AMENDED IN CONFERENCE AUGUST 10, 1998

AMENDED IN SENATE JUNE 3, 1998

AMENDED IN ASSEMBLY MAY 28, 1998

AMENDED IN ASSEMBLY MAY 26, 1998

ASSEMBLY BILL No. 1656

Introduced by Assembly Member Ducheny

January 12, 1998

An act *making appropriations* for the support of the government of the State of California and for several public purposes in accordance with the provisions of Section 12 of Article IV of the Constitution of the State of California *, and declaring the urgency thereof, to take effect immediately* .

LEGISLATIVE COUNSEL'S DIGEST

AB 1656, as amended, Ducheny. 1998–99 Budget.

This bill would ~~contain proposed~~ *make* appropriations for ~~display purposes for~~ support of state government for the 1998–99 fiscal year.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: ~~majority~~ *2/3* . Appropriation: ~~no~~ *yes* . Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1.00. This act shall be known and may be cited as the "Budget Act of 1998."

SEC. 1.50. (a) In accordance with Section 13338 of the Government Code, as added by Chapter 1284, Statutes of 1978, and as amended by Chapter 1286, Statutes of 1984, it is the intent of the Legislature that this act utilize a coding scheme compatible with the Governor's Budget and the records of the State Controller, and provide for the appropriation of federal funds received by the state and deposited in the State Treasury.

(b) Essentially, the format and style are as follows:

(1) Appropriation item numbers have a code which is common to all the state's fiscal systems. The meaning of this common coded item number is as follows:

2720—Organization Code (this code represents the California Highway Patrol)

001—Reference Code (first appropriation for a particular fund for support of each department)

0044—Fund Code (Motor Vehicle Account, State Transportation Fund)

(2) Appropriation items are organized in organization code order as reflected in the Governor's Budget.

(3) All the appropriation items, reappropriation items, and reversion items, if any, for each department or entity are adjacent to one another.

(4) Federal funds received by the state and deposited in the State Treasury are appropriated in separate items.

(c) The Department of Finance may authorize revisions to the codes used in this act in order to provide compatibility between the codes used in this act and those used in the Governor's Budget and in the records of the State Controller.

(d) Notwithstanding any other provision of this act, the Department of Finance may revise the schedule of any appropriation made in this act where the revision is of a technical nature and is consistent with legislative intent. These revisions may include, but shall not be limited to, the substitution of category for program or program for category limitations, the proper categorization of allocated administration costs and cost recoveries, the distribution of any unallocated amounts within an appropriation and the adjustment of schedules to facilitate departmental accounting operations, including the elimination of categories providing for amounts payable from other items or other appropriations and the distribution of unscheduled amounts to programs or categories. These revisions shall include a certification that the revisions comply with the intent and limitation of expenditures as appropriated by the Legislature.

(e) Notwithstanding any other provision of this act, when the Department of Finance, pursuant to subdivision (d), approves the schedule or revision of any appropriation relating to the elimination of amounts payable, the language authorizing the transfer shall also be eliminated.

SEC. 2.00. (a) The following sums of money and those appropriated by any other sections of this act, or so much thereof as may be necessary unless otherwise provided herein, are hereby appropriated for the use and support of the State of California for the 1998–99 fiscal year beginning July 1, 1998, and ending June 30, 1999. All of these appropriations, unless otherwise provided herein, shall be paid out of the General Fund in the State Treasury.

(b) Appropriations and reappropriations for capital outlay, unless otherwise provided herein, shall be available for expenditure during the 1998–99, 1999–2000, and 2000–2001 fiscal years, except that appropriations and reappropriations for studies, preliminary plans, working drawings, or minor capital outlay, except as provided herein, shall be available for expenditure only during the 1998–99 fiscal year. In addition, the balance of every appropriation or reappropriation made in this act that contains funding for construction that has not been allocated, through fund transfer or approval to proceed to bid, by the Department

of Finance on or before June 30, 1999, except as provided herein, shall revert as of that date to the fund from which the appropriation was made.

(c) Whenever by constitutional or statutory provision the revenues or receipts of any institution, department, board, bureau, commission, officer, employee, or other agency, or any moneys in any special fund created by law therefor, are to be used for salaries, support or any proper purpose, expenditures shall be made therefrom for any such purpose only to the extent of the amount therein appropriated, unless otherwise stated herein, or authorized pursuant to Section 11006 of the Government Code.

(d) Appropriations for purposes not otherwise provided for herein that have been heretofore made by any existing constitutional or statutory provision shall continue to be governed thereby.

LEGISLATIVE/JUDICIAL/EXECUTIVE

Legislative

Item		Amount
0110-001-0001—For support of Senate		67,254,000
Schedule:		
(a) 101001-Salaries of Senators	4,300,000	
(b) 317295-Mileage	5,000	
(c) 317292-Expenses	1,104,000	
(d) 500004-Operating Expenses	61,445,000	
(e) 317296-Automotive Expenses	400,000	
Provisions:		
1. The funds appropriated in Schedule (d) are for operating expenses of the Senate, including personal services for officers, clerks, and all other employees, and legislative committees thereof composed in whole or in part of Members of the Senate, and for support of joint expenses of the Legislature, to be transferred by the Controller to the Senate Operating Fund.		
2. The funds appropriated in Schedule (e) are for operating expenses of the Senate relating to the purchase, maintenance, repair, insurance, and other costs of operating automobiles for the use of Members of the Senate, to be transferred by the Controller to the Senate Operating Fund.		
3. The funds appropriated in Schedules (a), (b), (c), and (e) may be transferred to or from the Senate Operating Fund.		
0120-011-0001—For support of Assembly		91,362,000
Schedule:		
(a) 101001-Salaries of Assembly Members	8,328,000	

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(b) 317295-Mileage 8,000
(c) 317292-Expenses..... 2,190,000
(d) 500004-Operating Expenses..... 80,223,000
(e) 317296-Automotive Expenses..... 613,000

Provisions:

1. The funds appropriated in Schedule (d) are for operating expenses of the Assembly, including personal services for officers, clerks, and all other employees, and legislative committees thereof composed in whole or in part of Members of the Assembly, and for support of joint expenses of the Legislature, to be transferred by the Controller to the Assembly Operating Fund.
2. The funds appropriated in Schedule (e) are for operating expenses of the Assembly relating to the lease, maintenance, repair, insurance, and other costs of operating automobiles for the use of Members of the Assembly, to be transferred by the Controller to the Assembly Operating Fund.
3. The funds appropriated by Schedules (a), (b), (c), and (e) may be transferred to or from the Assembly Operating Fund.

0130-021-0001—For support of Office of the Legislative Analyst..... 0

Schedule:

(a) Expenses of the Office of the Legislative Analyst 4,368,000
(b) Transferred from Item 0110-001-0001 ..... −2,184,000
(c) Transferred from Item 0120-011-0001 ..... −2,184,000

Provisions:

1. The funds appropriated in Schedule (a) are for the expenses of the Office of the Legislative Analyst 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.
2. Funds identified in Schedules (b) and (c) 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.

Item		Amount
0160-001-0001—For support of Legislative Counsel Bureau		58,757,000
Schedule:		
(a) Support	58,888,000	
(b) Reimbursements	−131,000	

Judicial

0250-001-0001—For support of Judiciary		~~210,328,000~~ *210,178,000*
Schedule:		
(a) 10-Supreme Court	27,846,000	
(b) 20-Courts of Appeal	133,298,000	
(c) 30-Judicial Council	~~48,469,000~~ *48,319,000*	
(d) 50-Habeas Resource Center	4,534,000	
(e) Reimbursements	−2,318,000	
(f) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 0250-001-0044)	−127,000	
(g) Amount payable from the Court Interpreters Account (Item 0250-001-0327)	−256,000	
(h) Amount payable from the Federal Trust Fund (Item 0250-001-0890)	−1,118,000	

Provisions:

1. Notwithstanding Section 26.00 of this act, the funds appropriated or scheduled in this item may be allocated or reallocated among categories by order of the Judicial Council.
2. Of the funds appropriated by this item, $200,000 is available for reimbursement to the Attorney General or for hiring outside counsel for employment litigation costs arising from any cases involving the conduct of trial court judges or courts of appeal personnel in which the Judicial Council is named as a defendant. Any funds not used for this purpose shall revert to the General Fund.
3. The funds appropriated by this item include an augmentation of ~~$1,400,000~~ *$1,391,000* for the court-appointed counsel program of the California Supreme Court. It is the intent of the Legislature that these funds are only used for the court-appointed counsel program. Any unused funds from this augmentation shall revert to the General Fund.

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4. Notwithstanding any other provision of law, up to $5,000,000 appropriated by this item may be transferred to Item 0250-101-0001 by the Controller at the request of the Administrative Office of the Courts, to cover any short-term cash flow issues that occur. Any funds transferred shall be repaid to this item from Item 0250-101-0001 by May 1, 1999. The Judicial Council shall notify the Department of Finance and the Joint Legislative Budget Committee when any transfer is made pursuant to this provision, and upon repayment of the transfer.

0250-001-0044—For support of Judiciary, for payment to Item 0250-001-0001, payable from the Motor Vehicle Account, State Transportation Fund..... 127,000

0250-001-0327—For support of Judiciary, for payment to Item 0250-001-0001, payable from the Court Interpreters Account..... 256,000

0250-001-0890—For support of Judiciary, for payment to Item 0250-001-0001, payable from the Federal Trust Fund..... 1,118,000

0250-101-0001—For local assistance, Judiciary ..... ~~4,475,000~~
1,475,000

Schedule:

(a) 30.10-Child Support Commissioner Program (AB 1058) 38,700,000

~~(b) 30.20-California Drug Court Project 4,858,000~~

(b) 30.20-California Drug Project..... 1,858,000

(c) 30.30-Child Access and Visitation Grant Program 791,000

(d) 30.40-Family Assessment, Intervention, and Resources Grant Program 150,000

(e) 30.50-Court Improvement Grant Program..... 700,000

(f) 30.60-Court Appointed Special Advocate (CASA) Program 1,350,000

(g) 30.70-Trial Court Coordination Assistance Grants..... 125,000

(h) Reimbursements .....−41,349,000

(i) Amount payable from Federal Trust Fund (Item 0250-101-0890)..... −850,000

Provisions:

1. Notwithstanding any other provision of law, up to $5,000,000 appropriated by Item 0250-001-0001 may be transferred to Item 0250-101-0001 by the Controller at the request of the Administrative Office of the Courts, to cover any short-term cash

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flow issues that occur. Any funds transferred shall be repaid from this item to Item 0250-001-0001 by May 1, 1999. The Judicial Council shall notify the Department of Finance and the Joint Legislative Budget Committee when any transfer is made pursuant to this provision, and upon repayment of the transfer.

0250-101-0890—For local assistance, Judiciary, for transfer to Item 0250-101-0001, payable from the Federal Trust Fund 850,000

0280-001-0001—For support of the Commission on Judicial Performance, Program 10 3,101,000

0390-001-0001—For support, for transfer by the Controller to the Judges' Retirement Fund, for Supreme Court and Appellate Court Justices..... 1,250,000

Provisions:

1. Upon order of the Department of Finance, the Controller shall transfer such funds as are necessary between Item 0390-001-0001 and Item 0390-101-0001.

0390-101-0001—For local assistance, for transfer by the State Controller to the Judges' Retirement Fund for Superior Court and Municipal Court Judges 67,119,000

Provisions:

1. Upon order of the Department of Finance, the Controller shall transfer such funds as are necessary between Item 0390-001-0001 and Item 0390-101-0001.

0450-101-0932—For local assistance, State Trial Court Funding, payable from Trial Court Trust Fund.... ~~1,681,686,000~~ *1,676,286,000*

Schedule:

(a) 10-Support for operation of the Trial Courts ..... ~~1,522,980,000~~ *1,517,580,000*

(b) 25-Compensation of Superior Court Judges 92,927,000

(c) 35-Assigned Judges 19,368,000

(d) 45-Court Interpreters 46,411,000

Provisions:

1. Notwithstanding Section 26.00 of this act, the funds appropriated or scheduled in this item may be allocated or reallocated among categories by the Judicial Council.
2. The amount appropriated in Schedule (c) shall be made available for all judicial assignments. Schedule (c) expenditures for necessary chamber

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staff may not exceed the staffing level that is necessary to support the equivalent of three judicial officers sitting on assignments at the appellate court level.

3. The funds appropriated in Schedule (b) shall be made available for the payment of workers' compensation claims for trial court judges.

4. The funds appropriated in Schedule (d) shall be for payments for services of contractual court interpreters, certified court interpreters employed by the courts, and the following court interpreter coordinators: one each in counties of the 1st through the 15th classes, 0.5 each in counties of the 16th through the 31st classes, and 0.25 each in counties of the 32nd through 58th classes. Courts in counties with a population of 500,000 or less are encouraged, but not required, to coordinate interpreter services on a regional basis. For the purposes of this provision, ''court interpreter coordinators'' may be full- or part-time court employees, or those contracted by the court to perform these services.

The Judicial Council shall set statewide or regional rates and policies for payment of court interpreters, *not to be less than $220 a day and* not to exceed the rate paid to interpreters in the federal court system. The Judicial Council shall adopt appropriate rules and procedures for the administration of these funds. The Judicial Council shall report to the Legislature and Director of the Department of Finance quarterly regarding expenditures from this schedule and projections for annual expenditures for the use of interpreters in the courts and the use and administration of these funds.

5. The Judicial Council shall report to the Department of Finance, the Joint Legislative Budget Committee, and the fiscal committees of each house of the Legislature by October 1, 1998, on the anticipated cost increases resulting from contractual salary adjustments of court employees for the 1998–99 fiscal year.

0450-111-0001—For local assistance, State Trial Court Funding, for transfer to the Trial Court Trust Fund ..... ~~637,107,000~~ *632,860,766*

Item	Amount
~~0450-112-0001—For local assistance, State Trial Court Funding, for transfer to the Judicial Administration Efficiency and Modernization Fund~~	~~50,000,000~~
~~0450-112-0556—For local assistance, State Trial Court Funding, payable from the Judicial Administration Efficiency and Modernization Fund~~	~~50,000,000~~

Executive

0500-001-0001—For support of Governor and of Governor's office 4,861,000

Schedule:

(a) Support 4,786,000

(b) Governor's Residence (Support) 35,000

(c) Special Contingent Expenses 40,000

Provisions:

1. The funds appropriated in Schedules (b) and (c) of this item are exempt from the provisions of Sections 925.6, 12410, and 13320 of the Government Code.

0505-001-0001—For support of the Department of Information Technology 7,304,000

Schedule:

(a) Support 8,054,000

(b) Reimbursements ..... −750,000

Provisions:

1. In addition to the funds otherwise appropriated by this item, the sum of $437,000 is hereby appropriated from the General Fund for the support of the Department of Information Technology for the 1998–99 fiscal year. The appropriation made by this provision is not available unless and until the Department of Information Technology drafts or produces final policies establishing (1) when a department should hire an independent oversight vendor, (2) the level of experience project managers should have, (3) how to determine whether a procurement should be cost- or needs-based, (4) when a department should require a letter of credit or performance bond from the vendor, (5) the appropriate size of a project, (6) when acquiring intellectual property rights is appropriate, (7) when a risk assessment model should be conducted on a project, (8) when a risk mitigation plan needs to be developed, (9) summary information that

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should be contained in the beginning of funding documents, and (10) notification to the Legislature of information technology projects which are being conducted under delegated authority. Final policies shall be distributed to departments prior to June 30, 1999.

