positions are provided to support the implementation of Chapter 498 of the Statutes of 2021 (AB 1363).
72. Of the amount appropriated in this item, \$633,000 and 4.0 positions are provided for the programmatic monitoring of the California State Preschool Program.
73. Of the amount appropriated in this item, \$119,000 and 1.0 position are appropriated for the fiscal monitoring of the California State Preschool Program.
74. Of the amount appropriated in this item, \$436,000 and 2.5 positions are provided to support the implementation of Universal Transitional Kindergarten.
75. Of the funds appropriated in this item, \$90,000 and 0.5 position are provided to support fiscal compliance monitoring reviews of program funds.
76. Of the funds appropriated in this item, \$122,000 and 1.0 position are provided to support fund reconciliation workload.
77. Of the funds appropriated in this item, 1.0 position is provided to support an increase in legal workload related to new and expanded programs including Universal Transitional Kindergarten and the California State Preschool Program.
78. Of the funds appropriated in this item, \$167,000 is provided for Zoom licenses to host webinars and online meetings.
81. Of the funds appropriated in this item, \$350,000 and 2.0 positions are provided to support increased workload related to operating the information technology systems used by the State Department of Education's early education programs.
82. Of the funds appropriated in this item, \$276,000 and 2.0 positions are provided to incorporate early identification for learning disabilities into the State Department of Education's preschool assessment tools, and to provide training for educators on effective use of those tools.
83. Of the funds appropriated in this item, \$612,000 and 4.0 positions are provided to support increased workload related to administering the Inclusive Early Education Expansion Program.

84. Of the funds appropriated in this item, \$769,000 and 5.0 positions are provided to support increased workload related to revising California State Preschool Program policies.
85. Of the funds appropriated in this item, \$356,000 and 2.5 positions are provided to support workload associated with expanded Transitional Kindergarten programs.
87. Of the amount provided in this item, \$75,000 reimbursements is provided through the 2026–27 fiscal year for state operations support of Fresno Unified School District in facilitation of grant funds from the Wallace Foundation.
88. Of the funds appropriated in this item, \$161,000 and 1.0 position are provided to support the development and expansion of California Science Test (CAST) and the California Alternate Assessment (CAA) for Science within the Assessment Development and Administration Division.
89. Of the funds appropriated in this item, \$161,000 and 1.0 position are provided to support the development and expansion of English Language Proficiency Assessments for California (ELPAC) and the California Spanish Assessment (CSA) within the Assessment Development and Administration Division.
90. Of the funds appropriated in this item, \$140,000 is provided through June 30, 2027, to provide technical assistance and support to local educational agencies in hiring and training literacy coaches and reading specialists through the Literacy Coaches and Reading Specialists Grant Program, pursuant to Chapter 52 of the Statutes of 2022.
92. Of the funds appropriated in Schedule (1), \$1,069,000 and 8.0 positions are provided to the School Fiscal Services Division for workload related to the Local Control Funding Formula declining enrollment protection proposal, AB 602 Special Education formula changes, and other fiscal-related workload for new programs.
93. Of the funds appropriated in Schedule (1), \$250,000 is available to the Superintendent of Public Instruction for fiscal oversight of county offices of education and the seven school districts in the state that share the same governing board as their county office of education for the services of a fiscal expert or adviser pursuant to Section 1630 of the Education Code or to compensate members of a Budget Review Committee established pursuant to Education Code Sections 1623 or 42127.1. The State Department of Education shall notify and receive approval from the Director of Finance in advance of retaining the services of a fiscal expert or fiscal adviser.
94. Of the funds appropriated in this item, \$150,000 and 1.0 position are provided to the School Health and Safety Office to support LGBTQ+ initiatives and best practices.

95. Of the funds appropriated in Schedule (1), \$160,000 is provided for Education Commission of the States membership dues.
96. Of the funds appropriated in Schedule (1), \$1,232,000 and 8.0 positions are provided to the Analysis, Measurement, and Accountability Reporting Division to establish a Data Science Office for the purposes of collecting new one-time or short-term data, providing contextual analysis to measure priority initiatives and programs, and providing timely data and information directly to policymakers including the State Board of Education and the Joint Legislative Budget Committee within 30 days.
97. Of the funds appropriated in this item, \$3,276,000 is available in fiscal years 2024–25 and 2025–26, for the State Department of Education to contract with a vendor to provide direct deposit to State Preschool contractors, beginning November 1, 2023. Contracts awarded pursuant to this provision shall allow for advance payment, and the department is hereby authorized to provide advance payment in order to implement direct deposit to State Preschool contractors. Contracts awarded pursuant to this provision shall be exempt from the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code. For purposes of this provision, the department is exempt from the requirements of Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code and from the requirements of Article 6 (commencing with Section 999) of Chapter 6 of Division 4 of the Military and Veterans Code. Funds provided pursuant to this provision are available for encumbrance through June 30, 2026.
101. Of the funds appropriated in Schedule (2), \$152,000 and 1.0 position are provided to support workload associated with the Quality Rating and Improvement System (QRIS) Block Grant.
102. Of the funds appropriated in Schedule (2), \$645,000 and 3.0 positions are provided to support workload related to implementing Classroom Assessments Scoring System (CLASS) for all California State Preschool Program (CSPP) providers.
103. Of the funds appropriated in Schedule (2), \$740,000 and 5.0 positions are provided to support workload associated with implementing the requirements of Chapter 915 of the Statutes of 2022 which revised provisions related to the suspension and expulsion of children from the CSPP and increased the requirements for early childhood mental health consultation services.
104. Of the funds appropriated in Schedule (2), \$3,932,000 and 9.0 positions are provided to support workload associated with collecting student and teacher level data from California State Preschool Programs (CSPPs) that are operated by a local educational agency pursuant to Chapter 901 of the Statutes of 2022.

105. Of the funds provided in Schedule (2), \$449,000 is provided in the 2024–25 fiscal year and 3.0 positions, and \$164,000 ongoing to support the development of the Whole Child Equity Framework and the Whole Child Community Equity Screening Tool, pursuant to Chapter 699 of the Statutes of 2022.
106. Of the funds appropriated in this item, \$138,000 and 1.0 position are provided to the Office of School Transportation for the data processing workload associated with the Home-to-School Transportation program.
107. Of the funds appropriated in this item, \$164,000 General Fund and 1.0 position are provided to the School Fiscal Services Division for the additional data processing workload associated with the Home-to-School Transportation program.
108. Of the funds appropriated in this item, \$1,316,000 and 7.0 positions are provided to support improved Teacher Assignment Monitoring Outcomes data collection and reporting through the California Longitudinal Pupil Achievement Data System and partnership with the Commission on Teacher Credentialing and the California Statewide Assignment Accountability System.
109. Of the funds appropriated in this item, \$300,000 and 2.0 positions are provided to the Analysis, Measurement and Accountability Reporting Division for workload related to the California School Dashboard state indicator data and the timelines associated with the collection of data through the California Longitudinal Pupil Achievement Data System.
110. Of the funds appropriated in Schedule (1), \$473,000 and 3.0 positions are provided to the School Fiscal Services and Analysis, Measurement and Accountability Reporting Divisions, for workload related to the implementation of Proposition 28, and schoolsite level data collection workload related to the equity multiplier allocation.
111. Of the funds appropriated in Schedule (1), \$380,000 is available on an ongoing basis for warranty support for network equipment and to upgrade server software at the State Special Schools and Diagnostic Centers.
113. Of the funds appropriated in Schedule (5), \$152,000 is provided to support the State Department of Education's Broadband Coordinator position.
114. Of the amount appropriated in Schedule (1), \$321,000 and 2.0 positions are available to support new ongoing workload associated with the implementation of Chapter 342 of the Statutes of 2023.
115. Of the amount appropriated in Schedule (1), \$392,000 and 2.0 positions are available to support new ongoing workload associated with the implementation of Chapter 229 of the Statutes of 2023.

116. Of the funds appropriated in Schedule (1), \$102,000 is available for the 2025–26 fiscal year to support 1.0 existing position to convene the Classified Employee Staffing Ratio Workgroup, pursuant to Chapter 364 of the Statutes of 2023.
117. Of the amount appropriated in Schedule (2), 1.0 position, and \$182,000 ongoing are provided to support new ongoing workload associated with the implementation of Chapter 435 of the Statutes of 2023.
118. Of the amount appropriated in Schedule (1), \$57,000 is provided in the 2025–26 fiscal year on a one-time basis to support temporary workload associated with developing evidence-based best practices for extreme weather guidance and safety on school campuses pursuant to Chapter 463 of the Statutes of 2024.
119. Of the amount appropriated in Schedule ~~(1)~~, (2), \$77,000 is provided in the 2025–26 fiscal year on a one-time basis to support temporary workload associated with updating guidelines, trainings and other resources for School Food Authorities as it relates to newly prohibited substances and food dye information pursuant to Chapter 914 of the Statutes of 2024.
120. Of the amount appropriated in Schedule (1), \$328,000 is provided in the 2025–26 fiscal year, of which \$164,000 is one-time to support the temporary workload with developing the statewide English Learner Roadmap Policy and \$164,000 and 1.0 position is ongoing to support the statewide implementation of the English Learner Roadmap Policy pursuant to Chapter 946 of the Statutes of 2024.
121. Of the funds appropriated in Schedule (1), \$2,000,000 is provided on a one-time basis for attorney fees associated with the Cayla J. v. State of California settlement.
122. Of the funds appropriated in Schedule (1), \$730,000 is provided on a one-time basis in the 2025–26 fiscal year to support acquisition of a vendor contract to design and develop a replacement Principal Apportionment Application, and \$541,000 and 3.0 permanent positions are provided to the School Fiscal Services Division in the 2025–26 fiscal year, of which \$538,000 is ongoing to facilitate the migration to the new application, ongoing maintenance, operation, and programming updates.
123. Of the funds appropriated in Schedule (1), \$1,437,000 and 9.0 positions are available to support the development of an updated Form J-90 and associated data collection, pursuant to Chapter 345 of the Statutes of 2024, in the 2025–26 fiscal year. \$1,408,000 and 9.0 positions shall be available for this purpose in the 2026–27 fiscal year, and \$1,239,000 and 8.0 positions shall be available for this purpose in the 2027–28 fiscal year, and ongoing.
124. Of the amount appropriated in Schedule (1), \$141,000 and 1.0 position are available to support

ongoing workload associated with the District of Choice program.

125. Of the amount appropriated in Schedule (1), \$150,000 in reimbursements is provided on a one-time basis to fund an independent cybersecurity assessment at the state special schools and diagnostic centers.
126. Of the amount appropriated in Schedule (1), \$500,000 in reimbursement authority is provided on a one-time basis for the 2025–26 fiscal year to support monitoring of nonpublic agencies.
127. Of the amount appropriated in Schedule (2), \$385,000 is available to support the Summer Electronic Benefits Transfer Program.
128. Of the amount appropriated in Schedule (1), \$437,000 in reimbursements is provided in the 2025–26 fiscal year to expend the fees collected from publishers for instructional materials adoptions.
129. *Of the funds appropriated in Schedule (1) \$1,092,000 and 8.0 positions are available to support the Early Education Division for the California State Preschool Program in the 2025–26 fiscal year and ongoing.*

SEC. 175. *Item 6100-110-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

6100-110-0001—For local assistance, State Department of Education (Proposition 98), Expanded Learning Opportunities Program ~~4,263,000,000~~
4,525,541,000

Schedule:

- (1) 5200010-School Apportionment ~~4,263,000,000~~
4,525,541,000

Provisions:

1. The funds appropriated in this item shall be allocated to school districts and charter schools to increase access to comprehensive before school or after school and intersessional expanded learning opportunities, in addition to expanded learning opportunities on nonschooldays pursuant to Section 46120 of the Education Code.
2. *It is the intent of the Legislature that local educational agencies that receive funding from this item pursuant to subparagraph (D) of paragraph (1) of subdivision (d) of Education Code Section 46120 have a per-unit rate of no less than \$1,575.*

SEC. 176. *Item 6100-136-0890 of Section 2.00 of the Budget Act of 2025 is amended to read:*

6100-136-0890—For local assistance, State Department of Education, payable from the Federal Trust Fund ~~14,855,000~~
15,092,000

Schedule:

- (1) 5200139-McKinney-Vento Homeless Children Education ~~14,855,000~~
15,092,000

Provisions:

1. Of the funds appropriated in Schedule (1), \$667,000 in federal carryover is provided on a one-time basis to support the existing program.

SEC. 177. *Item 6100-161-0890 of Section 2.00 of the Budget Act of 2025 is amended to read:*

6100-161-0890—For local assistance, State Department of Education, payable from the Federal Trust Fund, Special Education Programs for Exceptional Children ~~1,481,247,000~~
1,481,547,000

Schedule:

- | | | |
|-----|---|-------------------------------------|
| (1) | 5200203-Local Agency Entitlements, IDEA Special Education | 1,330,737,000 |
| (2) | 5200209-State Level Activities, IDEA Special Education | 91,617,000 |
| (3) | 5200211-Preschool Grant Program, IDEA Special Education | 40,152,000
40,452,000 |
| (4) | 5200213-State Improvement Grant, IDEA Special Education | 2,446,000 |
| (5) | 5200215-Family Empowerment Centers, IDEA Special Education | 16,197,000 |
| (6) | 5205231-Supplemental Grants: Newborn Hearing Screening Grants | 98,000 |

Provisions:

1. In accordance with federal law, the funds appropriated in Schedule (1) shall be distributed to local and state agencies on the basis of the federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.) permanent formula.
2. Of the funds appropriated in Schedule (2), up to \$1,950,000 shall be used to develop and test procedures, materials, and training for alternative dispute resolution in special education.
3. Of the funds appropriated in Schedule (3) for the Preschool Grant Program, \$1,228,000 shall be used for in-service training and shall include a parent training component and may, in addition, include a staff training program. These funds may be used to provide training in alternative dispute resolution and the local mediation of disputes. This program shall include state sponsored and local components.
4. Of the funds appropriated in this item, \$2,120,000 is available for local assistance grants to monitor local educational agency compliance with state and federal laws and regulations governing special education. This funding level is to be used to continue the facilitated reviews and, to the extent consistent with State Performance Plan/Annual Performance Report Indicators developed by the State Department of Education, these activities shall focus on local educational agencies identified by the

United States Department of Education's Office of Special Education Programs. Of this amount, no less than \$1,400,000 shall be used for the Supporting Inclusive Practices Grant.

5. The funds appropriated in Schedule (5) shall be used for the purposes of Family Empowerment Centers on Disability pursuant to Chapter 44 of the Statutes of 2021.
6. Of the funds appropriated in Schedule (2), \$69,000,000 shall be available only for the purpose of providing educationally related mental health services, including out-of-home residential services for emotionally disturbed pupils, required by an individualized education program pursuant to the federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.) and as described in Section 56363 of the Education Code. The Superintendent of Public Instruction shall allocate these funds to local educational agencies based upon an equal rate per pupil using the methodology specified in Section 56836.07 of the Education Code.
7. The funds appropriated in Schedule (4) are provided for scientifically based professional development as part of the State Personnel Development grant. Of the funds appropriated in Schedule (4), \$356,000 is available in one-time carryover funds.
8. Of the funds appropriated in Schedule (2), up to \$3,894,000 shall be available for transfer to the state special schools for student transportation allowances.
9. Of the funds appropriated in Schedule (2), up to \$3,861,000 in federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.) funds shall be available for the State Department of Education to provide accessible instructional materials to local educational agencies.
10. Of the funds appropriated in Schedule (2), up to \$500,000 is provided to develop resources and provide technical assistance to local educational agencies for implementation of the State Systemic Improvement Plan.
11. Of the funds appropriated in Schedule (3), no less than \$500,000 shall be used for the Supporting Inclusive Practices Grant.
12. Of the funds appropriated in Schedule (1), \$8,250,000 is available in one-time carryover funds.
13. Of the funds appropriated in Schedule (2), \$6,000,000 is available in one-time carryover funds for the State Performance Plan Technical Assistance Project. These funds shall be available for encumbrance until June 30, 2028.
14. Of the funds appropriated in Schedule (2), \$3,750,000 is available in one-time carryover funds for the expansion and increased resources of the California Technical Assistance Network. These funds shall be available for encumbrance until June 30, 2028.
15. Of the funds appropriated in Schedule (2), \$542,000 is provided in fiscal years 2025–26 and 2026–27 for the expansion of the California Technical Assistance

Network servers and optimization of search capabilities.

16. Of the funds appropriated in Schedule (5), \$2,165,000 is available in one-time carryover funds.

SEC. 178. *Item 6100-194-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

6100-194-0001—For local assistance, State Department of Education, for allocation by the Superintendent of Public Instruction to school districts, county offices of education, and other agencies for the California State Preschool Program and other preschool programs included in this item, in lieu of the amount that otherwise would be appropriated pursuant to any other statute

~~1,000,071,000~~
1,009,151,000

Schedule:

- (1) 5210027-State Preschool Non-Local Educational Agencies

~~1,000,071,000~~
1,009,151,000

Provisions:

1. Notwithstanding any other law, families shall be disenrolled from subsidized childcare services consistent with the priorities for services specified in Sections 8210 and 8211 of the Education Code. Families shall be disenrolled in the following order: (a) families with the highest income below 85 percent of the State Median Income (SMI) adjusted for family size, (b) of families with the same income level, those that have been receiving childcare services for the longest period of time, (c) of families with the same income level, those that have a child with exceptional needs, and (d) families with children who are receiving child protective services or are at risk of being neglected or abused, regardless of family income.
2. Funds in Schedule (1) shall be allocated to both the part-day and full-day California State Preschool Program for nonlocal educational agencies.
3. Nonfederal funds appropriated in this item that have been budgeted to meet the state's Temporary Assistance for Needy Families maintenance-of-effort requirement established pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) shall not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.
4. Notwithstanding any other law, the Department of Finance may authorize a cash loan from the General Fund for cashflow purposes, in an amount not to exceed \$20,000,000, provided that:
 - (a) The loan is to meet cash needs resulting from a delay in the receipt of reimbursements from the California State Preschool Program or the general childcare program funds.
 - (b) The loan is for a short-term need and shall be repaid within 90 days of the loan's origination date.

- (c) Interest charges may be waived pursuant to Section 16314 of the Government Code.
- 5. Of the amount appropriated in Schedule (1), \$312,000 is available for funding a tool to strengthen teacher-child interactions and support quality improvement.
- 6. Of the amount appropriated in Schedule (1), \$14,041,000 is available for the family fee policy to reduce childcare fees to 1 percent of monthly income for families with adjusted monthly income at or above 75 percent of the state median family income pursuant to Section 8252 of the Education Code.
- 7. *Of the amount appropriated in Schedule (1), \$35,135,000 is available for the State Department of Education to issue to California State Preschool Program contractors to augment their contracts due to projected increases in the number of three-year-old children served.*
- 8. *Of the amount appropriated in Schedule (1), \$10,172,000 is available for the State Department of Education to issue to California State Preschool Program contractors as an increase to their cost of care reimbursement rates.*
- 9. *Of the amount appropriated in Schedule (1), \$2,730,000 is available for the State Department of Education to issue to California State Preschool Program contractors to assist local contractors with the implementation of Prospective Pay.*
- 10. *Of the amount appropriated in Schedule (1), \$336,000 is available on a one-time basis for the State Department of Education to issue to California State Preschool Program contractors to assist local contractors with automation related to Prospective Pay.*

SEC. 179. *Item 6100-196-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

6100-196-0001—For local assistance, State Department of Education (Proposition 98), for allocation by the Superintendent of Public Instruction to school districts, county offices of education, and other agencies for the purposes of California state preschool programs pursuant to Article 2 (commencing with Section 8207) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code funded in this item, in lieu of the amount that otherwise would be appropriated pursuant to any other statute and the Inclusive Early Education Expansion Program pursuant to Article 16 (commencing with Section 8337) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code

~~1,897,139,000~~
1,916,285,000

Schedule:

- (1) 5210020-State Preschool—Local Educational Agencies
.....
1,847,139,000
1,866,285,000
- (2) 5210010-Child Development, Quality Rating Improvement System Grants 50,000,000

Provisions:

- 1. Nonfederal funds appropriated in this item that have been budgeted to meet the state's Temporary

Assistance for Needy Families maintenance-of-effort requirement established pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) shall not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.

2. Of the amount appropriated in Schedule (1), up to \$5,000,000 is available for the family literacy supplemental grant provided to California state preschool programs pursuant to Section 8221 of the Education Code.
3. The amount appropriated in Schedule (2) is available for Quality Rating and Improvement System grants provided to California state preschool programs pursuant to Section 8203.1 of the Education Code.
4. Funds appropriated in Schedule (1) shall be allocated to both the part-day and full-day California State Preschool Program for local educational agencies.
5. Of the amount appropriated in Schedule (1), \$763,000 is available for funding a tool to strengthen teacher-child interactions and support quality improvement.
6. Of the amount appropriated in Schedule (1), \$15,833,000 is available for the family fee policy to reduce childcare fees to 1 percent of monthly income for families with adjusted monthly income at or above 75 percent of the state median family income pursuant to Section 8252 of the Education Code.
7. *Of the amount appropriated in Schedule (1), \$63,475,000 is available for the State Department of Education to issue to California State Preschool Program contractors to augment their contracts due to projected increases in the number of three-year-old children served.*
8. *Of the amount appropriated in Schedule (1), \$19,296,000 is available for the State Department of Education to issue to California State Preschool Program contractors as an increase to their cost of care reimbursement rates.*
9. *Of the amount appropriated in Schedule (1), \$5,720,000 is available for the State Department of Education to issue to California State Preschool Program contractors to assist local contractors with the implementation of Prospective Pay.*
10. *Of the amount appropriated in Schedule (1), \$704,000 is available on a one-time basis for the State Department of Education to issue to California State Preschool Program contractors to assist local contractors with automation related to Prospective Pay.*

SEC. 180. *Item 6100-222-0001 is added to Section 2.00 of the Budget Act of 2025, to read:*

6100-222-0001—For local assistance, State Department of Education, Save the Children 5,000,000

Schedule:

(1) 5210048-After School Programs 5,000,000

Provisions:

1. *Of the funds appropriated in Schedule (1), \$5,000,000 shall be made available on a one-time basis for Save the Children to operate after school education and safety programs in rural school districts.*

SEC. 181. *Item 6100-296-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

6100-296-0001—For local assistance, State Department of Education (Proposition 98) Program 98—K–12 Mandated Programs Block Grant

~~270,901,000~~
272,954,000

Schedule:

- (1) 5240010-K–12 Mandated Programs Block Grant
272,954,000

Provisions:

1. The Superintendent of Public Instruction shall apportion the funds appropriated in this item to all school districts, county offices of education, and charter schools that request funding during the ~~2024–25~~ 2025–26 fiscal year pursuant to Section 17581.6 of the Government Code using the following rates:
 - (a) A school district shall receive \$39.09 per unit of average daily attendance of pupils in kindergarten to grade 8, inclusive, and ~~\$75.31~~ \$76.48 per unit of average daily attendance of pupils in grades 9 to 12, inclusive.
 - (b) A county office of education shall receive:
 - (1) ~~39.09–\$39.09~~ per unit of average daily attendance of pupils in kindergarten to grade 8, inclusive, and ~~\$75.31~~ \$76.48 per unit of average daily attendance of pupils in grades 9 to 12, inclusive.
 - (2) \$1.31 per unit of countywide average daily attendance. For purposes of this item, "countywide average daily attendance" means the aggregate number of units of average daily attendance within the county attributable to all school districts for which the county superintendent of schools has jurisdiction pursuant to Section 1253 of the Education Code, charter schools within the county, and the schools operated by the county superintendent of schools.
 - (c) A charter school shall receive \$20.52 per unit of average daily attendance of pupils in kindergarten to grade 8, inclusive, and ~~\$57.04~~ \$58.21 per unit of average daily attendance of pupils in grades 9 to 12, inclusive.
2. The Superintendent of Public Instruction shall use average daily attendance calculated as of the second principal apportionment for the previous fiscal year.
3. If the funds appropriated in this item are insufficient for the Superintendent of Public Instruction to apportion funding using the rates listed in Provision 1

to all school districts, county offices of education, and charter schools that requested funding, the rates shall be reduced to apportion to each school district, county office of education, and charter school that requested funding a proportion of the funds appropriated in this item equal to the proportion of funding the school district, county office of education, or charter school otherwise would have received pursuant to the rates in Provision 1.

4. Of the funds appropriated in this item, \$6,090,000 is to reflect a cost-of-living adjustment.
5. The funds appropriated in this item reflect a growth adjustment of -\$2,032,000 due to revised average daily attendance.

SEC. 182. *Item 6100-488 of Section 2.00 of the Budget Act of 2025 is amended to read:*

6100-488—Reappropriation, State Department of Education.
Notwithstanding any other law, the balances from the following appropriations are available for reappropriation for the purposes specified in the provisions below:

0001—General Fund

- (1) \$200,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Special Education Program for Individuals with Exceptional Needs in Schedule (1) of Item 6100-161-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).
- (2) \$15,166,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the California State Preschool Program in Schedule (1) of Item 6100-196-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).
- (3) \$3,651,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for After School Programs in Schedule (1) of Item 6100-149-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).
- (4) \$1,169,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for charter school apportionments in Chapter 48 of the Statutes of 2023.
- (5) \$5,040,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Child Nutrition Programs in Schedule (1) of Item 6100-203-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).
- (6) \$1,200,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Special Education Program for Individuals with Exceptional Needs in Schedule (1) of Item 6100-161-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).
- (7) \$1,697,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Special Education Program for Individuals with Exceptional Needs in Schedule (1) of item 6100-161-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).

- (8) \$691,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the California Career Technical Education Incentive Grant Program in Schedule (1) of Item 6100-168-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).
- (9) \$11,218,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Child Nutrition Programs in Schedule (1) of item 6100-203-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).
- (10) \$46,078,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Expanded Learning Opportunities Program in Chapter 44 of the Statutes of 2021.
- (11) \$60,000,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Expanded Learning Opportunities Program in Schedule (1) of item 6200-110-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).
- (12) \$1,606,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the K-12 Mandated Programs Block Grant in Schedule (1) of item 6100-296-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).
- (13) \$4,000,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Instructional Continuity Best Practices Grant in Chapter 38 of the Statutes of 2024.
- (14) *\$2,000,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the California School for the Deaf in Fremont, in Provision 1 of Item 6100-006-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).*

Provisions:

- 1. The sum of \$19,331,000 is hereby appropriated to the Superintendent of Public Instruction for allocation to school districts and charter schools in the 2023–24 fiscal year pursuant to Section 42238.02 of the Education Code pursuant to the provisions provided in the 2023 Education Omnibus trailer bill for this purpose.
- 2. The sum of \$520,000 is hereby appropriated to the Superintendent of Public Instruction for ~~the state's share of costs in the settlement of Loffman, et al. v. California Department of Education~~; *allocation to local educational agencies for the Student Support and Professional Development Discretionary Block Grant pursuant to provisions provided in the education finance omnibus trailer bill identified in Section 39.00 of this act for this purpose.*
- 3. The sum of \$131,865,000 is hereby appropriated to the Superintendent of Public Instruction for

allocation to school districts and charter schools in the 2025–26 fiscal year pursuant to paragraph (2) of subdivision (j) of Section 14041.6 of the Education Code.

4. *The sum of \$2,000,000 of the unexpended balance identified in Schedule (14) is hereby reappropriated to the California School for the Deaf in Fremont for one-time expenditure for the same purposes as funds appropriated for Provision 1 of Item 6100-006-0001 in the Budget Act of 2023 (Chs. 12, 38, and 189 Stats. 2023).*

SEC. 183. *Item 6120-011-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

6120-011-0001—For support of California State Library and California Library Services Board	28,015,000
	33,105,000

Schedule:

- | | |
|---|-----------------------|
| (1) 5310-State Library Services | 22,651,000 |
| | 25,339,000 |
| (2) 5312-Library Development Services | 2,105,000 |
| | 4,507,000 |
| (3) 5314-Information Technology Services | 3,559,000 |
| (4) Reimbursements to 5310-State Library Services | –300,000 |

Provisions:

1. Of the amount appropriated in Schedule (1), \$500,000 shall continue to be provided to the Braille Institute of America in Los Angeles.
2. *Of the amount appropriated in Schedule (1), \$800,000 shall be available on a one-time basis to support Braille Institute programming.*

SEC. 184. *Item 6120-211-0890 of Section 2.00 of the Budget Act of 2025 is repealed.*

6120-211-0890—For local assistance, California State Library, payable from the Federal Trust Fund.....	11,266,000
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~~Schedule:~~

- | | |
|---|-----------------------|
| (1) 5312-Library Development Services..... | 11,266,000 |
|---|-----------------------|

SEC. 185. *Item 6120-490 is added to Section 2.00 of the Budget Act of 2025, to read:*

6120-490—Reappropriation, State Library. The balance specified below of the appropriations provided in the following citations are reappropriated for the purposes of covering staff payroll in both the 2024–25 and 2025–26 fiscal years and shall be available for encumbrance or expenditure until June 30, 2027:

0001—General Fund

- (1) Up to \$4,290,000 of the amount appropriated in Provision 1 of Item 6120-011-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).

SEC. 186. Item 6125-490 is added to Section 2.00 of the Budget Act of 2025, to read:

6125-490—Reappropriation, Education Audits Appeals Panel.
The amount specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2026:

0001—General Fund

- (1) Up to \$209,000 in Item 6125-001-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024) shall be allocated for apportionments to Schedule (1) of Item 6125-001-0001 in this Budget Act.