2. The Department of Information Technology shall provide the Legislature, by July 15, 1998, and quarterly thereafter, a report as to the status of the state's Year 2000 computer application conversion effort. The report, to be submitted to the fiscal committees in each house of the Legislature and the Joint Legislative Budget Committee, shall indicate the progress and level of compliance by the state with the California 2000 Program Guide of the department, and specifically shall include (1) identification of any project determined to be at risk of not completing necessary remediation efforts before the failure date of the system, (2) revised total cost estimates, including redirected resources for each mission critical system, and (3) identification by system name of each essential but nonmission critical system the department is planning to remediate. For those systems determined to be at risk of failing to be remediated before the failure date of the system, the department shall identify the factors that create the risk and the steps that are being taken to mitigate the risk.

3. All information technology acquisitions may be based on the proposal that provides the most value-effective solution to the state's business needs as determined by the evaluation criteria contained in the solicitation document. Value-effective evaluation criteria for information technology acquisitions shall include, but not be limited to, criteria contained in Section 12100.7 of the Public Contract Code, as appropriate.

4. (a) State agencies may use a performance-based solicitation method for an informational technology acquisition when a state agency has defined a business problem, project scope, and desired business results, but does not have sufficient internal resources to develop high quality, timely, and innovative business solutions.

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The procedures and guidelines governing state agency use of performance-based solicitations shall include, but not be limited to, the following:

(1) Definition of the state agency's business problem, project scope, and desired business results.

(2) Formation of an evaluation and selection team that includes a senior management representative from the state agency.

(3) Solicitation of statements of interest, enabling potential suppliers to demonstrate qualifications and capabilities to the state agency for use in establishing a list of appropriately qualified suppliers.

(4) Working sessions or interviews with qualified suppliers for purposes of facilitating a mutual understanding of the state agency's business needs, and aiding in development of value-effective, conceptual solutions.

(5) Solicitation of written bids from qualified suppliers, including a framework for pricing.

(6) Evaluation of bids, and selection of a business partner, based upon value-effective criteria established and set forth in the solicitation by the evaluation and selection team.

(7) Joint negotiation of final terms and conditions for the contract, including a final pricing framework for the proposed solution except that, if mutually acceptable final terms and conditions, including pricing, cannot be agreed upon, the state agency shall have the right to suspend the negotiations with the selected business partner and enter into negotiations to develop a contract with the next most qualified bidder.

(8) Effective state agency management of both the project and the contract throughout its entire life cycle.

(b) A performance-based contract shall be designed to establish a strategic business alliance that shall continue through the phases of the project identified in the solicitation in-

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cluding, but not limited to, detailed requirements, solution design, construction, implementation, and operation, if applicable.		
(c) The contract shall include (1) the pricing framework, which shall reflect fair value to all parties based upon mutually agreed upon expectations, risks, and rewards, and (2) provisions for termination of the strategic business alliance if problems develop that make it inadvisable to continue, or where a business case is no longer viable or valid. The price paid by the state agency shall be reasonably related to the benefits obtained from the solution, and may be based on realization of the benefits obtained, results, or performance measures.		
0510-001-0001—For support of Secretary of State and Consumer Services		732,000
Schedule:		
(a) Support	1,224,000	
(b) Reimbursements	−492,000	
0520-001-0044—For support of Secretary for Business, Transportation and Housing, payable from the Motor Vehicle Account, State Transportation Fund		906,000
Schedule:		
(a) 10-Administration of Business, Transportation and Housing Agency	2,016,000	
(b) 30-Agency Audits Office	301,000	
(c) Reimbursements	−1,411,000	
0530-001-0001—For support of Secretary for Health and Welfare		1,298,000
Schedule:		
(a) 10-Secretary for Health and Welfare	2,267,000	
(b) Reimbursements	−969,000	
0540-001-0001—For support of Secretary for Resources		~~16,386,000~~ *11,386,000*
Schedule:		
(a) 10-Administration of Resources Agency	~~18,244,000~~ *13,244,000*	
(b) Reimbursements	−472,000	
(c) Amount payable from the California Environmental License Plate Fund (Item 0540-001-0140)	−799,000	

Item		Amount
(d) Amount payable from the Environmental Enhancement and Mitigation Demonstration Program Fund (Item 0540-001-0183)	−117,000	
(e) Amount payable from the Federal Trust Fund (Item 0540-001-0890).	−470,000	

Provisions:

1. Of the amount appropriated in Schedule (a) of this Item, $10,000,000 may be allocated only by the Resources Agency for expenditure by the Resources Agency for urban river parkway projects, consistent with Section 78682.2 of the Public Resources Code, for projects along the following rivers: San Joaquin ($2,000,000), American ($1,000,000), land acquisition along the Otay River ($3,000,000), Guadalupe ($1,000,000), and Los Angeles ($3,000,000). Funds received by other state agencies from this item for acquisition or restoration projects are exempt from the reporting requirements of Section 28.5 of this act.

0540-001-0140—For support of Secretary for Resources, for payment to Item 0540-001-0001, payable from the California Environmental License Plate Fund ... 799,000

0540-001-0183—For support of Secretary for Resources, for payment to Item 0540-001-0001, payable from the Environmental Enhancement and Mitigation Demonstration Program Fund..... 117,000

0540-001-0890—For support of Secretary for Resources, for payment to Item 0540-001-0001, payable from the Federal Trust Fund..... 470,000

0540-101-0001—For local assistance, Secretary for Resources 3,598,000

Provisions:

1. The funds appropriated in this item are for the Coastal County and City Offshore Energy Assistance Program as required by Chapter 977, Statutes of 1996.

0550-001-0001—For support of the Secretary for the Youth and Adult Correctional Agency ..... ~~1,856,000~~ *8,183,000*

Schedule:

(a) 10-Secretary for the Youth and Adult Correctional Agency.....	~~2,113,000~~ *8,440,000*	
(b) Reimbursements.....	−257,000	

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0550-005-0001—For support of the Secretary for the Youth and Adult Correctional Agency ..... ~~3,922,000~~ *461,000*

Schedule:

(a) 15-Commission on Correctional Peace Officers' Standards and Training ..... ~~3,922,000~~ *461,000*

Provisions:

1. Of the funds appropriated in this item, $3,200,000 shall be used exclusively to contract with Walden House, Inc., for development and implementation of a mandatory training program for the Department of Corrections and the Department of the Youth Authority to educate custody staff, inmates, and wards about cultural competence and racial and ethnic diversity. The training shall meet standards developed by CPOST prior to implementation. In addition, of the funds appropriated in this item, $261,000 shall be used to establish three positions to administer the contract, and to coordinate with the contractor and the Department of Corrections and the Department of the Youth Authority on the development and implementation of the program. Upon the successful implementation and evaluation of the program, staff dedicated to the project may be used for other purposes or programs.

0555-001-0044—For support of Secretary for Environmental Protection, payable from the Motor Vehicle Account, State Transportation Fund 615,000

Schedule:

(a) 10-Environmental Protection Programs 2,536,000

(b) Reimbursements ..... −1,646,000

(c) Amount payable from the California Used Oil Recycling Fund (Item 0555-001-0100) ..... −23,000

(d) Amount payable from the Integrated Waste Management Account, Integrated Waste Management Fund (Item 0555-001-0387) ..... −252,000

Provisions:

1. Notwithstanding subdivisions (b) and (c) of Section 48653 of the Public Resources Code, funds appropriated in this item shall be available for purposes of administration.

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0555-001-0100—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the California Used Oil Recycling Fund..... 23,000

0555-001-0387—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the Integrated Waste Management Account, Integrated Waste Management Fund. 252,000

0558-001-0001—For support of Secretary of Child Development and Education..... ~~1,406,000~~ *1,362,000*

Schedule:

(a) Secretary for Child Development and Education..... ~~1,406,000~~ *1,362,000*

Provisions:

1. The amount appropriated by this item is intended for support of the Child Development and Education Agency. The appropriation is an estimate of the funding needs from January 1, 1999, to June 30, 1999, inclusive. Legislation establishing the agency is currently pending and, if enacted, would be effective January 1, 1999. In the event that legislation creating the agency is not effective on or before January 1, 1999, the unexpended balance of the funds appropriated by this item shall be available for expenditure pursuant to Item 0650-011-0001, as authorized by the Director of Finance.

0558-011-0890—For support of Secretary of Child Development and Education, payable from Federal Trust Fund, for support of the California Commission on Improving Life Through Service..... 720,000

Provisions:

1. The amount appropriated by this item is intended for support of the Commission on Improving Life Through Service. The appropriation is an estimate of the funding needs from January 1, 1999, to June 30, 1999, inclusive. Legislation establishing the agency is currently pending and, if enacted, would be effective January 1, 1999. In the event that legislation creating the agency is not effective on or before January 1, 1999 or the funds are needed prior to January 1, 1999, the Director of Finance is authorized to transfer expenditure authority from this item to Item 0650-011-0890.

Item		Amount
0558-101-0890—For local assistance, Secretary of Child Development and Education, payable from Federal Trust Fund, for the California Commission on Improving Life Through Service		16,325,000
Provisions:		
1. The amount appropriated by this item is intended for local assistance for the Commission on Improving Life Through Service. The appropriation is an estimate of the funding needs from January 1, 1999, to June 30, 1999. Legislation establishing the agency is currently pending and, if enacted, would be effective January 1, 1999. In the event that legislation creating the agency is not effective on or before January 1, 1999 or the funds are needed prior to January 1, 1999, the Director of Finance is authorized to transfer expenditure authority from this item to Item 0650-101-0890.		
0650-001-0001—For support of Office of Planning and Research		3,017,000
Schedule:		
(a) 11-State Planning and Policy Development	3,903,000	
(b) Reimbursements	−363,000	
(c) Amount payable from the Property Acquisition Law Account (Item 0650-001-0002)	−468,000	
(d) Amount payable from the Federal Trust Fund (Item 0650-001-0890)	−55,000	
0650-001-0002—For support of Office of Planning and Research, for payment to Item 0650-001-0001, payable from the Property Acquisition Law Account		468,000
0650-001-0890—For support of Office of Planning and Research, for payment to Item 0650-001-0001, payable from the Federal Trust Fund		55,000
0650-011-0001—For support of Office of Planning and Research		~~1,143,000~~ *1,099,000*
Schedule:		
(a) Secretary for Child Development and Education	~~1,153,000~~ *1,109,000*	
(b) Reimbursements	−10,000	
Provisions:		
1. The funds appropriated by this item are intended for support of the Child Development and Education Agency (CDEA). The appropriation is an es-		

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timate of the funding needs from July 1, 1998, to December 31, 1998, inclusive. Legislation establishing the agency is currently pending and, if enacted, would be effective January 1, 1999. After December 31, 1998, and upon the determination that all obligations of the CDEA in the Office of Planning and Research have been met, the unexpended balance of the funds appropriated by this item shall be available for expenditure pursuant to Item 0558-001-0001, as authorized by the Director of Finance.

0650-011-0890—For support of Office of Planning and Research, payable from the Federal Trust Fund, for support of the California Commission on Improving Life Through Service 722,000

Provisions:

1. The funds appropriated by this item are intended for support of the Child Development and Education Agency (CDEA) for the Commission on Improving Life Through Service (CCILTS). The appropriation is an estimate of the funding needs from July 1, 1998, to December 31, 1998, inclusive. Legislation establishing the agency is currently pending and, if enacted, would be effective January 1, 1999. After December 31, 1998, and upon the determination that all obligations of the CCILTS in the Office of Planning and Research have been met, the unexpended balance of the funds appropriated by this item shall be available for expenditure pursuant to Item 0558-011-0890, as authorized by the Director of Finance.

0650-101-0890—For local assistance, Office of Planning and Research, payable from the Federal Trust Fund, for the California Commission on Improving Life Through Service 14,875,000

Provisions:

1. The funds appropriated by this item are for local assistance allocations approved by the Commission on Improving Life Through Service (CCILTS) within the Child Development and Education Agency (CDEA). The appropriation is an estimate of the funding needs for this purpose from July 1, 1998, to December 31, 1998. Legislation establishing the CDEA is currently pending and, if enacted, would be effective January 1, 1999. After December 31, 1998, and upon the determination by the Director of Finance that all ob-

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ligations of the CCILTS in the Office of Planning and Research have been met, the unexpended balance of the funds appropriated by this item shall be available for expenditure pursuant to Item 0558-101-0890, as authorized by the director.

0650-111-0001—For local assistance, Office of Planning and Research for the Secretary of Child Development and Education (Proposition 98), for the Academic Volunteer and Mentor Service Program 10,000,000

Provisions:

1. Legislation to establish the Office of Child Development and Education is currently pending and, if enacted, would be effective January 1, 1999. After December 31, 1998, and upon determination that all obligations of the Secretary of Child Development and Education in the Office of Planning and Research have been met, the unexpended balance of the funds appropriated in this item shall be available for expenditure by the Office of Child Development and Education as authorized by the Director of Finance.

0690-001-0001—For support of Office of Emergency Services 30,445,000

Schedule:

(a) 15-Mutual Aid Response 14,983,000
(b) 35-Plans and Preparedness..... 17,215,000
(c) 45-Disaster Assistance 21,590,000
(d) 55.01-Administration and Executive 4,692,000
(e) 55.02-Distributed Administration and Executive ..... −4,692,000
(f) Reimbursements ..... −3,958,000
(g) Amount payable from the Unified Program Account (Item 0690-001-0028)..... −456,000
(h) Amount payable from the Nuclear Planning Assessment Special Account (Item 0690-001-0029)..... −821,000
(i) Amount payable from the Federal Trust Fund (Item 0690-001-0890).....−18,108,000

Provisions:

1. Funds appropriated by this item may be reduced by the Director of Finance, after giving notice to the Chairperson of the Joint Legislative Budget Committee, by the amount of federal funds made

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available for the purposes of this item in excess of the federal funds scheduled in Item 0690-001-0890.

2. The Office of Emergency Services shall charge tuition for all training offered through the California Specialized Training Institute.

3. Upon the approval by the Department of Finance, the Controller shall transfer such funds as are necessary between this item and Item 0690-101-0890.

0690-001-0028—For support of Office of Emergency Services, for payment to Item 0690-001-0001, payable from the Unified Program Account 456,000

0690-001-0029—For support of Office of Emergency Services, for payment to Item 0690-001-0001, payable from the Nuclear Planning Assessment Special Account 821,000

0690-001-0890—For support of Office of Emergency Services, for payment to Item 0690-001-0001, payable from the Federal Trust Fund 18,108,000

Provisions:

1. Any funds that may become available, in addition to the funds appropriated by this item, for disaster response and recovery may be allocated by the Department of Finance subject to the conditions of Section 28.00 of this act, except that, notwithstanding subdivision (d) of that section, the allocations may be made 30 days or less after notification of the Legislature.

2. Notwithstanding any other provision of law, the funds appropriated by this item may be expended without regard to the fiscal year in which the application for reimbursement was submitted to the Federal Emergency Management Agency.

0690-101-0029—For local assistance, Office of Emergency Services, Program 35—Plans and Preparedness, payable from the Nuclear Planning Assessment Special Account..... 1,934,000

0690-101-0890—For local assistance, Office of Emergency Services, payable from the Federal Trust Fund..... 254,950,000

Schedule:

(a) 15-Mutual Aid Response 150,000

(b) 35-Plans and Preparedness..... 4,800,000

(c) 45-Disaster Assistance 250,000,000

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Provisions:

1. Any federal funds that may become available in addition to the funds appropriated by this item for Program 45—Disaster Assistance are exempt from Section 28.00 of this act.

0690-102-0372—For local assistance, Office of Emergency Services, payable from Disaster Relief Fund, notwithstanding Section 16419 of the Government Code, for disaster relief costs related to Loma Prieta earthquake..... 10,000,000

Provisions:

1. The funds appropriated in this item are for the state's share of response and recovery costs for the Loma Prieta earthquake and shall be available for allocation by the Department of Finance.