SEC. 187. Item 6360-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:

6360-001-0001—For support of Commission on Teacher Credentialing ~~7,102,000~~
7,352,000

Schedule:

- (1) 5381-Preparation and Licensing of Teachers ~~6,892,000~~
7,142,000

- (2) 5399-Administration 210,000

Provisions:

1. Of the funds appropriated in Schedule (1), \$595,000 and 5.0 positions are available to support outreach, contracting, technical assistance, and administration of multiple grant programs, including, but not limited to, Teacher Residencies, Classified School Employee Credentialing Grants, Integrated Teacher Preparation Program Grants, and Computer Science Supplementary Authorization Grants.
2. Of the funds appropriated in Schedule (1), \$1,400,000 and 9.0 positions are available to support the Roadmap to Educational Careers initiative. Of the 9.0 positions, 8.0 positions shall serve as career guidance counselors, credential experts, subject matter experts, and resource specialists for individuals seeking to make the transition into a PK–12 educational career. To the extent that is absorbable, these 8.0 positions may also provide transcript review to assess basic skills requirements and subject matter competence for educator credential candidates. Of the 9.0 positions, 1.0 position shall be available to assist with development and maintenance of a multifaceted web portal on the Commission on Teacher Credentialing's website and social media connection and presence.
3. Of the funds appropriated in Schedule (1), \$282,000 and 4.0 positions are available to support data gathering around California's PK–12 educational workforce reporting and analysis for Cradle-to-Career data reporting, teacher grant

program reporting, and the California Statewide Assignment Accountability System (CalSAAS), including how CalSAAS relates to the State Department of Education's PK–12 educational workforce data reporting for the federal Every Student Succeeds Act (P.L. 114-95), the School Accountability Report Card, and data reporting for the Local Control Funding Formula and Local Control and Accountability Plan.

4. Of the funds appropriated in Schedule (1), \$946,000 and 7.0 positions are available to support early childhood education preparation and licensure activities.
5. Of the funds appropriated in Schedule (2), \$210,000 and 2.0 positions are available to support early childhood education preparation and licensure activities.
6. Of the amount appropriated in Schedule (1), \$3,400,000 shall be provided to backfill revenue shortfalls resulting from declining teacher credential fees. These funds shall be available to support activities pursuant to Schedule (1) of Item 6360-001-0407.
7. Of the funds appropriated in Schedule (1), \$182,000 and 2.0 positions are available to support educator professional fitness activities.
8. *Of the funds appropriated in Schedule (1), \$250,000 is available in the 2025–26 fiscal year to support the administration of educator recruitment and retention programs. These funds shall be available for encumbrance until June 30, 2028.*

SEC. 188. *Item 6360-001-0407 of Section 2.00 of the Budget Act of 2025 is amended to read:*

6360-001-0407—For support of Commission on Teacher Credentialing, payable from the Teacher Credentials Fund

..... 33,346,000

Schedule:

- | | | |
|-----|--|-------------------------------------|
| (1) | 5381-Preparation and Licensing of Teachers | 19,567,000
19,730,000 |
| (2) | 5382-Attorney General Legal Services | 5,400,000 |
| (3) | 5383-Accreditation Streamline Project | 310,000 |
| (4) | 5399-Administration | 8,377,000
8,214,000 |
| (5) | Reimbursements to 5381-Preparation and Licensing of Teachers | –308,000 |

Provisions:

1. The amount appropriated in this item may be increased based on increases in credential applications, increases in first-time credential applications requiring fingerprint clearance, unanticipated costs associated with certificate discipline cases, or unanticipated costs of litigation, subject to approval of the Department of Finance, not sooner than 30 days after notification in writing to the

chairpersons of the fiscal committees of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee.

2. The Commission on Teacher Credentialing shall submit biannual reports to the chairpersons and vice chairpersons of the budget committees of each house of the Legislature, the Legislative Analyst's Office, and the Department of Finance on the minimum, maximum, and average number of days taken to process: (a) renewal and university-recommended credentials, (b) out-of-state and special education credentials, (c) service credentials and supplemental authorizations, (d) adult and career technical education certificates and child center permits, (e) temporary permits for statutory leave and 30-day substitute permits, (f) provisional intern permits, (g) short-term staff permits, and (h) the percentage of renewals and new applications completed online. The report should also include information on the total number of each type of application and the hours of staff time utilized to process the different types of credentials. The biannual reports shall be submitted on October 1 and March 1 of each year, and shall include historical data as well as data from the most recent six months.
3. Of the funds appropriated in Schedule (1), \$308,000 is provided from federal Title II funds through an interagency agreement with the State Department of Education to support Teacher Misassignment Monitoring, pursuant to Section 44258.9 of the Education Code. These funds shall be used to reimburse county offices of education for costs associated with monitoring public schools and school districts for teacher misassignments. Funds shall be allocated on a basis determined by the Commission on Teacher Credentialing. Districts and county offices receiving funds for credential monitoring will provide reasonable and necessary information to the commission as a condition of receiving these funds.
4. The Commission on Teacher Credentialing shall submit biannual reports to the chairpersons and vice chairpersons of the budget committees of each house of the Legislature, the Legislative Analyst's Office, and the Department of Finance on the workload of the Division of Professional Practices (DPP) and the status of the teacher misconduct caseload. The report shall include information on the DPP's workload and the timeliness of completing key steps in reviewing teacher misconduct cases that are under the control of the commission. The workload report shall include the number of cases opened by case type and the average number of days and targets for each key step in the misconduct review process, including: (a) intake of new cases and documents, (b) assignment of cases to staff and gathering of needed documents for investigation, (c) investigation and notification of allegations to individuals charged with an offense, (d) review of cases by the commission, (e) implementation of final discipline decisions by the commission, (f) monitoring during the probationary period, and (g) response to violation of probationary period. The biannual reports shall be submitted by October 1 and March 1 of each year. All reports shall

include historical data as well as data from the most recent six months.

5. (a) The Attorney General shall submit a biannual report to the chairpersons and vice chairpersons of the budget committees of each house of the Legislature, the Legislative Analyst's Office, and the Department of Finance concerning the status of the teacher misconduct discipline caseload and other cases being handled by the Attorney General for the Commission on Teacher Credentialing. The biannual report shall be submitted by August 30 and February 28 of each year for the previous corresponding fiscal quarters.
- (b) Each report shall include, at a minimum, all of the following for teacher discipline matters:
 - (1) The number of matters with the Attorney General at the beginning of the reporting period.
 - (2) The number of matters for which further investigation was requested by the Attorney General.
 - (3) The number of matters for which further investigation was received by the Attorney General.
 - (4) The number of matters adjudicated by the Attorney General.
 - (5) The number of matters with the Attorney General at the end of the reporting period.
 - (6) The minimum, maximum, and median number of days from the date the Attorney General receives an accusation or statement of issues referral from the commission to the commencement of a hearing at the Office of Administrative Hearings for cases adjudicated during this period.
- (c) To determine the average cost of the Attorney General to adjudicate a case representing the commission, each report shall provide the following information for cases adjudicated in the reporting period specified in subdivision (a):
 - (1) The average and median number of hours worked by the staff of the Attorney General to adjudicate accusation and statement of issues matters.
 - (2) The average and median fees charged by the Attorney General to the commission to adjudicate accusation and statement of issues matters.
 - (3) The average and median litigation costs to adjudicate accusation and statement of issues matters.
- (d) To determine the total activities conducted by the Attorney General to represent the commission for each period, the Attorney General shall report the following:

- (1) The total hours worked during the period by staff of the Attorney General for representation of the commission in teacher discipline matters.
 - (2) The total fees charged during the period by the Attorney General to the commission for representation in teacher discipline matters.
 - (3) The total hours worked during the period by staff of the Attorney General for representation of the commission unrelated to teacher discipline matters.
 - (4) The total fees charged during the period by the Attorney General to the commission for representation unrelated to teacher discipline matters.
 - (e) This information shall be provided with the intent that recipients shall be able to determine the caseload input and output of the Attorney General in relation to representation of the commission in teacher discipline cases, especially as it relates to determining the average case processing time for accusation and statement of issues representation and adjudication, and proper funding level for handling the teacher discipline caseload and other legal work for the commission. Staff from the Attorney General shall provide timely followup information to staff from the offices identified in subdivision (a) upon request if further explanation or information is required.
6. (a) The Commission on Teacher Credentialing and the State Department of Education (SDE) shall maintain a data-sharing agreement to provide the commission with certificated employee assignment data necessary to annually identify misassignments, as defined in subparagraph (B) of paragraph (5) of subdivision (b) of Section 33126 of the Education Code, at school districts and county offices of education. The data-sharing agreement shall also require the commission to make teacher credential, misassignment, and other relevant data available to the SDE to support federally required reporting consistent with the California State Plan for the federal Every Student Succeeds Act (P.L. 114-95) approved by the State Board of Education.
- (b) The commission shall use the nonpersonally identifiable educator identification number required by Section 44230.5 of the Education Code for the purpose of sharing data with local educational agencies and the SDE pursuant to this provision.

7. The Commission on Teacher Credentialing shall submit an annual report to the Department of Finance in September of each year detailing changes to contracts with examination providers, changes in examination fees, teacher examination validation, equating, or alignment studies, and teacher examination development conducted during the previous fiscal year.
8. Funds appropriated in Schedule (2) may be used to fund costs incurred from the administration and adjudication of cases, which include court reporter fees and representation from the Attorney General and the administrative hearing process through the Office of Administrative Hearings.
9. Of the funds appropriated in Schedule (1), \$583,000 and 3.0 positions are available to support Teacher Performance Assessment Workgroup activities, pursuant to Chapter 889 of the Statutes of 2024.
10. Of the funds appropriated in Schedule (1), \$1,101,000 is available on a one-time basis to support the Commission on Teacher Credentialing's leasing costs at the May Lee State Office Complex.
11. Of the funds appropriated in Schedule (2), \$253,000 and 2.0 positions are available to support administrative activities.
12. Of the funds appropriated in Schedule (1), ~~\$671,000~~ *\$412,000* and ~~5-0~~ *3.0* positions are available to support workload related to increased teacher credential application volume.
13. Of the funds appropriated in Schedule (1), \$130,000 and 1.0 position is available to support workload related to adding supplementary and subject matter authorizations to a teaching credential, pursuant to Chapter 831 of the Statutes of 2024.
14. Of the funds appropriated in Schedule (1), \$200,000 is available to align state operational costs with current staffing levels.
15. Of the funds appropriated in Schedule (1), \$455,000, of which \$133,000 is available on a one-time basis for purposes of convening a workgroup, and 2.0 positions are to support the Professional Services Division with workload associated with updating and adding a non-teaching pathway to the Administrative Services Credential.
16. Of the funds appropriated in Schedule (4), ~~\$890,000~~ *\$732,000*, of which ~~\$800,000~~ *\$720,000* is ongoing beginning in ~~2026-27~~ *2026-27*, and ~~5-0~~ *4.0* positions are available to support the IT Branch with addressing various IT workload issues.
17. *Of the funds appropriated in Schedule (1), \$422,000 and 2.0 positions are available to support legal staffing needs in the Division of Professional Practices.*

SEC. 189. *Item 6440-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

6440-001-0001—For support of University of California

.....

~~4,750,049,000~~

4,778,741,000

Schedule:

(1) 5440-Support ~~4,750,049,000~~
4,778,741,000

Provisions:

1. This appropriation is exempt from Sections 6.00 and 31.00.
2.
 - (a) The Regents of the University of California shall implement measures to reduce the university's cost structure.
 - (b) The Legislature finds and declares that many state employees hold positions with comparable scope of responsibilities, complexity, breadth of job functions, experience requirements, and other relevant factors to those employees designated to be in the Senior Management Group pursuant to existing Regents Policy.
 - (c)
 - (1) Therefore, at a minimum, the Regents shall, when considering compensation for any employee designated to be in the Senior Management Group, use a market reference zone that includes state employees.
 - (2) At a minimum, the Regents shall include in a market reference zone all comparable positions from the lists included in subdivision (l) of Section 8 of Article III of the California Constitution and Article 1 (commencing with Section 11550) of Chapter 6 of Part 1 of Division 3 of Title 2 of the Government Code.
- 2.1. Notwithstanding any other law, the Director of Finance may reduce funds appropriated in this item by an amount equal to the estimated Cal Grant and Middle Class Scholarship Program cost increases caused by a 2025–26 academic year increase in systemwide tuition. No reduction may be authorized pursuant to this provision sooner than 30 days after the Director of Finance provides notice of the intended reduction to the Chairperson of the Joint Legislative Budget Committee.
3.
 - (a) The Controller shall transfer funds from this appropriation upon receipt of a report from the Department of Finance indicating the amount of debt service anticipated to become due and payable in the fiscal year associated with state general obligation bonds issued for university projects.
 - (b) The Controller shall return funds to this appropriation upon receipt of a report from the Department of Finance.
4. Payments made by the state to the University of California for each month from July through April shall not exceed one-twelfth of the amount appropriated in this item, less the amount that is expected to be transferred pursuant to Provision 3. Transfers of funds pursuant to Provision 3 shall not be considered payments made by the state to the university.
5.
 - (a) Of the funds appropriated in this item, \$15,800,000 shall be available to support meal donation programs, food pantries serving

students, CalFresh enrollment, and other means of directly providing nutrition assistance to students. All monetary assistance provided to students pursuant to this subprovision shall be distributed to the student by the campus financial aid office. The funds described in this subprovision may also be used for any of the following:

- (1) To assist homeless and housing-insecure students in securing stable housing.
 - (2) To supply students with personal hygiene products.
 - (3) To establish basic-needs centers as a centralized location on campus where students experiencing basic-needs insecurity can be identified, supported, and linked to on- and off-campus resources to support timely program completion. Campus basic-needs centers may use funds for operations of the center.
 - (4) To designate or hire dedicated basic-needs coordinators for the basic-needs centers who will serve as a single point of contact for students.
- (b) The University of California shall report to the Department of Finance and relevant policy and fiscal committees of the Legislature by February 1 of each year regarding the use of funds specified in subdivision (a) and Provision 7. The report shall include, but not necessarily be limited to, all of the following information for the preceding fiscal year and estimates of all of the following for the current fiscal year:
- (1) The amount of funds distributed to campuses, and identification of which campuses received funds.
 - (2) For each campus, a programmatic budget summarizing how the funds were spent. The budget shall include any other funding used to supplement the General Fund.
 - (3) A description of the types of programs in which each campus invested.
 - (4) A list of campuses that accept or plan to accept electronic benefits transfer.
 - (5) A list of campuses that participate or plan to participate in the CalFresh Restaurant Meals Program.
 - (5.5) The number of students who first started receiving CalFresh benefits in the preceding year as well as the total number of students in the preceding year receiving CalFresh.
 - (5.8) The number of campuses that have a data-sharing agreement with the relevant county operating the CalFresh program with the purpose of identifying new,

continuing, and returning students who are potentially eligible for CalFresh benefits, or efforts underway to enact such an agreement.

- (6) A list of campuses that offer or plan to offer emergency housing or assistance with long-term housing arrangements.
 - (7) A description of how campuses leveraged or coordinated with other state or local resources to address housing and food insecurity, and student mental health.
 - (7.1) The number of students receiving mental health services on campus, disaggregated by race, ethnicity, gender, age group, and type of service received.
 - (7.2) The average wait time for initial routine mental health counseling appointments.
 - (7.3) The average number of campus mental health counseling appointments per student.
 - (7.4) The number of students referred to off-campus providers for mental health services.
 - (7.5) The number of student mental health staff by provider type and the counselor-to-student ratio.
 - (7.6) Total spending on student mental health services, by fund source, including spending covered by insurance providers.
 - (8) An analysis describing how funds reduced food insecurity and homelessness among students, increased student mental health, and, if feasible, how funds impacted student outcomes such as persistence or completion.
 - (9) Other findings and best practices implemented by campuses.
6. Of the funds appropriated in this item, \$21,300,000 shall be available to increase student mental health resources.
7. (a) Of the funds appropriated in this item, \$3,700,000 shall be available to support rapid rehousing efforts assisting homeless and housing-insecure students. All monetary assistance to students shall be distributed to the student by the campus financial aid office.
- (b) Campuses shall establish ongoing partnerships with community organizations that have a tradition of helping populations experiencing homelessness to provide wraparound services and rental subsidies for students. Funds appropriated in this item may be used for, but authorized uses are not limited to, the following activities:

- (1) Connecting students with community case managers who have knowledge and expertise in accessing safety net resources.
 - (2) Establishing ongoing emergency housing procedures, including on-campus and off-campus resources.
 - (3) Providing emergency grants that are necessary to secure housing or to prevent the imminent loss of housing.
 - (c) Funding shall be allocated to campuses based on demonstrated need.
 - (d) The terms "homeless" and "housing insecure" shall be defined as students who lack a fixed, regular, and adequate nighttime residence. This includes students who are:
 - (1) Sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason.
 - (2) Living in motels, hotels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations.
 - (3) Living in emergency or transitional shelters.
 - (4) Abandoned in hospitals.
 - (5) Living in a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings.
 - (6) Living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings.
 - (e) The University of California shall submit a report to the Director of Finance and, in conformity with Section 9795 of the Government Code, to the Legislature by February 1 of each year regarding the use of these funds, for the preceding fiscal year and estimates for the current fiscal year, for information including the number of coordinators hired, number of students served by campus, distribution of funds by campus, a description of the types of programs funded, and other relevant outcomes, such as the number of students that were able to secure permanent housing, and whether students receiving support remained enrolled at the institution or graduated. This report may be submitted jointly with other basics needs reporting due to the Legislature.
- 8. (a) Of the funds appropriated in this item, \$12,900,000 shall be available to support and expand existing UC Programs in Medical Education and to establish a new UC Program in Medical Education focused on Native American communities. These funds may also be available to establish additional UC

Programs in Medical Education that are state priorities. The University of California is encouraged to use these funds to support UC Programs in Medical Education that would serve underrepresented areas of the state.

- (b) One-third of the funds appropriated in this provision shall be used to augment need-based financial aid for UC Programs in Medical Education students.
- (c) The University of California shall report the following information about UC Programs in Medical Education program outcomes to the Department of Finance and the Legislature annually by March 1, until March 1, 2027:
 - (1) Enrollment numbers and student demographics in each program.
 - (2) A summary of each program's current curriculum.
 - (3) Graduation and residency placement rates for each program.
 - (4) To the extent feasible, postgraduate data on where each program's graduates currently practice and the extent to which they serve the populations and communities targeted by the program in which they participated.
- 9. Of the funds appropriated in this item, \$1,823,000 shall be used for legal services for undocumented and immigrant students, faculty, and staff.
- 10. Of the funds appropriated in this item, ~~\$3,000,000~~ *\$4,000,000, of which \$1,000,000 is available on a one-time basis for the 2025–26 fiscal year*, shall be used for the University of California Firearm Violence Research Center. It is the intent of the Legislature that these funds be directly allocated by the University of California to the University of California Firearm Violence Research Center, and that the University of California and the University of California, Davis, campus shall not assess administrative costs or charges against these funds.
- 11. Of the funds appropriated in this item, \$1,000,000 shall be used for the Institute on Global Conflict and Cooperation.
- 12. Of the funds appropriated in this item, \$4,000,000 shall be used by the University of California to provide summer-term financial aid to any student who is eligible for state financial aid and is a California resident, including students receiving an exemption for nonresident tuition pursuant to Section 68130.5 of the Education Code. These funds shall be used to supplement and not supplant existing funds provided by the University of California for summer-term financial aid. The Legislature finds and declares that this provision is a state law within the meaning of subsection (d) of Section 1621 of Title 8 of the United States Code.

13. Of the funds appropriated in this item, \$6,000,000 shall be available on an ongoing basis to support foster youth programs pursuant to Section 92663 of the Education Code.
14. By November 1 each year, the University of California shall report key information regarding UCPATH to the Department of Finance and the Joint Legislative Budget Committee. At a minimum, the report shall include UCPATH's staffing levels, funding by source, and spending by function. The funding source data shall summarize fund sources used by campuses to cover any campus assessment. The report shall include actual data for the prior fiscal year, budgeted data for the current fiscal year, and projected data for the coming fiscal year. The report shall include any cost savings resulting from the UCPATH project at the campus level.
15. To provide for legislative oversight, the Office of the President of the University of California shall report to the Legislature and the Department of Finance, by September 30 each year, all of the following information for the preceding fiscal year and estimates of all of the following for the current fiscal year:
 - (a) The amount of any campus assessments charged to support the Office of the President of the University of California, reflecting amounts contributed by each campus and the fund source or sources from which those amounts were paid.
 - (b) The total budget of the Office of the President of the University of California.
 - (c) A categorized list of actual and planned budgetary expenditures for the Office of the President of the University of California.
 - (d) Factors contributing to any year-over-year change in the budget of the Office of the President of the University of California.
 - (e) The amount of the budget of the Office of the President of the University of California that either passes through to recipients across the state or supports fee-for-service activities aligned with the university's mission.
 - (f) Information on reserves and fund balances held by the Office of the President of the University of California.
16. Of the funds appropriated in this item, \$650,000 shall be available to support the integration of Association of Independent California Colleges and Universities members onto the ASSIST platform.
17. Of the funds appropriated in this item, \$1,000,000 shall be available on an ongoing basis to support the California Vectorborne Disease Surveillance Gateway.
18. Of the funds appropriated in this item, \$4,000,000 shall be available to the University of California on an ongoing basis for disbursement to all undergraduate-serving University of California campuses, after consultation with Underground Scholars directors and coordinators, to establish and sustain Underground Scholars programs as a centralized location on

campus where incarcerated, formerly incarcerated, and system-impacted students can be provided with recruitment programs, retention services, advocacy, and wellness programs to support admission to the University of California system and timely program completion. Campuses shall share best practices for program operations annually with other University of California campuses for purposes of developing spending plans to serve incarcerated, formerly incarcerated, and system-impacted students. Each undergraduate-serving University of California campus shall have one or more dedicated Underground Scholars directors and coordinators who will serve as a point of contact for students.

19. Of the funds appropriated in this item, \$5,000,000 shall be available on an ongoing basis for the University of California to establish and operate student services programs on each campus to serve undocumented students.
20. Of the funds appropriated in this item, \$22,500,000 shall be available on an ongoing basis to support Student Academic Preparation and Educational Partnerships programs.
21. Of the funds appropriated in this item, \$75,000 shall be available on an ongoing basis to support the University of California, Los Angeles Anderson School of Management to include climate change economic impacts by California region in the UCLA Anderson Forecast economic forecasting model for California.
22. Of the funds appropriated in this item, \$21,000,000 shall be available to the University of California to support UC Medical School Projects at UC Merced and UC Riverside.
23. Of the funds appropriated in this item, \$13,000,000 shall be available on an ongoing basis to support research, education, and public engagement on labor issues in California. The funds shall be allocated as follows:
 - (a) \$3,000,000 to the University of California, Berkeley Labor Center.
 - (b) \$3,000,000 to the University of California, Los Angeles Labor Center.
 - (c) \$3,000,000 to the University of California, Merced Community and Labor Center.
 - (d) \$500,000 to the University of California, Berkeley Labor Occupational Health Program.
 - (e) \$500,000 to the University of California, Los Angeles Labor Occupational Safety and Health Program.
 - (f) \$3,000,000 to be allocated to support a multicampus initiative as determined by a five-member committee comprising the directors of the centers specified in subprovisions (a), (b), and (c), or their designees, as well as two members appointed by the California Federation of Labor. The committee shall allocate these funds based on proposals submitted by the University of California's Davis, Irvine, Riverside, San Diego, Santa Barbara, and Santa Cruz campuses. The

committee shall determine the criteria and timeline to submit proposals, as well as how to allocate funds among eligible proposals.

24. Of the funds appropriated in this item, \$49,701,000 ongoing General Fund moneys shall be allocated to support approved UC Higher Education Student Housing Grant Program projects.
25. Of the funds appropriated in this item, \$33,300,000 ongoing General Fund moneys shall be allocated to support UC Merced and UC Riverside Campus Expansion Project and the UC Berkeley Clean Energy Campus Project.
26. Of the funds appropriated in this item, \$2,000,000 ongoing General Fund moneys shall be allocated to support the UC Riverside School of Medicine.
27. It is the intent of the Legislature to defer an ongoing base increase of \$240,773,000 from 2025–26, as follows:
 - (a) In 2026–27, \$96,309,000 of the 2025–26 compact payment will be provided on an ongoing basis. In 2027–28, a one-time back payment of \$240,773,000 ~~from~~ *will be made for* the deferral made in 2025–26. In 2028–29, the remaining \$144,464,000 of the compact payment originally scheduled for 2026–27 will be provided on an ongoing basis.
28. It is the intent of the Legislature to defer \$129,692,000 one-time from the General Fund from 2025–26 until 2026–27.
29. For 2025–26, the Director of Finance may authorize a *no-interest*, short-term loan from General Fund resources, upon the request of the University of California, to assist cash flow resources for purposes of remediating state payment deferrals.
 - (a) A loan may be authorized pursuant to this section no sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the committees in each house of the Legislature that consider appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time that notification the chairperson of that joint committee, or the chairperson's designee, may in each instance determine.
30.
 - (a) As specified in Section 93000 of the Education Code, it is the intent of the Legislature that the University of California replace an additional 902 nonresident undergraduate full-time equivalent students annually from 2022–23 through 2026–27 with an equal number of resident undergraduate full-time equivalent students combined at the Berkeley, Los Angeles, and San Diego campuses. The total combined annual replacement of nonresident students should be 902 full-time equivalent students, with Berkeley, Los Angeles, and San Diego each contributing towards the 902 full-time equivalent student replacement total annually. If the University of California replaces more than 902 nonresident undergraduate full-

time students in the 2025–26 enrollment target, those additional students can be counted towards the 2026–27 target. Nonresident undergraduate full-time equivalent student replacement above that annual 902 target from 2022–23, 2023–24, and 2024–25 can be counted towards the replacement of 902 nonresident undergraduate full-time equivalent students in 2025–26.

- (b) If the actual reduction in nonresident undergraduate enrollment in 2025–26 at these campuses is fewer than 902 full-time equivalent students, the Director of Finance shall reduce funding for the University of California by the portion of the appropriation in the deferred allocation that is attributable to each student under the target reduction level, as specified in Section 93000 of the Education Code.
 - (c) It is the intent of the Legislature to defer ongoing nonresident replacement funding of \$31,000,000 from 2025–26 to 2026–27. In 2027–28, it is the intent of the Legislature to provide a one-time back payment of \$31,000,000.
31. (a) It is the intent of the Legislature that the University of California shall increase resident undergraduate enrollment by 2,947 full-time equivalent students (FTES) in 2025–26 over the estimated 2024–25 baseline level of 206,588 FTES to a total enrollment of 209,535.
- (b) If the University of California enrolls fewer resident undergraduate FTES than specified in subdivision (a), the Director of Finance may reduce funding proportional to each student under the specified level. Funding shall be reduced at the 2025–26 state marginal cost rate of \$11,640 per FTES. If the University of California enrolls more resident undergraduate FTES than specified in subdivision (a), those additional students will be counted towards the 2026–27 target.
 - (c) It is the intent of the Legislature that the University of California also increase resident undergraduate enrollment by 2,968 FTES in 2026–27, for a total level of 212,503 resident undergraduate FTES in 2026–27.
 - (d) The systemwide growth identified in this provision is inclusive of the additional 902 resident undergraduate FTES resulting from the replacement of nonresident undergraduate FTES identified in Provision 30 of this item.

32. Of the funds appropriated in this item, \$1,500,000 shall be available on an ongoing basis to support students with disabilities. This funding shall supplement, not supplant, core funds the University of California spends to support these students. The University of California shall allocate these funds to campuses based upon their number of students with disabilities. Campuses shall use these funds to improve services for these students, with a focus on increasing the number of professional staff serving them, thereby reducing their associated caseload.
33. Of the funds appropriated in this item, \$3,000,000 ongoing General Fund shall be available to support the University of California, Los Angeles Ralph J. Bunche Center for African American Studies.
34. Of the funds appropriated in this item, \$430,000 ongoing General Fund shall be available to support the California Newspaper Projects at the University of California, Riverside.
- ~~35. Of the funds appropriated in this item, \$15,000,000 shall be provided on a one-time basis to the Journalism Fellowship Program at the University of California, Berkeley.~~
35. (a) *Of the funds appropriated in this item, \$15,000,000 shall be provided on a one-time basis to the Journalism Fellowship Program at the University of California, Berkeley.*
- (b) *The University of California, Berkeley, may use up to 5 percent of this allocation to administer the program.*
36. Of the funds appropriated in this item, \$5,000,000 one-time General Fund shall be available on a one-time basis to support the Cal-Bridge Initiative. These funds can be used to support fellowships, undergraduate research, salaries and benefits for post doctoral students, scholarships for students prior to their first Ph.D. year, faculty professional development, and administration of the program.
37. *Of the funds appropriated in this item, \$1,800,000, one-time General Fund, shall be available to expand the University of California, Los Angeles First Star Foster Youth Program and to establish at least one additional First Star Foster Youth Cohort at University of California campuses to be selected through a competitive grant process by the Office of the President of the University of California. When selecting the participating campuses, the Office of the President shall consider, at least, the following factors: the foster youth population density around each proposed campus location, possible partnerships with other organizations assisting the foster youth population, public transportation accessibility, and ability to leverage other funding sources or in-kind resources to support program implementation.*
38. *Of the funds appropriated in this item, \$5,000,000 one-time General Fund shall be available for the University of California, San Diego, to develop a bachelor's degree program in public health in South San Diego.*
39. *Of the funds appropriated in this item, \$750,000 one-time General Fund shall be available for the University*

of California, Los Angeles, to research social media.

40. Of the funds appropriated in this item, \$1,800,000 one-time General Fund shall be available for the University of California, San Francisco, to establish a dentistry pilot program.
41. Of the funds appropriated in this item, \$3,000,000 one-time General Fund shall be available for the University of California Menopause Center.
42. Of the funds appropriated in this item, \$2,500,000 one-time General Fund shall be available for the University of California, San Diego, for the ALERTCalifornia program.
43. Of the funds appropriated in this item, \$3,600,000 one-time General Fund shall be available for the University of California, Office of the President, for campus climate and antidiscrimination efforts.
44. Of the funds appropriated in this item, \$1,500,000 shall be made available to support the PRIME Central Coast program at the University of California, Davis School of Medicine, in collaboration with the University of California, Santa Cruz. These funds shall be available for encumbrance and expenditure through July 1, 2030.
45. Of the funds appropriated in this item, \$4,500,000 one-time General Fund shall be available for the University of California, Davis Transportation Research Center.

SEC. 190. Item 6440-005-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:

6440-005-0001—For support of University of California

..... ~~124,321,000~~
121,079,000

Schedule:

- (1) 5440-Support ~~124,321,000~~
121,079,000

Provisions:

1. The funds appropriated in this item shall be for the University of California, Division of Agriculture and Natural Resources. These funds shall be used to supplement and not supplant other existing funds provided to the division by the University of California.
2. Of the funds appropriated in this item, \$1,300,000 shall be available on a one-time basis to support the University of California Nutrition Policy Institute in the University of California, Division of Agriculture and Natural Resources for School Meals for All Research.

SEC. 191. Item 6610-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:

6610-001-0001—For support of California State University

..... ~~4,949,262,000~~
4,950,068,000

Schedule:

- (1) 5560-Support ~~4,949,262,000~~
4,950,068,000

Provisions:

1. This appropriation is exempt from Sections 6.00 and 31.00.
- ~~2. (e) It is the intent of the Legislature to defer an estimated base increase of \$252,255,000 from 2025–26 to 2026–27. In 2026–27, it is the intent of the Legislature to provide a one-time back payment of this amount, along with an ongoing base increase of this amount.~~
2. (d) It is the intent of the Legislature to defer an estimated base increase of \$252,255,000 from 2026–27 to 2027–28. In 2027–28, it is the intent of the Legislature to provide a one-time back payment of this amount, along with an ongoing base increase of this amount.
- (e) Of the funds appropriated in this item, \$5,500,000 shall be available on an ongoing basis to support the estimated costs of an expanded fee waiver for Medal of Honor recipients, children of Medal of Honor recipients, and dependents of service-injured veterans attending the California State University.
- (f) Of the funds appropriated in this item, \$12,000,000 shall be available to support foster youth programs pursuant to Section 89348 of the Education Code.
- 2.1. (a) Of the funds appropriated in this item, \$15,800,000 shall be available to increase student mental health resources.
- (b) Of the funds appropriated in this item, \$26,300,000 is available for the Graduation Initiative to sustain and expand the California State University Basic Needs Initiative.
- (c) The California State University shall report to the Department of Finance and relevant policy and fiscal committees of the Legislature by March 1, 2026, and annually thereafter, regarding the use of funds specified in subdivisions (a) and (b). The report shall include, but not necessarily be limited to, all of the following information:
 - (1) The amount of funds distributed to campuses, and identification of which campuses received funds.
 - (2) For each campus, a programmatic budget summarizing how the funds were spent. The budget shall include any other funding used to supplement the General Fund.
 - (3) A description of the types of programs in which each campus invested.
 - (4) A list of campuses that accept or plan to accept electronic benefits transfer.
 - (5) A list of campuses that participate or plan to participate in the CalFresh Restaurant Meals Program.

- (5.5) The number of students who first started receiving CalFresh benefits in the preceding year as well as the total number of students in the preceding year receiving CalFresh.
- (5.8) The number of campuses that have a data-sharing agreement with the relevant county operating the CalFresh program with the purpose of identifying new, continuing, and returning students who are potentially eligible for CalFresh benefits, or efforts underway to enact such an agreement.
- (6) A list of campuses that offer or plan to offer emergency housing or assistance with long-term housing.
- (6.1) The number of students receiving mental health services on campus, disaggregated by race and ethnicity, gender, age group, and type of service received.
- (6.2) The average wait time for initial routine mental health counseling appointments.
- (6.3) The average number of campus mental health counseling appointments per student.
- (6.4) The number of students referred to off-campus providers for mental health services.
- (6.5) The number of student mental health staff by provider type and the counselor-to-student ratio.
- (6.6) Total spending on student mental health services, by fund source, including spending covered by insurance providers.
- (7) A description of how campuses leveraged or coordinated with other state or local resources to address housing and food insecurity and student mental health.
- (8) An analysis describing how funds reduced food insecurity and homelessness among students, increased student mental health, and, if feasible, how funds impacted student outcomes such as persistence or completion.
- (9) Other findings and best practices implemented by campuses.
- 2.2. Of the funds appropriated in this item, \$25,000,000 is provided to support the transition of Humboldt State University into a polytechnic university.
- 2.3. Of the funds appropriated in this item, \$35,000,000 is provided on an ongoing basis to support the Graduation Initiative 2025. This funding shall be used exclusively to support efforts to close equity gaps in graduation rates for low-income students and

historically underrepresented students. California State University shall report on the activities it is undertaking to close equity gaps, how it is evaluating the result of these activities, the most important lessons it has learned to date, and what changes it needs to make moving forward to eliminate these gaps. The California State University also shall report systemwide and campus graduation rates for all students, low-income students, and historically underrepresented students, disaggregated by race. All of this information may be included in its annual report required by Section 89295 of the Education Code.

- 2.35. Of the funds appropriated in this item, \$1,000,000 shall be available to support the Mervyn M. Dymally African American Political and Economic Institute at the California State University, Dominguez Hills.
- 2.4. (a) Of the funds appropriated in this item, \$11,300,000 is provided to support ongoing implementation of the Project Rebound programs for formerly incarcerated students at participating California State University campuses. Funds shall be distributed to campuses using a funding formula that provides campuses with (1) standard baseline operating funds, (2) augmented baseline funding based on matriculated student enrollment headcounts in individual campus programs, and (3) annually recurring equity allocations for student basic needs relative to the indices of student need among program participants in individual campus programs, such as number of Pell Grant recipients, students who have exhausted their lifetime Pell Grant eligibility, students eligible for tuition exemptions pursuant to Chapter 814 of the Statutes of 2001 (Assembly Bill 540 of the 2001–02 Regular Session), and student parents of minor children. Model programming shall incorporate the following program components:
 - (1) Admissions supports, including, but not limited to: (I) permitting eligible students to apply after the application initial filing period, (II) utilizing general exceptions as an educational opportunity program pursuant to Section 40900 of the California Code of Regulations and subdivision (c) of Section 66022.5 of the Education Code; and (III) facilitating the seamless transfer from one California State University to another of students enrolled in California State University degree programs while incarcerated who are released from custody prior to degree completion.
 - (2) Comprehensive support to assist students with the transition to on-campus higher education, including (I) wraparound student support services that address needs such as books and supplies, tuition, scholarships, housing, food, and transportation; and (II) collaboration with offices of financial aid to provide individualized cost of attendance adjustments to minimize the

impacts of program basic needs supports on student financial aid eligibility.

- (3) Staffing and space commitments, including: (I) dedicated staffing of a program coordinator or director, dedicated academic adviser or retention specialist, and student peer navigators with preference for staff with lived experience in the criminal justice system; (II) dedicated space on the university campus for the program that allows for both privacy and community; (III) use of the Federal Work-Study Program to provide eligible students with employment and professional development opportunities; and (IV) formal partnerships with California Community Colleges to build transfer pathways, and with other key stakeholders, including, but not limited to, the Department of Corrections and Rehabilitation, probation departments, and community-based organizations.
- (b) As a condition of receiving the \$11,300,000 specified in this provision, the California State University shall, no later than April 1, 2026, and annually each year thereafter, report to the Department of Finance and the relevant policy and fiscal committees of the Legislature regarding the California State University's use of these funds, program enrollment, and student outcomes. The report shall include, but not be limited to, the following:
 - (1) A description of educational and support services each Project Rebound campus provides to students and potential students.
 - (2) A description of outreach, orientation, and transfer support services the Project Rebound Consortium provides to students and potential students in the custody of the Department of Corrections and Rehabilitation.
 - (3) Student enrollment in Project Rebound, disaggregated by race, ethnicity, gender, and age, as well as first-time freshmen, transfer students, undergraduate students, and graduate students, as well as students with prior foster care system involvement, prior juvenile justice involvement, and students that are parents of minor children.
 - (4) Outcomes associated with the program, disaggregated by campus, including, but not limited to, student retention, graduation, and recidivism rates.
 - (5) Any plans to expand Project Rebound to other California State University campuses.

- 2.45. Of the funds appropriated in this item, \$1,000,000 shall be available to support students with disabilities. This funding shall supplement, not supplant, California State University core expenditures to support these students. The California State University shall allocate these funds to campuses based upon the number of students with disabilities. Campuses shall use these funds to improve services for these students, with a focus on increasing the number of professional staff serving them, thereby reducing their associated caseload.
- 2.5. (a) Of the funds appropriated in this item, \$6,800,000 shall be available to support rapid rehousing efforts assisting homeless and housing-insecure students.
- (b) Campuses shall establish ongoing partnerships with community organizations that have a tradition of helping populations experiencing homelessness to provide wraparound services and rental subsidies for homeless and housing-insecure students. Funds appropriated in this item may be used for, but are not limited to, the following authorized activities:
- (1) Connecting students with community case managers who have knowledge and expertise in accessing safety net resources.
 - (2) Establishing ongoing emergency housing procedures, including on-campus and off-campus resources.
 - (3) Providing emergency grants that are necessary to secure housing or to prevent the imminent loss of housing.
- (c) Funding shall be allocated to campuses based on demonstrated need.
- (d) For the purposes of this item, "homeless" and "housing insecure" mean students who lack a fixed, regular, and adequate nighttime residence. This includes students who are:
- (1) Sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason.
 - (2) Living in motels, hotels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations.
 - (3) Living in emergency or transitional shelters.
 - (4) Abandoned in hospitals.
 - (5) Living in a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings.
 - (6) Living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings.

- (e) The California State University shall annually submit a report to the Director of Finance and, in conformity with Section 9795 of the Government Code, to the Legislature regarding the use of these funds, including the number of coordinators hired, the number of students served by campus, the distribution of funds by campus, a description of the types of programs funded, and other relevant outcomes, such as the number of students who were able to secure permanent housing, and whether students receiving support remained enrolled at the institution or graduated.
- 2.6. Of the funds appropriated in this item, \$6,000,000 shall be used by the California State University to provide summer-term financial aid to any student who is eligible for state financial aid and who is a California resident, including students who receive an exemption from nonresident tuition pursuant to Section 68130.5 of the Education Code. These funds shall be used to supplement and not supplant existing funds provided by the California State University for summer-term financial aid. The Legislature finds and declares that this provision is a state law within the meaning of subsection (d) of Section 1621 of Title 8 of the United States Code.
- 2.65. Of the funds appropriated in this item, \$8,000,000 is provided on an ongoing basis to support the Asian American, Native Hawaiian, and Pacific Islander Student Achievement Program pursuant to Article 11 (commencing with Section 89297) of Chapter 2 of Part 55 of Division 8 of Title 3 of the Education Code.
- 3. (a) The Controller shall transfer funds from this appropriation as follows:
 - (1) For base rental as and when provided for in the schedule submitted by the Department of Finance. Notwithstanding the payment dates in any related facility lease or indenture, the schedule may provide for an earlier transfer of funds to ensure debt requirements are met and to pay base rental in full when due.
 - (2) For additional rental no later than 30 days after enactment of this budget, \$49,000 of the amount appropriated in this item to the Expense Account in the Public Buildings Construction Fund.
 - (3) This item may be adjusted pursuant to Section 4.30. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.
 - (4) For debt service anticipated to become due and payable in the fiscal year associated with state general obligation bonds issued for university projects upon receipt of any report from the Department of Finance.
- (b) The Controller shall return funds to this appropriation if directed pursuant to a report from the Department of Finance.

- 3.1. Notwithstanding any other law, the Director of Finance may reduce funds appropriated in this item by an amount equal to the estimated Cal Grant and Middle Class Scholarship program cost increases caused by a 2025–26 academic year increase in systemwide tuition. A reduction shall not be authorized pursuant to this provision sooner than 30 days after the Director of Finance provides notice of the intended reduction to the Chairperson of the Joint Legislative Budget Committee.
4. Payments made by the state to the California State University for each month from July through April shall not exceed one-twelfth of the amount appropriated in this item, less than the amount that is expected to be transferred pursuant to Provision 3. Transfers of funds pursuant to Provision 3 shall not be considered payments made by the state to the university.
5. (a) It is the intent of the Legislature that the California State University increase resident undergraduate enrollment by 7,152 full-time equivalent FTES in 2025–26 over the estimated 2024–25 level of 342,847 FTES for total resident undergraduate enrollment of 349,999 FTES in 2025–26 at the California State University.
- (b) If the California State University enrolls fewer resident undergraduate FTES in 2025–26 than specified in subprovision (a), the Director of Finance may reduce funding proportional to each student under the specified level. Funding shall be reduced at the 2025–26 state marginal cost rate of \$10,983 per FTES.
- (c) It is the intent of the Legislature that the California State University also increase resident undergraduate enrollment in 2026–27. It is the expectation of the Legislature that the California State University increase resident undergraduate enrollment by an additional 10,161 FTES in 2026–27 for total resident undergraduate enrollment of 360,160 FTES.
6. (a) It is the intent of the Legislature to defer \$143,839,000 one-time General Fund from the 2025–26 fiscal year to the 2026–27 fiscal year.
- (b) It is the intent of the Legislature to defer an ongoing base increase of \$252,255,000 from the 2025–26 fiscal year as follows:
- (1) In the 2026–27 fiscal year , \$100,902,000 of the 2025–26 compact payment will be provided on an ongoing basis. In 2028-29, the remaining \$151,353,000 of the 2025–26 compact payment originally scheduled for the 2026–27 fiscal year will be provided on an ongoing basis. In the 2027–28 fiscal year, it is the intent of the Legislature to provide a one-time back payment of \$252,255,000 from the deferral made in the 2025–26 fiscal year.
7. For the 2025–26 fiscal year, the Director of Finance may authorize a *no-interest* short-term loan from General Fund resources, upon request of the

university, to assist cash flow resources for purposes of remediating state payment deferrals. A loan may be authorized pursuant to this section not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the committees in each house of the Legislature that consider appropriations and the Chairperson of the Joint Legislative Budget Committee or not sooner than whatever lesser time after that notification the Chairperson of the Joint Legislative Budget Committee, or the Chairperson's designee, may in each instance determine.

8. Each California State University campus that has experienced sustained enrollment declines shall submit a turnaround plan to the California State University Chancellor's Office by December 31, 2025. Campuses shall consult with the community and campus stakeholders as they prepare the plan. Each turnaround plan shall include, but not be limited to, the following information:
 - (1) A list of strategies the campus has decided to implement to increase student demand and enrollment; the expected outcomes of each strategy, including any results to date; an implementation timeline for each strategy, including actions taken to date; and the cost of each strategy (one time, ongoing, and total). Comparable information shall also be provided for any other strategies that the campus is seriously considering to increase its enrollment, even if the campus has not yet finalized or begun implementing them.
 - (2) Enrollment projections for each of the next five years.
 - (3) A list of cost-saving strategies the campus has decided to implement; the amount of associated savings (one time, ongoing, and total) expected to be achieved as a result of each strategy, including any savings achieved to date; and an implementation timeline for each strategy, including actions taken to date. Comparable information shall also be provided for any other strategies that the campus is seriously considering to reduce its costs, even if the campus has not yet finalized or begun implementing them.The Chancellor's Office shall review and compile these plans into a consolidated report. The Chancellor's Office shall include in the consolidated report strategies for reducing systemwide costs, particularly through management efficiencies and improved or innovative coordination. The consolidated report also shall include strategies for increasing student demand and enrollment systemwide. For these systemwide strategies, the Chancellor's Office shall include comparable information as delineated in requirements (1) and (2). The Chancellor's Office shall submit the consolidated report to the Department of Finance and relevant policy and fiscal committees of the Legislature by March 1, 2026.

9. *Of the funds appropriated in this item, \$806,000 shall be provided on a one-time basis to support Cal State Northridge Student Success and Inclusion Center infrastructure.*

SEC. 192. *Item 6645-496 of Section 2.00 of the Budget Act of 2025 is amended to read:*

6645-496—Reversion, Health Benefits for California State University Annuitants. As of June 30, 2025, the unencumbered balances ~~to~~ of the appropriations in Item 6645-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) as reappropriated by Item 6645-490, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024), shall revert to the General Fund.

SEC. 193. *Item 6870-101-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

6870-101-0001—For local assistance, Board of Governors of the California Community Colleges (Proposition 98) ~~5,837,397,000~~
5,848,337,000

Schedule:

(1)	5670015- Apportionments	3,581,768,000 3,580,708,000
(2)	5670019- Apprenticeship	65,622,000
(3)	5670023- Apprenticeship Training and Instruction	62,485,000
(4)	5675040- Student Equity and Achievement Program	523,981,000
(5)	5675019- Student Financial Aid Administration	83,726,000
(6)	5675027- Disabled Students	178,686,000
(7)	5675031- Student Services for CalWORKs Recipients	56,922,000
(8)	5675035- Foster Care Education Program	6,154,000
(9)	5675045- Legal Services	10,000,000
(10)	5675061- Academic Senate for the Community Colleges	1,796,000
(11)	5675069- Equal Employment Opportunity	12,767,000
(12)	5675073- Part-Time Faculty Health Insurance	200,490,000
(13)	5675077- Part-Time Faculty Compensation	26,542,000
(14)	5675081- Part-Time Faculty Office Hours	23,626,000
(15)	5670035- Expand the Delivery of Courses through Technology	23,000,000
(16)	5675119- Economic Development	313,329,000
(17)	5675123- Transfer Education and Articulation	2,079,000
(18)	5675023- Extended Opportunity Programs and Services	223,912,000
(19)	5675115- Fund for Student Success	287,711,000

(20)	5675150-Campus Childcare Tax Bailout	4,420,000
(21)	5675156-Nursing Program Support	13,378,000
(22)	5675109-Institutional Effectiveness	27,500,000
(23)	5675098-Integrated Technology	89,503,000 101,503,000
(24)	5675042-Community College Summer Assistance Program	10,000,000
(25)	5675117-AANHPI Student Achievement Program	8,000,000

Provisions:

1. The funds appropriated in this item are for transfer by the Controller during the 2025–26 fiscal year to Section B of the State School Fund.
- 1.5 (a) The funds appropriated in Schedule (1) reflect a deferral of ~~\$377,371,000~~ \$408,363,000 to the 2026–27 fiscal year.
- (b) (1) To implement the monthly deferral schedule for community college districts pursuant to the higher education omnibus trailer bill identified in Section 39.00 as providing for appropriations related to this act, the Chancellor's Office of the California Community Colleges may transfer to Schedule (1) of this item appropriations from schedules within this item that provide categorical program funding and that are being deferred.
- (2) If exercising the authority described in paragraph (1), the Chancellor's Office of the California Community Colleges shall first defer appropriations from apportionments in Schedule (1) before transferring appropriations from schedules within this item that provide categorical program funding.
- (c) The transfers authorized by this provision shall be implemented through notification to appropriate staff of the Controller and the Department of Finance.
2. (a) The funds appropriated in Schedule (1) shall be allocated using the budget formula established pursuant to Section 84750.4 of the Education Code. The budget formula shall be adjusted to reflect the following:
 - (1) Of the funds appropriated in Schedule (1), ~~\$139,981,000~~ \$39,981,000 shall be used to increase statewide growth of full-time equivalent students (FTES) by ~~2.35~~ 0.57 percent. *It is the intent of the Legislature that the enrollment growth funding in this paragraph, when combined with the additional \$100,000,000 provided for enrollment growth in the 2024–25 fiscal year in this act, support a combined growth*

percentage of 2.35 percent in the 2025–26 fiscal year.

- (2) Of the funds appropriated in Schedule (1), \$217,442,000 shall be used to reflect a cost-of-living adjustment of 2.30 percent.
 - (3) Notwithstanding paragraph (1), the Chancellor's Office of the California Community Colleges may allocate unused growth funding to backfill any unanticipated shortfalls in the total amount of funding appropriated and support the budget formula established pursuant to Section 84750.4 of the Education Code.
- (b) Funds allocated to a community college district from funds appropriated in Schedule (1) shall directly offset any mandated costs claimed for the Minimum Conditions for State Aid (02-TC-25 and 02-TC-31) program or any costs of complying with Section 84754.5 of the Education Code.
- (c) Of the funds appropriated in Schedule (1):
 - (1) Up to \$100,000 is for a maintenance allowance, pursuant to Section 54200 of Title 5 of the California Code of Regulations.
 - (2) Up to \$500,000 is to reimburse colleges for the costs of federal aid repayments related to assessed fees for fee waiver recipients. This reimbursement only applies to students who completely withdraw from college before the census date pursuant to Section 58508 of Title 5 of the California Code of Regulations.
- (d) Of the funds appropriated in Schedule (1), \$91,207,000 shall be allocated to support the California College Promise pursuant to Article 3 (commencing with Section 76396) of Chapter 2 of Part 47 of Division 7 of Title 3 of the Education Code.
- (e)
 - (1) Of the funds appropriated in Schedule (1), \$50,000,000 shall be used to hire new full-time faculty for community college districts to increase their percentage of full-time faculty toward meeting the 75 percent full-time faculty target. The Chancellor's Office of the California Community Colleges shall consult with representatives from the Department of Finance, the Legislature, and the Legislative Analyst's Office before distributing these funds to community college districts.
 - (2) Of the funds appropriated in Schedule (1), \$100,000,000 shall be used to hire new full-time faculty for participating community college districts to increase their percentage of full-time faculty toward meeting the 75 percent full-time faculty target. The Chancellor's Office of the California Community Colleges shall consult with representatives from the Department of Finance, the Legislature, and the Legislative Analyst's Office before

distributing these funds to community college districts. It is the intent of the Legislature that the funding available pursuant to this paragraph be used to increase a district's hiring of full-time faculty above the level that the district would have otherwise employed each year.

- (f) Of the funds appropriated in Schedule (1), \$8,065,000 is available on a one-time basis to backfill affected community college districts for property tax revenue losses as a result of fires leading to any states of emergency declared by the Governor in January, 2025.
- 3. (a) (1) The funds appropriated in Schedule (2) shall be available pursuant to Article 3 (commencing with Section 79140) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code. Funds appropriated pursuant to this subdivision shall be available for encumbrance or expenditure until June 30, 2028.
(2) Pursuant to Section 79149.3 of the Education Code, the reimbursement rate shall be \$10.32 per hour.
(b) Of the funds appropriated in Schedule (2), \$30,000,000 shall be used for the California Apprenticeship Initiative pursuant to Section 79148.1 of the Education Code. Funds appropriated pursuant to this subdivision shall be available for encumbrance or expenditure until June 30, 2031.
- 4. (a) The funds appropriated in Schedule (3) shall be available pursuant to Article 8 (commencing with Section 8150) of Chapter 1 of Part 6 of Division 1 of Title 1 of the Education Code. Funds appropriated pursuant to this subdivision shall be available for encumbrance or expenditure until June 30, 2028.
(b) Pursuant to Section 8152 of the Education Code, the reimbursement rate shall be \$10.32 per hour.
- 5. The funds appropriated in Schedule (4) shall be apportioned to community college districts pursuant to Section 78222 of the Education Code.
- 6. (a) Of the funds appropriated in Schedule (5):
 - (1) Not less than \$14,036,000 is available to provide \$0.91 per unit reimbursement to community college districts for the provision of California College Promise Grants pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code.
 - (2) Not less than \$14,190,000 is available for the Board Financial Assistance Program to provide reimbursement of 2 percent of total waiver value to community college districts for the provision of California College Promise Grants pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code.

(3) (A) \$5,300,000 shall be allocated to a community college district to conduct a statewide outreach, marketing, and paid media campaign to promote the following messages: (i) many types of financial aid are available year-round to cover fees and help with college costs, such as books, housing, and other educational costs; (ii) students can contact their local community college financial aid office to get one-on-one assistance with completing and submitting financial aid applications and forms; and (iii) a community college education can improve the lives of students and their families by providing financial aid, as well as career training and guaranteed transfer opportunities to get into a rewarding, good-paying career. The campaign should target efforts to reach ethnically diverse, low-income students in primarily underresourced communities who must overcome barriers in accessing postsecondary education. The Chancellor's Office of the California Community Colleges shall apprise the Student Aid Commission of ongoing outreach and marketing efforts.

(B) Of the amount identified in subparagraph (A), \$2,500,000 shall be allocated to: (i) expand outreach for students from non-English speaking households and bilingual households; (ii) tie financial aid messaging to enrollment messaging where applicable to encourage current and potential students to enroll or continue their education at a California Community College and apply for financial aid; and (iii) marketing and outreach aimed at increasing current and potential student awareness of the California College Promise Grant and other types of financial aid available for California Community College students. Bilingual efforts shall target areas of the state that meet at least one of the following conditions: (i) have concentrations of non-English speaking and bilingual households, or (ii) have underserved populations, a history of declining community college attendance, or both.

(4) Not more than \$45,200,000 shall be for direct contact with potential and current financial aid applicants. Each California Community College campus shall receive a minimum allocation of \$50,000. The remainder of the funding shall be allocated to campuses based upon a formula reflecting full-time equivalent students (FTES) weighted by a measure of low-income populations demonstrated by the California College Promise Grant program participation within a district.

(5) Funds allocated to a community college district pursuant to paragraphs (1) and (2)

shall supplement, not supplant, the level of funds allocated for the administration of student financial aid programs during the 2001–02 or 2006–07 fiscal year, whichever is greater.

- (6) Funding allocated to a community college district pursuant to paragraphs (1) and (2) shall directly offset any costs claimed by that district for any of the following mandates: Enrollment Fee Collection (99-TC-13), Enrollment Fee Waivers (00-TC-15), Cal Grants (02-TC-28), and Tuition Fee Waivers (02-TC-21).
 - (7) Notwithstanding subdivision (m) of Section 76300 of the Education Code or any other law, the amount of funds appropriated for the purpose of administering fee waivers for the 2025–26 fiscal year shall be determined in this act.
 - (8) Not more than \$5,000,000 shall be for ongoing maintenance, subscription, and training costs for financial aid technology advancements and innovations that streamline the financial aid verification process and enable colleges to more efficiently process state and federal financial aid grants. It is the intent of the Legislature that system improvements supported by this funding have the effect of reducing the manual processing of financial aid applications, thereby enabling financial aid program staff to provide additional technical assistance and guidance to students seeking financial aid. The Chancellor's Office of the California Community Colleges shall determine the methodology for allocating these funds to community college districts.
7. (a) The funds appropriated in Schedule (6) shall be used to assist districts in funding the excess direct instructional cost of providing special support services or instruction, or both, to disabled students enrolled at community colleges and for state hospital programs, as mandated by federal law.
- (b) Of the amount appropriated in Schedule (6):
- (1) At least \$3,945,000 shall be used to address deficiencies identified by the United States Department of Education Office for Civil Rights.
 - (2) At least \$943,000 shall be used to support the High Tech Centers for activities, including, but not limited to, training of district employees, staff, and students in the use of specialized computer equipment for the disabled.
 - (3) At least \$9,600,000 shall be allocated to community college districts for sign language interpreter services, real-time captioning equipment, or other communication accommodations for

hearing-impaired students. A community college district is required to spend \$1 from local or other resources for every \$4 received pursuant to this paragraph.

8. (a) The funds appropriated in Schedule (7) shall be allocated pursuant to Article 5 (commencing with Section 79200) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code.
- (b) Of the amount appropriated in Schedule (7):
 - (1) \$11,504,000 shall be for childcare, except that a community college district may request that the Chancellor of the California Community Colleges approve the use of funds for other purposes.
 - (2) No less than \$6,135,000 shall be used to provide direct workstudy wage reimbursement for students served under this program, and \$769,000 is available for campus job development and placement services.
9. The funds appropriated in Schedule (8) shall be allocated to community college districts to provide foster and relative or kinship care education and training pursuant to Article 8 (commencing with Section 79420) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code. A community college district shall ensure that education and training required pursuant to paragraphs (12) and (13) of subdivision (g) of Section 16519.5 of the Welfare and Institutions Code receive priority.
10. The funds appropriated in Schedule (9) shall be allocated to a community college district to contract with the State Department of Social Services in order to contract with organizations qualified pursuant to Chapter 5.6 (commencing with Section 13300) of Part 3 of Division 9 of the Welfare and Institutions Code to provide services pursuant to that chapter to persons on California Community College campuses. Use of these funds shall be included in updates provided to the Legislature on the State Department of Social Services' immigration programs.
11. Of the amount appropriated in Schedule (10), \$685,000 is available to support the Academic Senate for California Community Colleges course identification numbering system efforts and shall be subject to the requirements of subparagraph (B) of paragraph (5) of subdivision (b) of Section 70901 of the Education Code.
12. Of the amount appropriated in Schedule (11), \$10,000,000 shall be allocated to community college districts to support the continued implementation of equal employment opportunity plans and to enable campuses to engage in sustainable practices to diversify faculty, staff, and administrators, including the continued use of best practices and tools identified by office of the Chancellor of the California Community Colleges' Equal Employment Opportunity and Diversity Advisory Committee.
13. The funds appropriated in Schedule (12) shall be allocated to community college districts for the purpose of providing a state incentive program to encourage community college districts to offer health insurance for

part-time faculty pursuant to Article 9 (commencing with Section 87860) of Chapter 3 of Part 51 of Division 7 of Title 3 of the Education Code.