0690-112-0001—For local assistance, Office of Emergency Services, for allocation by Department of Finance for disaster recovery costs..... 65,000,000

Provisions:

1. The funds appropriated in this item are for the state's share of response and recovery costs for disasters.

0690-295-0001—For local assistance, Office of Emergency Services, for reimbursement, in accordance with Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, State Controller 0

Schedule:

(1) 98.01.103.280-Deaf Teletype Equipment (Ch. 1032, Stats. 1980)..... 0

Provisions:

1. Pursuant to Section 17581 of the Government Code, the mandate identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision is specifically identified by the Legislature for suspension during the 1998–99 fiscal year:

(a) Deaf Teletype Equipment (Ch. 1032, Stats. 1980).

~~0690-301-0001—For capital outlay, Office of Emergency Services ..... 25,330,000~~

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~~Schedule:~~

~~(1) 80.10.001-Sacramento OES Headquarters and State Operations Center—Working Drawings..... 25,330,000~~

0690-301-0660—For capital outlay, Office of Emergency Services..... 25,330,000

Schedule:

(1) 80.10.001-Sacramento OES Headquarters and State Operations Center—Working drawings and construction..... 25,330,000

Provisions:

1. The State Public Works Board may issue lease-revenue bonds, notes, or bond anticipation notes pursuant to Chapter 5 (commencing with Section 15830) of Part 10b of Division 3 of Title 2 of the Government Code to finance the construction of the project authorized by this item.

2. The State Public Works Board and the Office of Emergency Services may obtain interim financing for the project costs authorized in this item from any appropriate source including, but not limited to, the Pooled Money Investment Account pursuant to Sections 16312 and 16313 of the Government Code.

3. The maximum amount of bonds, notes, or bond anticipation notes to be sold shall not exceed the cost of construction and any additional amounts necessary to pay interim and permanent financing costs.

0720-001-0001—For painting of the Governor's portrait, for expenditure by the Department of General Services 25,000

0730-001-0001—For expenses of the Governor-elect and outgoing Governor, for expenditure by the Department of Finance 650,000

Schedule:

Transition Funding:

(a) Governor-elect expenses as authorized in Section 12015 of the Government Code 550,000

(b) Outgoing Governor's expenses as authorized in Section 12015.5 of the Government Code 100,000

Provisions:

1. Funds scheduled in Category (a) shall be available from November 4, 1998, to January 15, 1999. Ex-

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penditure of these funds shall be subject to approval by the Governor-elect.	
0750-001-0001—For support of Office of the Lieutenant Governor	1,366,000
0820-001-0001—For support of Department of Justice	~~226,438,000~~ *226,588,000*
Schedule:	
(1) 11.01-Directorate-Administration	47,593,000
(2) 11.02-Distributed Directorate-Administration	−47,593,000
(3) 25-Executive Programs	~~5,646,000~~ *5,796,000*
(4) 30-Civil Law	93,703,000
(5) 40-Criminal Law	71,813,000
(6) 45-Public Rights	31,726,000
(7) 50-Law Enforcement	113,091,000
(8) 60-Criminal Justice Information Services	122,476,000
(9) 65-Gambling Control	3,742,000
(10) Reimbursements	−106,576,000
(11) Amount payable from the Attorney General Antitrust Account, General Fund (Item 0820-001-0012)	−1,050,000
(12) Amount payable from Hazardous Waste Control Account, General Fund (Item 0820-001-0014)	−1,663,000
(13) Amount payable from Firearms Safety Training Fund Special Account (Item 0820-001-0015)	−716,000
(14) Amount payable from the Fingerprint Fees Account, General Fund (Item 0820-001-0017)	−32,146,000
(15) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 0820-001-0044)	−18,288,000
(16) Amount payable from the Department of Justice Sexual Habitual Offender Fund, General Fund (Item 0820-001-0142)	−1,556,000
(17) Amount payable from the Travel Seller Fund (Item 0820-001-0158)	−396,000
(18) Amount payable from the Restitution Fund (Item 0820-001-0214)	−62,000
(19) Amount payable from the Sexual Predator Public Information Account (Item 0820-001-0256)	−53,000

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(20) Amount payable from the False Claims Act Fund (Item 0820-001-0378) ..... −2,911,000

(21) Amount payable from the Dealers' Record of Sale Special Account, General Fund (Item 0820-001-0460) ..... −7,161,000

(22) Amount payable from the Toxic Substances Control Account (Item 0820-001-0557) ..... −1,757,000

(23) Amount payable from the DOJ Child Abuse Fund (Item 0820-001-0566) ..... −334,000

(24) Amount payable from the Gambling Control Fund (Item 0820-001-0567) ..... −4,182,000

(25) Amount payable from the Gambling Control Fines and Penalties Account (Item 0820-001-0569) .... −1,000

(26) Amount payable from the Federal Trust Fund (Item 0820-001-0890) .....−35,155,000

(27) Amount payable from the Federal Asset Forfeiture Account, Special Deposit Fund (Item 0820-001-0942) ..... −1,305,000

(28) Amount payable from the State Asset Forfeiture Account, Special Deposit Fund (Item 0820-011-0942) ..... −447,000

Provisions:

1. The Attorney General shall submit to the Legislature, the Department of Finance, and the Governor the quarterly and annual reports that he or she submits to the federal government on the activities of the Medi-Cal Fraud Unit.
2. Notwithstanding any other provision of law, the Department of Justice may purchase or lease vehicles of any type or class that, in the judgment of the Attorney General or his or her 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.
3. Notwithstanding Section 28.50 of this act, the Attorney General may augment the reimbursement authority provided by this item by up to an aggre-

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gate of 10 percent above the amount approved in this act for the Civil Law Division and the Public Rights Division in cases where the legal representation needs of client agencies are secured by an interagency agreement or letter of commitment and the corresponding expenditure authority has not been provided in this item. The Attorney General shall notify the chairpersons of the budget committees, the Joint Legislative Budget Committee and the Department of Finance within 15 days after the augmentation is made as to the amount and justification of the augmentation, and the program that has been augmented.

4. Of the amount appropriated in this item, $2,112,000 is for the legal defense costs of the state in cases arising from claims of property losses due to floods. Any funds not used for this purpose shall revert to the General Fund.

5. Of the funds appropriated by this item, $596,000 shall be available only for necessary expenditures related to defending the state in the Casmalia superfund lawsuit. Any of these funds not expended for this purpose shall revert to the General Fund.

6. Of the funds appropriated in this item, $266,000 is available for the Northern California pilot program for investigating inactive homicide cases. Any funds not used for this purpose shall revert to the General Fund.

7. Of the funds appropriated by this item, $150,000 shall support the California Youth Violence Prevention Authority pursuant to legislation enacted during the 1997–98 Regular Session.

0820-001-0012—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Attorney General Antitrust Account, General Fund 1,050,000

0820-001-0014—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Hazardous Waste Control Account, General Fund 1,663,000

0820-001-0015—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Firearms Safety Training Fund Special Account..... 716,000

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0820-001-0017—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Fingerprint Fees Account, General Fund, pursuant to subdivision (e) of Section 11105 of the Penal Code	32,146,000
0820-001-0044—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Motor Vehicle Account, State Transportation Fund	18,288,000
0820-001-0142—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Department of Justice Sexual Habitual Offender Fund, General Fund	1,556,000
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Government Code Section 13332.18.	
0820-001-0158—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Travel Seller Fund	396,000
0820-001-0214—For support of Department of Justice, for payment to Item 0820-001-0001, payable from Restitution Fund	62,000
0820-001-0256—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Sexual Predator Public Information Account	53,000
0820-001-0378—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the False Claims Act Fund	2,911,000
0820-001-0460—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Dealers' Record of Sale Special Account, General Fund	7,161,000
Provisions:	
1. Dealers' Record of Sale fees collected pursuant to the state law for the registration of assault weapons shall not exceed $20 per registrant.	
0820-001-0557—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Toxics Substances Control Account	1,757,000
0820-001-0566—For support of Department of Justice, for payment to Item 0820-001-0001, payable from DOJ Child Abuse Fund	334,000
0820-001-0567—For support of Department of Justice, for payment to Item 0820-001-0001, payable from Gambling Control Fund	4,182,000

Item	Amount
0820-001-0569—For support of Department of Justice, for payment to Item 0820-001-0001, payable from Gambling Control Fines and Penalties Account	1,000
0820-001-0890—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Federal Trust Fund.....	35,155,000
0820-001-0942—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the Federal Asset Forfeiture Account, Special Deposit Fund	1,305,000
0820-011-0942—For support of Department of Justice, for payment to Item 0820-001-0001, payable from the State Asset Forfeiture Account, Special Deposit Fund	447,000
0820-101-0001—For local assistance, Department of Justice.	~~6,270,000~~ *8,520,000*

Schedule:

(a) 25-Executive Programs 2,915,000

(b) 40-Criminal Law 3,355,000

(c) 50-Law enforcement 900,000

(d) 60-Criminal Justice Information Services 1,350,000

Provisions:

1. The funds appropriated in Schedule (a) are for allocation to community-based violence prevention activities related to the California Gang, Crime and Violence Prevention Partnership Program, pursuant to Chapter 885, Statutes of 1997.
2. The funds appropriated in Schedule (b) are for allocation to district attorneys for vertical prosecution activities related to implementation of the Battered Women Protection Act of 1994, pursuant to Chapter 140, Statutes of 1994.
3. *The funds appropriated in Schedule (c) are for allocation to the Sexual Assault Felony Enforcement Task Force.*

0820-101-0214—For local assistance, Department of Justice, payable from the Restitution Fund	~~4,938,000~~ *2,938,000*

Schedule:

(a) 50-Law Enforcement ..... ~~4,938,000~~ *2,938,000*

Provisions:

1. The funds appropriated in Schedule (a) are for allocation in support of the California Witness Protection Program, pursuant to Chapter 507 ~~,~~ *of the*

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Statutes of 1997. Any funds not expended for this specific purpose shall revert to the Restitution Fund.

~~2. The Bureau of State Audits shall audit each claim submitted for payment under the California Witness Protection Program. The bureau shall ensure that all criteria for program eligibility are met and shall report to the Legislature by January 1, 1999, and annually thereafter, on the results of those audits. The bureau also shall recommend changes to criteria for the program in order to ensure accountability as part of its annual report to the Legislature.~~

2. The Department of Justice shall establish, in consultation with the Bureau of State Audits, appropriate policies and procedures for the submittal and review of claims to the California Witness Protection Program. Of the amount appropriated in this item and the amount appropriated in Item 0820-001-0214, the department may expend up to $150,000 for the purposes of this provision and the administration of the California Witness Protection Program.

3. The Bureau of State Audits shall audit the Department of Justice's claims review process for the California Witness Protection Program to ensure that all criteria for program eligibility are met and shall report to the Legislature by January 1, 1999, and annually thereafter, on the results of its audits. The bureau shall also recommend changes to criteria for the program to ensure accountability as part of its annual report to the Legislature.

0820-101-0460—For local assistance, Department of Justice payable from Dealers' Record of Sale Special Account, General Fund 85,000

Schedule:

(a) 50-Law Enforcement 85,000

0820-295-0001—For local assistance, Department of Justice, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or of Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, State Controller 10,959,000

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Schedule:

(1) 98.01.139.976-Custody of Minors (Ch. 1399, Stats. 1976) 9,683,000

(2) 98.01.033.790-Stolen Vehicle Notification (Ch. 337, Stats. 1990) 334,000

(3) 98.01.110.592-Misdemeanors: Booking/Fingerprinting (Ch. 1105, Stats. 1992)..... 942,000

Provisions:

1. Allocation of funds provided in this item to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated by this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.

0820-301-0001—For capital outlay, Department of Justice..... ~~6,037,000~~ *5,166,000*

Schedule:

(0.5) 85.50.080.980-Riverside Replacement ~~Laboratory—Acquisition~~ *placement Laboratory—Acquisition* 314,000

(1) 85.60.010-Santa Barbara Replacement Laboratory—Acquisition and Preliminary Plans..... 646,000

(2) 85.60.020-Santa Rosa Replacement Laboratory—Acquisition and Preliminary Plans..... 542,000

(3) 85.60.030-Fresno Replacement ~~Laboratory—Acquisition and Preliminary~~ *Laboratory—Preliminary* Plans ..... ~~1,268,000~~ *397,000*

(4) 85.60.040-Eureka Replacement Laboratory—Acquisition 1,500,000

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(5) 85.60.050-Hawkins Data Center—Replace/Upgrade Computer Room Emergency Power Configuration—Preliminary Plans, Working Drawings, Construction and Equipment 1,767,000

Provisions:

1. For the project in Schedule (3) in this item, the department shall be allowed to construct a one-story laboratory on the California State University, Fresno, campus.

0820-402—In the event the bonds authorized for the projects scheduled in Item 0820-301-0660 Budget Act of 1997 are not sold, the Department of Justice shall commit a sufficient portion of its support appropriation provided for in this Budget Act to repay any interim financing costs including but not limited to loans from the Pooled Money Investment Account. It is the intent of the Legislature that this commitment shall be included in future Budget Acts until outstanding interim financing costs are repaid either through the sale of bonds or from an appropriation.

0820-490—Reappropriation, Department of Justice.

Notwithstanding any other provision of law, the ~~unexpended~~ balance of funds provided in the following citation are reappropriated on the effective date of this act for the purposes and subject to the limitations, unless otherwise specified, provided for in the appropriations, and shall be available for expenditure until June 30, 1999.

0001-General Fund

(1) The ~~unexpended~~ balance of the $350,000 appropriated from Item 0820-001-0001, Budget Act of 1997, for the necessary expenditures pursuant to the trial of State ex rel State Lands Commission v. City of Los Angeles in accordance with Provision 4 of that item.

0820-491—Reappropriation, Department of Justice. The ~~unencumbered~~ balances of the appropriations provided for in the following citations are reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in those appropriations. The amount available for reappropriation *in this item, for construction of the Riverside Crime Laboratory,* shall be equal to the original ap-

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propriation as reduced by the amount expended in Schedule (.5) of Item 0820-301-0001:		
0660—Public Building Construction Fund		
Item 0820-301-0660, Budget Act of 1997		
(1) 85.50.070-Central Valley Crime Laboratory—Construction		
(2) 85.50.080-Riverside Crime Laboratory—Construction		
0840-001-0001—For support of State Controller.....		~~61,543,000~~ *61,793,000*
Schedule:		
(a) 100000-Personal Services	~~65,654,000~~ *65,844,000*	
(b) 300000-Operating Expenses and Equipment	~~32,743,000~~ *32,348,000*	
(c) Reimbursements	~~−28,544,000~~ *−28,089,000*	
(d) Amount payable from the Motor Vehicle Fuel Account, Transportation Tax Fund (Item 0840-001-0061).....	−2,904,000	
(e) Amount payable from the Highway Users Tax Account, Transportation Tax Fund (Item 0840-001-0062)...	−818,000	
(f) Amount payable from the Local Revenue Fund (Item 0840-001-0330).....	−397,000	
(g) Amount payable from the State School Building Lease-Purchase Fund (Item 0840-001-0344).....	−716,000	
(h) Amount payable from the Federal Trust Fund (Item 0840-001-0890).	−1,289,000	
(i) Amount payable from the State Penalty Fund (Item 0840-001-0903)...	−933,000	
(j) Amount payable from nongovernmental cost funds, (Retail Sales Tax Fund) (Item 0840-001-0988)..	−181,000	
(k) Amount payable from various special funds (Item 0840-011-0494)...	−181,000	
(*l*) Amount payable from various bond funds (Item 0840-011-0797)	−715,000	
(m) Amount payable from various nongovernmental cost funds (Item 0840-011-0988).....	−176,000	

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Provisions:

1. The appropriation made by this item shall be in lieu of the appropriation in Section 1564 of the Code of Civil Procedure for all costs, expenses, or obligations connected with the administration of the Unclaimed Property Law, with the exception of payment of owners' or holders' claims pursuant to Section 1540, 1542, 1560, or 1561 of the Code of Civil Procedure, or of payment of the costs of compensating contractors for locating and recovering unclaimed property due the state.
2. Of the claims received for reimbursement of court-ordered or voluntary desegregation programs pursuant to Sections 42243.6, 42247, and 42249 of the Education Code, the Controller shall pay only those claims that have been subjected to audit by school districts in accordance with the Controller's procedures manual for conducting audits of education desegregation claims. Furthermore, the Controller shall pay only those past-year actual claims for desegregation program costs that are accompanied by all reports issued by the auditing entity, unless the auditing entity was the Controller.
3. No less than 0.9 personnel-year in the Audits Division shall be used to audit education desegregation claims.
4. The Controller may, with the concurrence of the Director of Finance and the Chairperson of the Joint Legislative Budget Committee, bill affected state departments for activities required by Section 20050 of the State Administrative Manual, relating to the administration of federal pass-through funds.