14. The funds in Schedule (13) shall be allocated to increase compensation for part-time faculty. Funds shall be allocated to districts based on the total actual number of full-time equivalent students (FTES) in the previous fiscal year, with an adjustment to the allocations provided to small districts. These funds shall be used to assist districts in making part-time faculty salaries more comparable to full-time salaries for similar work, as determined through collective bargaining in each community college district. If a community college district achieves parity between compensation for full-time faculty and part-time faculty, funds received pursuant to this provision may be used for any other educational purpose.
15. Of the funds appropriated in Schedule (15):
 - (a) \$20,000,000 shall be allocated to the Chancellor of the California Community Colleges to increase the number of courses available through the use of technology, provide alternative methods for students to earn college credit, and support the California Virtual Campus Distance Education Program. These funds may be used to pay for a consistent learning management system to help implement this program. The chancellor shall ensure, to the extent possible, that the following conditions are satisfied:
 - (1) These courses can be articulated across all community college districts.
 - (2) These courses are made available to students systemwide, regardless of the campus at which a student is enrolled.
 - (3) Students who complete these courses are granted degree-applicable credit across community colleges.
 - (4) These funds shall be used for those courses that have the highest demand, fill quickly, and are prerequisites for many different degrees.
 - (b) By September 1 of each fiscal year, up to \$3,000,000 shall be disbursed by the Office of the Chancellor of the California Community Colleges to one or more community college districts to provide textbooks or digital course content to students incarcerated or detained in federal or state prison, county jail, juvenile facility, or other correctional institutions who are enrolled in one or more California Community College courses. The provision of this material is expected to enable community college districts to provide instruction to incarcerated or detained students.
 - (1) To the extent possible, community college districts providing textbooks or digital course content pursuant to this subdivision are encouraged to first use open educational resources.
 - (2) Notwithstanding any other law, a contract between the Office of the Chancellor of the

California Community Colleges and a community college district for purposes of this subdivision is not subject to any competitive bidding requirements of Section 10340 of the Public Contract Code.

16. Of the funds appropriated in Schedule (16):

- (a) \$22,929,000 is available for the following purposes:
 - (1) Up to 10 percent may be allocated for state-level technical assistance, including statewide network leadership, organizational development, coordination, and information and support services.
 - (2) All remaining funds shall be allocated for programs that target investments in priority and emergent sectors, including statewide or regional centers, hubs, collaborative communities, advisory bodies, and short-term grants. Short-term grants may include industry-driven regional education and training, Responsive Incumbent Worker Training, and Job Development Incentive Training. Funds allocated pursuant to this provision may be used to provide substantially similar services in support of the Strong Workforce Program.
 - (3) Funds applied to performance-based training shall be matched by a minimum of \$1 contributed by private businesses or industry for each \$1 of state funds. The Chancellor of the California Community Colleges shall consider the level of involvement and financial commitments of business and industry in making awards for performance-based training.
- (b) \$290,400,000 shall be available to support the Strong Workforce Program pursuant to Part 54.5 (commencing with Section 88820) of Division 7 of Title 3 of the Education Code. Of this amount, ~~\$5,000,000 shall be available on a one-time basis to support a statewide education pathways for low-income workers demonstration project, and~~ \$60,000,000 shall be available to support the Rebuilding Nursing Infrastructure Grant Program pursuant to Sections 88770, 88771, 88772, and 88773 of the Education Code. It is the intent of the Legislature to appropriate \$60,000,000 each fiscal year between 2025–26 to 2028–29, inclusive, to support the Rebuilding Nursing Infrastructure Grant Program.

17. Of the funds provided in Schedule (17):

- (a) \$1,381,000 shall be used to support the Historically Black Colleges and Universities (HBCU) Transfer Pathway program, which helps develop transfer guarantee agreements that help facilitate a smooth transition for students from the California Community Colleges to partnered HBCU institutions.

- (b)
 - (1) \$698,000 shall be used to support transfer and articulation projects and common course numbering projects.
 - (2) Funding provided to community college districts shall directly offset any costs claimed by community college districts to be mandates pursuant to Chapter 737 of the Statutes of 2004.
- 18. (a) Of the funds appropriated in Schedule (18):
 - (1) \$189,298,000 shall be used pursuant to Article 8 (commencing with Section 69640) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code. Funds provided in this item for Community College Extended Opportunity Programs and Services shall be available to students on all campuses within the California Community Colleges system.
 - (2) \$34,614,000 shall be used for funding, at all colleges, the Cooperative Agencies Resources for Education program in accordance with Article 4 (commencing with Section 79150) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code. The Chancellor of the California Community Colleges shall allocate these funds to local programs on the basis of need for student services.
- (b) Of the amount allocated pursuant to subdivision (a), no less than \$4,972,000 shall be available to support additional textbook assistance grants to community college students.
- 19. The funds appropriated in Schedule (19) shall be used for the following purposes:
 - (a) \$13,326,000 shall be used for the Puente Project to support up to 115 colleges. These funds are available if matched by \$200,000 of private funds and if the participating community colleges and University of California campuses maintain their 1995–96 fiscal year support level for the Puente Project.
 - (1) Of the funds provided in subdivision (a), \$5,331,000 shall be allocated to a community college district to contract with the Puente Project to support the general operation of, and direct services delivered through, central administration which includes, but is not limited to, professional development, program data collection, program research and evaluation, and initiatives to improve student transfer rates.
 - (2) Of the funds provided in subdivision (a), \$7,995,000 shall be allocated directly to participating districts in accordance with their participation agreement.
 - (3) (A) If the appropriation provided in this subdivision is increased from the funding level provided in the 2022–23 fiscal year, funding allocated to districts as described in paragraphs

(1) and (2) shall be adjusted consistent with their percentage share of total funding in this subdivision.

(B) Notwithstanding paragraphs (1) and (2), if the appropriation provided in this subdivision is reduced from the funding level provided in the 2022–23 fiscal year, the Puente Project, in consultation with the Chancellor's Office of the California Community Colleges, will determine the funding allocation to support services and programs provided in paragraphs (1) and (2).

(4) In any fiscal year in which districts have any unexpended or unencumbered funds allocated pursuant to paragraph (2) by June 30, the Puente Project will determine a reallocation of funds that may include, but not be limited to, maintaining the allocation level for a participating site or reallocating funds to another participating site.

(b) (1) \$39,423,000 is to allow all colleges to establish and support California Community College Mathematics, Engineering, Science Achievement (MESA) programs. Funds provided in this item for MESA programs shall be available to students on all campuses within the California Community Colleges system to enhance California's STEM workforce, while aiding the state and nation in reducing equity and achievement gaps.

(2) The Office of the Chancellor of the California Community Colleges shall award each MESA program ongoing annual funding to meet the program's goals, at a minimum allocation of \$280,000 per college. Colleges receiving an allocation shall use the funding to supplement, but not supplant, local sources of funding supporting MESA programs.

(3) In any fiscal year in which districts have any unexpended or unencumbered funds allocated pursuant to subprovision (2) by June 30 of that year, MESA shall make a determination regarding the reallocation of funds that shall include maintaining the allocation level for a participating MESA program or reallocating funds to another participating MESA program.

(c) No less than \$1,836,000 is for the Middle College High School Program. With the exception of special part-time students at the community colleges pursuant to Sections 48802 and 76001 of the Education Code, student workload based on participation in the Middle College High School Program shall not be eligible for community college state apportionment.

- (d) (1) (A) No less than \$9,178,000 is for the Umoja program.
 - (B) Of funds provided in subparagraph (A), \$3,671,000 shall be allocated to a community college district to contract with the Umoja Statewide program office to provide additional resources to facilitate the capacity building and development of the statewide office in an effort to expand the Umoja program, build a data support system, target the needs of special populations in the African American community, improve tutoring and mental health resources, enhance STEM/STEAM and career opportunities, and improve outcomes for students enrolled in Umoja campus programs.
 - (C) Of the funds provided in subparagraph (A), \$5,507,000 shall be allocated by the Office of the Chancellor of the California Community Colleges directly to participating districts in accordance with their Umoja Statewide participation agreement for campuses with Umoja programming. Umoja Statewide, in consultation with the Chancellor's Office, shall determine the allocation of resources to campuses. The Umoja Statewide program shall annually report, by July 30, updates on the status of Umoja's capacity building and expansion plan to the Office of the Chancellor of the California Community Colleges and the budget committees of the Senate and Assembly. Of the funds provided in this subparagraph, 1 percent shall be allocated directly to the community college district contracting with the Umoja Statewide program office for purposes related to this subparagraph.
- (e) Consistent with the intent of Article 7 (commencing with Section 79220) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code, the chancellor shall enter into agreements with community college districts to provide additional services in support of postsecondary education for foster youth. Up to \$54,110,000 of the funds appropriated in this item shall be prioritized for services pursuant to Article 7 (commencing with Section 79220) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code. Further, the chancellor shall ensure that the list of eligible expenditures developed pursuant to subdivision (d) of Section 78221 of the Education Code includes expenditures that are consistent with the intent of Article 7 (commencing with Section 79220) of Chapter 9 of

Part 48 of Division 7 of Title 3 of the Education Code.

- (f) \$10,822,000 of the funds shall be for support of Veteran Resource Centers. To the extent funding is provided in the annual Budget Act, the chancellor shall only allocate funding to community colleges that commit to either meeting or making progress towards meeting the minimum standards developed by the Office of the Chancellor of the California Community Colleges.
- (g)
 - (1) Colleges shall establish ongoing partnerships with community organizations that have a tradition of helping populations experiencing homelessness to provide wraparound services and rental subsidies for homeless and housing-insecure students. \$20,562,000 of the funds appropriated in Schedule (19) may be used for, but are not limited to, the following authorized activities:
 - (A) Connecting students with community case managers who have knowledge and expertise in accessing safety net resources.
 - (B) Establishing ongoing emergency housing procedures, including on-campus and off-campus resources.
 - (C) Providing emergency grants that are necessary to secure housing or to prevent the imminent loss of housing.
 - (2) Funding shall be allocated to campuses based on demonstrated need.
 - (3) "Homeless" and "housing-insecure" mean students who lack a fixed, regular, and adequate nighttime residence. This includes students who are:
 - (A) Sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason.
 - (B) Living in motels, hotels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations.
 - (C) Living in emergency or transitional shelters.
 - (D) Abandoned in hospitals.
 - (E) Living in a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings.
 - (F) Living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings.

- (4) By July 15 of each year, the Office of the Chancellor of the California Community Colleges shall submit a report to the Director of Finance and, in conformity with Section 9795 of the Government Code, to the Legislature regarding the prior year use of these funds, including the number of coordinators hired, the number of students served by campus, the distribution of funds by campus, a description of the types of programs funded, and other relevant outcomes, such as the number of students who were able to secure permanent housing, and whether students receiving support remained enrolled at the institution or graduated.
- (h) \$11,600,000 shall be allocated by the Chancellor's Office of the California Community Colleges to community colleges to support Dreamer Resource Liaisons and student support services, including those related to career pathways and economic mobility, for immigrant students, pursuant to Section 66021.8 of the Education Code.
- (i) \$75,754,000 shall be available to support the basic needs of community college students.
 - (1)
 - (A) Of the amount allocated for this subdivision, \$32,466,000 shall be available to provide for student mental health resources.
 - (B) The Chancellor's Office of the California Community Colleges shall submit a report to the Department of Finance and relevant policy and fiscal committees of the Legislature by January 1, 2025, and every three years thereafter, regarding the use of funds specified in this paragraph. The report shall include, but not necessarily be limited to, all of the following information:
 - (i) The amount of funds provided for each community college district.
 - (ii) A description of how the funds were used for the purposes reflected in this paragraph.
 - (iii) A description of the types of programs in which districts invested.
 - (iv) The number of students receiving mental health services on campus disaggregated by race/ethnicity, gender, age group, and type of service received.
 - (v) The average wait time for initial routine mental health counseling appointments.
 - (vi) The average number of campus mental health counseling appointments per student.

(vii) The number of students referred to off-campus providers for mental health services.

(viii) Total spending on student mental health services, by fund source, including spending covered by insurance providers.

(ix) Other findings and best practices implemented by districts.

(2) Of the amount made available by this subdivision, \$43,288,000 shall be allocated by the Chancellor's Office of the California Community Colleges for colleges to establish and operate basic needs centers as a centralized location on campus where students experiencing basic needs insecurity can be identified, supported, and linked to on- and off-campus resources to support timely program completion pursuant to Section 66023.5 of the Education Code. Colleges shall also designate or hire dedicated basic needs coordinators for the basic needs centers who will serve as a single point of contact for students.

(j) (1) \$35,000,000 shall be available to support the Rising Scholars Network pursuant to Article 6 (commencing with Section 78070) of Chapter 1 of Part 48 of Division 7 of Title 3 of the Education Code.

(2) (A) Of the funds provided for in paragraph (1), 60 percent annually shall support ongoing implementation of model programming for juvenile justice-impacted students, as a grant program administered and supported by the Rising Scholars Network of the Chancellor's Office of the California Community Colleges. Funds shall be used for model college programming with key components based on the Project Change model, to be offered both within juvenile facilities and on the community college campus, to establish a direct pathway to college for juvenile justice-impacted young people.

(B) Of the funds provided for in subparagraph (A), at least 86.7 percent annually shall support a maximum of 45 community colleges on 5-year grant cycles to implement model programming to serve juvenile justice-impacted students, incorporating the three following core Project Change program components:

(i) College programming that is: (I) offering University of California and California State University

transferable courses and comprehensive student support programming; (II) provided by a California Community College through instruction; and (III) offered both on campus at a community college and in local juvenile detention facilities.

(ii) Comprehensive support to assist students with the transition to on-campus higher education, including: (I) wraparound student support services that address basic needs such as books and supplies, tuition, fees, stipends, housing, food, and transportation; and (II) educational transition plans for students, outlining their multiyear framework from high school through college completion.

(iii) Staffing and space commitments, including: (I) dedicated staffing of a program lead, counselor, and retention specialist; (II) dedicated space on the college campus for the program; and (III) formal partnerships with key stakeholders, including, but not limited to, the local county office of education, probation department, local high school districts, and community-based organizations.

- (C) Community colleges may implement model program components on a phased timeline. Model programs must utilize both Dual Enrollment and Guided Pathways frameworks. At the conclusion of the 5-year cohort, community colleges may reapply for continued funding support.
- (D) Colleges may be funded on a tiered model. Tiered model funding may consider the number of core program components a college can implement; student counts; whether the college already has an established or funded Rising Scholars program; and other metrics determined by the Rising Scholars Network of the Office of the Chancellor of the California Community Colleges.
- (E) Of the funds provided in subparagraph (A), 8.3 percent annually shall support technical assistance for successful implementation of model programming overseen by the Rising Scholars Network of the Office of the Chancellor of the California Community Colleges. Technical assistance includes contract staffing

positions to oversee the project implementation, in-person trainings, and support.

- (k) (1) \$1,100,000 shall be allocated by the Chancellor's Office for the expansion of African American Male Education Network and Development (A2MEND) student charters at up to 50 colleges to improve academic success and develop a student support structure for African American male students attending community colleges.
- (2) In considering an allocation methodology to community colleges, the Office of the Chancellor of the California Community Colleges shall consider a factor that allocates funds to community colleges that have submitted work plans pursuant to paragraph (3) of subdivision (c) of Section 88922 of the Education Code, including considering the community college's guided pathways activities and practices.

- (l) (1) (A) \$10,000,000 shall be allocated on a one-time basis by the Chancellor's Office to participating community college districts to provide additional funds to support LGBTQ+ students. For the purposes of allocating and expending this funding, the Chancellor's Office and participating community college districts shall follow the requirements as stipulated in Section 89 of Chapter 144 of the Statutes of 2021.

- (B) Notwithstanding paragraph (2) of subdivision (b) of Section 89 of Chapter 144 of the Statutes of 2021, the Chancellor's Office shall provide grants of up to \$900,000 for participating community college districts based on the proportional share of students they serve and equity metrics to ensure that small rural colleges are also able to access the grants. Participating community college districts may encumber the funds over a five-year period.

- (m) \$5,000,000 shall be available on an ongoing basis to support the Credit for Prior Learning Initiative pursuant to Part 53.9 (commencing with Section 88790) of Division 7 of Title 3 of the Education Code.

- 20. The funds appropriated in Schedule (20) shall be allocated by the Chancellor of the California Community Colleges to community college districts that levied childcare permissive override taxes in the 1977–78 fiscal year pursuant to Sections 8272 and 8272.5 of the Education Code in an amount proportional to the property tax revenues, tax relief subventions, and state aid required to be made available by the district to its childcare and development program for the 1979–80 fiscal year pursuant to Section 30 of Chapter 1035 of

the Statutes of 1979, increased or decreased by any cost-of-living adjustment granted in subsequent fiscal years. These funds shall be used only for the purpose of community college childcare and development programs.

21. Of the funds appropriated in Schedule (21):

- (a) \$8,475,000 shall be used to provide support for nursing programs.
- (b) \$4,903,000 shall be used for diagnostic and support services, preentry coursework, alternative program delivery model development, and other services to reduce the incidence of student attrition in nursing programs.

22. Of the amount appropriated in Schedule (22):

- (a) (1) \$7,500,000 may be used by the Chancellor of the California Community Colleges to provide technical assistance to community college districts that demonstrate low performance in any area of operations. It is the intent of the Legislature that technical assistance providers be contracted in a cost-effective manner, that they primarily consist of experts who are current and former employees of the California Community Colleges, and that they provide technical assistance consistent with the vision for the California Community Colleges.
- (2) Technical assistance funded pursuant to this paragraph that is initiated by the chancellor may be provided at no cost to the community college district. If a community college district requests technical assistance, the district is required to spend at least \$1 from local or other resources for every \$2 received, as determined by the chancellor.
- (b) (1) \$20,000,000 may be used by the chancellor to provide regional and online workshops and trainings to community college personnel to promote statewide priorities, including, but not limited to, strategies to improve student achievement; strategies to improve community college operations; and system leadership training to better coordinate planning and implementation of statewide initiatives in alignment with the Board of Governors of the California Community Colleges' Vision for Success. To the extent possible, the chancellor shall partner with existing statewide initiatives with proven results of improving student success and institutional effectiveness. Each fiscal year, the chancellor shall submit a report on the use of funds appropriated pursuant to this provision in the prior year to the Department of Finance and the Joint Legislative Budget Committee no later than December 31 of each year and, beginning in the 2025–26 fiscal year and every three years thereafter, the chancellor shall

submit a report on the use of the funds appropriated pursuant to this provision in the prior three years to the Department of Finance and the Joint Legislative Budget Committee no later than December 31 of that year. This report shall include information regarding California Community Colleges' participation in the activities funded pursuant to this provision.

- (2) Funding available pursuant to this paragraph may be used by the chancellor to coordinate with community college districts to conduct policy research, and develop and disseminate effective practices through the establishment of an online clearinghouse of information. The development of effective practices shall include, but not be limited to, statewide priorities such as the development of educational programs or courses for the incarcerated adults in prisons and jails, and the formerly incarcerated, educational programs or courses for California Conservation Corps members, and other effective practices. The online clearinghouse of information shall also reflect effective practices, guidance, policies, curriculum, courses, and programs developed by local community colleges in support of the Strong Workforce Program established pursuant to Part 54.5 (commencing with Section 88820) of Division 7 of Title 3 of the Education Code.
- (3) It is the intent of the Legislature to encourage the chancellor to facilitate the development of local community college courses for the California Conservation Corps and the incarcerated adults in prisons and jails, and the formerly incarcerated. The Department of Corrections and Rehabilitation and the California Conservation Corps are encouraged to partner with the Chancellor's Office in the development and dissemination of local community college courses and effective practices pursuant to this paragraph and paragraph (2).

23. Of the funds appropriated in Schedule (23):

- (a) \$10,613,000 shall be allocated to continue providing a systemwide and integrated online infrastructure that supports the continuity of education and quality distance learning across the community college system. These infrastructure investments may include, but are not limited to, access to online tutoring and counseling, ensuring available and accessible technical support, and providing mental health services and other student support services.
- (b) \$8,000,000 shall be provided to cover increased administrative costs related to the Corporation for Education Network Initiatives in California.

- (c) \$41,890,000 shall be allocated by the Chancellor of the California Community Colleges for the following purposes:
- (1) Procurement, development, evaluation, and upgrading of high-priority systemwide technology tools and infrastructure, including, but not limited to, e-transcript, e-planning, and other tools to assist colleges to implement multiple measures of assessment pursuant to Chapter 745 of the Statutes of 2017, and technologies that facilitate portability of education credentials.
 - (2) Provision of access to statewide multimedia hosting and delivery services for colleges and districts.
 - (3) Provision of systemwide internet, audio bridging, data security, and telephony.
 - (4) Services related to technology use, including accessibility guidance and information security.
 - (5) Technology product development and program management, technical assistance and planning, and cooperative purchase agreements.
 - (6) Ongoing faculty and staff development related to technology use and adoption.
 - (7) Ongoing support of the California Partnership for Achieving Student Success (Cal-PASS) program.
 - (8) Ongoing support for programs designed to use technology in assisting accreditation and the alignment of curricula across K–20 segments in California, as well as to support integration and interoperability toward an improved student experience.
 - (9) Support for technology pilots and ongoing technology programs and applications that serve to maximize the utility and economy of scale of the technology investments of the community college system toward improving learning outcomes.
 - (10) Up to 5 percent of the funds may be allocated by the chancellor to a community college district for statewide activities, not limited to statewide technical assistance to evaluate, plan, and continuously improve the system's data and technology roadmap and deployment.
- (d) Any funds not allocated pursuant to subdivision (c) shall be available for allocations to districts to maintain technology capabilities.
- (e) \$4,000,000 shall be used to expand the implementation of the systemwide technology platform for library services to better manage and deliver digital information to support teaching and learning, including for students enrolled in distance education.

- (f) (1) \$25,000,000 shall be provided for community college districts to implement local and systemwide technology and data security measures that support improved oversight of fraud mitigation, online learning quality, and cybersecurity efforts. Funds shall be used by community college districts to hire local cybersecurity staff, and funds shall also be used for systemwide measures, including, but not limited to, security upgrades for CCCApply and education technology platforms and the establishment of systemwide cybersecurity teams.
- (2) As a condition of receiving funds pursuant to this subdivision, a community college district shall do all of the following:
 - (A) Complete an annual cybersecurity self-assessment of their information technology infrastructure to determine their National Institute of Standards and Technology (NIST) Computer Systems Laboratory (CSL) score and report their current phase in Cal-Secure standards.
 - (B) Participate in the following regularly scheduled cybersecurity reporting:
 - (i) Submit remediation updates twice per year, for the fall and spring semester terms, on vulnerability and other issues identified in the previous self-assessment or triennial assessment.
 - (ii) Submit detailed after-action reports of all cybersecurity incidents that either lead to a breach of personally identifiable information or lead to the disruption of services, including, but not limited to, a breach of student identification numbers, distributed denial-of-service attacks, and ransomware.
 - (iii) The total number of admission applications received from CCCApply that are determined to be fraudulent, including applications marked as "likely fraud" within CCCApply, on an annual basis.
 - (iv) Information requested on suspected fraudulent enrollments, and fraudulent receipt of financial aid, on an annual basis.
 - (C) Reporting required by this section shall not be duplicated by other reporting required by the Office of the Chancellor of the California Community Colleges.
- (3) If the reporting required pursuant to paragraph (2) is duplicative of other reports provided by a community college district, a community college district may submit

those reports in lieu of the reporting required by paragraph (2).

- (g) (1) *Of the amount appropriated in Schedule (23), \$12,000,000 shall be provided on a one-time basis for the Common Cloud Data Platform. This platform shall enhance statewide reporting, data sharing, and available analytical tools across community college districts and the Chancellor's Office. The platform shall be designed to support community college student success initiatives, improve community college districts' stewardship of resources and ability to use data-driven decision making, streamline community college administrative processes, and inform state budget and policy making.*
- (2) *The Chancellor's Office shall submit a report to the Department of Technology, the Department of Finance, and the relevant policy and fiscal committees of the Legislature on or before January 15, 2026, detailing the progress to date of the Common Cloud Data Platform, which includes the Common Cloud Data Platform Demonstration Project. The report shall include, but not be limited to, all of the following information:*
- (A) *The platform's implementation status and milestones achieved.*
 - (B) *The platform's intended impacts on student outcomes and systemwide efficiencies.*
 - (C) *The platform's state-level benefits.*
 - (D) *A table detailing how the funds for the Common Cloud Data Platform Demonstration Project and how the funds appropriated in paragraph (1) have been spent or will be spent.*
 - (E) *Any challenges encountered and solutions implemented during the development of the platform.*
 - (F) *A plan, as of the report date, for the further development and expansion of the platform beyond the funds appropriated for this project as of July 1, 2025, if the Chancellor's Office determines there is sufficient value in expansion and plans to seek more funding. The plan shall specify the project's scope, anticipated schedule, and estimated total cost upon full implementation.*
- (3) *The Department of Technology and the Department of Finance shall review the report submitted pursuant to paragraph (2). As part of its assessment, the departments shall verify that the plan pursuant to subparagraph (F) of paragraph (2) for further development and expansion of the platform is well planned and a reasonable*

use of resources. The Chancellor's Office shall provide the departments with additional information, as needed, for the departments to complete their review of the project. The departments shall provide a report to the relevant policy and fiscal committees of the Legislature by March 31, 2026, containing recommendations related to the further development and expansion of the platform.

24. The funds appropriated in Schedule (24) shall be allocated to support the Classified Community College Employee Summer Assistance Program established pursuant to Article 11 (commencing with Section 88280) of Chapter 4 of Part 51 of Division 7 of Title 3 of the Education Code.
25. The funds appropriated in Schedule (25) shall be allocated on an ongoing basis by the Office of the Chancellor to support the California Community Colleges Asian American, Native Hawaiian, and Pacific Islander Student Achievement Program pursuant to Article 10 (commencing with Section 79510) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code.
26. Beginning on October 1, 2022, and annually thereafter, the Chancellor of the California Community Colleges shall provide the Legislature and Department of Finance a list of all statewide or regional projects, initiatives, and services administered by districts in partnership with the Office of the Chancellor. The list shall include the amount of each agreement from the prior fiscal year, the categorical program funding source, the name of the fiscal agent, the contractor, and a brief description of the services provided by and the deliverables expected of the contractor to the Office of the Chancellor or other districts. The list shall be comprehensive, including all grants and contracts.

SEC. 194. *Item 6870-488 of Section 2.00 of the Budget Act of 2025 is amended to read:*

6870-488—Reappropriation (Proposition 98), Board of Governors of the California Community Colleges.
Notwithstanding any other law, the balances from the following appropriations are available for reappropriation for the purposes specified in Provisions 1 through 4:

0001—General Fund

- (1) ~~\$10,657,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Student Success Completion Grant Program in Schedule (1) of Item 6870-108-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), as amended by Chapter 50 of the Statutes of 2023 and Chapter 71 of the Statutes of 2024.~~

- (2) ~~\$854,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the California Community College Strong Workforce Program in Schedule (16) of Item 6870-101-0001, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), as amended by Chapter 144 of the Statutes of 2021 and Chapter 54 of the Statutes of 2022.~~
- (3) \$137,930,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for apportionments in Schedule (1) of Item 6870-101-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023), as amended by Chapter 71 of the Statutes of 2024 and the higher education omnibus trailer bill identified in Section 39.00 of this Budget Act as providing for appropriations relating to this act.
- (4) \$162,760,000 or whatever greater or lesser amount of the ~~unexpected~~ *unexpended* balance of the amount appropriated for Part-Time Faculty Health Insurance in Schedule (12) of Item 6870-101-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023), as amended by Chapter 71 of the Statutes of 2024 and the higher education omnibus trailer bill identified Section 39.00 of this Budget Act as providing for appropriations related to this act.
- (5) \$33,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for maintenance allowance in Schedule (1) of Item 6870-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), as amended by Chapter 50 of the Statutes of 2023 and Chapter 71 of the Statutes of 2024.
- (6) \$219,000 or whatever greater or lesser amount of the ~~unexpected~~ *unexpended* balance of the amount appropriated for Part-Time Faculty Health Insurance in Schedule (12) of Item 6870-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), as amended by Chapter 50 of the Statutes of 2023 and Chapter 71 of the Statutes of 2024.
- (7) \$142,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for mandates in Item 6870-296-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).
- (8) \$13,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the mandates of Item 6870-295-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), as amended by Chapter 50 of the Statutes of 2023 and Chapter 71 of the Statutes of 2024.
- (9) \$1,819,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the California Healthy School Food Pathways program in Schedule (2) of Item 6870-101-0001, Budget Act 2022 (Chs. 43, 45, and 249, Stats. 2022), as amended by Chapter

50 of the Statutes of 2023 and Chapter 71 of the Statutes of 2024.

- (10) \$13,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for mandates in Item 6870-295-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021).
- (11) \$891,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Community College Pathway to Law School Initiative in Section 63 of Chapter 144 of the Statutes of 2021.
- (12) \$230,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for response to the COVID-19 Pandemic in Section 21 of Chapter 25 of the Statutes of 2020.
- (13) \$596,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Student Services for CalWORKs Recipients Program in Schedule (7) of Item 6870-101-0001, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018), as amended by Chapter 53 of the Statutes of 2019.
- (14) \$543,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated in Schedule (9) of Item 6870-101-0001, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018), as amended by Chapter 53 of the Statutes of 2019.
- (15) \$41,000 or whatever greater or lesser amount of the ~~unexpected~~ *unexpended* balance of the amount appropriated for the Student Success Completion Grant in Item 6870-108-0001, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018).
- (16) \$44,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated in Schedule (16) of Item 6870-101-0001, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018), as amended by Chapter 53 of the Statutes of 2019.
- (17) \$21,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Veterans Resource Center grant program in Section 71 of Chapter 33 of the Statutes of 2018.
- (18) \$2,191,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for apprenticeship in Schedule (2) of Item 6870-101-0001, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018), as amended by Chapter 53 of the Statutes of 2019.
- (19) \$1,835,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for apprenticeship in Schedule (2) of Item 6870-101-0001, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), as amended by Chapter 33 of the Statutes of 2018.

- (20) \$971,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for apprenticeship in Schedule (2) of Item 6870-101-0001, Budget Act of 2016 (Ch. 23, Stats. 2016), as amended by Chapter 53 of the Statutes of 2017.
- (21) \$1,073,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for apprenticeship in Schedule (2) of Item 6870-101-0001, Budget Act of 2015 (Chs. 10 and 11, Stats. 2015), as amended by Chapter 24 of the Statutes of 2016 and Chapter 23 of the Statutes of 2017.
- (22) \$135,000,000 of the ~~unexpected~~ *unexpended* balance of the amount appropriated for Part-Time Faculty Health Insurance in Schedule (12) of Item 6870-101-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024), as amended by the higher education omnibus trailer bill identified in Section 39.00 of this Budget Act as providing for appropriations relating to this act.

Provisions:

1. The sum of ~~\$86,156,000~~ *\$65,955,000* is reappropriated for transfer by the Controller to Section B of the State School Fund for expenditure for the same purposes as funds allocated for apportionments in Schedule (1) of Item 6870-101-0001 of the Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023), as amended by Chapter 71 of the Statutes of 2024 and the higher education omnibus trailer bill identified in Section 39.00 of this Budget Act as providing for appropriations related to this act.
2. The sum of ~~\$110,601,000~~ *\$110,315,000* is reappropriated for transfer by the Controller to Section B of the State School Fund for expenditure for the same purposes as funds allocated for apportionments in Schedule (1) of Item 6870-101-0001 of the Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024), as amended by the higher education omnibus trailer bill identified in Section 39.00 of this Budget Act as providing for appropriations related to this act.
3. The sum of ~~\$126,119,000~~ *\$136,803,000* is reappropriated for transfer by the Controller to Section B of the State School Fund to support the repayment of the apportionments deferral as described in Provision 1.5 of Item 6870-101-0001 of the Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024), as amended by the higher education omnibus trailer bill identified in Section 39.00 of this Budget Act as providing for appropriations related to this act.
4. The sum of ~~\$135,000,000~~ *\$133,292,000* identified in Schedule (22) is reappropriated for transfer by the Controller to Section B of the State School Fund for expenditure for the same purposes as funds allocated for apportionments in Schedule (1) of Item 6870-101-0001 in this Budget Act.

~~3,430,951,000~~

2,516,913,000

Schedule:

- (1) 5755-Financial Aid Grants Program
..... ~~3,850,737,000~~
2,936,699,000
- (2) Reimbursements to 5755-Financial
Aid Grants Program -419,786,000

Provisions:

1. The funds appropriated in this item are for costs of all of the following:
- (a) The Cal Grant Program, pursuant to Chapter 1.7 (commencing with Section 69430) of Part 42 of Division 5 of Title 3 of the Education Code.
 - (b) The Law Enforcement Personnel Dependents Scholarship Program, pursuant to Section 4709 of the Labor Code.
 - (c) The Assumption Program of Loans for Education, pursuant to Article 5 (commencing with Section 69612) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code.
 - (d) The State Nursing Assumption Program of Loans for Education (SNAPLE), pursuant to Article 1 (commencing with Section 70100) of Chapter 3 of Part 42 of Division 5 of Title 3 of the Education Code.
 - ~~(e) The Middle Class Scholarship Program, pursuant to Article 22 (commencing with Section 70020) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code. The Director of Finance, no later than February 1, 2026, shall notify the Joint Legislative Budget Committee of the total proposed funding amount for the Middle Class Scholarship Program for the 2025–26 budget year to provide the California Student Aid Commission guidance for planning award amounts for newly, continuing, and returning eligible students. Within 30 days of receipt of the notification, the Chair of the Joint Legislative Budget Committee may respond with additional guidance for the California Student Aid Commission. Funding provided in the Budget Act of 2025 for the Middle Class Scholarship Program will ultimately determine available funding.~~
 - (f) The Cash for College Program, pursuant to Article 3.5 (commencing with Section 69551) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code.
 - (g) The Student Opportunity and Access Program (Cal-SOAP), pursuant to Article 4 (commencing with Section 69560) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code.

- (h) Of the funds appropriated in this item, \$2,400,000 is available on an ongoing basis to support the Inland Empire Cal-SOAP projects.
- 1.1. The Student Aid Commission shall report to the Department of Finance and the relevant policy and fiscal committees of the Legislature by December 1, 2026, regarding the use of funds specified in subprovision (f) of Provision 1. The report shall include, but not necessarily be limited to, all of the following information regarding the Cash for College Program in 2025–26:
- (a) A list of regional coordinating organizations specifying, for each organization, whether it was newly added to the program in 2025–26, and the areas of the state that it covers.
 - (b) The services provided by the program, including the number of financial aid application workshops hosted.
 - (c) The number of students participating in financial aid application workshops and the number of those students who completed a Free Application for Federal Student Aid or California Dream Act Application.
 - (d) A description of the coordination between the program and other financial aid outreach efforts conducted by state agencies, local educational agencies, and other entities.
- 1.5. Of the amount appropriated in this item, \$7,500,000 is to fund the California Dream Act Service Incentive Grant Program pursuant to Article 5.5 (commencing with Section 69438) of Chapter 1.7 of Part 42 of Division 5 of Title 3 of the Education Code.
- 1.6. Of the amount appropriated in this item, \$50,000,000 is to augment support for the Golden State Teacher Grant Program.
- 1.7. Of the funds appropriated in this item, \$20,000,000 shall be available on a one-time basis to support the California College of the Arts located in San Francisco. The California College of the Arts shall submit a report to the Department of Finance pursuant to Chapter 944, Statutes of 2024 by November 2026.
- 1.8. Of the funds appropriated in this item, \$10,000,000 shall be available on a one-time basis to support the California Indian Nations College located in Palm Desert, California.
2. Notwithstanding any other law, the maximum Cal Grant award for:
- (a) New recipients attending private, for-profit institutions that are not accredited by the Western Association of Schools and Colleges as of July 1, 2023, shall be \$4,000.
 - (b) New recipients attending private, for-profit institutions that are accredited by the Western Association of Schools and Colleges as of July 1, 2023, shall be \$8,056.
 - (c) All recipients attending private, nonprofit institutions shall be \$9,358.

- (d) All recipients of Cal Grant B access awards shall be \$1,648.
- (e) All recipients receiving Cal Grant C tuition and fee awards shall be \$2,462.
- (f) All recipients attending community colleges receiving Cal Grant C book and supply awards shall be \$1,094.
- (g) All recipients not attending community colleges receiving Cal Grant C book and supply awards shall be \$547.
- (h) All University of California student recipients receiving Cal Grant awards shall be the amount approved for mandatory systemwide tuition and fees by the Regents of the University of California for the 2025–26 academic year.
- (i) All California State University student recipients receiving Cal Grant awards shall be the amount approved for mandatory systemwide tuition and fees by the Trustees of the California State University for the 2025–26 academic year.

3. Notwithstanding Provision 2 of this item and any other law:

- (a) All Cal Grant A award recipients attending a University of California, California State University, or a private nonprofit institution and who have a dependent child or dependent children shall also receive an access award. The maximum amount of this access award shall be \$6,000.
- (b) All Cal Grant B access award recipients attending a University of California, California State University, California Community College, or a private nonprofit institution and who have a dependent child or dependent children shall have a maximum access award of \$6,000.
- (c) All Cal Grant C book and supply award recipients attending a California Community College and who have a dependent child or dependent children shall have a maximum book and supply award of \$4,000.

4. Notwithstanding Provision 2 of this item and any other law:

- (a) All Cal Grant A award recipients attending a University of California, California State University, California Community College, or a private nonprofit institution and who are former or current foster youth shall have a maximum access award of \$6,000.
- (b) All Cal Grant B award recipients attending a University of California, California State University, California Community College, or a private nonprofit institution and who are former or current foster youth shall have a maximum access award of \$6,000.

- (c) All Cal Grant C book and supply award recipients attending a California Community College and who are former or current foster youth shall have a maximum book and supply award of \$4,000.
- 5. Notwithstanding any other law, the Department of Finance may authorize an augmentation, from the Special Fund for Economic Uncertainties established pursuant to Section 16418 of the Government Code, of the amount appropriated in this item to make Cal Grant awards, pursuant to Chapter 1.7 (commencing with Section 69430) of Part 42 of Division 5 of Title 3 of the Education Code. No augmentation may be authorized pursuant to this provision sooner than 30 days after the Department of Finance provides notice of the intended augmentation to the chairpersons of the committees in each house of the Legislature that consider appropriations.
- 6. Notwithstanding any other law, the Department of Finance may authorize a loan from the General Fund for cashflow purposes, in an amount not to exceed \$125,000,000, provided that:
 - (a) The loan is to meet cash needs resulting from a delay in the receipt of reimbursements from federal Temporary Assistance for Needy Families (TANF) funds.
 - (b) The Student Aid Commission has received confirmation from the State Department of Social Services that there are no available TANF resources that could be advanced to them.
 - (c) The loan is for a short-term need and shall be repaid within 90 days of the loan's origination date.
 - (d) Interest charges may be waived pursuant to subdivision (e) of Section 16314 of the Government Code.
- 7.
 - (a) *For the 2025–26 award year, Middle Class Scholarship awards shall cover 35 percent of a student's remaining financial need, as calculated pursuant to Section 70022 of the Education Code.*
 - (b) *It is the intent of the Legislature to appropriate an estimated \$918,038,000 in 2026–27 to pay for the cost of Middle Class Scholarship awards in 2025–26.*
 - (c) *The Department of Finance shall authorize a loan from the General Fund for cashflow purposes to cover the cost of Middle Class Scholarship awards in 2025–26. Interest charges shall be waived pursuant to subdivision (e) of Section 16314 of the Government Code.*

SEC. 196. *Item 6980-495 is added to Section 2.00 of the Budget Act of 2025, to read:*

6980-495—Reversion, Student Aid Commission. As of June 30, 2025, the balance specified below of the appropriation provided in the following citation shall revert to the fund balance of the fund from which the appropriation was made:

0001—General Fund

- (1) \$250,000 appropriated in Item 6980-101-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), appropriated in Program 5755-Financial Aid Grants Program.

SEC. 197. Item 7100-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:

7100-001-0001—For support of Employment Development
Department 187,020,000

Schedule:

- | | | |
|-----|--|-------------------------------------|
| (1) | 5900-Employment and Employment
Related Services | 193,000 |
| (2) | 5915-California Unemployment
Insurance Appeals Board
..... | 9,502,000 |
| (3) | 5920-Unemployment Insurance
Program | 138,288,000 |
| (4) | 5930-Tax Program | 38,037,000
38,117,000 |
| (5) | 5935-Employment Training Panel
..... | 1,000,000
920,000 |

Provisions:

1. (a) Of the amount appropriated in Schedule (3), \$62,117,000 shall be made available for the support of the EDDNext modernization projects. These funds shall be available for encumbrance or expenditure until June 30, 2027.
- (b) Of the amounts appropriated in Schedule (3), \$31,059,000 shall be released to the Employment Development Department for implementation activities of the EDDNext modernization projects with the approval of an expenditure plan by the Department of Finance, and not sooner than 30 days after notification in writing to the Joint Legislative Budget Committee, and is authorized for expenditure only upon the occurrence of the following:
 - (1) Project approval or project delegation approval by the Department of Technology.
 - (2) The Department of Finance shall notify the Chairperson of the Joint Legislative Budget Committee and fiscal committees of each house of the Legislature of any modifications to expenditures made pursuant to this provision within 10 days. Such modifications shall only be used to support planned project activities and shall not be used to increase total project cost.

- (c) The Employment Development Department shall provide the Department of Finance and the Legislative Analyst's Office with a quarterly report on planning and implementation of the EDDNext effort, that includes the following:

- (1) Project approval documents and project delegation documents.
- (2) Identification of vendors and equipment that align to priorities and technical needs for the following: transformation office, call center enhancement, forms redesign and OCR solution, shared portal enhancement, data preparation and cleansing, employer portal update, data integration platform, and data platform implementation.

SEC. 198. *Item 7100-011-0890 of Section 2.00 of the Budget Act of 2025 is amended to read:*

7100-011-0890—For support of Employment Development Department, payable from the Federal Trust Fund, for transfer to the Unemployment Administration Fund ~~(1,156,455,000)~~
(1,167,803,000)

Provisions:

1. Notwithstanding Section 28.00, the Department of Finance may adjust the amount transferred by this item to align with the approved Employment Development Department's planned administrative expenditures from the Unemployment Administration Fund.

SEC. 199. *Item 7100-021-0890 of Section 2.00 of the Budget Act of 2025 is amended to read:*

7100-021-0890—For support of Employment Development Department, payable from the Federal Trust Fund, for transfer to the Consolidated Work Program Fund ~~(167,638,000)~~
(167,593,000)

Provisions:

1. Notwithstanding Section 28.00, the Department of Finance may adjust the amount transferred by this item to align with the approved Employment Development Department's planned expenditures from the Consolidated Work Program Fund.

SEC. 200. *Item 7120-101-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

7120-101-0001—For local assistance, California Workforce Development Board ~~20,000,000~~
30,000,000

Schedule:

- (1) 6040-California Workforce Development Board ~~20,000,000~~
30,000,000

Provisions:

1. Of the amount appropriated in Schedule (1), \$20,000,000 shall be available for support of a goods movement training campus in Southern California. Notwithstanding any other law, these funds shall be available and eligible for advance payment.
2. *Of the amount appropriated in Schedule (1), \$10,000,000 shall be available for encumbrance or expenditure until June 30, 2028, for support and local assistance. Up to 5 percent of the amount identified in this provision may be used for administrative costs. The amount identified in this provision shall be available to the California Workforce Development Board to administer the Helping Justice-Involved Reenter Employment (HIRE) program. The program shall award competitive grants to eligible organizations to support activities including, but not limited to, reskilling, upskilling, training, and supportive services for the reentry population to ensure employment, employment opportunities, and job mobility. For the purposes of this grant, the reentry population includes individuals who were previously incarcerated in a local juvenile or adult correctional facility, previously incarcerated in a state juvenile or adult correctional facility, and justice involved individuals as defined in Section 14040 of the Unemployment Insurance Code.*
 - (a) *Community-based organizations and other nonprofits that specialize in serving the reentry population, demonstrate relationships with employers that hire individuals with a criminal record, and show a track record of developing training programs with feedback from the reentry population are eligible for grants.*
 - (b) *Eligible uses of grant funds include one, or a combination, of the following: preapprenticeships, apprenticeships, customized training, incumbent-worker training and on-the-job training with the reentry population, successful training, wages and stipends for trainees, program participation stipends and needs-related payments to support individuals' reentry and subsequent job search, and other supportive services and job-readiness activities that shall serve as bridge activities that lead to enrollment and completion of training programs.*
 - (c) *For purposes of this grant, "needs-related payments" means payments from grantees to participants to address basic needs, such as housing, food, technological needs, and transportation. "Needs-related payments" does not include stipends provided to participants as a cost coverage for participation in workforce programs.*
 - (d) *The funds appropriated in this item shall be available for needs-related payments and for the other purposes listed in subprovision (b) of this item.*
 - (e) *The California Workforce Development Board shall develop the evaluation criteria for, and evaluate, prospective grantee applications. In developing the grant decisions and application*

process, the California Workforce Development Board shall consult with public and private stakeholders, including local workforce development boards, local governments, and representatives of reentry-focused community-based organizations that serve the reentry population.

- (f) A single application may include multiple partners jointly applying, with one lead applicant serving as the fiscal agent and coordinator. Each application shall include partnership agreements between the local government and one or more local workforce development boards that outline the actions each party agrees to undertake as part of the project proposed in the application for each jurisdiction where services are delivered.
- (g) Priority shall be awarded to applications for the following:
 - (1) An application that indicates a proven success rate of placing program graduates into unionized and career-track employment.
 - (2) An application that proposes matching funds, including, but not limited to, moneys committed by local workforce development boards, local governments, and private foundation funds.
 - (3) An application submitted by an organization that currently administers or participates in a paid workforce training program for individuals with high barriers to employment within the reentry population.
 - (4) An application that includes the provision of stipends or assistance program participation stipends, and needs-related payments for reentry program participants.
 - (5) An application that specifies an array of wraparound services available to participants, which includes, but is not limited to, case management, health and wellness services, legal services, and workforce and education services.

The Legislature finds and declares that the needs-related payments provided from grantees to participants serve a public purpose and do not constitute a gift of public funds. The Legislature finds and declares that the needs-related payments provided from grantees to participants assist the reentry population, as defined, in finding employment, thereby contributing to the economy of the State of California and reducing recidivism.

SEC. 201. Item 7120-101-3078 of Section 2.00 of the Budget Act of 2025 is repealed.

~~7120-101-3078—For local assistance, California Workforce Development Board, payable from the Labor and Workforce Development Fund.....~~ 23,000,000

Schedule:

(1) 6040-California
Workforce Development
Board..... 23,000,000

Provisions:

1. The amount appropriated in this item shall be available for encumbrance or expenditure until June 30, 2020, for support and local assistance. Up to 5 percent of the amount appropriated in this item may be used for administrative costs. The funds appropriated in this item shall be available to the California Workforce Development Board to administer the Helping Justice-Involved Reenter Employment (HIRE) program. The program shall award competitive grants to eligible organizations to support activities including, but not limited to, reskilling, upskilling, training, and supportive services for the reentry population to ensure employment, employment opportunities, and job mobility. For the purposes of this grant, the reentry population includes individuals who were previously incarcerated in a local juvenile or adult correctional facility, previously incarcerated in a state juvenile or adult correctional facility, and justice-involved individuals as defined in Section 14040 of the Unemployment Insurance Code.
- (a) Community-based organizations and other nonprofits that specialize in serving the reentry population, demonstrate relationships with employers that hire individuals with a criminal record, and show a track record of developing training programs with feedback from the reentry population are eligible for grants.
- (b) Eligible uses of grant funds include one, or a combination, of the following: preapprenticeships, apprenticeships, customized training, incumbent worker training and on-the-job training with the reentry population; successful training, wages and stipends for trainees, program participation stipends and needs-related payments to support individuals' reentry and subsequent job search, and other supportive services and job-readiness activities that shall serve as bridge activities that lead to enrollment and completion of training programs.
- (c) For purposes of this grant, "needs-related payments" means

payments from grantees to participants to address basic needs, such as housing, food, technological needs, and transportation. "Needs-related payments" does not include stipends provided to participants as a cost coverage for participation in workforce programs.

- (d) The funds appropriated in this item shall be available for needs-related payments and for the other purposes listed in subprovision (b) of this item.
- (e) The California Workforce Development Board shall develop the criteria to evaluate, and evaluate, prospective grantee applications. In developing the grant decisions and application process, the California Workforce Development Board shall consult with public and private stakeholders, including local workforce development boards, local governments, and representatives of reentry-focused community-based organizations that serve the reentry population.
- (f) A single application may include multiple partners applying jointly with one lead applicant serving as the fiscal agent and coordinator. Each application shall include partnership agreements between the local government and one or more local workforce development boards that outline the actions each party agrees to undertake as part of the project proposed in the application for each jurisdiction where services are delivered.
- (g) Priority shall be awarded to applications for the following:
 - (1) An application that indicates a proven success rate of placing program graduates into unionized and career-track employment.
 - (2) An application that proposes matching funds, including, but not limited to, moneys committed by local workforce development boards, local governments, and private foundation funds.

- ~~(3) An application submitted by an organization that currently administers or participates in a paid workforce training program for individuals with high barriers to employment within the reentry population.~~
- ~~(4) An application that includes the provision of stipends or assistance program participation stipends, and needs-related payments for reentry program participants.~~
- ~~(5) An application that specifies an array of wraparound services available to participants, which includes, but is not limited to, case management, health and wellness services, legal services, and workforce and education services.~~
- ~~(h) The Legislature finds and declares that the needs-related payments provided from grantees to participants serve a public purpose and do not constitute a gift of public funds. The Legislature finds and declares that the needs-related payments provided from grantees to participants assist the reentry population, as defined, in finding employment, thereby contributing to the economy of the State of California and reducing recidivism.~~

SEC. 202. *Item 7120-490 of Section 2.00 of the Budget Act of 2025 is amended to read:*

7120-490—Reappropriation, California Workforce Development Board. Notwithstanding any other law, the period to liquidate encumbrances of the following citations is extended as specified below:

0001—General Fund

- (1) \$6,062,000 in Provision 10 of Item 7120-101-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), for the Prison to Employment program, extended to June 30, 2028.
- (2) \$12,000,000 in Provision 2 of Item 7120-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), for the Oil and Gas Well Capping Pilot initiative in the ~~county of Kern the county of~~ *and County of Kern and the County of* Los Angeles, extended to June 30, 2028.
- (3) \$14,088,000 in Provision 3 of Item 7120-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249,

Stats. 2022), for the development and expansion of High Road Training Partnerships for health and human services, extended to June 30, 2028.

- (4) \$38,142,000 in Provision 16 of Item 7120-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), for the Statewide Reentry Employment Grant Program, extended to June 30, 2028.
- (5) \$2,723,000 in Provision 1 of Item 7120-102-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023), for the Breaking Barriers to Employment Initiative, extended to June 30, 2028.

SEC. 203. *Item 7350-001-0223 of Section 2.00 of the Budget Act of 2025 is amended to read:*

7350-001-0223—For support of Department of Industrial Relations, payable from the Workers' Compensation Administration Revolving Fund

~~295,111,000~~
294,876,000

Schedule:

- (1) 6080-Self-Insurance Plans
..... 2,433,000
- (2) 6090-Division of Workers'
Compensation ~~302,200,000~~
301,963,000
- (3) 6095-Commission on Health and
Safety and Workers' Compensation
..... ~~3,150,000~~
3,151,000
- (4) 6105-Division of Labor Standards
Enforcement ~~1,601,000~~
1,602,000
- (7) Reimbursements to 6090-Division of
Workers' Compensation
..... -14,273,000

Provisions:

1. Notwithstanding any other law, the funds appropriated in this item may be used to pay workers' compensation benefits for the Subsequent Injuries Program and the Uninsured Employers Program, if either or both of those funds' reserves are insufficient to make the payments. Any expenditures made pursuant to this provision shall be credited to the Workers' Compensation Administration Revolving Fund upon receipt of sufficient revenues.

SEC. 204. *Item 7350-001-0396 of Section 2.00 of the Budget Act of 2025 is amended to read:*

7350-001-0396—For support of Department of Industrial Relations, payable from the Self-Insurance Plans Fund

~~4,727,000~~
4,731,000

Schedule:

- (1) 6080-Self-Insurance Plans
..... ~~4,727,000~~
4,731,000

SEC. 205. *Item 7350-001-0452 of Section 2.00 of the Budget Act of 2025 is amended to read:*

7350-001-0452—For support of Department of Industrial Relations, payable from the Elevator Safety Account

..... ~~44,095,000~~
44,116,000

Schedule:

- (1) 6100-Division of Occupational Safety and Health ~~44,095,000~~
44,116,000

Provisions:

1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

SEC. 206. *Item 7350-001-0453 of Section 2.00 of the Budget Act of 2025 is amended to read:*

7350-001-0453—For support of Department of Industrial Relations, payable from the Pressure Vessel Account

..... ~~6,036,000~~
6,039,000

Schedule:

- (1) 6100-Division of Occupational Safety and Health ~~6,036,000~~
6,039,000

Provisions:

1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

SEC. 207. *Item 7350-001-0514 of Section 2.00 of the Budget Act of 2025 is amended to read:*

7350-001-0514—For support of Department of Industrial Relations, payable from the Employment Training Fund

..... ~~6,241,000~~
6,244,000

Schedule:

- (1) 6110-Division of Apprenticeship Standards ~~6,241,000~~
6,244,000

SEC. 208. *Item 7350-001-0571 of Section 2.00 of the Budget Act of 2025 is amended to read:*

7350-001-0571—For support of Department of Industrial Relations, payable from the Uninsured Employers Benefits Trust Fund

~~8,310,000~~
8,314,000

Schedule:

- (1) 6100-Division of Occupational Safety and Health ~~3,166,000~~
3,169,000
- (2) 6105-Division of Labor Standards Enforcement ~~5,144,000~~
5,145,000

Provisions:

1. Notwithstanding any other law, the amount available for expenditure in this appropriation may be used for labor law enforcement activities targeted at the underground economy and the enforcement responsibilities of the Division of Labor Standards Enforcement.
2. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

SEC. 209. *Item 7350-001-3002 of Section 2.00 of the Budget Act of 2025 is amended to read:*

7350-001-3002—For support of Department of Industrial Relations, payable from the Electrician Certification Fund

.....	3,184,000
	3,185,000

Schedule:

- | | | |
|-----|--|----------------------|
| (1) | 6105-Division of Labor Standards Enforcement | 3,184,000 |
| | | 3,185,000 |

SEC. 210. *Item 7350-001-3022 of Section 2.00 of the Budget Act of 2025 is amended to read:*

7350-001-3022—For support of Department of Industrial Relations, payable from the Apprenticeship Training Contribution Fund

34,095,000
34,105,000

Schedule:

- | | | |
|-----|--|-----------------------|
| (1) | 6105-Division of Labor Standards Enforcement | 1,681,000 |
| | | 1,682,000 |
| (2) | 6110-Division of Apprenticeship Standards | 32,414,000 |
| | | 32,423,000 |

SEC. 211. *Item 7350-001-3078 of Section 2.00 of the Budget Act of 2025 is amended to read:*

7350-001-3078—For support of Department of Industrial Relations, payable from the Labor and Workforce Development Fund

76,302,000

Schedule:

- | | | |
|-----|---|------------|
| (1) | 6090-Division of Workers' Compensation | 27,161,000 |
| (2) | 6100-Division of Occupational Safety and Health | 20,446,000 |
| (3) | 6105-Division of Labor Standards Enforcement | 28,695,000 |

Provisions:

1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed pursuant to Section 13332.18 of the Government Code.
2. Of the funds appropriated in this item, \$4,360,000 shall be used for the Rural Strategic Engagement Program. It is the intent of the Legislature to

provide \$4,611,000 in the 2026–27 fiscal year to support this program.

3. For the duration of the Rural Strategic Engagement Program, \$3,000,000 shall be used for grants to community-based organizations to conduct outreach and host walk-in clinics, and \$2,000,000 shall be used for vendor contracts for drafting, translation, design, printing of written materials, and conducting social media campaigns.
4. Vendors selected to conduct evaluations of the program shall consult with community-based organizations when designing their evaluation about the criteria and guidelines that will be used to assess the success of clinics.
5. Of the amount appropriated in Schedule (3) of this item, following approval of a Special Project Report or equivalent document by the Department of Technology and upon order of the Department of Finance, up to ~~\$9,5000,000~~ **\$9,500,000** shall be available to the Department of Industrial Relations for the System Integrator component of the Public Works Strategic Enforcement Project.

SEC. 212. *Item 7350-001-3121 of Section 2.00 of the Budget Act of 2025 is amended to read:*

7350-001-3121—For support of Department of Industrial Relations, payable from the Occupational Safety and Health Fund

~~141,664,000~~
141,766,000

Schedule:

- | | | |
|-----|---|--|
| (1) | 6100-Division of Occupational Safety and Health | 142,226,000
142,328,000 |
| (2) | Reimbursements to 6100-Division of Occupational Safety and Health | -562,000 |

Provisions:

1. The Department of Industrial Relations shall report to the Director of Finance and the Joint Legislative Budget Committee by March 1, 2013, and biennially thereafter, on the accomplishments of the Labor Enforcement Task Force and its enforcement activities regarding labor, tax, and licensing law violators operating in the underground economy. The task force is funded at \$7,200,000 and shall be composed of 66.0 positions (30.0 positions within the Department of Industrial Relations, 25.0 positions within the Employment Development Department, and 11.0 positions within the Contractors State License Board). Secondary partners of the task force include the Bureau of Automotive Repair, the Department of Alcoholic Beverage Control, and the California Department of Tax and Fee Administration. The report shall include the following information:
 - (a) The “value added” by the task force, including the baseline accomplishments of each participating entity compared to the additional accomplishments achieved by virtue of its participation in the task force, and the efforts to increase collaboration and

coordination of the interagency enforcement efforts of the task force.

- (b) Efforts by the task force to develop targeting and statistical reporting methods that facilitate empirical identification of noncompliant employers.
- (c) Any recommended changes to statutes that would improve the operation of the task force, including data sharing across participating agencies.
- (d) Detailed objectives of the task force for the next reporting period and a description of how the task force intends to achieve those objectives.

SEC. 213. *Item 7350-001-3150 of Section 2.00 of the Budget Act of 2025 is amended to read:*

7350-001-3150—For support of Department of Industrial Relations, payable from the State Public Works Enforcement Fund

~~26,590,000~~
26,601,000

Schedule:

- (1) 6105-Division of Labor Standards Enforcement
~~26,590,000~~
26,601,000

Provisions:

- 1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.

SEC. 214. *Item 7350-001-3152 of Section 2.00 of the Budget Act of 2025 is amended to read:*

7350-001-3152—For support of Department of Industrial Relations, payable from the Labor Enforcement and Compliance Fund

~~132,340,000~~
132,416,000

Schedule:

- (1) 6105-Division of Labor Standards Enforcement
~~131,750,000~~
131,826,000
- (2) 6107-Fast Food Council
1,095,000
- (3) Reimbursements to 6105-Division of Labor Standards Enforcement
-505,000

Provisions:

- 1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Section 13332.18 of the Government Code.
- 2. Of the amount appropriated in Schedule (1), \$14,000,000 shall be for the support of the Retaliation Complaint Investigation Unit. It is the intent of the Legislature to provide an ongoing \$14,000,000 augmentation for this unit.