   No billing may be sent to affected departments sooner than 30 days after the Chairperson of the Joint Legislative Budget Committee has been notified by the Director of Finance that he or she concurs with the amounts specified in the billings.
5. (a) Notwithstanding subdivision (b) of Section 1531 of the Code of Civil Procedure, the Controller may publish notice in any manner that the Controller determines reasonable, provided that: (1) none of the moneys used for this purpose may be redirected from funding for the Controller's audit activities, (2) no photograph is used in the publication of no-

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tice, and (3) no elected official's name is used in the publication of notice.

(b) No funds appropriated by this act may be expended by the Controller to provide information to the public, other than holders of unclaimed property (as defined in subdivision (e) of Section 1501 of the Code of Civil Procedure), concerning the unclaimed property program or possible existence of unclaimed property held by the Controller's office, except for informational announcements to the news media or through the exchange of information on electronic bulletin boards.

~~6. The Controller shall increase his or her audits of the provider billings in the Medi-Cal program in such a manner as to enhance General Fund resources by at least $18,350,000 (in addition to any corresponding enhancement in federal funds).~~

6. The Controller's Office shall, through audits of Medi-Cal program and providers, enhance the General Fund resources or reduce the General Fund expenditures in the amount of $22,100,000, through identification of overpayments, cost avoidance, and other appropriate measures.

7. Of the moneys appropriated to the Controller by this act, the Controller shall not expend more than $500,000 to conduct post eligibility fraud audits of the Supplemental Security Income/State Supplementary Payment Program (SSI/SSP).

8. The Commission on State Mandates shall provide, in applicable parameters and guidelines, as follows:

(a) If a local agency or school district contracts with an independent contractor for the preparation and submission of reimbursement claims, the costs reimbursable by the state for that purpose shall not exceed the lesser of (1) 10 percent of the amount of the claims prepared and submitted by the independent contractor, or (2) the actual costs that would necessarily have been incurred for that purpose if performed by employees of the local agency or school district.

(b) The maximum amount of reimbursement provided in subdivision (a) may be exceeded only if the local agency or school district establishes, by appropriate documentation, that

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the preparation and submission of these claims could not have been accomplished without incurring the additional costs claimed by the local agency or school district.

9. The funds appropriated to the Controller by this act may not be expended for any performance review or performance audit except pursuant to specific statutory authority. It is the intent of the Legislature that audits conducted by the Controller, or under the direction of the Controller, shall be fiscal audits that focus on claims and disbursements, as provided for in Section 12410 of the Government Code. Any report, audit, analysis, or evaluation issued by the Controller for the 1998–99 fiscal year shall cite the specific statutory or constitutional provision authorizing the preparation and release of the report, audit, analysis, or evaluation.

10. The Controller shall deliver his or her monthly report on General Fund cash receipts and disbursements within 10 days after the close of each month to the Joint Legislative Budget Committee, the fiscal committees of the Legislature, the Department of Finance, the Treasurer's office, and the Office of the Legislative Analyst.

11. For purposes of the review and payment of any claim for reimbursement by local government submitted pursuant to Section 54954.4 of the Government Code, the Controller shall use the procedures that were in effect at the time the claim was submitted.

~~12. Of the funds appropriated by this item, $426,000 shall be available for expenditure by the Controller to fund development of an automated statewide travel expense reimbursement system only after the Controller has declared, as part of the monthly reporting process to the Department of Information Technology, that all Year 2000 remediation work is complete and no further Year 2000 remediation activity of any kind is foreseen for all the mission critical systems of the Controller.~~

12. The Controller shall not release a Request for Proposal for an automated statewide travel expense reimbursement system until the Controller has declared, as part of the monthly reporting process to the Department of Information Tech-

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nology, that all mission-critical Year 2000 projects are complete and that no further Year 2000 activity for mission critical systems is foreseen.

Once the Request for Proposal is released, the Director of Finance may allocate funds from Item 9903-001-0988 for the hiring of external consultants to develop and implement this system.

0840-001-0061—For support of State Controller, for payment to Item 0840-001-0001, payable from the Motor Vehicle Fuel Account, Transportation Tax Fund 2,904,000

0840-001-0062—For support of State Controller, for payment to Item 0840-001-0001, payable from the Highway Users Tax Account, Transportation Tax Fund 818,000

0840-001-0330—For support of State Controller, for payment to Item 0840-001-0001, payable from the Local Revenue Fund..... 397,000

0840-001-0344—For support of State Controller, for payment to Item 0840-001-0001, payable from the State School Building Lease-Purchase Fund 716,000

0840-001-0890—For support of Controller, for payment to Item 0840-001-0001, payable from the Federal Trust Fund..... 1,289,000

0840-001-0903—For support of State Controller, for payment to Item 0840-001-0001, payable from the State Penalty Fund..... 933,000

0840-001-0988—For support of State Controller, for payment to Item 0840-001-0001, payable from nongovernmental cost funds (Retail Sales Tax Fund).... 181,000

0840-011-0494—For support of Controller, for payment to Item 0840-001-0001, payable from the various special funds 181,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures in excess of the amount appropriated by this item not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

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0840-011-0797—For support of Controller, for payment to Item 0840-001-0001, payable from the various bond funds 715,000

Provisions:

1. Notwithstanding any other provision of law, the Director of the Department of Finance may authorize expenditures in excess of the amount appropriated by this item not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

0840-011-0988—For support of Controller, for payment to Item 0840-001-0001, payable from the various nongovernmental cost funds..... 176,000

Provisions:

1. Notwithstanding any other provision of law, the Director of the Department of Finance may authorize expenditures in excess of the amount appropriated by this item not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

0840-101-0071—For local assistance, payable from the Yosemite Foundation Account in the California Environmental License Plate Fund 456,000

Provisions:

1. There is hereby appropriated to the Controller for allocation to the Yosemite Foundation all moneys deposited in the account for activities authorized pursuant to Article 8.4 (commencing with Section 5060) of Chapter 1 of Division 3 of the Vehicle Code (Ch. 1273, Stats. 1992).

0840-101-0979—For allocation by the Controller from the California Firefighters' Memorial Fund..... 95,000

Provisions:

1. The funds appropriated in this item are to be allocated as follows:
   (a) To the Franchise Tax Board and Controller for reimbursement of costs incurred in connec-

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tion with duties under Article 9 (commencing with Section 18801) of Chapter 3 of Part 10.2 of Division 2 of the Revenue and Taxation Code.

(b) To the California Fire Foundation the balance in that fund for the construction of a memorial as authorized in that article.

0845-001-0001—For support of Department of Insurance 750,000

Schedule:

(a) 30-Tax Collection and Audit 750,000

0845-001-0217—For support of Department of Insurance, payable from the Insurance Fund ..... ~~95,144,000~~ *95,365,000*

Schedule:

(a) 10-Regulation of Insurance Companies and Insurance Producers ..... ~~73,453,000~~ *52,018,000*

(ax) 12-Consumer Protection 21,656,000

(b) 20-Fraud Control..... 22,401,000

(c) 50.01-Administration ..... ~~14,688,000~~ *14,476,000*

(d) 50.02-Distributed Administration ... ~~−14,688,000~~ *−14,476,000*

(e) Reimbursements ..... −710,000

Provisions:

1. Of the funds appropriated in this item, the Controller shall transfer $1,923,000 as of July 1, 1998, to the Department of Aging for support of the Health Insurance Counseling and Advocacy Program.
2. Of the funds appropriated in this item, the Controller shall transfer $478,000 as of July 1, 1998, to the State and Consumer Services Agency for support of the Office of Insurance Advisor, to provide assistance to the Governor on insurance related matters.
3. Of the funds appropriated in this item, an amount not to exceed $600,000 shall be used solely to cover intervenor compensation costs allowable under subdivision (b) of Section 1861.10 of the Insurance Code.

0845-001-0548—For support of Department of Insurance, payable from the Title Insurance Fund 250,000

Schedule:

(a) 10-Regulation of Insurance Companies and Insurance Producers..... 250,000

Item		Amount
0845-101-0217—For local assistance, Department of Insurance, Program 20-Fraud Control, payable from the Insurance Fund		26,259,000
0855-001-0567—For support of the California Gambling Control Commission, payable from the Gambling Control Fund		615,000
Schedule:		
(a) 10-California Gambling Control Commission	615,000	
0860-001-0001—For support of State Board of Equalization		~~184,828,000~~ *184,673,000*
Schedule:		
(a) 100000-Personal Services	216,163,000	
(b) 300000-Operating Expenses and Equipment	~~79,641,000~~ *79,429,000*	
(c) Reimbursements	~~−86,718,000~~ *−86,661,000*	
(d) Amount payable from the Breast Cancer Fund (Item 0860-001-0004)	−101,000	
(e) Amount payable from the State Emergency Telephone Number Special Account, General Fund (Item 0860-001-0022)	−676,000	
(f) Amount payable from the Motor Vehicle Fuel Account, Transportation Tax Fund (Item 0860-001-0061)	−16,210,000	
(g) Amount payable from the Occupational Lead Poisoning Prevention Account, General Fund (Item 0860-001-0070)	−492,000	
(h) Amount payable from the Childhood Lead Poisoning Prevention Fund (Item 0860-001-0080)	−577,000	
(j) Amount payable from the Cigarette and Tobacco Products Surtax Fund (Item 0860-001-0230)	−1,214,000	
(k) Amount payable from the Oil Spill Prevention and Administration Fund (Item 0860-001-0320)	−227,000	
(*l*) Amount payable from the Integrated Waste Management Account, Integrated Waste Management Fund (Item 0860-001-0387)	−351,000	

Item	Amount
(m) Amount payable from the Underground Storage Tank Cleanup Fund, (Item 0860-001-0439).....	−1,264,000
(n) Amount payable from the Energy Resources Programs Account, General Fund (Item 0860-001-0465).....	−165,000
(o) Amount payable from the Federal Trust Fund (Item 0860-001-0890).	−194,000
(p) Amount payable from the Timber Tax Fund (Item 0860-001-0965)...	−2,787,000

Provisions:

1. Notwithstanding any other provision of law, each member of the State Board of Equalization may, using the existing staff allocation for that board member office, employ two persons at the level of Tax Counsel III (Specialist).

0860-001-0004—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Breast Cancer Fund 101,000

Provisions:

1. Notwithstanding Section 30461.6 of the Revenue and Taxation Code, or any other provision of law, sufficient funds to cover the costs of the State Board of Equalization for the collection and enforcement of fees to be deposited in the Breast Cancer Fund shall be retained in the fund, and be available to be appropriated to the board.

0860-001-0022—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the State Emergency Telephone Number Special Account, General Fund..... 676,000

0860-001-0061—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Motor Vehicle Fuel Account, Transportation Tax Fund..... 16,210,000

0860-001-0070—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Occupational Lead Poisoning Prevention Account, General Fund 492,000

Provisions:

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

Item	Amount
0860-001-0080—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Childhood Lead Poisoning Prevention Fund	577,000
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified by Section 13332.18 of the Government Code.	
0860-001-0230—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Cigarette and Tobacco Products Surtax Fund	1,214,000
0860-001-0320—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Oil Spill Prevention and Administration Fund	227,000
0860-001-0387—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Integrated Waste Management Account, Integrated Waste Management Fund	351,000
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified by Section 13332.18 of the Government Code.	
0860-001-0439—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Underground Storage Tank Cleanup Fund	1,264,000
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.	
0860-001-0465—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Energy Resources Programs Account, General Fund.....	165,000
0860-001-0890—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Federal Trust Fund	194,000
0860-001-0965—For support of State Board of Equalization, for payment to Item 0860-001-0001, payable from the Timber Tax Fund.....	2,787,000
0890-001-0001—For support of Secretary of State.....	~~23,156,000~~ *22,826,000*

Item		Amount
Schedule:		
(a) 100000-Personal Services	~~20,755,980~~ *20,629,768*	
(b) 300000-Operating Expenses and Equipment	~~18,547,020~~ *18,343,232*	
(c) Special Item of Expense-Election Related Costs	9,223,000	
(d) Reimbursements	−6,126,000	
(e) Amount payable from the Secretary of State Business Fees Fund (Item 0890-001-0228)	−18,873,000	
(f) Amount payable from the Business Reinvestment Fund (Item 0890-001-0274)	−371,000	
Provisions:		
1. Of the funds appropriated in this item, $972,000 shall be available for support of the California Gold Discovery to Statehood Sesquicentennial Commission.		
0890-001-0228—For support of Secretary of State, for payment to Item 0890-001-0001, payable from the Secretary of State Business Fees Fund		18,873,000
Provisions:		
1. Notwithstanding any other provision of law, the Secretary of State may expend an amount not to exceed $538,000 of the funds appropriated by this item for the investigation and prosecution of voter fraud in California.		
0890-001-0274—For support of Secretary of State, for payment to Item 0890-001-0001, payable from the Business Reinvestment Fund		371,000
0890-003-0001—For support of Secretary of State for rental payments on lease revenue bonds		89,000
Schedule:		
(a) Base Rental and Fees	9,549,000	
(b) Structural Insurance	44,000	
(c) Reimbursements	−9,504,000	
0890-003-0228—For support of Secretary of State for rental payments on lease revenue bonds, payable from the Secretary of State Business Fees Fund		27,000
Schedule:		
(a) Base Rental and Fees	2,949,000	
(b) Structural Insurance	13,000	
(c) Reimbursements	−2,935,000	

Item		Amount
0890-295-0001—For local assistance, Secretary of State, for reimbursement, in accordance with Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, State Controller.....		7,669,000
Schedule:		
(1) 98.01.007.778-Absentee ballots (Ch. 77, Stats. 78).....	5,968,000	
(2) 98.01.039.188-Brendon Maguire Act (Ch. 391, Stats. 88)	1,000	
(3) 98.01.049.479-Handicapped voter access (Ch. 494, Stats. 79)	0	
(4) 98.01.070.475-Voter registration procedures (Ch. 704, Stats. 75).....	1,383,000	
(5) 98.01.101.381-Local elections (Ch. 1013, Stats. 81).....	0	
(6) 98.01.140.176-Voter registration roll purge (Ch. 1401, Stats. 76)	0	
(7) 98.01.142.282-Permanent absent voters (Ch. 1422, Stats. 82).....	317,000	
(8) 98.01.160.382-Democratic presidential delegates (Ch. 1603, Stats. 82)	0	
(9) 98.01.104.285-Election materials (Ch. 1042, Stats. 85).....	0	

Provisions:

1. Except as provided in Provision 2 of this item, allocations of funds provided in this item to the appropriate local entities shall be made by the State Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated in this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.
2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the State Controller may, upon notifying the Director of Finance in writing, augment those deficient

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amounts from the unencumbered balance of any other scheduled amounts in this item. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.