SEC. 215. *Item 7350-101-3078 of Section 2.00 of the Budget Act of 2025 is amended to read:*

7350-101-3078—For local assistance, Department of Industrial Relations, payable from the Labor and Workforce Development Fund ~~25,000,000~~
21,500,000

Schedule:

- | | | |
|-----|---|-------------------------------------|
| (1) | 6090-Division of Workers' Compensation | 2,600,000 |
| (2) | 6100-Division of Occupational Safety and Health | 5,850,000 |
| (3) | 6105-Division of Labor Standards Enforcement | 16,550,000
13,050,000 |

Provisions:

1. ~~Of the amount appropriated in Schedule (3) of this item, \$12,000,000 shall be available to support implementation of the Garment Worker Protection Act.~~ *Of the amount appropriated in Schedule (3) of this item, \$8,500,000 is to support the Garment Worker Wage Claim Pilot Program. Up to 5 percent of this amount may be used for administrative costs.*
2. Of the amount appropriated in this item, \$2,600,000 in Schedule (1), \$5,850,000 in Schedule (2), and \$4,550,000 in Schedule (3) shall be available to support the California Workplace Outreach Project to promote the awareness and education of labor protections for California workers. *Up to 15 percent of the amount identified in this provision may be used for administrative costs.*
- 2.5 *Of the amount identified in Provision 1, \$500,000 shall be available to the Department of Industrial Relations to contract with a research or academic institution, such as the University of California, to conduct a study evaluating and quantifying the outcomes of the Garment Worker Wage Claim Pilot Program and best practices related to outreach, education, and assistance. As part of the study, no personally identifiable information shall be collected from workers.*
3. The amount appropriated in this item shall be available for encumbrance or expenditure until June 30, 2030, for support or local assistance. ~~Up to 15 percent of the amount appropriated in this item may be used for administrative costs.~~

SEC. 216. *Item 7501-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

7501-001-0001—For support of Department of Human Resources 36,807,000

Schedule:

- | | | |
|-----|---------------------------------------|------------|
| (1) | 6200-Human Resources Management | 59,336,000 |
| (2) | 6205-Local Government Services | 2,336,000 |
| (3) | 6210-Benefits Administration | 15,045,000 |
| (4) | 9900100-Administration | 21,666,000 |

(5)	9900200-Administration— Distributed	–18,699,000
(6)	Reimbursements to 6200-Human Resources Management	–26,106,000
(7)	Reimbursements to 6205-Local Government Services	–2,336,000
(8)	Reimbursements to 6210-Benefits Administration	–13,011,000
(9)	Reimbursements to 9900100- Administration	–1,424,000

Provisions:

1. The Department of Human Resources may use funds appropriated in this item to complete comprehensive salary surveys that include private and public employers, geographical data, and total compensation. The department shall provide to the appropriate fiscal and policy committees of each house of the Legislature and the Legislative Analyst's Office, within 30 days of completion, each completed salary survey report.
2. Notwithstanding any other law, the Director of Finance may authorize a loan from the General Fund, in an amount not to exceed 15 percent of reimbursements appropriated in this item to the Department of Human Resources, provided that:
 - (a) The loan is to meet cash needs resulting from the delay in receipt of reimbursements for services provided.
 - (b) The loan is for a short term and shall be repaid by September 30, 2026.
 - (c) Interest charges may be waived pursuant to subdivision (e) of Section 16314 of the Government Code.
 - (d) The Director of Finance shall not approve the loan unless the approval is made in writing and filed with the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the committees in each house of the Legislature that consider appropriations not later than 30 days prior to the effective date of the approval, or not sooner than whatever lesser time that the chairperson of the joint committee, or the chairperson's designee, may determine.
3. Notwithstanding any other law, upon approval of the Director of Finance, expenditure authority may be transferred between schedules within or between the following items for the Department of Human Resources: Items 7501-001-0001, 7501-001-0821, 7501-001-0915, 7501-001-9740, 7503-001-0001, and 7503-001-9740 as necessary in order to correctly include positions or funding in the appropriate department or schedules. The Director of Finance shall notify the Joint Legislative Budget Committee 30 days prior to the transfer of any funds between items or schedules. The aggregate amount of General Fund appropriation increases

provided under this item during the fiscal year may not exceed the aggregate amount of General Fund appropriation decreases.

4. Of the funds appropriated in Schedule (1), up to \$650,000 is provided to support an audit of work performed by the California Association of Professional Scientists, Bargaining Unit 10. The Department of Finance may adjust this appropriation to ensure sufficient authority for the final audit contract. At that time, any unused funds shall be returned to the General Fund. The Director of Finance shall notify the Joint Legislative Budget Committee within 30 days of the adjustment.
5. Of the funds appropriated in this item, \$3,300,000 shall be allocated for state ~~operations~~ *operations, an interagency agreement with the State Department of Social Services*, and personnel for statewide collective bargaining for In-Home Supportive Services providers.

SEC. 217. *Item 7730-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

7730-001-0001—For support of Franchise Tax Board
..... 1,181,458,000

Schedule:

(1)	6280-Tax Programs	1,178,381,000
(2)	6285-Political Reform Audit (2,660,000)	0
(3)	6300-Legal Services Program	3,077,000
(4)	6305-Contract Work	14,462,000
(5)	9900100-Administration	46,340,000
(6)	9900200-Administration— Distributed	–46,340,000
(7)	Reimbursements to 6305-Contract Work	–14,462,000

Provisions:

1. It is the intent of the Legislature that all funds appropriated to the Franchise Tax Board for processing tax returns, auditing, and collecting owed tax amounts shall be used in a manner consistent with the board's authorized budget and with the documents that were presented to the Legislature for its review in support of that budget. The Franchise Tax Board shall not reduce expenditures or redirect funding or personnel resources away from direct auditing or collection activities without prior approval of the Director of Finance. The Director of Finance shall not approve any such reduction or redirection sooner than 30 days after providing notification to the Joint Legislative Budget Committee. A position shall not be transferred from the organizational unit to which it was assigned in the 2025–26 Governor's Budget and the Salaries and Wages Supplement, as revised by legislative actions, without the approval of the Director of Finance. The Franchise Tax Board shall expeditiously fill budgeted positions consistent with the funding provided in this act.

2. It is the intent of the Legislature that the Franchise Tax Board resolve tax controversies, without litigation, on a basis that is fair to both the state and the taxpayer and in a manner that will enhance voluntary compliance and public confidence in the integrity and efficiency of the board.
3. During the 2025–26 fiscal year, the collection cost recovery fee for purposes of subparagraph (A) of paragraph (1) of subdivision (a) of Section 19254 of the Revenue and Taxation Code shall be \$362, and the filing enforcement cost recovery fee for purposes of subparagraph (A) of paragraph (2) of that subdivision shall be \$131.
4. During the 2025–26 fiscal year, the collection cost recovery fee for purposes of subparagraph (B) of paragraph (1) of subdivision (a) of Section 19254 of the Revenue and Taxation Code shall be \$292, and the filing enforcement cost recovery fee for purposes of subparagraph (B) of paragraph (2) of that subdivision shall be \$116.
5. Of the amount appropriated in Schedule (1) of this item, ~~\$35,994,000~~ \$36,149,000 is for implementation of the Earned Income Tax Credit, which, pursuant to Section 17052 of the Revenue and Taxation Code, shall have an adjustment factor at a rate of 85 percent for the 2025 tax year. Implementation of the Earned Income Tax Credit includes processing returns, auditing, and necessary system changes to support this program. To effectively administer this program, the Franchise Tax Board may pay the Social Security Administration for relevant data and related development work prior to receipt of data pursuant to Section 12425 of the Government Code.
6. Of the amount appropriated in this item, \$3,864,000 is for implementation of the individual health care mandate and the associated penalty provisions.
7. Of the amount appropriated in this item, \$10,000,000 is for outreach to create increased awareness of, and participation in, the Earned Income Tax Credit and the Volunteer Income Tax Assistance Program. These funds shall be allocated via contracts to nonprofit and community-based organizations. The participating nonprofit and community-based organizations shall particularly focus their outreach efforts on persons who file tax returns using Individual Taxpayer Identification ~~Numbers for administration of subdivision (c) of Section 17948 of the Revenue and Taxation Code:~~ Numbers.
8. Funding in this item includes an amount for additional payments for the Enterprise Data to Revenue Project 2 (EDR2) project in order to accommodate an event where work must be performed which was unplanned, aligns with the existing scope of the project, and is necessary for the successful implementation or operation of the system, the successful accomplishment of the EDR2 goal, or any other reason in the sole judgment of the state. Of the funds appropriated for unplanned work, these funds can only be used to cover payments in the event a budget request for augmentation cannot be timely submitted for funding in the year payment is due. Of the funds appropriated for unplanned

work, any unused amount is reappropriated in the next fiscal year and each subsequent fiscal year over the life of the project until finalized. All amounts unused at the end of the project shall revert to the General Fund.

9. Of the funds appropriated in Schedule (1), in the 2025–26 fiscal year for EDR2 vendor compensation, any unused amount is allowed as one-time carryover to the subsequent fiscal year to support the vendor payment due to the solution provider for services performed and subject to payment.

SEC. 218. *Item 7730-490 is added to Section 2.00 of the Budget Act of 2025, to read:*

7730-490—Reappropriation, Franchise Tax Board. The amount specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2026:

0001—General Fund

- (1) *Up to \$14,540,000 for the Enterprise Data to Revenue Project – Phase 2 for unplanned work as appropriated in Item 7730-001-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).*
- (2) *Up to \$6,774,000 for the Enterprise Data to Revenue Project – Phase 2 for vendor compensation as appropriated in Item 7730-001-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).*
- (3) *Up to \$2,250,000 for the high-speed printer as appropriated in Item 7730-001-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).*

0044—Motor Vehicle Account, State Transportation Fund

- (1) *Up to \$6,000 for the high-speed printer as appropriated in Item 7730-001-0044, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).*

0064—Motor Vehicle License Fee Account, Transportation Tax Fund

- (1) *Up to \$11,000 for the high-speed printer as appropriated in Item 7730-001-0064, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).*

0242—Court Collection Account

- (1) *Up to \$16,000 for the high-speed printer as appropriated in Item 7730-001-0242, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).*

SEC. 219. *Item 7760-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

7760-001-0001—For support of Department of General Services
..... ~~32,318,000~~
32,268,000

Schedule:

- (0.5) 6320019-Public School Construction
..... 50,000
- (1) 6324046-Facilities Management
Division 18,879,000

(2)	6325064-Project Management and Development Branch	
	.....	700,000
		650,000
(3)	6330073-Contracted Fiscal Services	
	.....	7,923,000
(4)	6330082-Office of Sustainability	
	.....	4,166,000
(6)	9900100-Administration	
	.....	1,594,000
(7)	9900200-Administration—Distributed	-994,000

Provisions:

1. Notwithstanding any other law, of the amount appropriated in Schedule (2), \$500,000 shall be available for the planning, design, construction, and installation of a plaque memorializing the state's formal apology for chattel slavery pursuant to Chapter 4.5 (commencing with Section 8301) of Division 1 of Title 2 of the Government Code, and shall constitute an express appropriation for the alteration or modification of the color, detail, design, structure, or fixtures of the historically restored areas of the first, second, and third floors and the exterior of the west wing of the State Capitol, as required by Section 28 of Article IV of the California Constitution.
2. Of the amount appropriated in Schedule (4), \$2,500,000 shall be available for implementation of Chapter 368 of the Statutes of 2022 (SB 1203).
3. *Notwithstanding Section 14634 of the Government Code, the Department of General Services, upon agreement with the applicable Native American Tribes of California, may use up to \$150,000 of the amount appropriated in this item for the long-term maintenance of the California Native American Monument in Capitol Park. The long-term maintenance may include work to address aging, vandalism, or relocation.*

SEC. 220. *Item 7760-001-0002 of Section 2.00 of the Budget Act of 2025 is amended to read:*

7760-001-0002—For support of Department of General Services, payable from the Property Acquisition Law Money Account

7,350,000

Schedule:

(1)	6325010-Asset Management Branch	7,350,000
(2)	6335010-Program Overhead Interagency Support Division and RESD Executive	16,000
(3)	6335019-Distributed Program Overhead Interagency Support Division and RESD Executive	-16,000
(4)	9900100-Administration	1,330,000

(5) 9900200-Administration—
Distributed -1,330,000

Provisions:

1. Of the amount appropriated in this item, \$2,000,000 may be a loan from the General Fund, provided for the purposes of supporting the management of the state's real property assets if it is determined that there will be insufficient revenue generated from the sale of surplus property.
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 Section 11011 of the Government Code.
3. To the extent that the workload changes related to the management of the state's real property assets that have been identified as surplus property, 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 notifying the Joint Legislative Budget Committee. The Director of Finance shall not use this provision to augment this item for costs that the Department of General Services had knowledge of in time to include in the May Revision.
4. The Department of Finance may increase the expenditure authority in this item by an amount equivalent to three years of operating costs required to continue redeveloping excess state properties as affordable housing, up to \$4,500,000 in ~~2024–25~~ the 2025–26 fiscal year.

SEC. 221. *Item 7760-101-0001 is added to Section 2.00 of the Budget Act of 2025, to read:*

7760-101-0001—For local assistance, Department of General
Services 3,000,000

Schedule:

(1) 6320019-Public School
Construction 3,000,000

Provisions:

1. *The amount appropriated in this item shall be used to fund the STEM Teacher Recruitment Grant Program. Notwithstanding any other law, up to 5 percent of funds provided in this provision may be transferred to Item 7760-001-0001 for administrative costs incurred by the Office of Public School Construction, Department of General Services. This transfer shall require the prior approval of the Department of Finance and shall be available for encumbrance or expenditure through the 2027–28 fiscal year.*

SEC. 222. *Item 8140-101-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

8140-101-0001—For local assistance, State Public Defender
..... 15,000,000

Schedule:

(1) 6530-State Public Defender
..... 15,000,000

Provisions:

1. The funds appropriated in this item shall be available for the State Public Defender to provide grants to indigent defense providers, including public defenders, alternate defenders, and other qualifying entities that provide indigent defense in criminal matters.
2. Allowable uses of the funding include the following:
 - (a) Support the hiring of social workers, mental health professionals, housing specialists, and other staff with experience or training skills relevant to the provision of holistic defense to form holistic defense teams to serve clients.
 - (b) Fund the establishment of pilot programs and the expansion of existing holistic defense initiatives in under-resourced regions and high income-disparity regions.
 - (c) Provide specialized training for defense attorneys and interdisciplinary staff to implement best practices in holistic defense.
 - (d) Support data collection and independent evaluation of the impact of holistic defense services on client outcomes and public safety.
 - ~~(e) Workload related to the implementation of Proposition 36 (2024):~~
3. As a condition of receiving funds pursuant to Provision 1, indigent defense providers shall provide data and outcomes, including, but not limited to, expenditure of funds and a description of how the funding was used and what outcomes were achieved, to the State Public Defender in a manner determined by the State Public Defender.
4. The State Public Defender shall provide two reports to the relevant budget committees of both houses of the Legislature on the funds allocated in Provision 1. The State Public Defender shall submit a preliminary report by March 1, 2026, that includes a description of how the funding was allocated and planned uses. The State Public Defender shall submit a final report by March 1, 2029, that includes, at a minimum, the expenditure and outcome data collected pursuant to Provision 3. Both reports shall be submitted to the relevant policy committees and budget subcommittees of both houses of the Legislature on or before March 1, 2029.
- ~~5. The State Public Defender shall coordinate with the Judicial Council to ensure indigent defense providers receiving grant funds separately collect and report all data and outcomes related to the implementation of Proposition 36 (2024) necessary for the Judicial Council to comply with the reporting requirement in Provision 20 of Item 0250 101-0001. This shall include, but is not limited to, the~~

~~demographics of clients served and whether clients were detained prior to arraignment and pretrial.~~

6. The funding provided in this item shall be used to supplement, and not supplant, existing funding levels for indigent defense providers.
7. Up to 5 percent of the funding provided in ~~Provision 1~~ *this item* may be retained by the State Public Defender for administration.
8. The funding allocated in ~~Provision 1~~ *this item* shall be available for encumbrance or expenditure until June 30, 2028.

SEC. 223. *Item 8260-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

8260-001-0001—For support of the Arts Council ~~10,651,000~~
13,151,000

Schedule:

- (1) 6540-Arts Council ~~10,048,000~~
13,348,000
- (2) Reimbursements to 6540-Arts
Council -197,000

Provisions:

1. The two positions funded through this item shall provide outreach and contract or grant management activities to further expand programs into communities and populations that continue to be underrepresented in the arts.
2. *Of the amount appropriated in this item, \$2,500,000 shall be available for the Historic South Los Angeles Black Cultural District. These funds shall be available for expenditure or encumbrance until June 30, 2028, and up to 1 percent of this funding may be used to support administrative costs.*

SEC. 224. *Item 8570-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

8570-001-0001—For support of Department of Food and
Agriculture ~~159,420,000~~
165,420,000

Schedule:

- (1) 6570-Agricultural Plant and Animal
Health; Pest Prevention; Food
Safety Services ~~126,744,000~~
129,744,000
- (2) 6575-Marketing; Commodities and
Agricultural Services 41,176,000
- (3) 6580-Assistance to Fair and County
Agricultural Activities 3,017,000
- (4) 6590-General Agricultural Activities
..... ~~40,882,000~~
43,882,000
- (5) 9900100-Administration
..... 40,202,000
- (6) 9900200-Administration—
Distributed -40,023,000

- (7) Reimbursements to 6570-Agricultural Plant and Animal Health; Pest Prevention; Food Safety Services -5,644,000
- (8) Reimbursements to 6575-Marketing; Commodities and Agricultural Services -12,414,000
- (9) Reimbursements to 6590-General Agricultural Activities -34,341,000
- (10) Reimbursements to 9900100-Administration -179,000

Provisions:

- 1. The amount appropriated in this item for an agreement with the Regents of the University of California to operate poultry and livestock disease laboratories shall be adjusted annually, as necessary, for University of California negotiated employee compensation and benefit adjustments.

SEC. 225. *Item 8570-490 of Section 2.00 of the Budget Act of 2025 is amended to read:*

8570-490—Reappropriation, Department of Food and Agriculture. The amounts specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2026, and liquidation until June 30, 2029:

0001—General Fund

- (1) Up to \$2,971,000 of the amount appropriated in Item 8570-001-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024) for the Emerging Threats 2 IT Project.
- (2) Up to \$123,000 of the amount appropriated in Item 8570-002-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) for the Beginning Farmer and Farmworker Training and Workforce Development Program.
- (3) Up to \$1,468,000 of the amount appropriated in Provision 4 of Item 8570-102-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) for the Healthy Soils Program.
- (4) Up to \$2,346,000 of the amount appropriated in Provision 5 of Item 8570-102-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) for the Alternative Manure Management Program and Dairy Digester Research and Development Program.
- (5) Up to \$169,000 of the amount appropriated in Provision 9 of Item 8570-102-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) for the California Underserved and Small Producers Program technical assistance.

3228—Greenhouse Gas Reduction Fund

- (1) Up to \$741,000 of the amount appropriated in Item 8570-101-3228, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) for the Healthy Soils Program.

- (2) Up to \$17,000,000 of the amount appropriated in Item 8570-101-3228, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024) for the Alternative Manure Management Program and Dairy Digester Research and Development Program.
- (3) Up to \$286,000 of the amount appropriated in Provision 3 of Item 8570-102-3228, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) for methane emissions research.
- (4) Up to \$8,034,000 of the amount appropriated in Provision 4 of Item 8570-102-3228, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) for the Alternative Manure Management Program.

3398—California Emergency Relief Fund

- (1) Up to \$4,600,000 of the amount appropriated in ~~Item 8570-101-3398, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) for the California Underserved and Small Producers Program—California Emergency Relief Fund: subdivision (g) of Section 35 of Chapter 574 of the Statutes of 2022, as transferred to Technical Item 8570-509-3398 for the California Underserved and Small Producers Program.~~

SEC. 226. *Item 8570-491 of Section 2.00 of the Budget Act of 2025 is amended to read:*

8570-491—Reappropriation, Department of Food and Agriculture. The amounts specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2027:

0001—General Fund

- (1) Up to \$900,000 of the amount appropriated in ~~Item 8570-002-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), as reappropriated by Item 8570-490, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024) for Fairs and Expositions Resiliency Support.~~
- (2) Up to \$15,000 of the amount appropriated in Provision 11 of Item 8570-102-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) for Pest Management.

SEC. 227. *Item 8660-495 of Section 2.00 of the Budget Act of 2025 is amended to read:*

8660-495—Reversion, Public Utilities Commission. As of June 30, 2025, the balances specified below, of the appropriations provided in the following citations shall revert to the balances in the funds from which the appropriations were made.

0001—General Fund

- (1) Up to \$33,000,000 of the amount appropriated to support Community Renewable Generation and Storage programs in Provision 1 of Item ~~8660-001-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).~~

SEC. 228. *Item 8860-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

Schedule:

(1)	6770-State Budget	65,237,000
(2)	6780-State Audits and Evaluations	17,230,000
(3)	6785-Statewide Accounting Policies, Consulting and Training	8,398,000
(4)	9900100-Administration	18,595,000
(5)	9900200-Administration— Distributed	-18,595,000
(6)	Reimbursements to 6770-State Budget	-3,100,000
(7)	Reimbursements to 6780-State Audits and Evaluations	-8,300,000
(8)	Reimbursements to 6785-Statewide Accounting Policies, Consulting and Training	-125,000

Provisions:

1. Notwithstanding any other law, the Director of Finance may authorize a loan from the General Fund to the Department of Finance for the purpose of meeting operational cashflow obligations for the 2025–26 fiscal year. The loan shall not exceed the estimated amount of uncollected reimbursements for the final quarter of the fiscal year.
2. For the purpose of evaluating and continuing development and enhancement of the Governor's Budget Presentation System (GBPS), the following provision applies:
 - (a) Notwithstanding any other law, the Department of Finance may amend its existing contract with the internet web development firm to augment and continue consulting services until June 30 of each year, for the purpose of providing continuity of services.
3. Notwithstanding any other law, the Director of Finance is authorized to select private firms or individuals for implementing the requirements of Chapter 496 of the Statutes of 2011. The resulting contracts for services shall not require the review, consent, or approval of the Department of General Services or any other state department or agency as they need not comply with requirements under the Public Contract Code or any other law that otherwise would apply. Such contracts for services may include those terms and conditions that the Director of Finance finds to be in the state's best interest.
4. Notwithstanding any other law, the Director of Finance is authorized to contract with auditors, lawyers, and other types of advisers and consultants to assist, advise, and represent the

director and the Department of Finance in any matter arising out of or contemplated by Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code. The resulting contracts for services shall not require the review, consent, or approval of the Department of General Services or any other state department or agency as they need not comply with requirements under the Public Contract Code or any other law that otherwise would apply. Such contracts for services may include those terms and conditions that the director finds to be in the state's best interest.

5. ~~Of the funds appropriated in Schedule (1), the Department of Finance is authorized to contract for up to a total of \$20,000,000 for assistance and advice for the Director and the Department of Finance on analyzing and creating process improvements within state government in order to reduce General Fund expenditures. Any contract or amendment to a contract entered pursuant to this provision may take effect no sooner than 30 days after notification in writing to the chairpersons of the committees of each house of the Legislature that consider the State Budget, the chairpersons of the committees and appropriate subcommittees in each house of the Legislature that consider appropriations, and the Chairperson of the Joint Legislative Budget Committee. The Department of Finance shall report to the Legislature on January 1 and July 1 of each year of the contract and during implementation of the contractor's recommendations on (1) any proposals put forth by the contractor, (2) any expected programmatic or process changes needed to implement the proposal, (3) the expected timeline for implementation, and (4) the progress of the work performed by the contractor and the administration's progress in implementing the contractor's recommendations. Funds must be expended by December 31, 2026, and any remaining funds shall revert to the General Fund after that date.~~

5. *Of the funds appropriated in Schedule (1), the Director of Finance is authorized to contract with consultants for up to a total of \$20,000,000 to assist and advise the director and the Department of Finance on analyzing and creating process improvements within state government and any issue related thereto. Notwithstanding any other law, any contracts entered into pursuant to this provision, and any amendments to such contracts, shall not be subject to the review, consent, or approval of the Department of General Services or any other state department or agency and shall not be subject to the requirements under the State Contracting Manual, the Public Contract Code, the state contracts register requirements of Chapter 6 (commencing with Section 14827.1) of Part 5.5 of Division 3 of Title 2 of the Government Code, the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code, or any other law that otherwise would apply. Contracts entered pursuant to this*

provision may include those terms and conditions that the director finds, in their sole discretion, to be in the state's best interest. The Department of Finance shall notify the Chairperson of the Joint Legislative Budget Committee of any contract entered into pursuant to this provision within 10 days. The Department of Finance shall report to the Joint Legislative Budget Committee on February 1 of each year of the contracts and during implementation of the contractor's recommendations on (1) any proposals put forth by the contractor, (2) any expected programmatic or process changes needed to implement the proposal, (3) the expected timeline for implementation, and (4) the progress of the work performed by the contractor and the administration's progress in implementing the contractor's recommendations. These funds shall be available for encumbrance or expenditure until January 1, 2027.

SEC. 229. *Item 8940-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

8940-001-0001—For support of Military Department	149,938,000
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Schedule:

(1) 6911-National Guard	143,934,000
(2) 6912-Youth & Community Programs	23,184,000
(3) Reimbursements to 6911-National Guard	-17,070,000
(4) Reimbursements to 6912-Youth & Community Programs	-110,000

Provisions:

1. Expenditures shall not be made from the funds appropriated in this item as a substitution for personnel, equipment, facilities, or other assistance, or for any portion thereof, that, in the absence of the expenditure, or of this appropriation, would be available to the Adjutant General, the California State Military, or the State Military Reserve from the federal government.
2. Of the funds appropriated in Schedule (1), \$480,000 shall be for military retirements, in accordance with Sections 228 and 256 of the Military and Veterans Code.
3. Of the funds appropriated in this item, \$1,805,000 shall be used to provide mandatory employee compensation increases for state active duty employees. The funds provided in this provision shall be expended pursuant to Sections 320 and 321 of the Military and Veterans Code, which require state active duty employees to receive the same compensation increases as their counterparts on federal active duty. Any unspent funds subject to this provision shall revert to the General Fund.
4. Annually on March 1, the Military Department shall submit a report to the fiscal committees of each house of the Legislature for the Job Challenge

Program with the following: (a) the program completion rate; (b) the rate of job placement in the field of study; and (c) the rate of continued employment 12 months after completion of the program based on responses from program graduates.

5. Of the amount appropriated in Schedules (1) and (2), \$37,000,000 is available for payments made in advance of offsets from Federal Trust Fund recoveries. The Military Department shall separate this amount from its operating budget in its accounting system and provide quarterly reports to the Department of Finance that reflect the updated appropriation authority for operations.
6. Of the amount appropriated in Schedule (1), up to \$1,301,000 shall be used for the California Cybersecurity Integration Center.
7. Information sharing by the California Cybersecurity Integration Center shall be conducted in a manner that protects the privacy and civil liberties of individuals, safeguards sensitive information, preserves business confidentiality, and enables public officials to detect, investigate, respond to, and prevent cyberattacks that threaten public health and safety, economic stability, and national security.
8. Notwithstanding any other law, the Director of Finance may authorize a loan from the General Fund to the Military Department for cashflow purposes in an amount not to exceed \$30,000,000, subject to the following conditions:
 - (a) The loan is to meet cash needs resulting from a delay in reimbursements.
 - (b) The loan is for a short term and shall be repaid upon order of the Director of Finance.
 - (c) Interest charges may be waived pursuant to subdivision (e) of Section 16314 of the Government Code.
 - (d) Within 15 days of authorizing the loan, the Department of Finance shall provide written notification to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the committees in each house that consider appropriations.

9. Of the funds appropriated in Schedule (1), \$15,000,000 shall be available for Counterdrug Task Force drug interdiction activities supporting local, state, federal, and tribal law enforcement agencies. Priority shall be given to activities targeting heroin, fentanyl, methamphetamine, cocaine, and other illegal drugs that can cause overdose deaths. The Military Department shall submit a report on how this funding was used on an annual basis, beginning October 1, 2025, until all funds have been spent. For each request, the report shall provide, at minimum, the name of the requesting agency, the type of illicit substances targeted, the level and type of resources requested, reasons for denying or partially approving a request, and the outcomes achieved, including the amount of illicit substances seized.
10. Upon order of the Department of Finance, the amount available for expenditure in Schedules (1) and (2) may be augmented by an amount sufficient for the Military Department to cover cost increases for pay, basic allowances for housing and subsistence, cost-of-living, and salary driven benefit adjustments for state active duty employees following passage of a federal active duty compensation increase in the federal budget. Any augmentation shall be made no sooner than 30 days after notification in writing to the Chairperson of the Joint Legislative Budget Committee and the fiscal committees in each house of the Legislature, or no sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or the chairperson's designee, may determine. Any notification made pursuant to this provision shall include the fiscal assumptions used to calculate the necessary augmentation, including, but not limited to, information on how the Military Department calculated the cost increases for the Basic Allowance for Housing and Cost of Living Adjustments for state active duty employees.
11. Upon order of the Department of Finance, the amount available for expenditure in Schedule (1) may be augmented by up ~~to \$4,750,000~~ to \$4,750,000 if the Military Department receives a federal match for three armory deferred maintenance projects.