3. Pursuant to Section 17581 of the Government Code, mandates identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the 1998–99 fiscal year:
   (a) Handicapped voter access (Ch. 494, Stats. 1979).
   (b) Local elections (Ch. 1013, Stats. 1981).
   (c) Voter registration roll purge (Ch. 1401, Stats. 1976).
   (d) Democratic presidential delegates (Ch. 1603, Stats. 1982, and Ch. 8, Stats. 1988).
   (e) Election materials (Ch. 1042, Stats. 1985)

0950-001-0001—For support of State Treasurer 6,722,000

Schedule:

(a) 100000-Personal Services 13,482,000
(b) 300000-Operating Expenses and Equipment 6,328,000
(c) Reimbursements .....−12,747,000
(d) Amount payable from the Local Agency Deposit Security Fund (Item 0950-001-0240) ..... −341,000

Provisions:

1. The State Treasurer shall seek to increase the reimbursement rates charged to those departments or programs that receive services from the State Treasurer's Office's Item Processing system by an amount sufficient to recover from those departments or programs, over a five-year period, beginning not later than fiscal year 1999–2000, their fair share of the $3.78 million cost of upgrading the system to be Year 2000-compliant. Those departments or programs include, but are not limited to, the Department of Health Services' Women, Infant and Children's Program, and the Employment Development Department's Unemployment and Disability Insurance Program.

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0950-001-0240—For support of the State Treasurer, for payment to Item 0950-001-0001, payable from the Local Agency Deposit Security Fund 341,000

0956-001-0171—For support of California Debt and Investment Advisory Commission, payable from the California Debt and Investment Advisory Commission Fund 1,588,000

Schedule:

(a) 10-California Debt and Investment Advisory Commission 1,688,000

(b) Reimbursements ..... −100,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the California Debt and Investment Advisory Commission in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

0959-001-0169—For support of California Debt Limit Allocation Committee, payable from the California Debt Limit Allocation Committee Fund..... 555,000

Schedule:

(a) 10-Debt Limit Allocation Committee 555,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the California Debt Limit Allocation Committee in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

2. Of the amount appropriated in this item, the amount of $48,000 shall be used for all of the following purposes:

(a) Developing a database that tracks the income groups served by each agency receiving *hous-*

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ing bond authority from the California Debt Limit Allocation Committee.

(b) Identifying the income groups most in need of housing assistance in each of the state's regions.

(c) Recommending findings to the California Debt Limit Allocation Committee based on the compiled data.

0965-001-0215—For support of California Industrial Development Financing Advisory Commission, payable from the Industrial Development Fund..... 447,000

Schedule:

(a) 10-Industrial Development Financing Advisory Commission 447,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the California Industrial Development Financing Advisory Commission in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

0968-001-0448—For support of California Tax Credit Allocation Committee, payable from the Occupancy Compliance Monitoring Account..... 563,000

Schedule:

(a) 10-California Tax Credit Allocation Committee 563,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the California Tax Credit Allocation Committee in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

0968-001-0457—For support of California Tax Credit Allocation Committee, payable from the Tax Credit Allocation Fee Account 1,158,000

Item		Amount
Schedule:		
(a) 10-California Tax Credit Allocation Committee	1,188,000	
(b) Reimbursements	−30,000	
Provisions:		
1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the California Tax Credit Allocation Committee in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.		
0971-001-0528—For support of California Alternative Energy and Advanced Transportation Financing Authority, payable from the California Alternative Energy Authority Fund		125,000
Schedule:		
(a) 10-California Alternative Energy and Advanced Transportation Financing Authority	125,000	
Provisions:		
1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the California Alternative Energy and Advanced Transportation Financing Authority in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the joint committee, or his or her designee, may in each instance determine.		
STATE AND CONSUMER SERVICES		
1100-001-0001—For support of California Science Center		~~10,797,629~~ *11,097,629*
Schedule:		
(a) 10-Education	~~10,981,000~~ *11,281,000*	

Item	Amount
(b) 30-California African-American Museum	3,448,629
(c) 40.01-Administration	1,038,000
(d) 40.02-Distributed Administration	−1,038,000
(e) Reimbursements	−1,462,000
(f) Amount payable from the Exposition Park Improvement Fund (Item 1100-001-0267)	−2,170,000

Provisions:

1. The Director of General Services shall not approve a contract, permit, or lease agreement by the museum (excluding those for museum exhibits) that reduces state revenues or increases state costs by $25,000 or more unless, not sooner than 30 days prior to giving his or her approval, the director submits in writing to the Chairperson of the Joint Legislative Budget Committee notification of the director's intent to approve that contract, permit, or lease, or not sooner than such lesser time as the chairperson may in each instance determine. This provision shall have no effect as to those contracts that the legislative fiscal committees have examined as part of the budget process or otherwise.
2. The Legislature recognizes that specialized functions, such as exhibit maintenance and educational and guest service programs, may require individual skills not generally available in state service. It is the intent of the Legislature to allow the California Science Center to acquire these services from its auxiliary partner, the California Museum Foundation. The California Science Center may transfer funds for these services from the Personal Services Account to the Operating Expense and Equipment Account, not sooner than 30 days after notice thereof to the Joint Legislative Budget Committee.
3. The California Science Center may borrow funds from the Architectural Revolving Fund for special repair projects authorized in this item and funded from the County of Los Angeles, the Federal Emergency Management Agency, and the Foundation of the California African-American Museum. Any such loan shall be repaid to the Architectural Revolving Fund by the California Science Center by June 30, 1999.

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~~4. The following positions shall be converted to one-year limited-term positions: Executive Director; Deputy Director (Exhibits and Education); Deputy Director (Administration); Deputy Director (Operations); Chief Administrative Officer; Manager of Exhibit Services; Fiscal Officer; and Personnel Officer. The Legislature shall review the need for continuing these positions beyond the 1998–99 fiscal year upon review and analysis of a study of Exposition Park regarding a strategic long-term plan for future uses of the park and establishing a more streamlined, cohesive, and integrated management of the components of the park.~~

4. By February 1, 1999, the California Science Center shall report to the Joint Legislative Budget Committee, the fiscal committees of each house of the Legislature, and the Assembly Select Committee on Exposition Park its response to the final recommendations of the Exposition Park Strategic Plan study. It is the intent of the Legislature to consider the study recommendations and the California Science Center's response during the review of the budget for the 1999–2000 fiscal year.

1100-001-0267—For support of California Science Center for payment to Item 1100-001-0001, payable from the Exposition Park Improvement Fund 2,170,000

1100-003-0001—For support of the California Science Center for rental payments on lease revenue bonds. 2,429,000

Schedule:

(a) Base rental 2,404,000

(b) Insurance 25,000

1100-301-0001—For capital outlay, California Science Center 10,000,000

Schedule:

(1) 11.00.001—Renovation of California African American Museum ~~(CAAM), preliminary~~ *(CAAM)—preliminary* plans, working drawings, construction 25,000

~~(2) 11.00.002 Parking garage—Phase I, working drawings and construction. 10,000,000~~

(2) 1100.00.002-Masterplan Parking Facility, Phase I—Preliminary plans, working drawings, and construction 10,000,000

(3) Reimbursements ..... −25,000

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Provisions:

1. The California Science Center (CSC) may borrow funds from the Architectural Revolving Fund for the projects authorized in Schedule (1) of this item. Any such loan shall be repaid to the Architectural Revolving Fund by the CSC by June 30, 1999.

~~2. As a condition of the funds appropriated in Schedule (2), no state funds shall be expended for this project until federal funds are appropriated to finance a portion of the cost. In addition, all revenues from this parking structure, after budgeted expenditures for public safety, shall be returned to the General Fund until the amount of the state's contribution has been repaid. Then all parking revenues will revert to the Exposition Park Improvement Fund.~~

~~The funds appropriated in Schedule (2) are to be allocated by the CSC, upon approval by the Department of Finance, for the construction of a parking garage for which cost estimates or preliminary plans can be developed during the 1989–99 fiscal year. These funds may be used for all of the following: architectural programming, engineering assessments, schematic design, working drawings, preliminary plans, and construction.~~

~~As used in this item "preliminary plans" shall include site studies, suitability reports, environmental studies, master planning, architectural programming, and schematics.~~

2. Funds appropriated for the Masterplan Parking Facility identified in Schedule (2) may not be expended until approved by the Department of Finance.

3. As a condition of the expenditure of funds appropriated in Schedule (2), no state funds shall be expended until the federal funds appropriated in Item 1100-301-0890 are available for expenditure.

4. All revenues from the operation of the project, net budgeted expenditures for public safety and maintenance, as defined and established in the 1998–99 budget year, shall be deposited to the General Fund until the amount of the state's contribution for the project has been repaid. After re-

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payment, all revenues shall be deposited to the Exposition Park Improvement Fund.	
1100-301-0890—For capital outlay, California Science Center	*19,500,000*
Schedule:	
(1) 11.00.002-Masterplan Parking Facility, Phase I—preliminary plans, working drawings and construction *19,500,000*	
Provisions:	
1. If the federal funds for this project are appropriated to a local jurisdiction rather than the California Science Center, reimbursement expenditure authority for the project shall be available in lieu of federal fund expenditure authority.	
1111-001-0069—For transfer by the State Controller from the Barbering and Cosmetology Fund to the Consumer Affairs Fund	~~8,881,000~~ *8,670,000*
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.	
1111-001-0166—For transfer by the State Controller from the Certification Account to the Consumer Affairs Fund	574,000
Provisions:	
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Government Code Section 13332.18.	
1111-001-0239—For transfer by the State Controller from the Private Security Services Fund to the Consumer Affairs Fund	5,339,000
Provisions:	
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Government Code Section 13332.18.	
1111-001-0260—For transfer by the State Controller from the Nursing Home Administrators' State License Examining Board Fund to the Consumer Affairs Fund	452,000
Provisions:	
1. The amount appropriated in this item may include revenues derived from the assessment of fines and	

Item	Amount
penalties imposed as specified in Government Code Section 13332.18.	
1111-001-0305—For transfer by the State Controller from the Private Postsecondary and Vocational Education Administration Fund to the Consumer Affairs Fund	8,352,000
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.	
1111-001-0325—For transfer by the Controller from the Electronic and Appliance Repair Fund to the Consumer Affairs Fund	1,493,000
Provisions:	
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Government Code Section 13332.18.	
1111-001-0421—For transfer by the State Controller from the Vehicle Inspection and Repair Fund to the Consumer Affairs Fund	~~1,000~~ *93,407,000*
Provisions:	
1. *The funds appropriated by this item are scheduled as follows:*	
(a) Education 738,000	
(b) Smog Quality Assurance and Engineering 34,976,000	
(c) Licensing 1,477,000	
(d) Intake 7,201,000	
(e) Mediation 5,372,000	
(f) Enforcement 14,880,000	
(g) Special Projects/PBB 4,499,000	
(h) Consumer Protection Operations 24,264,000	
(i) Administration ..... (11,564,000)	
2. *The amount appropriated for each of the programs scheduled under Provision 1 may be increased or decreased by an amount not to exceed 25 percent of the amount scheduled for that program.*	
3. *The funds appropriated for transfer in this item shall only be available for expenditure pursuant to Provisions 1 and 2.*	

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4. Of the amount transferred pursuant to Provision 1(b), no more than $5,300,000 shall be expended for the purpose of implementing a remote sensing detection program that audits vehicular emissions. If the Department of Consumer Affairs is unable to find a qualified vendor to perform the audit function, the department may use the funds to undertake this procedure. In either instance, the department shall proceed with an implementation plan not sooner than 30 days after notification in writing is provided to the chairperson of the committee in each house of the Legislature which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may in each instance determine.

5. Of the funds appropriated by this item, $975,000 shall be expended for increased enforcement activities associated with the expanded role of Gold Shield stations, as specified in legislation enacted in the 1997–98 Regular Session of the Legislature.

6. Of the funds provided in Provision 1 (a) of this item, $60,000 shall be expended to revise the Department of Consumer Affairs' brochure for consumers whose vehicles have failed smog inspection.

7. 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.

1111-001-0582—For transfer by the State Controller from the High Polluter Repair or Removal Account to the Consumer Affairs Fund ..... ~~1,000~~ *65,282,000*

Provisions:

1. *The funds appropriated by this item are scheduled as follows:*
   - *(a) Education 98,000*
   - *(b) Smog Quality Assurance and Engineering 4,692,000*
   - *(c) Intake 1,526,000*
   - *(d) Enforcement 3,086,000*

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(e) Low Income Repair Assistance .. 20,000,000
(f) Accelerated Vehicle Retirement .. 32,880,000
(g) Dynamometer Cost Mitigation .. 3,000,000

2. Each of the programs in (a), (b), (c), and (d) scheduled under Provision 1 above may be increased or decreased by an amount not to exceed 25 percent of the total scheduled for that program in this item.

3. The funds appropriated for transfer in this item shall only be available for expenditure pursuant to Provisions 1 and 2.

4. Of the funds appropriated by this item, $325,000 shall be expended for increased enforcement activities associated with the expanded role of the Gold Shield stations, as specified in legislation to be enacted in the 1997–98 Regular Session.

5. 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.

1111-001-0717—For transfer by the State Controller from the Cemetery Fund to the Consumer Affairs Fund 1,087,000

Provisions:

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

1111-001-0750—For transfer by the State Controller from the State Funeral Directors and Embalmers Fund to the Consumer Affairs Fund 804,000

Provisions:

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

1111-001-0752—For transfer by the State Controller from the Bureau of Home Furnishings and Thermal Insulation Fund to the Consumer Affairs Fund 3,209,000

Provisions:

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

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1111-001-0769—For transfer by the State Controller from the Private Investigator Fund to the Consumer Affairs Fund 572,000

Provisions:

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

1111-001-0890—For transfer by the State Controller from the Federal Trust Fund to the Consumer Affairs Fund 1,000,000

Provisions:

1. Notwithstanding any other provision of law, the Federal Trust Fund Account of the Bureau for Private Postsecondary and Vocational Education may borrow from the Private Postsecondary and Vocational Education Administration Fund an amount not to exceed a cumulative total of $500,000 for the purpose of meeting cash-flow needs for the purposes funded by this item due to delays in collecting federal funds. Any loan made pursuant to this provision shall be made only upon approval of the Department of Finance, and only if the Bureau demonstrates and certifies that a sufficient surplus exists in the Private Postsecondary and Vocational Education Administration Fund to support the amount of the loan, and that funds will be available from the federal government to repay the loan. All money transferred shall be repaid to the fund as soon as possible, but not later than one year from the date of the loan.

1111-001-0960—For transfer by the State Controller from the Student Tuition Recovery Fund to the Consumer Affairs Fund ..... (312,000)

Provisions:

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

1111-010-0702—For support of Department of Consumer Affairs—Administrative and Consumer Services; Bureau of Automotive Repair; Bureau of Electronic and Appliance Repair; Bureau of Home Furnishings and Thermal Insulation; Bureau of Security and Investigative Services; Arbitration Review Program; Cemetery Program; Funeral Pro-

Item Amount

gram; Barbering and Cosmetology Program; Bureau of Private Postsecondary and Vocational Education; and Nursing Home Administrator's Program—payable from the Consumer Affairs Fund ..... ~~32,077,000~~ *190,553,000*

Schedule:

(a) 01.01-Support for Department of Consumer Affairs—Administrative and Consumer Services; Bureau of Automotive Repair; Bureau of Electronic and Appliance Repair; Bureau of Home Furnishings and Thermal Insulation; Bureau of Security and Investigative Services; Arbitration Review Program; Cemetery Program; Funeral Program; Barbering and Cosmetology Program; Bureau of Private Postsecondary and Vocational Education; and Nursing Home Administrator's Program..... ~~57,780,000~~ *216,256,000*

(b) Reimbursements.....–25,703,000

Provisions:

1. Each transfer from Items 1111-001-0069, 1111-001-0166, 1111-001-0239, 1111-001-0260, 1111-001-0305, 1111-001-0325, 1111-001-0421, 1111-001-0582, 1111-001-0717, 1111-001-0750, 1111-001-0752, 1111-001-0769, 1111-001-0890, and 1111-001-0960 may be increased or decreased by an amount not to exceed 15 percent of the total of each transfer, without further authorization, to reflect the actual distributed costs of the program. In no case shall the total transfers exceed the total appropriation in this item.

2. Provisions 1 to 3, inclusive, of Item 1111-001-0421 also apply to this item.

3. Provisions 1 to 3, inclusive, of Item 1111-001-0582 also apply to this item.

~~2.~~

4. The funds transferred in the items specified in Provision 1 shall be used only for the purposes authorized under current law.

~~3.~~

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

Item Amount

6. The funds transferred to the Consumer Affairs Fund pursuant to Item 1111-001-0069 shall not be used for expenses associated with the relocation of existing Barbering and Cosmetology licensing examination facilities, unless the Department of Consumers Affairs has first provided a cost-benefit analysis report to the Joint Legislative Budget Committee and the Department of Finance. This report shall include information on the adequacy of the current facility and the service improvements to be gained by relocation.

1120-001-0704—For support of Board of Accountancy, payable from the Accountancy Fund 9,526,000

Schedule:

(a) 3-Board of Accountancy 9,730,000

(b) Reimbursements ..... −204,000

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.

1130-001-0706—For support of California State Board of Architectural Examiners, payable from the California State Board of Architectural Examiners' Fund 2,998,000

Schedule:

(a) 6-Board of Architectural Examiners 3,003,000

(b) Reimbursements ..... −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.

1130-001-0757—For support of Landscape Architect Technical Committee, payable from California Board of Architectural Examiners-Landscape Architects Fund 572,000

Provisions:

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

1140-001-0001—For support of State Athletic Commission 769,000

Schedule:

(a) 9-State Athletic Commission 936,000

Item		Amount
(b) Amount payable from the Boxer's Pension Account (Item 1140-002-0008)	−75,000	
(c) Amount payable from the Boxer's Neurological Examinations Account (Item 1140-001-0492)	−92,000	
Provisions:		
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Government Code Section 13332.18.		
1140-001-0492—For support of State Athletic Commission, for payment to Item 1140-001-0001, payable from the Boxer's Neurological Examination Account		92,000
Provisions:		
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Government Code Section 13332.18.		
1140-002-0008—For support of State Athletic Commission, for payment to Item 1140-001-0001, payable from the Boxer's Pension Account		75,000
Provisions:		
1. The amount appropriated in this item may include revenues derived from the assessment of fines and penalties imposed as specified in Government Code Section 13332.18.		
1170-001-0773—For support of Board of Behavioral Science Examiners of the State of California, payable from the Behavioral Science Examiners Fund		~~4,134,000~~ *4,147,000*
Schedule:		
(a) 18-Board of Behavioral Science Examiners	~~4,310,000~~ *4,323,000*	
(b) Reimbursements	−176,000	
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.		
1230-001-0093—For support of Contractors' State License Board, for payment to Item 1230-001-0735, payable from the Construction Management Education Account, Contractors' License Fund		15,000

Item Amount

Provisions:

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

1230-001-0735—For support of Contractors' State License Board, payable from the Contractors' License Fund 41,911,000

Schedule:

(a) 30-Contractors' State License Board 42,179,000

(b) Reimbursements..... −253,000

(c) Amount payable from the Construction Management Education Account, Contractors' License Fund (Item 1230-001-0093) ..... −15,000

Provisions:

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

1260-001-0741—For support of Board of Dental Examiners of California, payable from the State Dentistry Fund 5,782,000

Schedule:

(a) 36-Board of Dental Examiners..... 5,851,000

(b) Reimbursements..... −69,000

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.

1270-001-0380—For support of Board of Dental Examiners of California, payable from the Dental Auxiliary Fund 1,223,000

Schedule:

(a) 36-Board of Dental Examiners..... 1,445,000

(b) Reimbursements..... −222,000

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.

1340-001-0205—For support of State Board of Registration for Geologists and Geophysicists, Program 51, payable from the Geology and Geophysics Fund.... 934,000

Item Amount

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.

1350-001-0024—For support of State Board of Guide Dogs for the Blind, Program 54, payable from the Guide Dogs for the Blind Fund..... 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 Government Code Section 13332.18.

1390-001-0175—For support of Dispensing Opticians, Medical Board of California, for payment to Item 1390-001-0758, payable from the Dispensing Opticians Fund..... 280,000

Provisions:

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

1390-001-0210—For support of Outpatient Settings, Medical Board of California, for payment to Item 1390-001-0758, payable from the Outpatient Setting Fund 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 Government Code Section 13332.18.

1390-001-0758—For support of Medical Board of California, payable from the Contingent Fund of the Medical Board of California 32,684,000

Schedule:

(a) 63.10.010-Medical Board of California	33,829,000
(b) 63.15-Registered Dispensing Opticians.....	280,000
(c) 63.17-Outpatient Setting	26,000
(e) 63.10.020-Distributed Medical Board of California	−838,000
(f) Reimbursements	−307,000
(g) Amount payable from the Dispensing Opticians Fund (Item 1390-001-0175).....	−280,000

Item Amount

(h) Amount payable from the Outpatient Setting Fund (Item 1390-001-0210)..... −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.

1400-001-0108—For support of Acupuncture Examining Committee, Medical Board of California, payable from the Acupuncturists Fund 1,450,000

Schedule:

(a) 63.20-Acupuncture Committee..... 1,473,000

(b) Reimbursements..... −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.

1410-001-0208—For support of Hearing Aid Dispensers Examining Committee, Medical Board of California, payable from the Hearing Aid Dispensers Fund..... 439,000

Schedule:

(a) 63.30-Hearing Aid Dispensers Examining Committee 448,000

(b) Reimbursements..... −9,000

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.

1420-001-0759—For support of Physical Therapy Examining Committee, Medical Board of California, payable from the Physical Therapy Fund..... 1,785,000

Schedule:

(a) 63.40-Physical Therapy Examining Committee..... 1,884,000

(b) Reimbursements..... −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.

1430-001-0280—For support of Physician Assistant Examining Committee, Medical Board of California, payable from the Physician Assistant Fund..... 806,000

Item Amount

Schedule:

(a) 63.50-Physician Assistant Examining Committee 814,000

(b) Reimbursements ..... −8,000

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.

1440-001-0295—For support of California Board of Podiatric Medicine, payable from the Podiatry Fund .. 1,005,000

Schedule:

(a) 63.60-Board of Podiatric Medicine. 1,009,000

(b) Reimbursements ..... −4,000

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.

1450-001-0310—For support of Board of Psychology, Medical Board of California, payable from the Psychology Fund 2,791,000

Schedule:

(a) 63.70-Board of Psychology..... 2,830,000

(b) Reimbursements ..... −39,000

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.

1455-001-0319—For support of Respiratory Care Examining Committee, Medical Board of California, payable from the Respiratory Care Fund..... 1,737,000

Schedule:

(a) 63.75-Respiratory Care Examining Committee 1,803,000

(b) Reimbursements ..... −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.

1460-001-0376—For support of Speech Pathology and Audiology Examining Committee, Medical Board of California, payable from the Speech Pathology and Audiology Examining Committee Fund..... 347,000

Item Amount

Schedule:

(a) 63.80-Speech Pathology and Audiology Committee 359,000

(b) Reimbursements..... −12,000

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.

1480-001-0763—For support of State Board of Optometry, payable from the State Optometry Fund 1,047,000

Schedule:

(a) 69-Board of Optometry 1,053,000

(b) Reimbursements..... −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.

1490-001-0767—For support of California State Board of Pharmacy, payable from the Pharmacy Board Contingent Fund..... 5,654,000

Schedule:

(a) 72-Board of Pharmacy..... 5,864,000

(b) Reimbursements..... −210,000

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.

1500-001-0770—For support of State Board of Registration for Professional Engineers and Land Surveyors, payable from the Professional Engineers' and Land Surveyors' Fund 7,127,000

Schedule:

(a) 75-State Board of Registration for Professional Engineers and Land Surveyors 7,143,000

(b) Reimbursements..... −16,000

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.

1510-001-0761—For support of Board of Registered Nursing, payable from the Board of Registered Nursing Fund 12,319,000

Item Amount

Schedule:

(a) 78-Board of Registered Nursing..... 12,862,000

(b) Reimbursements..... −543,000

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.

1520-001-0771—For support of Court Reporters Board of California, payable from the Court Reporters' Fund 533,000

Schedule:

(a) 81-Court Reporters Board..... 534,000

(b) Reimbursements..... −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.

1530-001-0399—For support of Structural Pest Control Board, for payment to Item 1530-001-0775, payable from the Structural Pest Control Education and Enforcement Fund 270,000

Provisions:

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

1530-001-0775—For support of Structural Pest Control Board, payable from the Structural Pest Control Fund 3,308,000

Schedule:

(a) 84-Structural Pest Control Board ... 3,580,000

(b) Reimbursements..... −2,000

(c) Amount payable from the Structural Pest Control Education and Enforcement Fund (Item 1530-001-0399)..... −270,000

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.

1560-001-0777—For support of Veterinary Medical Board and the Registered Veterinary Technician Committee, payable from the Veterinary Medical Board Contingent Fund..... 1,354,000

Item Amount

Schedule:

(a) 90.10.010-Veterinary Medical Board 1,380,000

(b) Reimbursements ..... −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.

1590-001-0779—For support of Board of Vocational Nurse and Psychiatric Technician Examiners of the State of California, payable from the Vocational Nurse and Psychiatric Technician Examiners' Fund, Vocational Nurses Account 3,418,000

Schedule:

(a) 91.10.010-Vocational Nurses..... 3,679,000

(b) 91.10.020-Distributed Vocational Nurses ..... −37,000

(c) Reimbursements ..... −224,000

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.

1600-001-0780—For support of Board of Vocational Nurse and Psychiatric Technician Examiners of the State of California, payable from the Vocational Nurse and Psychiatric Technician Examiners Fund, Psychiatric Technicians Account..... 978,000

Schedule:

(a) 91-Board of Vocational Nurse and Psychiatric Technician Examiners. 989,000

(b) Reimbursements ..... −11,000

Provisions:

1. The funds appropriated by this item are from the moneys deposited pursuant to Section 4547 of the Business and Professions Code.

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

1700-001-0001—For support of Department of Fair Employment and Housing ..... ~~15,145,000~~ *14,846,000*

Item Amount

Schedule:

(a) 50-Administration of Civil Rights Law ..... ~~19,136,000~~ *18,837,000*

(b) Reimbursements ..... −15,000

(c) Amount payable from the Federal Trust Fund (Item 1700-001-0890). −3,976,000

Provisions:

1. The Director of Finance may allocate funds from Provision 2 of Item 9903-001-0001 for the purchase of data processing hardware, software, related equipment, and services to enable the Department of Fair Employment and Housing to implement the necessary automation enhancements to its existing information systems, upon at least 30 days' notice to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house of the Legislature that considers the budget.

1700-001-0890—For support of Department of Fair Employment and Housing, for payment to Item 1700-001-0001, payable from the Federal Trust Fund..... 3,976,000

1705-001-0001—For support of the Fair Employment and Housing Commission ..... ~~1,095,000~~ *1,099,000*

Schedule:

(a) 10-Fair Employment and Housing Commission..... ~~1,245,000~~ *1,249,000*

(b) Reimbursements ..... −150,000

1730-001-0001—For support of Franchise Tax Board ... ~~353,414,000~~ *347,313,000*

Schedule:

(a) 10-Tax Programs..... ~~347,593,000~~ *341,826,000*

(b) 20-Homeowners and Renters Assistance..... 2,220,000

(c) 30-Political Reform Audit (1,271,000) 0

(d) 40-Child Support Collections..... 11,051,000

(e) 50-DMV Collections 7,927,000

(f) 60-Court Collections..... 815,000

(g) 70-Contract Work..... ~~7,272,000~~ *6,272,000*

(h) 80.01-Administration..... 21,370,000

(i) 80.02-Distributed Administration ....−21,370,000

Item	Amount
(j) Reimbursements	~~−14,230,000~~ *−13,564,000*
(k) Amount payable from the State Highway Account, State Transportation Fund (Item 1730-001-0042)	−2,000
(*l*) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 1730-001-0044)	−2,792,000
(m) Amount payable from the Motor Vehicle License Fee Account, Transportation Tax Fund (Item 1730-001-0064)	−5,133,000
(n) Amount payable from the Delinquent Tax Collection Fund (Section 19378 of the Revenue and Taxation Code)	−404,000
(o) Amount payable from the Rare Fish, Wildlife, and Plant Species Conservation and Enhancement Account, Fish and Game Preservation Fund (Item 1730-001-0200)	−13,000
(p) Amount payable from the Court Collection Account (Item 1730-001-0242)	−815,000
(r) Amount payable from the State Children's Trust Fund (Item 1730-001-0803)	−11,000
(s) Amount payable from the California Alzheimer's Disease and Related Disorders Research Fund (Item 1730-001-0823)	−11,000
(t) Amount payable from the California Military Museum Fund (Item 1730-001-0875)	−6,000
(u) Amount payable from the D.A.R.E. California (Drug Abuse Resistance Education) Fund (Item 1730-001-0876)	−6,000
(v) Amount payable from the California Seniors Special Fund (Item 1730-001-0886)	−4,000
(w) Amount payable from the California Election Campaign Fund (Item 1730-001-0905)	−5,000

Item Amount

(x) Amount payable from the California Breast Cancer Research Fund (Item 1730-001-0945) ..... −7,000

(y) Amount payable from the Public Schools Library Protection Fund (Item 1730-001-0975) ..... −11,000

(z) Amount payable from the Firefighters' Memorial Fund (Item 1730-001-0979) ..... −7,000

(aa) Amount payable from the California Seniors Fund (Item 1730-001-0983) ..... −7,000

Provisions:

1. 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.

2. During the 1998–99 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 $103, and the filing enforcement cost recovery fee for purposes of subparagraph (A) of paragraph (2) of that subdivision shall be $71.

3. During the 1998–99 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 $147, and the filing enforcement cost recovery fee for purposes of subparagraph (B) of paragraph (2) of that subdivision shall be $82.

4. Prior to awarding any contract for development of an Integrated Nonfiler Tax Compliance System, the Franchise Tax Board shall submit a feasibility study report for review and approval by the Department of Information Technology and the Department of Finance. No contract shall be awarded any sooner than 30 days after the notification of that approval of the feasibility study report is provided to the Joint Legislative Budget Committee by the Department of Finance.