SEC. 230. *Item 8955-101-3313 is added to Section 2.00 of the Budget Act of 2025, to read:*

8955-101-3313—*For local assistance, Department of Veterans Affairs, payable from the Southern California Veterans Cemetery Master Development Fund* 4,500,000

Schedule:

(1) 6995028-Cemetery Operations 4,500,000

SEC. 231. *Item 8955-112-0001 is added to Section 2.00 of the Budget Act of 2025, to read:*

8955-112-0001—*For transfer by the Controller to the Southern California Veterans Cemetery Master Development Fund* 4,500,000

SEC. 232. *Item 9210-110-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

9210-110-0001—For local assistance, Local Government
 Financing, to be allocated by the Controller ~~183,071,000~~
 144,070,000

Schedule:

(1) 7540-Aid to Local Government
 ~~183,071,000~~
 144,070,000

Provisions:

1. Upon receipt of an allocation schedule from the Director of the Department of Finance or their designee, the Controller's office shall remit the funds appropriated in this item to city and county governments for local purposes.
2. Of the amount appropriated in this item, ~~\$175,000~~ **\$117,000** is to reimburse the County of Alpine for shortfalls incurred in the 2023–24 fiscal year, ~~\$3,556,000~~ **\$2,381,000** is to reimburse the County of Mono for shortfalls incurred in the 2023–24 fiscal year, and ~~\$114,340,000~~ **\$76,572,000** is to reimburse the County of San Mateo for shortfalls incurred in the 2023–24 fiscal year, related to the countywide adjustment amount authorized by Section 97.68 of the Revenue and Taxation Code and the vehicle license fee adjustment amount authorized by Section 97.70 of the Revenue and Taxation Code.

SEC. 233. *Item 9800-001-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:*

9800-001-0001—For Augmentation for Employee Compensation
 ~~385,241,000~~
 105,146,000

Schedule:

(1) 7800-Employee Compensation
 Program ~~379,241,000~~
 99,146,000

(2) 7801-Affordable Care Act Penalty
 Assessment 6,000,000

Provisions:

1. The amount appropriated in this item shall not be construed to control or influence collective bargaining between the state employer and employee representatives.
2. The funds appropriated in this item are for compensation increases and increases in benefits related thereto of employees whose compensation, or portion thereof, is chargeable to the General Fund, to be allocated by budget executive order by the Director of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations, in accordance with approved memoranda of understanding or, for employees excluded from collective bargaining, in accordance with salary and benefit schedules established by the Department of Human Resources.
3. It is the intent of the Legislature that all proposed augmentations for increased employee compensation

costs, including, but not limited to, base salary increases, pay increases to bring one group of employees into a pay equity position with another group of public employees, and recruitment and retention differentials, be budgeted and considered on a comprehensive, statewide basis. Therefore, the Legislature declares its intent to reject any proposed augmentations that are not included in Items 9800-001-0001, 9800-001-0494, and 9800-001-0988, given that these are the items where the funds to implement comprehensive statewide compensation policies, including those adopted pursuant to collective bargaining, are considered. This provision shall not apply to augmentations for increased employee compensation costs resulting from mandatory judicial orders to raise pay for any group of employees or augmentations for increased compensation costs, or approvals for departments to provide increased employee compensation levels, that are included in bills separate from the Budget Act.

4. This item contains funds estimated to be necessary to implement side letters, appendices, or other addenda to a memorandum of understanding (collectively "pending agreements") that have been determined by the Joint Legislative Budget Committee to require legislative approval prior to their implementation, but which may not have been approved in separate legislation as of the date of the passage of this act. In the event that the Legislature does not approve separate legislation to authorize implementation of any of the pending agreements, the Director of Finance shall not allocate any funds related to those pending agreements pursuant to Provision 2, and the expenditure of funds for those pending agreements shall not be deemed to have been approved by the Legislature.
5. As of July 31, 2026, the unencumbered balances of the funds appropriated in this item shall revert to the General Fund.
6. The Director of Finance may adjust this item of appropriation to reflect the health benefit premiums approved by the Board of Administration of the Public Employees' Retirement System or dental benefit premiums approved by the Department of Human Resources for the 2026 calendar year. Within 30 days of making any adjustment pursuant to this provision, the Director of Finance shall report the adjustment in writing to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the committees in each house of the Legislature that consider appropriations.
7. Notwithstanding Sections 3517.6 and 3517.63 of the Government Code, the Department of Finance shall provide written notification to the Joint Legislative Budget Committee regarding any expenditure of funds resulting from any side letter, appendix, or other addendum to a properly ratified memorandum of understanding which has not been proposed to the Legislature in a budget bill.
8. Notice provided pursuant to Provision 7 shall include a copy of the side letter, appendix, or other addendum (collectively, "addendum") and a fiscal

summary of any expenditure of funds resulting from the agreement in the 2025–26 fiscal year and future fiscal years. The notice shall indicate whether the Department of Finance determines that an agreement does or does not require legislative action to ratify the addendum before implementation, pursuant to subdivision (a), (b), or (c) of this provision.

- (a) An addendum to a properly ratified memorandum of understanding may be implemented without legislative action not less than 30 calendar days after notice has been provided to the Joint Legislative Budget Committee, or not sooner than whatever lesser time after that notification the Chairperson of the Joint Legislative Budget Committee, or the chairperson's designee, may in each instance determine, if all of the following apply:
 - (1) The agreement results in total net costs of less than \$1,000,000 (all funds) associated with each bargaining unit affected by the agreement during the 2025–26 fiscal year.
 - (2) Any cost resulting from the agreement can be absorbed within the 2025–26 fiscal year appropriation authority of impacted departments.
 - (3) The addendum does not present substantial additions that are reasonably outside the parameters of the original memorandum of understanding.
- (b) An addendum to a properly ratified memorandum of understanding that results in any expenditure of funds may be implemented not less than 30 calendar days after notice has been provided to the Joint Legislative Budget Committee, or not sooner than whatever lesser time after that notification the Chairperson of the Joint Legislative Budget Committee, or the chairperson's designee, may in each instance determine, if, during the legislative consideration of the 2025–26 Governor's Budget, the Department of Finance identified to the Legislature both of the following:
 - (1) The administration anticipated that the addendum would be signed during the 2025–26 fiscal year.
 - (2) Any costs resulting from the addendum are included in the 2025–26 Governor's Budget or another piece of legislation.
- (c) An addendum to a properly ratified memorandum of understanding that results in any expenditure of funds requires legislative action before implementation if any of the following apply:
 - (1) The agreement results in total net costs greater than \$1,000,000 (all funds) associated with each bargaining unit affected by the agreement during the 2025–26 fiscal year.

- (2) The agreement results in costs that cannot be absorbed within the 2025–26 fiscal year appropriation authority of impacted departments.
 - (3) The addendum presents substantial additions that are not reasonably within the parameters of the original memorandum of understanding.
- 9. Notwithstanding Sections 3517.6 and 3517.63 of the Government Code, any addendum to a properly ratified memorandum of understanding that is implemented in the 2025–26 fiscal year, pursuant to subdivision (a) of Provision 8 and requires the expenditure of funds beyond the 2025–26 fiscal year that was not approved as part of the Budget Act of 2025, shall be approved by the Legislature as part of the Budget Act of 2025 or through another piece of legislation.
- 10. The Department of Human Resources shall promptly post on its public internet website all signed addenda. Each addendum shall be posted in its entirety, including any attachments or schedules that are part of the agreement, along with the fiscal summary documents of the agreement.
- 11. The amount appropriated in Schedule (2) of this item shall be available for penalties the state may be assessed under the federal Patient Protection and Affordable Care Act (P.L. 111-148) or by another government entity where an individual health care mandate has been enacted and the state has a reporting obligation.
 - (a) The Director of Finance shall identify the specific amounts to be advanced and paid from the General Fund to the Internal Revenue Service, or another government entity, for payment of those penalties and notify the Controller of these amounts. Upon notification, the Controller shall make penalty assessment payments from this item.
 - (b) Notwithstanding any other law, the Department of Finance may transfer from, and adjust amounts in any appropriation item, or in any category thereof, funds necessary to reimburse this item for costs directly related to each state agency's, department's, or board's portion of employer reporting penalties that are attributable to those departments, as identified by the Controller. Additionally, notwithstanding any other law, the Department of Finance may direct a state agency, including those with funds and accounts held outside of the state treasury including, but not limited to, district agricultural associations, to reimburse, and such state agency shall reimburse, this item for costs directly related to the state agency's portion of employer reporting penalties that are attributable to the state agency, as identified by the Controller. Additionally, notwithstanding Section 22150 of the Government Code and Section 66606.2 of the Education Code, this provision shall also apply to the California State University. The authority granted to the

Department of Finance under this provision may be used to reimburse this item for costs not reimbursed in prior fiscal years. Upon order of the Director of Finance, the Department of Finance shall provide the Controller a schedule of the timing and amounts to be transferred and/or adjusted for purposes of this provision.

- (c) Within 30 days after making any adjustment pursuant to this provision, the Director of Finance shall report the penalties assessed to the state in writing to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the committees in each house of the Legislature that consider appropriations.

12. The Director of Finance may augment this item by up to \$1,000,000 to reconcile adjustments, changes, and clarifications to federal laws, regulations, or guidelines pursuant to Section 13332.01 of the Government Code. The Department of Finance shall identify the specific amounts to be paid from the General Fund to the United States Department of Treasury, or other federal government entity, and notify the Controller of these amounts. Upon notification, the Controller shall make payments from this item.

SEC. 234. *Item 9800-001-0494 of Section 2.00 of the Budget Act of 2025 is amended to read:*

9800-001-0494—For Augmentation for Employee Compensation,
payable from other unallocated special funds ~~419,201,000~~
70,560,000

Schedule:

- (1) 7800-Employee Compensation
Program ~~419,201,000~~
70,560,000

Provisions:

1. The amount appropriated in this item shall not be construed to control or influence collective bargaining between the state employer and employee representatives.
2. The funds appropriated in this item are for compensation increases and increases in benefits related thereto of employees whose compensation, or portion thereof, is chargeable to special funds, to be allocated by budget executive order by the Director of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations, in accordance with approved memoranda of understanding or, for employees excluded from collective bargaining, in accordance with salary and benefit schedules established by the Department of Human Resources.
3. Notwithstanding any other law, upon approval of the Director of Finance, expenditure authority may be transferred between this item and Item 9800-001-0988 as necessary to fund costs for approved memoranda of understanding or, for employees excluded from collective bargaining, in accordance with salary and benefit schedules established by the Department of Human Resources.

4. It is the intent of the Legislature that all proposed augmentations for increased employee compensation costs, including, but not limited to, base salary increases, pay increases to bring one group of employees into a pay equity position with another group of public employees, and recruitment and retention differentials, be budgeted and considered on a comprehensive, statewide basis. Therefore, the Legislature declares its intent to reject any proposed augmentations that are not included in Items 9800-001-0001, 9800-001-0494, and 9800-001-0988, given that these are the items where the funds to implement comprehensive statewide compensation policies, including those adopted pursuant to collective bargaining, are considered. This provision does not apply to augmentations for increased employee compensation costs resulting from mandatory judicial orders to raise pay for any group of employees or augmentations for increased compensation costs, or approvals for departments to provide increased employee compensation levels, that are included in bills separate from the Budget Act.
5. This item contains funds estimated to be necessary to implement side letters, appendices, or other addenda to a memorandum of understanding (collectively referred to as "pending agreements") that have been determined by the Joint Legislative Budget Committee to require legislative approval prior to their implementation, but which may not have been approved in separate legislation as of the date of the passage of this act. In the event that the Legislature does not approve separate legislation to authorize implementation of any of the pending agreements, the Director of Finance shall not allocate any funds related to those pending agreements pursuant to Provision 2, and the expenditure of funds for those pending agreements shall not be deemed to have been approved by the Legislature.
6. As of July 31, 2026, the unencumbered balances of the above appropriation shall no longer be available for expenditure.
7. The Director of Finance may adjust this item of appropriation to reflect the health benefit premiums approved by the Board of Administration of the Public Employees' Retirement System or dental benefit premiums approved by the Department of Human Resources for the 2026 calendar year. Within 30 days of making any adjustment pursuant to this provision, the Director of Finance shall report the adjustment in writing to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the committees in each house of the Legislature that consider appropriations.
8. Notwithstanding Sections 3517.6 and 3517.63 of the Government Code, the Department of Finance shall provide written notification to the Joint Legislative Budget Committee regarding any expenditure of funds resulting from any side letter, appendix, or other addendum to a properly ratified memorandum of understanding which has not been proposed to the Legislature in a budget bill.

9. Notice provided pursuant to Provision 8 shall include a copy of the side letter, appendix, or other addendum (collectively addendum) and a fiscal summary of any expenditure of funds resulting from the agreement in the 2025–26 fiscal year and future fiscal years. The notice shall indicate whether the Department of Finance determines that an agreement does or does not require legislative action to ratify the addendum before implementation, pursuant to subdivision (a), (b), or (c) of this provision.

(a) An addendum to a properly ratified memorandum of understanding may be implemented without legislative action not less than 30 calendar days after notice has been provided to the Joint Legislative Budget Committee, or not sooner than whatever lesser time after that notification the Chairperson of the Joint Legislative Budget Committee, or the chairperson's designee, may in each instance determine, if all of the following apply:

- (1) The agreement results in total net costs of less than \$1,000,000 (all funds) associated with each bargaining unit affected by the agreement during the 2025–26 fiscal year.
- (2) Any cost resulting from the agreement can be absorbed within the 2025–26 fiscal year appropriation authority of impacted departments.
- (3) The addendum does not present substantial additions that are reasonably outside the parameters of the original memorandum of understanding.

(b) An addendum to a properly ratified memorandum of understanding that results in any expenditure of funds may be implemented not less than 30 calendar days after notice has been provided to the Joint Legislative Budget Committee, or not sooner than whatever lesser time after that notification the Chairperson of the Joint Legislative Budget Committee, or the chairperson's designee, may in each instance determine, if, during the legislative consideration of the 2025–26 Governor's Budget, the Department of Finance identified to the Legislature both of the following:

- (1) The administration anticipated that the addendum would be signed during the 2025–26 fiscal year.
- (2) Any costs resulting from the addendum are included in the 2025–26 Governor's Budget or another piece of legislation.

(c) An addendum to a properly ratified memorandum of understanding that results in any expenditure of funds requires legislative action before implementation if any of the following apply:

- (1) The agreement results in total net costs greater than \$1,000,000 (all funds) associated with each bargaining unit

affected by the agreement during the 2025–26 fiscal year.

- (2) The agreement results in costs that cannot be absorbed within the 2025–26 fiscal year appropriation authority of impacted departments.
- (3) The addendum presents substantial additions that are not reasonably within the parameters of the original memorandum of understanding.

10. Notwithstanding Sections 3517.6 and 3517.63 of the Government Code, any addendum to a properly ratified memorandum of understanding that is implemented in the 2025–26 fiscal year, pursuant to subdivision (a) of Provision 9 and requires the expenditure of funds beyond the 2025–26 fiscal year that was not approved as part of the Budget Act of 2025, shall be approved by the Legislature as part of the Budget Act of 2026 or through another piece of legislation.
11. The Department of Human Resources shall promptly post on its public internet website all signed addenda. Each addendum shall be posted in its entirety, including any attachments or schedules that are part of the agreement, along with the fiscal summary documents of the agreement.

SEC. 235. *Item 9800-001-0988 of Section 2.00 of the Budget Act of 2025 is amended to read:*

9800-001-0988—For Augmentation for Employee Compensation, payable from other unallocated nongovernmental cost funds

.....	209,601,000
	37,882,000

Schedule:

- | | |
|--------------------------------|------------------------|
| (1) 7800-Employee Compensation | |
| Program | 209,601,000 |
| | 37,882,000 |

Provisions:

1. The amount appropriated in this item shall not be construed to control or influence collective bargaining between the state employer and employee representatives.
2. The funds appropriated in this item are for employee compensation increases, and increases in benefits related thereto, whose compensation or portion thereof is chargeable to nongovernmental cost funds, to be allocated by budget executive order by the Director of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations, in accordance with approved memoranda of understanding or, for employees excluded from collective bargaining, in accordance with salary and benefit schedules established by the Department of Human Resources.
3. Notwithstanding any other law, upon approval of the Director of Finance, expenditure authority may be transferred between Item 9800-001-0494 and this item as necessary to fund costs for approved memoranda of understanding or, for employees

excluded from collective bargaining, in accordance with salary and benefit schedules established by the Department of Human Resources.

4. It is the intent of the Legislature that all proposed augmentations for increased employee compensation costs, including, but not limited to, base salary increases, pay increases to bring one group of employees into a pay equity position with another group of public employees, and recruitment and retention differentials, be budgeted and considered on a comprehensive, statewide basis. Therefore, the Legislature declares its intent to reject any proposed augmentations that are not included in Items 9800-001-0001, 9800-001-0494, and 9800-001-0988, given that these are the items where the funds to implement comprehensive statewide compensation policies, including those adopted pursuant to collective bargaining, are considered. This provision shall not apply to augmentations for increased employee compensation costs resulting from mandatory judicial orders to raise pay for any group of employees or augmentations for increased compensation costs, or approvals for departments to provide increased employee compensation levels, that are included in bills separate from the Budget Act.
5. This item contains funds estimated to be necessary to implement side letters, appendices, or other addenda to a memorandum of understanding (collectively referred to as "pending agreements") that have been determined by the Joint Legislative Budget Committee to require legislative approval prior to their implementation, but which may not have been approved in separate legislation as of the date of the passage of this act. In the event that the Legislature does not approve separate legislation to authorize implementation of any of the pending agreements, the Director of Finance shall not allocate any funds related to those pending agreements pursuant to Provision 2, and the expenditure of funds for those pending agreements shall not be deemed to have been approved by the Legislature.
6. As of July 31, 2026, the unencumbered balances of the above appropriation shall no longer be available for expenditure.
7. The Director of Finance may adjust this item of appropriation to reflect the health benefit premiums approved by the Board of Administration of the Public Employees' Retirement System or dental benefit premiums approved by the Department of Human Resources for the 2026 calendar year. Within 30 days of making any adjustment pursuant to this provision, the Director of Finance shall report the adjustment in writing to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the committees in each house of the Legislature that consider appropriations.
8. Notwithstanding Sections 3517.6 and 3517.63 of the Government Code, the Department of Finance shall provide written notification to the Joint Legislative Budget Committee regarding any expenditure of funds resulting from any side letter, appendix, or other addendum to a properly ratified memorandum

of understanding which has not been proposed to the Legislature in a budget bill.

9. Notice provided pursuant to Provision 8 shall include a copy of the side letter, appendix, or other addendum (collectively addendum) and a fiscal summary of any expenditure of funds resulting from the agreement in the 2025–26 fiscal year and future fiscal years. The notice shall indicate whether the Department of Finance determines that an agreement does or does not require legislative action to ratify the addendum before implementation, pursuant to subdivision (a), (b), or (c) of this provision.
 - (a) An addendum to a properly ratified memorandum of understanding may be implemented without legislative action not less than 30 calendar days after notice has been provided to the Joint Legislative Budget Committee, or not sooner than whatever lesser time after that notification the Chairperson of the Joint Legislative Budget Committee, or the chairperson's designee, may in each instance determine, if all of the following apply:
 - (1) The agreement results in total net costs of less than \$1,000,000 (all funds) associated with each bargaining unit affected by the agreement during the 2025–26 fiscal year.
 - (2) Any cost resulting from the agreement can be absorbed within the 2025–26 fiscal year appropriation authority of impacted departments.
 - (3) The addendum does not present substantial additions that are reasonably outside the parameters of the original memorandum of understanding.
 - (b) An addendum to a properly ratified memorandum of understanding that results in any expenditure of funds may be implemented not less than 30 calendar days after notice has been provided to the Joint Legislative Budget Committee, or not sooner than whatever lesser time after that notification the Chairperson of the Joint Legislative Budget Committee, or the chairperson's designee, may in each instance determine, if, during the legislative consideration of the 2025–26 Governor's Budget, the Department of Finance identified to the Legislature both of the following:
 - (1) The administration anticipated that the addendum would be signed during the 2025–26 fiscal year.
 - (2) Any costs resulting from the addendum are included in the 2025–26 Governor's Budget or another piece of legislation.
 - (c) An addendum to a properly ratified memorandum of understanding that results in any expenditure of funds requires legislative action before implementation if any of the following apply:

- (1) The agreement results in total net costs greater than \$1,000,000 (all funds) associated with each bargaining unit affected by the agreement during the 2025–26 fiscal year.
 - (2) The agreement results in costs that cannot be absorbed within the 2025–26 fiscal year appropriation authority of impacted departments.
 - (3) The addendum presents substantial additions that are not reasonably within the parameters of the original memorandum of understanding.
10. Notwithstanding Sections 3517.6 and 3517.63 of the Government Code, any addendum to a properly ratified memorandum of understanding that is implemented in the 2025–26 fiscal year, pursuant to subdivision (a) of Provision 9, and requires the expenditure of funds beyond the 2025–26 fiscal year that was not approved as part of the Budget Act of 2025, shall be approved by the Legislature as part of the Budget Act of 2026 or through another piece of legislation.
 11. The Department of Human Resources shall promptly post on its public internet website all addenda. Each addendum shall be posted in its entirety, including any attachments or schedules that are part of the agreement, along with the fiscal summary documents of the agreement.

SEC. 236. *Section 3.90 is added to the Budget Act of 2025, to read:*

SEC. 3.90. *It is the expectation of the Legislature that all state employee bargaining units meet and confer in good faith with the Governor or the Governor's representative on or before July 1, 2025, to achieve savings through (a) the collective bargaining process for represented employees and (b) existing authority for the administration to adjust compensation for nonrepresented employees. The Legislature finds that the savings will likely be needed to maintain the sound fiscal condition of the state.*

SEC. 237. *Section 4.05 of the Budget Act of 2025 is amended to read:*

SEC. 4.05. (a) Notwithstanding any other law, each item of appropriation ~~from the General Fund, Motor Vehicle Account, Breast Cancer Fund, Environmental License Plate Fund, Secretary of State's Business Fees Fund, Cigarette and Tobacco Products Surtax Fund and the Public Resources Account within that fund, Board of Podiatric Medicine Fund, Private Postsecondary Education Administration Fund, Emergency Medical Services Personnel Fund, Real Estate Fund, Real Estate Appraisers Regulation Fund, Harbors and Watercraft Revolving Fund, Professional Engineer's, Land Surveyor's, and Geologist's Fund, Structural Pest Control Fund, Managed Care Fund, and Industrial Hemp Enrollment and Oversight Fund provided in this act,~~ *provided in this act or other spending authority provided outside of this act*, with the exception of those for the Legislature and the Legislative Counsel Bureau, shall be adjusted, as appropriate, to reflect the net savings achieved through operational efficiencies, elimination of excess positions, and other cost-reduction ~~measures pursuant to Section 4.05 of the Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024), as specified in the May 14, 2025, notification letter titled "Amendment to Various Budget Bill Items Pursuant to Section 4.05—Ongoing Reductions to State Operations and Section 4.12—Vacant Positions Funding Reduction and Position Elimination."~~ *measures. The Director of Finance shall allocate the necessary adjustments to each item of appropriation or other spending or position authority to reflect net savings achieved. The Director of Finance may authorize an augmentation to any item of appropriation provided in this act or outside of this act to reflect the costs related to implementing operational efficiencies, elimination of excess positions, and other cost-reduction measures. The Department of Finance shall make the final determination of the budgetary and accounting transactions to ensure proper implementation of this section.*

~~(b) The Department of Finance and the Controller shall not make adjustments to items of appropriations from funding sources other than the General Fund, Motor Vehicle Account, Breast Cancer Fund, Environmental License Plate Fund, Secretary of State's Business Fees Fund, Cigarette and Tobacco Products Surtax Fund and the Public Resources Account within that fund, Board of Podiatric Medicine Fund, Private Postsecondary Education Administration Fund, Emergency Medical Services Personnel Fund, Real Estate Fund, Real Estate Appraisers Regulation Fund, Harbors and Watercraft Revolving Fund, Professional Engineer's, Land Surveyor's, and Geologist's Fund, Structural Pest Control Fund, Managed Care Fund, and~~

~~Industrial Hemp Enrollment and Oversight Fund pursuant to Section 4.05 of the Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).~~

(b) Within 30 days of making any adjustments pursuant to this section, the Department of Finance shall report the adjustments in writing to the Joint Legislative Budget Committee.

SEC. 238. *Section 4.12 of the Budget Act of 2025 is amended to read:*

SEC. 4.12. (a) (1) Notwithstanding any other law, each item of appropriation from the General Fund, Motor Vehicle Account, Radiation Control Fund, Environmental License Plate Fund, Secretary of State's Business Fees Fund, the Public Resources Account within the Cigarette and Tobacco Products Surtax Fund, Board of Podiatric Medicine Fund, Private Postsecondary Education Administration Fund, Real Estate Fund, Real Estate Appraisers Regulation Fund, Harbors and Watercraft Revolving Fund, Professional Engineer's, Land Surveyor's, and Geologist's Fund, Structural Pest Control Fund, Managed Care Fund, and Industrial Hemp Enrollment and Oversight Fund provided in this act, with the exception of those for the California State University, the University of California, the University of California College of the Law, San Francisco, the Legislature, the Legislative Counsel Bureau, and the Judicial Branch, shall be adjusted, as appropriate, to achieve savings associated with vacant positions identified pursuant to Section 4.12 of the Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024), as specified in the May 14, 2025, notification letter titled "Amendment to Various Budget Bill Items Pursuant to Section 4.05—Ongoing Reductions to State Operations and Section 4.12—Vacant Positions Funding Reduction and Position Elimination" and identified in "Attachment 4: Section 4.12 Vacant Position Elimination Detail Fiscal Year 2025–26." The Director of Finance shall determine the amount and direct the Controller to make the necessary adjustment to each item of appropriation from the General Fund or other spending authority to reflect savings for the 2025–26 fiscal year.

~~(2) The Department of Finance and the Controller shall not make adjustments to items of appropriations from funding sources other than the General Fund, Motor Vehicle Account, Radiation Control Fund, Environmental License Plate Fund, Secretary of State's Business Fees Fund, the Public Resources Account within the Cigarette and Tobacco Products Surtax Fund, Board of Podiatric Medicine Fund, Private Postsecondary Education Administration Fund, Real Estate Fund, Real Estate Appraisers Regulation Fund, Harbors and Watercraft Revolving Fund, Professional Engineer's, Land Surveyor's, and Geologist's Fund, Structural Pest Control Fund, Managed Care Fund, and Industrial Hemp Enrollment and Oversight Fund pursuant to Section 4.12 of the Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).~~

~~(b)(1) It is the intent of the Legislature to review the potential elimination of vacant positions proposed by the Department of Finance pursuant to Section 4.12 of the Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024) and associated with the savings described in subdivision (a). This review should include an assessment of the potential long term implications of the proposed elimination of vacant positions, including on regulatory activities, public health and safety, natural resource and environmental protection, and the implementation of recently enacted legislation.~~

~~(2) The Director of Finance shall not eliminate the identified vacant position authority until the Legislature has determined that the elimination of vacant positions should be made as part of the Budget Act of 2026.~~

(2) The position authority associated with the reductions provided in paragraph (1) shall be eliminated effective January 1, 2026, as provided in subdivision (b).

(b) Except as provided in subdivisions (c) and (d), the elimination of position authority for the positions identified pursuant to Section 4.12 of the Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024), as specified in the May 14, 2025 notification letter titled "Amendment to Various Budget Bill Items Pursuant to Section 4.05—Ongoing Reductions to State Operations and Section 4.12—Vacant Positions Funding Reduction and Position Elimination" and identified in "Attachment 4: Section 4.12 Vacant Position Elimination Detail Fiscal Year 2025–26" is effective on January 1, 2026. Each item of appropriation associated with the eliminated position authority shall also be eliminated upon the elimination of the position authority, except for items of appropriation already eliminated pursuant to paragraph (1) of subdivision (a).

(c) (1) No later than September 30, 2025, the Department of Finance shall provide the Joint Legislative Budget Committee with a list of positions proposed for elimination that were authorized to implement legislation pursuant to Budget Change Proposals included in Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023) and Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024), and the enacted legislation associated with the positions, except as provided in subdivision (a).

(2) If the Department of Finance fails to meet the September 30, 2025 deadline specified in paragraph (1), the Department of Finance shall not eliminate any vacant positions intended for elimination pursuant to Section 4.12 in the Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024), as specified in the May 14, 2025 notification letter titled "Amendment to Various Budget Bill Items Pursuant to Section 4.05—Ongoing Reductions to State Operations and Section 4.12—Vacant Positions Funding Reduction and Position Elimination" and identified in "Attachment 4: Section 4.12 Vacant Position Elimination Detail Fiscal Year 2025–26" until the Legislature determines in the Budget Act of 2026 whether to include these actions.

(3) The Joint Legislative Budget Committee has until January 1, 2026, to review the list and nonconcur with the elimination of specific positions proposed for elimination that were authorized for the purposes of implementing legislation pursuant to Budget Change Proposals in the 2023–24 and 2024–25 fiscal years, if the Joint Legislative Budget Committee determines the elimination of the positions would have an impact on a state agency's ability to implement the enacted legislation.

(d) (1) The following state agencies shall continue to maintain vacant positions intended for elimination pursuant to Section 4.12 in the Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024) until January 1, 2026:

(A) 0552 – Office of Inspector General.

(B) 3600 – Department of Fish and Wildlife.

(C) 3790 – Department of Parks and Recreation.

(D) 3930 – Department of Pesticide Regulation.

(E) 3940 – State Water Resources Control Board.

(F) 3960 – Department of Toxic Substances Control.

(G) 7350 – Department of Industrial Relations.

(H) 8570 – Department of Food and Agriculture.

(I) 8955 – Department of Veteran Affairs.

(2) The Joint Legislative Budget Committee has until January 1, 2026, to review and nonconcur with the elimination of specific positions on the list of positions intended to be eliminated after assessing the potential long-term impact the eliminations would have on regulatory activities, public health and safety, and the protection of natural and environmental resources.

SEC. 239. Section 11.25 of the Budget Act of 2025 is amended to read:

~~SEC. 11.25. It is the intent of the Legislature that the human resources, fiscal, environmental, privacy, and policy effects of generative artificial intelligence projects of state departments be discussed publicly. No state fiscal or personnel resources shall be expended for implementing or maintaining generative artificial intelligence projects in state departments, agencies, or other entities under the control of the Governor unless the proposals have been approved in the Budget Act or another statute. This section does not apply to projects in operation or in development as of July 1, 2025, and does not apply to projects that respond to a specific state of emergency declared by the Governor.~~

SEC. 11.25. (a) It is the intent of the Legislature that all state departments, agencies, or other entities under the Governor's administration using state fiscal or personnel resources to implement or maintain Generative Artificial Intelligence (GenAI) projects must comply with the following relevant State Administrative Manual (SAM) and Statewide Information Management Manual (SIMM) requirements:

(1) Complete SIMM 5305-F Generative Artificial Intelligence Risk Assessment and SIMM 5310-C Privacy Threshold Assessment and Privacy Impact Assessment as detailed in SAM 4986.9 GenAI Procurement.

(2) Comply with SIMM 19H Project Delivery Lifecycle (PDL) for information technology projects utilizing GenAI.

(b) For an information technology project that uses GenAI, the state agency shall submit the appropriate project delivery lifecycle documentation to the Legislature, regardless of the funding source. Funding requests for GenAI projects shall be considered with the annual budget process.

(c) An appropriate administration official shall provide a report or, if mutually agreed, appear at a committee or subcommittee hearing in each house of the Legislature to discuss, on or before March 1, 2026, the outcomes of and lessons learned from the state's first round of GenAI Proofs of Concept (POCs), including reporting on the funding sources for any POCs with subsequent contracts for GenAI technology.

(d) It is the intent of the Legislature to work cooperatively with the administration to refine the requirements in this section in the Budget Act of 2026.

SEC. 240. Section 12.32 of the Budget Act of 2025 is amended to read:

SEC. 12.32. (a) It is the intent of the Legislature that appropriations that are subject to Section 8 of Article XVI of the California Constitution be designated with the wording "Proposition 98." In the event these appropriations are not so designated, they may be designated as such by the Department of Finance, where that designation is consistent with legislative intent, not less than 30 days after notification in writing of the proposed designation to the chairpersons of the committees in each house of the

Legislature that consider appropriations and the Chairperson of the Joint Legislative Budget Committee, or not less than a shorter period after notification that the chairperson of the joint committee, or the chairperson's designee, determines.

(b) Pursuant to the Proposition 98 funding requirements established in Chapter 2 (commencing with Section 41200) of Part 24 of Division 3 of Title 2 of the Education Code, the total appropriations for Proposition 98 for the 2025–26 fiscal year are ~~\$80,747,279,000~~, ~~\$80,737,579,000~~, or 39.58 percent of total General Fund revenues, Education Protection Account revenues, and transfers subject to the state appropriations limit. General Fund and Education Protection Account revenues appropriated for school districts are ~~\$72,174,053,000~~, ~~\$72,165,413,000~~, or 35.37 percent of total General Fund revenues, Education Protection Account revenues, and transfers subject to the state appropriations limit. General Fund and Education Protection Account revenues appropriated to school districts and community college districts for adult education and K–12 Career Technical Education Strong Workforce Program are \$847,142,000, or 0.42 percent of total General Fund revenues, Education Protection Account revenues, and transfers subject to the state appropriations limit. General Fund and Education Protection Account revenues appropriated for community college districts are ~~\$7,634,102,000~~, ~~\$7,633,042,000~~ or 3.74 percent of total General Fund revenues, Education Protection Account revenues, and transfers subject to the state appropriations limit. General Fund and Education Protection Account revenues appropriated for other state agencies that provide direct elementary and secondary level education, as defined in Section 41302.5 of the Education Code, are \$91,982,000, or 0.05 percent of total General Fund revenues, Education Protection Account revenues, and transfers subject to the state appropriations limit. No General Fund and Education Protection Account revenues are scheduled to be transferred to the Public School System Stabilization Account for the 2025–26 fiscal year.

(c) Notwithstanding any preexisting budgetary or accounting requirements to the contrary, the Department of Finance shall make the final determination of the proper budgeting and accounting of the revenues received by, and disbursements from, the Education Protection Account.

SEC. 241. *Section 13.30 of the Budget Act of 2025 is amended to read:*

SEC. 13.30. (a) The Director of Finance shall ~~make~~ *may* available from the General Fund loans to eligible local entities that, in the aggregate, total no more than \$1,000,000,000 for eligible local entities in Los Angeles County and no more than \$750,000,000 for eligible local entities that are not in Los Angeles County.

(b) For purposes of this section, “eligible local entities” includes all of the following:

- (1) Local government entities, including, but not limited to, the County of Los Angeles, the Los Angeles County Office of Education, and cities, special districts, school districts, and community college districts located in Los Angeles County, if the entity has significant responsibilities for recovery from the January 2025 wildfires in that county.
- (2) San Francisco Bay Area Rapid Transit District.
- (3) San Francisco Municipal Transportation Agency.
- (4) Peninsula Corridor Joint Powers Board.
- (5) Alameda-Contra Costa Transit District.

~~(e) The Director of Finance shall ensure that eligible local entities provide satisfactory assurance of repayment in full.~~

~~(d)~~

(c) Loans authorized in subdivision (a) shall be provided to eligible local entities in Los Angeles County for public purposes related to recovery from the January 2025 wildfires in the county.

~~(e)~~

(d) Loans authorized in subdivision (a) shall be provided to eligible local entities that are not in Los Angeles County for operating expenditures to maintain transit services.

~~(f) The authority for the Director of Finance to make available loans authorized in subdivision (a) shall expire on June 30, 2027.~~

~~(g) Loan duration and terms shall be established in future legislation.~~

~~(h) For budgetary and financial reporting purposes pursuant to Section 12460 of the Government Code, costs of loan disbursements shall be recognized in the fiscal year in which the disbursements are made, and all future anticipated loan repayments also shall be recognized in the fiscal year in which the disbursements are made.~~

~~(i) The Director of Finance may develop an application for eligible local entities to request a loan.~~

~~(j) The Director of Finance shall notify the Chairperson of the Joint Legislative Budget Committee or the chairperson's designee within five days of the receipt of any loan application or request and within five days of the decision to accept, reject, or accept in part any loan application or request, including any agreements or other documents related to the application.~~

(e) This section shall be operative only if trailer bill legislation establishing the terms of the loans is enacted in the 2025 legislative session, including both of the following:

(1) In furtherance of this requirement, the trailer bill legislation shall, at a minimum, require full repayment of the loan principal with any agreed-upon interest rate, pursuant to a clearly defined repayment schedule.

(2) The trailer bill legislation shall require a guaranteed repayment mechanism to ensure that any funding provided under this section is repaid from a reliable and predictable revenue source. For funding pursuant to subdivision (d), repayment may include, but is not limited to, future fare revenue.

(f) Notwithstanding subdivision (e), subdivision (d) shall be operative only if future legislation is enacted during the 2025 regular legislative session, which, at a minimum, shall authorize a regional measure to support the long-term financial stability of transit operators specified in subdivision (b). This measure is intended to reinforce the ability of these agencies to repay the state funds provided pursuant to this section.

SEC. 242. *Section 13.40 of the Budget Act of 2025 is amended to read:*

SEC. 13.40. ~~(a)~~ *The Director of Finance may collectively transfer \$1,500,000,000 from various special funds or any other state borrowable funds to the General Fund as budgetary loans during the 2025–26 fiscal year. The specific special funds or other state funds to borrow from will only be from idle resources not required for currently projected operational or programmatic purposes. The loans will be repaid in a future year when the fund or account from which the loan was made has a need for the moneys or there is no longer a need for the moneys in the General Fund.*

~~(b) In addition to the transfers described in subdivision (a), the Director of Finance shall collectively transfer from various special funds or any other state borrowable funds to the General Fund any amount necessary to ensure that the balance of the Special Fund for Economic Uncertainties is at least \$0 at the conclusion of the 2025–26 fiscal year. The specific special funds to borrow from will only be from idle resources not required for currently projected operational or programmatic purposes. These transfers shall be budgetary loans during the 2025–26 fiscal year and will be repaid in the 2025–26 fiscal year or a future year when the fund or account from which the loan was made has a need for the moneys or there is no longer a need for the moneys in the General Fund.~~

SEC. 243. *Section 19.56 is added to the Budget Act of 2025, to read:*

SEC. 19.56. *(a) (1) The amounts appropriated pursuant to this section reflect legislative priorities:*

(2) For allocations in this section that include a designated state entity, the state entity shall allocate the funds to the recipients identified in the paragraphs following each designation. The state entity shall determine the best method for allocation to ensure the funds are used for the purposes specified in this section. Self-attestation by the receiving entity is an acceptable method of verification of the use of funds, if determined appropriate by the state entity.

(3) Notwithstanding any other law, allocations pursuant to this section are exempt from the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code, Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, and the State Contracting Manual, and are not subject to the approval of the Department of General Services, including the requirements of Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of the Title 2 of the Government Code.

(4) If an item number for the appropriate department for a state entity does not exist, and an item number is required in order to make the specified allocations, the Department of Finance may create an item number for this purpose.

(5) Notwithstanding any other law, a designated state entity administering an allocation pursuant to this section may provide the allocation as an advance lump sum payment, and the allocation may be used to pay for costs incurred prior to the effective date of this section.

(6) The Department of Finance may authorize the transfer of allocation authority to a different state entity to facilitate the expenditure of the funds for the intended legislative purpose. Any state entity that allocates funds may, in consultation with the Department of Finance, use an alternative local fiscal agent that is not identified in this section instead of the fiscal agent designated in this section if necessary to achieve the intended legislative purpose. Any change to the allocating state entity or fiscal agent made pursuant to this paragraph shall be reported to the Joint Legislative Budget Committee in writing at least 30 days prior to the change, or no sooner than whatever lesser time after that notification the chairperson of the joint committee, or

the chairperson's designee, may determine. It is the intent of the Legislature to revise this section during the 2025–26 fiscal year to reflect any changes necessary to achieve the intended legislative purpose.

(7) Unless otherwise specified in this section, funds allocated pursuant to this section shall be available for encumbrance or expenditure through June 30, 2027, and liquidation until June 30, 2029.

(8) Unless otherwise specified, the funds appropriated in this section shall not be disbursed for any project prior to September 30, 2025. Future legislation may, but is not required to, specify further details concerning the manner of disbursement of these funds.

(9) Funding provided in this section shall not be used for a purpose subject to Section 8 of Article XVI of the California Constitution. If the Department of Finance determines that any allocation would be considered an appropriation for that purpose, the funding shall not be allocated, and the department shall notify the Joint Legislative Budget Committee of that finding.

(b) The following amounts are hereby appropriated from the General Fund as follows:

(1) \$50,000,000 to the California State University as follows:

(A) \$45,000,000 shall be provided to Sonoma State University for a long-term turnaround plan focused on aggressive student recruitment, academic program stability and expansion, and investing in new academic degrees to address the regional and statewide workforce needs. This amount shall be distributed as follows:

(i) \$16,000,000 over two years to support the expansion of the Sonoma State University bachelors in science in nursing program to expand enrollment and for equipment upgrades, facility modernization, and lab expansion to be launched by the spring semester of the 2027 academic year.

(ii) \$5,000,000 for expansion of the Sonoma State University Career Center by the spring semester of the 2027 academic year.

(iii) \$5,000,000 to establish a data science academic program and major to be launched by the fall semester of the 2027 academic year.

(iv) \$2,000,000 to support environmental science academic programs.

(v) \$8,000,000 for Sonoma State University athletics to support its NCAA Division II athletics program over three years.

(vi) \$9,000,000 over three years, in consultation with faculty, students, and community stakeholders, for increased enrollment, restoring some funding reductions, and investing in new academic degrees to address the regional and statewide workforce needs.

(B) \$5,000,000 shall be provided to the California State University to immediately assist low enrollment campuses in increased student enrollment outreach efforts.

(2) \$3,600,000 to the California State Library for the Altadena Library District.

(3) \$4,500,000 to the Office of Emergency Services for the following purposes:

(A) \$500,000 for mosquito abatement in the areas impacted by the Eaton Fire.

(B) \$4,000,000 to the Foothill Municipal Water District for impacts of the Eaton Fire on local water systems.

(4) \$5,000,000 to the California Workforce Development Board to support workforce development in areas of Los Angeles County and Ventura County impacted by wildfires.

(5) \$1,800,000 to the State Department of Education to provide additional support to the specified school districts for impacts from the January 2025 Los Angeles wildfires, to be allocated as follows:

(A) \$1,300,000 to Santa Monica Malibu Unified School District.

(B) \$500,000 to Beverly Hills Unified School District.

(6) \$6,000,000 to the Department of Justice to be allocated as follows:

(A) \$2,000,000 for the Office of the City Attorney, City and County of San Francisco, for administrative actions, affirmative litigation, and defense against enforcement and legal actions taken by the federal government.

(B) \$2,000,000 for the Office of the County Counsel, Santa Clara County, for administrative actions, affirmative litigation, and defense against enforcement and legal actions taken by the federal government.

(C) \$2,000,000 for the Office of the County Counsel, Los Angeles County, for administrative actions, affirmative litigation, and defense against enforcement and legal actions taken by the federal government.

SEC. 244. Section 19.57 is added to the Budget Act of 2025, to read:

SEC. 19.57. The Department of Finance may extend the encumbrance or expenditure deadline to a date no later than June 30, 2028, for expenditure items included in Sections 19.56 and 19.57 of the Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), Section 19.56 of the Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), and Sections 19.561, 19.562, 19.563, 19.564, 19.565, 19.566, 19.567, 19.568, and 19.569 of the Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023), upon 30-day notification to the Joint Legislative Budget Committee. The notification shall identify any expenditure for which this section applies and the proposed extension of the encumbrance or expenditure period.

SEC. 245. Section 19.80 of the Budget Act of 2025 is repealed.

~~SEC. 19.80.(a)\$140,000,00 is appropriated from the General Fund for climate resilience, natural resources, and environmental protection programs. No amount of the funding appropriated in this section shall be encumbered or expended until it has been allocated for specific purposes in the appropriate budget items in a future budget bill.~~

~~(b)It is the intent of the Legislature to include appropriations of funding in the 2025–26 fiscal year authorized by the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024.~~

SEC. 246. Section 28.30 is added to the Budget Act of 2025 , to read:

SEC. 28.30. (a) (1) It is the intent of the Legislature in enacting this section to provide flexibility for administrative approval of budgetary reductions to appropriations to address unanticipated reductions in the receipt of federal funds. Upon the enactment of federal legislation or an action by a cognizant federal agency to either terminate, rescind, or otherwise reduce the state's receipt of federal funds already committed to the state by the cognizant federal agency, the Director of Finance is authorized to reduce, through executive order or budget revision, any item of appropriation, including appropriations from any state fund, for any program, project, or function to align with any reduction in the state's receipt of federal funds.

(2) Notwithstanding any other law, the Director of Finance, pursuant to paragraph (1), shall direct the state agency subject to the appropriation reduction. The state agency shall comply with the directions of the Director of Finance to align current services and operations to available funding levels until June 30, 2026.

(3) This section does not authorize the Director of Finance to make programmatic changes, including, but not limited to, benefit determinations such as eligibility criteria and payment rates.

(b) Any reductions authorized pursuant to subdivision (a) shall not be made prior to 30 days after the Director of Finance notifies the chairperson of the Joint Legislative Budget Committee in writing of the planned reduction and the justification for the amount of the planned reduction. The chairperson of the joint committee, or the chairperson's designee, may shorten or waive the 30-day period by written notification to the Director of Finance.

SEC. 247. Section 28.31 is added to the Budget Act of 2025 , to read:

SEC. 28.31. (a) Notwithstanding any other law, the Director of Finance may authorize a short-term loan from the General Fund or any special fund to state departments or agencies experiencing delays in their receipt of federal funds in an amount to be determined by the Director of Finance, as specified, and based on terms and conditions for repayment as prescribed by the Director of Finance. A loan from the General Fund or a special fund to the affected state department or agency under this subdivision shall be subject to the following conditions:

(1) The loan is intended only to meet cash needs resulting from a delay in the receipt of federal funds.

(2) The loan is short-term and shall be repaid by June 30, 2026, or upon receipt of the federal funds, pursuant to terms and conditions and other determinations established by the Department of Finance.

(3) For short-term loans from the General Fund, interest charges may be waived pursuant to subdivision (e) of Section 16314 of the Government Code.

(4) The Director of Finance may administratively establish or adjust items of appropriation to implement this subdivision.

(b) For purposes of implementing this section, "delay" includes instances when federal funding is temporarily paused or the federal government requires additional review or additional or new submission requirements before reimbursement is received for

a federal program. "Delay" does not include funding that the federal government has proposed for cancellation, reversion, or rescission, or that it has cancelled, reverted, or rescinded.

(c) Any loan authorized pursuant to subdivision (a) shall not be made prior to 20 days after the Director of Finance notifies the chairperson of the Joint Legislative Budget Committee in writing of the planned loan and the justification for the amount of the planned loan. The chairperson of the joint committee, or the chairperson's designee, may shorten or waive the 20-day period by written notification to the Director of Finance.

SEC. 248. *Section 35.50 of the Budget Act of 2025 is amended to read:*

SEC. 35.50. (a) For purposes of paragraph (1) of subdivision (f) of Section 10 of, and subdivision (g) of Section 12 of, Article IV of the California Constitution, "General Fund revenues" means the total resources available to the General Fund for a fiscal year before any transfer to or withdrawal from the Budget Stabilization Account.

(b) For purposes of subdivision (g) of Section 12 of Article IV of the California Constitution, the estimate of General Fund revenues for the 2025–26 fiscal year pursuant to this act, as passed by the Legislature, is \$244,822,000,000.

(c) For purposes of paragraph (2) of subdivision (a) of Section 20 of Article XVI of the California Constitution, "General Fund revenues" shall be defined as revenues and transfers before any transfer to or withdrawal from the Budget Stabilization Account.

(d) Pursuant to subdivision (h) of Section 20 of Article XVI of the California Constitution, the following estimates are provided:

(1) For purposes of paragraph (2) of subdivision (a) of Section 20 of Article XVI of the California Constitution, the sum equal to 1.5 percent of General Fund revenues for the 2025–26 fiscal year is \$3,118,000,000.

(2) For purposes of clause (ii) of subparagraph (B) of paragraph (1) of subdivision (b) of Section 20 of Article XVI of the California Constitution, capital gains revenues that exceed 8 percent of General Fund proceeds of taxes for the 2025–26 fiscal year is \$0.

(3) For purposes of clause (ii) of subparagraph (B) of paragraph (1) of subdivision (c) of Section 20 of Article XVI of the California Constitution, the amount for debt payments in the 2025–26 fiscal year is \$1,559,000,000.

(4) (A) For purposes of subparagraph (F) of paragraph (1) of subdivision (b) of Section 20 of Article XVI of the California Constitution, the amount of transfer to the Budget Stabilization Account in the 2025–26 fiscal year is \$1,559,000,000.

(B) Notwithstanding subparagraph (A), pursuant to paragraph (1) of subdivision (a) of Section 22 of Article XVI of the California Constitution, the transfer to the Budget Stabilization Account for the 2025–26 fiscal year in the amount of \$1,559,000,000 is suspended.

(5) For purposes of clause (ii) of subparagraph (B) of paragraph (2) of subdivision (b) of Section 20 of Article XVI of the California Constitution, the updated estimate of capital gains revenues that exceeds 8 percent of General Fund proceeds of taxes for the 2024–25 fiscal year is ~~\$566,000,000.~~ *\$478,000,000.*

(6) For purposes of subparagraph (G) of paragraph (2) of subdivision (b) of Section 20 of Article XVI of the California Constitution, the first true up of the transfer to the Budget Stabilization Account for the 2024–25 fiscal year is ~~\$24,000,000.~~ *\$23,000,000.*

(7) For purposes of clause (ii) of subparagraph (B) of paragraph (2) of subdivision (b) of Section 20 of Article XVI of the California Constitution, the updated capital gains revenues that exceed 8 percent of General Fund proceeds of taxes for the 2023–24 fiscal year is \$0.

(8) For purposes of subparagraph (G) of paragraph (2) of subdivision (b) of Section 20 of Article XVI of the California Constitution, the second true up of the transfer to the Budget Stabilization Account for the 2023–24 fiscal year is ~~a reduction of \$635,000,000.~~

(e) Pursuant to subparagraph (A) of paragraph (2) of subdivision (a) of Section 22 of Article XVI of the California Constitution, \$7,100,000,000 is hereby transferred from the Budget Stabilization Account to the General Fund for the 2025–26 fiscal year effective July 1, 2025.

~~(f) The Governor proposed transfers from, and suspensions of transfers to, the Budget Stabilization Account and Public School System Stabilization Account in the Governor's 2025–26 May Revision budget proposal. Accordingly, in addition to amounts provided in the other provisions of this section, the estimate of General Fund revenues for the 2025–26 fiscal year pursuant to this act, as passed by the Legislature, shall include projected withdrawals from, and suspensions of transfers to, the Budget Stabilization Account and Public School System Stabilization Account in amounts that are sufficient to ensure that the balance of the Special Fund for Economic Uncertainties at the conclusion of the 2025–26 fiscal year is at least \$0.~~

SEC. 249. Section 37.00 is added to the Budget Act of 2025, to read:

SEC. 37.00. Notwithstanding any other law, if the Governor does not sign one of Assembly Bill 131 or Senate Bill 131 on June 30, 2025, the provisions of the Budget Act of 2025, as enacted in Senate Bill 101 and as amended in this act, and any associated bills providing for appropriations related to the budget identified in Section 39.00 of this act that are enacted on or before June 30, 2025, shall be inoperative and repealed in their entirety on June 30, 2025, at 11:59 p.m.

SEC. 250. Section 39.00 of the Budget Act of 2025 is amended to read:

SEC. 39.00. The Legislature hereby finds and declares that the following bills are other bills providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution: ~~Bills to be added later:~~ AB 116, AB 117, AB 118, AB 119, AB 120, AB 121, AB 122, AB 123, AB 124, AB 125, AB 126, AB 127, AB 128, AB 129, AB 130, AB 131, AB 132, AB 133, AB 134, AB 135, AB 136, AB 137, AB 138, AB 139, AB 140, AB 141, AB 142, AB 143, AB 144, AB 145, SB 116, SB 117, SB 118, SB 119, SB 120, SB 121, SB 122, SB 123, SB 124, SB 125, SB 126, SB 127, SB 128, SB 129, SB 130, SB 131, SB 132, SB 133, SB 134, SB 135, SB 136, SB 137, SB 138, SB 139, SB 140, SB 141, SB 142, SB 143, SB 144, and SB 145.

SEC. 251. Section 90.00 of the Budget Act of 2025 is amended to read:

SEC. 90.00. (a) (1) The Director of Finance may augment the amount of ~~the appropriation for~~ any state department or agency *appropriation* from any available source of funding, including, but not limited to, the General Fund, for ~~costs necessary during the 2025–26 fiscal year to continue recovery efforts related to damage caused to areas of the state affected by wildfire states of emergency that were declared by the Governor in January, 2025. This authority also applies to appropriations for the Board of Governors of the California Community Colleges that are passed through to affected community college districts for costs incurred by those districts.~~ *the following purposes:*

(A) *State department or agency costs necessary during the 2025–26 fiscal year to continue recovery efforts related to damage caused by the Eaton Fire and Palisades Fire in January, 2025.*

(B) *Costs incurred by community college districts in Los Angeles County during the 2024–25 fiscal year for response and recovery efforts or during the 2025–26 fiscal year to continue recovery efforts related to damage caused by the Eaton Fire and Palisades Fire in January, 2025.*

(C) *State department or agency coordination and response costs incurred during the 2024–25 or 2025–26 fiscal years related to providing enhanced public safety support during periods of public demonstrations.*

(2) Augmentations authorized pursuant to this section shall be within the cumulative total of \$2,500,000,000 authorized in Sections 90.00 and 90.01 of the Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).

(b) Augmentations authorized pursuant to this section shall not be made sooner than three days following the transmittal of a notification of approval to the chairperson of the Joint Legislative Budget Committee or an earlier date as determined by the chairperson of the joint committee, or the chairperson's designee.

(c) This section does not change, alter, limit, or constrain the emergency powers of the Governor and the executive branch pursuant to state law, including, but not limited to, the Governor's fiscal authority related to emergencies.

(d) Funds authorized by augmentations pursuant to this section shall be available for encumbrance or expenditure consistent with the existing encumbrance deadlines for the items of appropriation that are augmented or an alternate date as determined by the Director of Finance. The Department of Finance may create new items as necessary to facilitate the expenditure of funds augmented pursuant to this section.

(e) The Department of Finance shall continue to post on its internet website an updated Los Angeles Wildfire Response and Recovery Expenditure Report, including, to the extent feasible, summaries of the amounts and uses of funding spent by each *state department or agency* for the purposes described in subdivision (a). The report shall include funding provided ~~under this section as well as other state funding concerning the response to and recovery from the wildfire states of emergency that were declared by the Governor in January 2025. This expenditure report shall be updated on or before July 31, 2025, October 31, 2025, January 31, 2026, April 30, 2026, and July 31, 2026.~~ *pursuant to this section as well as Sections 90.00 and 90.01 of the Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024). This expenditure report shall be updated on or before August 31, 2025, November 30, 2025, February 28, 2026, and June 30, 2026.*

(f) Augmentations authorized pursuant to this section shall be made on or before June 30, 2026.

~~(g) Up to \$100,000,000 of the funds authorized in Sections 90.00 and 90.01 of the Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024) shall be appropriated for specific projects to facilitate communities' recovery from the January 2025 wildfires in the~~

~~County of Los Angeles. These projects shall be designated in future budget legislation.~~

SEC. 252. *Section 99.50 of the Budget Act of 2025 is amended to read:*

INDEX FOR CONTROL SECTIONS

SEC. 99.50. The following is an index to the general sections of this act. These sections serve to define terms and identify restrictions concerning the appropriations contained in this act.

1.00	Budget Act Citation
1.50	Intent and Format
1.51	Citations to Prior Budget Acts
1.80	Availability of Appropriations
2.00	Items of Appropriation
3.00	Defines Purposes of Appropriations
3.10	Subschedule Transfers for Capital Projects
3.50	Benefit Charges Against Salaries and Wages
3.60	Contribution to Public Employees' Retirement Benefits
3.61	Contribution to Prefund Other Postemployment Benefits
3.90	<i>Reduction for Employee Compensation</i>
4.05	Budget Adjustment Authority
4.11	Position Vacancy Report
4.12	Vacant Position Elimination
4.13	AB 85 Repayments to Counties
4.20	Contribution to Public Employees' Contingency Reserve Fund
4.30	Lease-Revenue Payment Adjustments
4.72	Electric Vehicle Charging Infrastructure
4.75	Statewide Surcharge
4.80	State Public Works Board Interim Financing
4.90	Architectural Revolving Fund Transfer
4.95	Inmate and Ward Construction Revolving Account Transfer
5.25	Attorney's Fees
6.00	Project Alterations Limits
8.00	Antiterrorism Federal Reimbursements
8.50	Federal Funds Receipts
8.51	Federal Funds Accounts
8.52	Federal Reimbursements
8.53	Notice of Federal Audits
8.54	Enforce Recovery of Federal Funds for Statewide Indirect Costs
8.75	Infrastructure Investment and Jobs Act
9.30	Federal Levy of State Funds
9.50	Minor Capital Outlay Projects
11.00	Information Technology Reporting Requirements
11.10	Reporting of Statewide Software License Agreements
11.11	Privacy of Information in Pay Stubs

11.25	Artificial Intelligence Projects in State Departments
11.96	Coronavirus Fiscal Relief
11.97	State Appropriation Limit Excludable Federal Fund Appropriations for Capital Outlay
12.00	State Appropriations Limit (SAL)
12.30	Special Fund for Economic Uncertainties
12.32	Proposition 98-Funding Guarantee
12.35	Financial Aid Policy Change Requirements
12.45	June to July Payroll Deferral
13.00	Legislative Counsel Bureau
13.30	Emergency Loans for Local Entities
13.40	Budgetary Loan Borrowing from Special Funds
14.00	Special Fund Loans Between Boards of the Department of Consumer Affairs
15.14	Allocation of Greenhouse Gas Reduction Fund
15.25	Data Center Rate Adjustment
15.45	Trial Court Funding Offsets
19.80	Climate Resilience, Natural Resources, and Environmental Protection Funding
<i>19.56</i>	<i>Appropriations for Legislative Priorities</i>
<i>19.57</i>	<i>Encumbrance Deadline Extension Authority</i>
20.00	Reappropriations and Reversions
24.00	State School Fund Allocations
24.03	Reading Control
24.30	Transfer School Building Rental Income to the General Fund
24.60	Report of Lottery Funds Received
24.70	Local Educational Agency Fiscal Accountability
25.40	Contracted Fiscal Services Costs
25.50	SCO Apportionment Payment System Assessments
26.00	Intraschedule Transfers
28.00	Program Change Notification
<i>28.30</i>	<i>Federal Funds Realignment</i>
<i>28.31</i>	<i>Short-Term Cash Loans Due to Delay in Federal Funds</i>
28.50	Agency Reimbursement Payments
29.00	Position Estimates of Governor's Budget, May Revision, and Final Change Book
30.00	Continuous Appropriations
31.00	Budget Act Administrative Procedures for Salaries and Wages
32.00	Prohibits Excess Expenditures
33.00	Item Veto Severability
34.00	Constitutional Severability
35.21	Application of Net Final Payment Accrual Methodology

35.35	FISCAL—Short-Term Cash Loans
35.50	Estimated General Fund Revenues and Various Estimates Related to the Budget Stabilization Account
37.00	<i>Repeal of the Budget Act in Specified Circumstances</i>
38.00	Provides That This Bill Is a Budget Bill
39.00	Identification of Bills Related to the Budget Bill
90.00	Funding for Recovery Related to January 2025 Fires <i>Los Angeles County Response and Recovery Costs</i>
99.00	Alphabetical Organization Index
99.50	Numerical Control Section Index

SEC. 253. *This act is a Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution and shall take effect immediately.*

~~SECTION 1. It is the intent of the Legislature to enact statutory changes relating to the Budget Act of 2025.~~