1730-001-0042—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the State Highway Account, State Transportation Fund 2,000

Item	Amount
1730-001-0044—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the Motor Vehicle Account, State Transportation Fund	2,792,000
1730-001-0064—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the Motor Vehicle License Fee Account, Transportation Tax Fund	5,133,000
1730-001-0200—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the Rare Fish, Wildlife, and Plant Species Conservation and Enhancement Account, Fish and Game Preservation Fund	13,000
1730-001-0242—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the Court Collection Account	815,000
1730-001-0803—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the State Children's Trust Fund	11,000
1730-001-0823—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the California Alzheimer's Disease and Related Disorders Research Fund	11,000
1730-001-0875—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the California Military Museum Fund	6,000
1730-001-0876—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the California (D.A.R.E.) Drug Abuse Resistance Education Fund	6,000
1730-001-0886—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the California Seniors Special Fund	4,000
1730-001-0905—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the California Election Campaign Fund	5,000
1730-001-0945—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the California Breast Cancer Research Fund	7,000
1730-001-0975—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the Public Schools Library Protection Fund	11,000
1730-001-0979—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the Firefighters' Memorial Fund	7,000

Item Amount

1730-001-0983—For support of Franchise Tax Board, for payment to Item 1730-001-0001, payable from the California Seniors Fund 7,000

1730-002-0001—For support of the Franchise Tax Board for rental payments on lease revenue bonds..... 5,816,000

(a) Central Office—Building 1 and 2 .. 5,726,000

(b) Insurance 90,000

1730-295-0001—For local assistance, Franchise Tax Board, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or of Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, State Controller 3,600,000

Schedule:

(1) 98.01.149.084—Business Tax Reporting Requirements (Ch. 1490, Stats. 1984)..... 3,600,000

(2) 98.01.023.874—Substandard Housing (Ch. 238, Stats. 1974) 0

Provisions:

1. Pursuant to Section 17581 of the Government Code, mandates identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the 1998–99 fiscal year:

(b) Substandard Housing (Ch. 238, Stats. 1974).

~~1730-301-0001—For capital outlay, Franchise Tax Board~~ ~~1,089,000~~

1730-301-0001—For capital outlay, Franchise Tax Board..... 1,089,000

Schedule:

(1) 90.00.010-Major Projects, Sacramento Central Office Security Improvements —*Preliminary plans, working drawings, and construction* 1,089,000

1760-001-0001—For support of Department of General Services, for payment to Item 1760-001-0666 ..... ~~7,509,000~~

9,025,000

Provisions:

1. In addition to the funds appropriated by this item, any amounts received from the sale of the Governor's Budget and related publications funded from this item are available for expenditure.

Item	Amount
1760-001-0002—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the Property Acquisition Law Account, General Fund	2,517,000
1760-001-0003—For support of Department of General Services, for payment to Item 1760-001-0666, payable from Motor Vehicle Parking Facilities Moneys Account, General Fund	4,652,000
1760-001-0006—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the Access for Handicapped Account, General Fund	~~1,821,000~~ *1,807,000*
1760-001-0022—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the State Emergency Telephone Number Account, General Fund	1,245,000
1760-001-0026—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the State Motor Vehicle Insurance Account, General Fund	3,787,000
Provisions:	
1. Notwithstanding any other provision of law, Section 16379 of the Government Code shall govern the payment of claims for the purposes of this item.	
1760-001-0344—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the State School Building Lease-Purchase Fund	9,562,000
Provisions:	
1. Notwithstanding Item 9840-001-0494, the Director of Finance may authorize the creation of deficiencies pursuant to Section 11006 of the Government Code for the purposes of this item.	
1760-001-0450—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the Seismic Gas Valve Certification Fund	77,000
1760-001-0465—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the Energy Resources Programs Account, General Fund	1,301,000
1760-001-0602—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the Architecture Revolving Fund	20,298,000

Item	Amount
1760-001-0666—For support of Department of General Services, payable from the Service Revolving Fund	~~362,989,000~~ *362,847,000*
Schedule:	
(a) Program support	~~468,123,000~~ *469,483,000*
(b) Distributed services	−14,406,000
(c) Amount payable from the General Fund (Item 1760-001-0001)	~~−7,509,000~~ *−9,025,000*
(d) Amount payable from the General Fund (Item 1760-011-0001)	−4,836,000
(e) Amount payable from the Property Acquisition Law Account, General Fund (Item 1760-001-0002)	−2,517,000
(f) Amount payable from the Motor Vehicle Parking Facilities Moneys Account, General Fund (Item 1760-001-0003)	−4,652,000
(g) Amount payable from the Access for Handicapped Account, General Fund (Item 1760-001-0006)	~~−1,821,000~~ *−1,807,000*
(h) Amount payable from the State Emergency Telephone Number Account, General Fund (Item 1760-001-0022)	−1,245,000
(i) Amount payable from the State Motor Vehicle Insurance Account, General Fund (Item 1760-001-0026)	−3,787,000
(j) Amount payable from the State School Building Lease-Purchase Fund (Item 1760-001-0344)	−9,562,000
(k) Amount payable from the Seismic Gas Valve Certification Fund (Item 1760-001-0450)	−77,000
(*l*) Amount payable from the Energy Resources Programs Account, General Fund (Item 1760-001-0465)	−1,301,000
(m) Amount payable from the Architecture Revolving Fund (Item 1760-001-0602)	−20,298,000

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(n) Amount payable from the New Prison Construction Fund (Item 1760-001-0723) ..... −379,000

(o) Amount payable from the Prison Construction Fund, 1986 (Item 1760-001-0746) ..... −1,821,000

(p) Amount payable from the Prison Construction Fund, 1988 (Item 1760-001-0747) ..... −841,000

(q) Amount payable from the 1990 Prison Construction Fund (Item 1760-001-0751) ..... −1,017,000

(r) Amount payable from the Earthquake Safety and Public Buildings Rehabilitation Fund of 1990 (Item 1760-001-0768) ..... −723,000

(s) Amount payable from the State School Deferred Maintenance Fund (Item 1760-001-0961)..... −137,000

(t) Amount payable from the Service Revolving Fund (Item 1760-002-0666).....−25,528,000

(u) Amount payable from Property Acquisition Law Account, General Fund (Item 1760-015-0002)..... −1,575,000

(v) Amount payable from the Motor Vehicle Parking Facilities Money Account, General Fund (Item 1760-002-0003) ..... −1,102,000

Provisions:

1. The Department of General Services is authorized to collect rent from the tenants of the buildings at 1020 N Street and 1021 O Street in Sacramento. These rents shall be deposited in the Service Revolving Fund and shall be available for maintenance and operation of the buildings by the Building and Property Management Branch.
2. Notwithstanding any other provision of law, revenues from the sale of legislative bills and publications received by the Bill Room shall be deposited in the Service Revolving Fund.
3. Notwithstanding any other provision of law, if the Director of the Department of General Services determines in writing that there is insufficient cash in a special fund under his or her authority to make one or more payments currently due and payable, he or she may order the transfer of mon-

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eys to that special fund in the amount necessary to make payment or payments, as a loan from the Service Revolving Fund. That loan shall be subject to all of the following conditions:

(a) No loan shall be made that would interfere with the carrying out of the object for which the Service Revolving Fund was created.

(b) The loan shall be repaid as soon as there is sufficient money in the recipient fund to repay the amount loaned, but no later than 18 months after the date of the loan, except that the loan to the Motor Vehicle Parking Fund shall be repaid no later than five years after the date of the loan. The Department of General Services may impose a parking rate increase as necessary for the repayment of the loan only if the increase is approved by a memorandum of understanding entered into by each collective bargaining unit that represents state employees to be affected by the increase, and the memorandum of understanding is ratified by statute. Any parking rate increase imposed pursuant to this provision shall apply equally to state employees who are affected by the increase whether or not they are represented by a collective bargaining unit. The amount loaned shall not exceed the amount that the fund or program is authorized at the time of the loan to expend during the 1998–99 fiscal year from the recipient fund except as otherwise provided in Provisions 5 and 6 of this item.

(c) The terms and conditions of the loan are approved, prior to the transfer of funds, by the Department of Finance pursuant to appropriate fiscal standards.

4. Notwithstanding any other provision of law, the Director of the Department of General Services may authorize a loan from the Service Revolving Fund to the Public School Planning, Design and Construction Review Revolving Fund for the purpose of meeting the cash needs of the Structural Safety and Fire and Life Safety Sections in the Division of the State Architect. The loan shall not exceed $4,000,000. As a condition of the loan, the Division of the State Architect shall reduce its school plan review and inspection staff to a level

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commensurate with expected workload, and shall maintain that staffing level. This loan shall be repaid as soon as there is sufficient money in the recipient fund to repay the amount loaned, but no later than June 30, 2001. No loan shall be made that would interfere with the carrying out of the objectives for which the Service Revolving Fund was created.

5. Notwithstanding Item 9840-001-0988, Item 9840-001-0494, and Section 27.00 of this act, the Director of General Services may augment this item or any of Items 1760-001-0002, 1760-001-0003, 1760-001-0006, 1760-001-0026, and 1760-001-0602, by up to an aggregate of 10 percent in cases where (a) the Legislature has approved funds for a customer for the purchase of services or equipment through the Department of General Services (DGS) and the corresponding expenditure authority has not been provided in this item or (b) a local government entity or the federal government has requested services from the DGS. Any augmentation that is deemed to be necessary on a permanent basis shall be identified in the Governor's Budget for the subsequent fiscal year. If the Director of the Department of General Services augments this item or Item 1760-001-0002, 1760-001-0003, 1760-001-0006, 1760-001-0026, or 1760-001-0602 the DGS shall notify the Department of Finance within 30 days after that augmentation is made as to the amount, justification, and the program augmented. Any augmentation made in accordance with this provision shall not result in an increase in any rate charged to other departments for services or the purchase of goods without the prior written consent of the Department of Finance.

6. Notwithstanding Item 9840-001-0988, Item 9840-001-0494, and Section 27.00 of this act, if this item or Item 1760-001-0002, 1760-001-0003, 1760-001-0006, 1760-001-0026, or 1760-001-0602, is augmented pursuant to Provision 5 by the maximum allowed under that provision, the Director of Finance may further augment the item or items in cases where (a) the Legislature has approved funds for a customer for the purchase of services or equipment through the DGS and the corresponding expenditure authority has not been

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provided in these items, or (b) a local government entity or the federal government has requested services from the DGS. Any augmentation that is deemed to be necessary on a permanent basis shall be identified in the Governor's Budget for the subsequent fiscal year.

7. Notwithstanding Item 9840-001-0988, Item 9840-001-0494, and Section 27.00 of this act, the Director of General Services may augment this item and Items 1760-001-0026 and Item 1760-001-0003 to increase authorized expenditures by the Office of State Printing, the Office of Information Services, the Office of Risk and Insurance Management, the Office of Fleet Administration, the Energy Assessments Section of the Professional Services Branch, and the Telecommunications Division's Public Safety Radio Services Section. The augmentation shall be for the specific purpose of enabling the Office of State Printing, the Office of Risk and Insurance Management, the Office of Information Services, the Office of Fleet Administration, the Energy Assessments Section of the Professional Services Branch, and the Telecommunications Division's Public Safety Radio Services Section to provide competitive services to their customers (including local government entitles or the federal government) and may be made only if the office has sufficient operating reserves available to fund the augmentation. If the Director of General Services augments either of the items in this provision, the DGS shall notify the Department of Finance within 30 days after that augmentation is made as to the amount, justification, and the office augmented. Any augmentation that is necessary on a permanent basis shall be identified in the Governor's Budget for the subsequent fiscal year.

8. Any augmentation made pursuant to Provision 5, 6, or 7 of this item shall be reported in writing to the chairpersons of the fiscal committees of each house and the Chairperson of the Joint Legislative Budget Committee within 30 days of the date the augmentation is approved. This notification shall identify the amount of, and justification for, the augmentation, and the program that has been augmented.

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9. Notwithstanding any other provision of law, the Director of General Services or his or her designee, in lieu of the Director of Finance, is authorized to carry out the provisions of Section 26.00 of this act as it pertains to category transfers.

10. Notwithstanding any other provision of law, the Director of General Services or his or her designee, in lieu of the Director of Finance, is authorized to approve Budget Revision, Standard Form 26.

11. Notwithstanding any other provision of law, the Director of General Services or his or her designee, in lieu of the Director of Finance, is authorized to carry out Section 31.00 of this act as it pertains to the positions funded by this act and is not required to notify the Chairperson of the Joint Legislative Budget Committee regarding any position authorizations, blanket transfers, or reclassification of positions.

12. Notwithstanding any other provision of law, commencing July 1, 1998, in addition to the annual report of the Department of General Services on small business participation in public contracting, required in accordance with Section 14840 of the Government Code, the department shall also include the following data:

(a) Statistical data regarding ethnicity and gender of small business bidders participating in public contracting and procurement, including dollar values of contract awards, for the following categories of contracts:

(1) Construction.

(2) Purchases of materials, supplies, and equipment.

(3) Professional services.

(4) All contracts with a dollar amount of less than $25,000.

1760-001-0723—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the New Prison Construction Fund..... 379,000

1760-001-0746—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the Prison Construction Fund, 1986..... 1,821,000

1760-001-0747—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the Prison Construction Fund, 1988..... 841,000

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1760-001-0751—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the 1990 Prison Construction Fund.....	1,017,000
1760-001-0768—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the Earthquake Safety and Public Buildings Rehabilitation Fund of 1990	723,000
1760-001-0961—For support of Department of General Services for payment to Item 1760-001-0666, payable from the State School Deferred Maintenance Fund	137,000
1760-002-0003—For support of Department of General Services, for rental payments on lease revenue bonds for payment to Item 1760-001-0666, payable from the Motor Vehicle Parking Facilities Moneys Account, General Fund	1,102,000
Provisions:	
1. The funds appropriated in this item are for the following:	
(a) Base Rental and Fees..... 1,097,000	
(b) Insurance..... 5,000	
1760-002-0666—For support of Department of General Services, for rental payments on lease revenue bonds, for payment to Item 1760-001-0666, payable from the Service Revolving Fund.....	25,528,000
Provisions:	
1. The funds appropriated in this item are for the following:	
(a) Base rental and fees..... ~~25,605,000~~ *25,479,000*	
(b) Insurance..... ~~280,000~~ *473,000*	
(c) Reimbursements ..... ~~−357,000~~ *−424,000*	
1760-011-0001—For support of Department of General Services, for payment to Item 1760-001-0666	4,836,000
Provisions:	
1. The funds appropriated in this item are for the following:	
(a) Asbestos Abatement..... 1,638,000	
(b) PCB Program 237,000	
(c) Underground Storage Tank Program..... 2,961,000	
2. The funds appropriated by this item may also be used for purposes related to the remediation of toxic sites for which the state is responsible, provided that proposals to transfer funds between	

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these programs or for such other purposes shall be submitted in accordance with Section 26.00 of this act. These proposals shall detail the reasons for the transfer and the impact on the programs for which the transfer is proposed.

3. The unencumbered balance of any funds transferred from this item into the Architecture Revolving Fund will be reverted at the close of the fiscal year.

1760-015-0002—For support of Department of General Services, for payment to Item 1760-001-0666, payable from the Property Acquisition Law Account, General Fund..... 1,575,000

Provisions:

1. The funds appropriated by this item are for strategic assessments of properties that have been identified in the State Surplus Property Inventory, in the dollar amounts indicated as follows:

(a) State Department of Developmental Services

(1) Agnews Developmental Center..... 1,000,000

(2) Sonoma Developmental Center..... 100,000

~~(4)~~

(3) Fairview Developmental Center 100,000

(b) Department of General Services

~~(3)~~

(1) Long Beach State Building..... 50,000

~~(d)~~

(c) Department of Corrections

(1) California Institution for Men—Chino..... 250,000

~~(e)~~

(d) California Highway Patrol

(1) Sacramento (Meadowview) .. 75,000

2. Funds appropriated by this item may be transferred by the Department of General Services between and among the projects identified in Provision 1 as necessary.

3. Funds appropriated in this item for the former California Highway Patrol Academy in Sacramento shall be available only if the property is not acquired by the City of Sacramento.

Item		Amount
1760-101-0001—For local assistance, Department of General Services		*2,200,000*
Schedule:		
(1) Marin County Civic Center	*2,000,000*	
(2) Butte County 911 Dispatch Center for the Americans with Disabilities Act (ADA) and equipment upgrades	*200,000*	
1760-101-0022—For local assistance, Department of General Services, for reimbursement of local agencies and service suppliers or communications equipment companies for costs incurred pursuant to Sections 41137, 41137.1, 41138, and 41140 of the Revenue and Taxation Code, payable from the State Emergency Telephone Number Account, General Fund		79,018,000
1760-101-0768—For local assistance, Department of General Services, payable from the Earthquake Safety and Public Buildings Rehabilitation Fund of 1990		2,526,371
Schedule:		
(1) ~~San~~ *4225-San* Leandro, Alameda: Fire Station #3	116,810	
(2) ~~San~~ *4224-San* Leandro, Alameda: Fire Station #2	110,858	
(3) ~~Culver~~ *4204-Culver* City, Los Angeles: Culver City Fire Station Retrofit	162,020	
(4) ~~Grover~~ *4203-Grover* Beach, San Bernardino: Grover Beach Police Facility	259,775	
(5) ~~Citrus~~ *4193-Citrus* Heights, Sacramento: Citrus Heights Fire Station #23	40,088	
(6) ~~Los~~ *4160-Los* Altos, Santa Clara: Sequoia Fire Station	213,654	
(7) ~~Bolinas,~~ *4127-Bolinas*, Marin: Bolinas Fire Station	37,851	
(8) ~~San~~ *4073-San* Ramon, Contra Costa: Dougherty Fire Station	161,555	
(9) ~~Danville,~~ *4072-Danville*, Contra Costa: Fire Station #35	73,196	
(10) ~~San~~ *4071-San* Ramon, Contra Costa: Fire Station #34	49,153	
(11) ~~Orinda,~~ *4043-Orinda*, Contra Costa: Orinda Fire Station #43	62,811	

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(12) ~~Orinda,~~ *4042-Orinda*, Contra Costa: Fire Station #44 57,671

(13) ~~Oakland,~~ *4029-Oakland*, Alameda: Oakland Police Administration Retrofit..... 500,000

(14) ~~Oakland,~~ *4028-Oakland*, Alameda: Fire Station #27..... 60,519

(15) ~~Oakland,~~ *4027-Oakland*, Alameda: Fire Station #19..... 70,080

(16) ~~Oakland,~~ *4026-Oakland*, Alameda: Fire Station #16..... 64,860

(17) ~~Oakland,~~ *4025-Oakland*, Alameda: Fire Station #6 74,355

(18) ~~Oakland,~~ *4024-Oakland*, Alameda: Fire Station #23..... 106,257

(19) ~~Oakland,~~ *4022-Oakland*, Alameda: Fire Station #21..... 131,880

(20) ~~Oakland,~~ *4020-Oakland*, Alameda: Fire Station #14..... 172,978

1760-301-0001—For Capital Outlay, Department of General Services..... 9,550,000

Schedule:

(1) 50.10.052-Property Contiguous to Franchise Tax Board—Acquisition 7,000,000

(2) 50.10.140-Food & Agriculture Building Renovation, 1220 N Street, Sacramento—Preliminary plans and working drawings..... 1,450,000

(3) 50.10.141-Purchase Employment Development Department Sacramento Warehouse Facility 1,100,000

Provisions:

1. The Director of the Department of General Services is hereby authorized to purchase the warehouse facility operated by the Employment Development Department located at 805 R Street in Sacramento. This authority is consistent with the Capitol Area Plan as approved by the Legislature.
2. The funds appropriated in Schedule (1) for the acquisition of property contiguous to the Franchise Tax Board are contingent upon enactment of legislation that will amend the provisions of Chapter 1152 of the Statutes of 1996.
3. If planning for a project included in the Sacramento Regional Facilities Plan is not undertaken in three years, the Director of General Services shall seek authorization to surplus and dispose of

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the property in Schedule (1), including properties located in Sacramento County of approximately 2.5 acres near the northwest corner of the intersection of Folsom Boulevard and Mayhew Road and of approximately 29 acres near the northeast corner of Folsom Boulevard and Butterfield Road, or any portion determined to be excess, pursuant to Section 11011 of the Government Code.		
1760-301-0002—For capital outlay, Department of General Services, payable from the Property Acquisition Law Account		309,000
Schedule:		
(1) 50.50.001-Hazardous Materials Abatement, 107 South Broadway, Los Angeles—preliminary plans and working drawings	309,000	
Provisions:		
1. In the event there are insufficient funds in the Property Acquisition Law Account, the Department of Finance may authorize expenditures for this project from the General Fund.		
1760-301-0768—For capital outlay, Department of General Services, payable from the Earthquake Safety and Public Buildings Rehabilitation Fund of 1990		~~62,656,000~~ *64,645,000*
Schedule:		
(1) 50.99.029—Program management	723,000	
(1.2) 50.99.030—DSA 3-Employment Development Department, 800 Capitol Mall Structural Retrofit—Construction	9,811,000	
(2) 50.99.031—DSA 48-Department of General Services, Legislative Office Building Annex Demolition—Construction	2,004,000	
(3) 50.99.026—Building Risk Assessments	250,000	
(3.5) 50.99.033—DSA ~~4339-Depart-~~ *4337-Depart-* ment of Corrections, Tehachapi ~~Kitchen/Laundry~~ *G-Educational and Vocational* Structural Retrofit—Construction	763,000	
(4) 50.99.034—DSA 421301, 02-Department of Corrections, San Quentin, South Block: Structural Retrofit-Construction	8,540,000	

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(5) 50.99.035—DSA 421501, 02-Department of Corrections, San Quentin, West Block: Structural Retrofit-Construction.....	5,332,000
(5.5) 50.99.036—DSA ~~4337-Depart-~~ *4339-Depart-* ment of Corrections, Tehachapi ~~Educational~~ ~~&~~ ~~Vocational~~ *J-Kitchen/Laundry:* Structural Retrofit—Construction	674,000
(7) 50.99.051—DSA 4211-Department of Corrections, San Quentin, Neumiller Infirmary: Structural Retrofit—Working drawings and construction	6,283,000
(8) 50.99.052—DSA 4152-Department of Corrections, San Quentin, North Block: Structural Retrofit—Working drawings and construction	4,035,000
(9) 50.99.053—DSA 3275, 3276 and 3277-Department of Developmental Services, Fairview, Wards D1516, E3014, F1112: Structural Retrofit—Working drawings and construction	~~2,711,000~~ *4,369,000*
(10) 50.99.056—DSA 11169-Department of the Military, Sacramento Meadowview Armory: Structural Retrofit—Working drawings and construction.....	1,421,000
(11) 50.99.057—DSA 4406-Department of Corrections, Folsom, Officers and Guards: Structural Retrofit-Working drawings and construction.....	4,462,000
(12) 50.99.058—DSA 347601-04-Department of Developmental Services, Sonoma, Media Center, Gym, Adult Education School: Structural Retrofit—Working drawings and construction	1,028,000
(13) 50.99.059—DSA ~~872,~~ ~~880~~ *872* and 876-Department of Corrections, DVI Tracy, Wings ~~L,~~ ~~W~~ *L* & R: Structural Retrofit—Working drawings and construction	1,675,000

Item	Amount
(14) 50.99.061—DSA 10788, 10795 and 10819-Department of Corrections, Soledad, North Facility Gym/Dining/Kitchen, VS-1 and Wing V Ed: Structural Retrofit—Working drawings and construction	2,320,000
(15) 50.99.062—DSA 11178-Department of the Military, Ventura Armory: Structural Retrofit—Working drawings and construction	1,932,000
(17) 50.99.065—DSA 3963-Department of Mental Health, Napa, McGrath School: Structural Retrofit—Working drawings and construction	~~639,000~~ *970,000*
(18) 50.99.069—DSA 4348-Department of Corrections, Tehachapi, Van Weston Hall: Structural Retrofit—Working drawings and construction	1,595,000
(19) 50.99.071—DSA 3551-Department of Veterans Affairs, Yountville, Theater/Dining: Structural Retrofit—Working drawings and construction	2,092,000
(20) 50.99.072—DSA 406201-05-Department of Corrections, Chino, Central Guidance Center A: Structural Retrofit—Working drawings and construction	3,766,000
(22) 50.99.047—Statewide Advance—Preliminary plans	600,000

Provisions:

1. The funds appropriated in Schedule (3) for Building Risk Assessments shall be used for risk assessments of those state buildings that, based on previous analyses, could be risk level V, VI, or VII, as defined by the Real Estate Services Division. If, as a result of these assessments, a building is determined to be a risk level V, VI, or VII, the Real Estate Services Division may use the funds appropriated in that schedule to develop proposed retrofit solutions and cost estimates.

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2. The funds appropriated in Schedule (22) shall be available for expenditure after the department has completed the building risk assessments pursuant to Provision 1 of this item and has reported its findings to the Chairperson of the Joint Legislative Budget Committee and the chair of the fiscal committee in each house that considers appropriations. These funds shall be used to develop preliminary plans and associated cost estimates for projects identified by the department as the highest priority risk level V, VI, or VII buildings for which funds have not been previously appropriated, and for which funds from the Earthquake Safety and Public Buildings Rehabilitation Fund of 1990 will be available to complete the working drawings and construction phases of the projects.
3. The Department of General Services shall make every effort to ensure that, to the extent that the structural retrofit of the 800 Capitol Mall building increases the value of the building, the state will retain 100 percent equity in the increased value.

1760-301-0942—For capital outlay, Department of General Services, payable from the New Governor's Mansion Account, Special Deposit Account 2,945,000

Schedule:

(a) 50.10.155-New Governor's Mansion 2,945,000

Provisions:

1. Funds appropriated by this item shall be available on or after January 15, 1999, for acquisition of a site and development and construction of a Governor's Official Residence within the distance of four miles from the Capitol building pursuant to subdivision (c) of Section 8174 of the Government Code.

1760-302-0768—For capital outlay, Department of General Services, payable from the Earthquake Safety and Public Buildings Rehabilitation Fund of 1990.. 7,067,000

Schedule:

(1) 50.99.038-DSA #24, DGS Santa Ana Office Bldg. Structural Retrofit—Construction 10,949,000

(2) Reimbursements..... −3,882,000

Provisions:

1. If any augmentations are required to complete the projects scheduled under this item, the Department of General Services shall seek the maximum

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allowable reimbursements for these augmentations.

1760-401—In the event the bonds authorized for the Capital Area Plan project in Chapter 761, Statutes 97 are not sold, the Department of General Services shall commit a sufficient portion of its support appropriation, as determined by the Department of Finance, which is provided for in this Budget Act to repay any interim financing. It is the intent of the Legislature that this commitment shall be included in future Budget Acts until all interim financing is repaid either through the proceeds from the sale of bonds or from an appropriation.

1760-491—Reappropriation, Department of General Services. Notwithstanding any other provision of law, the ~~unencumbered~~ balance, as of June 30, 1998, of the funds made available pursuant to Item 1760-101-768 of Section 2.00 of the Budget Act of 1994 (Ch. 139, Stats. 1994) is reappropriated for the projects in the following schedule, listed in descending order of priority, and shall be available for expenditure through June 30, 1999.

Schedule:

(1) 3011-Redwood City, San Mateo: Old Courthouse	418,873
(2) 3033-Hayward, Alameda: Highlands Reservoir Emergency Generator	31,000
(3) 3036-Hayward, Alameda: EOC & Corp. Yard Emergency Generator	14,100
(4) 3088-Big Bear Lake, San Bernardino: Headquarters Fire Station	280,160
(5) 3089-Big Bear Lake, San Bernardino: Emergency Power Generator Replacement	58,271
(6) 3116-Richmond, Contra Costa: City Hall	1,149,975
(7) 3117-Richmond, Contra Costa: Hall of Justice	1,183,613
(8) 3151-Milpitas, Santa Clara: Fire Station #1	148,110
(9) 3164-Berkeley, Alameda: Equipment Maintenance Building at Corp. Yard	618,157
(10) 3175-Sonoma, Sonoma: Schell-Vista Fire Station	479,029

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(11) 3193-Berkeley, Alameda: Fire Department Headquarters	3,356,885
(12) 3292-Torrance, Los Angeles: Harbor UCLA Medical Center	1,800,000
(13) 4002-Azusa, Los Angeles: Police Facility ECC/EOC	500,000
(14) 4005-Carmel, Monterey: Fire Station/EOC	335,768
(15) 4008-Grover Beach, San Luis Obispo: Fire Facility	279,418
(16) 4012-Los Altos, Santa Clara: Loyola Fire Station	167,039
(17) 4013-Oakland, Alameda: Fire Station #1	151,592
(18) 4018-Oakland, Alameda: Fire Station #8	184,010
(19) 4019-Oakland, Alameda: Fire Station #10	175,196
(20) 4021-Oakland, Alameda: Fire Station #12	140,851
(21) 4023-Oakland, Alameda: Fire Station #17	157,103
(22) 4036-Placentia, Orange: Station #34	114,164
(23) 4037-Placentia, Orange: Station #35	64,088
(24) 4044-Rancho Santa Fe, San Diego: Fire Station #1	500,000
(25) 4113-Tiburon, Marin: Police Station/EOC	166,808
(26) 4114-Tiburon, Marin: Fire Station #10	42,354
(27) 4159-Corte Madera, Marin: Fire Station #13	118,500
(28) 4162-Oxnard, Ventura: ECC/Public Safety Bldg.	489,745
(29) 4165-Camarillo, Ventura: Fire Comm. Center, Bldg. #2	175,725
(30) 4179-Port Hueneme, Ventura: Fire Station #53, Seismic Retrofit	336,600
(31) 4180-Camarillo, Ventura: Fire Comm. Center, Bldg. #1	60,162
(32) 4192-Stinson Beach, Marin: Fire Station #1/ECC	66,461
(33) 4194-Orinda, Contra Costa: Fire Station #45	186,973

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1760-493—Reappropriation, for capital outlay, Department of General Services. The balance of the appropriation provided in the following citation is reappropriated for the purposes provided for in that appropriation, and shall be available for encumbrance and expenditure until June 30, 1999.

0768—Earthquake Safety and Public Buildings Rehabilitation Fund of 1990

(1) Item 1760-301-0768, Schedule (14), Budget Act of 1995, as reappropriated by Item 1760-492, Budget Act of 1997, 50.99.014—DSA 22-Department of General Services, Los Angeles Junipero Serra State Office Building: Relocation of Public Safety and Emergency Communications Microwave Center—Construction.

1760-494—Reversion, Department of General Services. As of June 30, 1998, the unencumbered balances of the appropriations provided in the following citations shall revert to the Earthquake Safety and Public Building Rehabilitation Fund.

0768—Earthquake Safety and Public Buildings Rehabilitation Fund of 1990

(1) 1760-301-0768—Schedule (4.5) Budget Act of 1997, 50.99.030—DSA 3-EDD, 800 Capitol Mall Building: Structural Retrofit—Construction

(2) 1760-302-0768-Schedule (2) Budget Act of 1997, 50.99.038—DSA 24-DGS, Santa Ana Office Building: Structural Retrofit—Construction.

1760-495—Reversion, Department of General Services. As of June 30, 1998, the unencumbered balances of the appropriations provided in the following citations shall revert to the Earthquake Safety and Public Building Rehabilitation Fund.

0768—Earthquake Safety and Public Building Rehabilitation Fund of 1990

(1) Item 1760-301-0768—Schedule (6) Budget Act of 1997, 50.99.033—DSA 4337-Department of Corrections, Tehachapi Educational and Vocational: Structural Retrofit—Construction.

(2) Item 1760-301-0768-Schedule (9) Budget Act of 1997, 50.99.036—DSA 4339-Department of Corrections, Tehachapi Kitchen/Laundry: Structural Retrofit—Construction.

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1880-001-0001—For support of State Personnel Board . 6,229,000

Schedule:

(a) 10-Merit System Administration 13,829,000

(b) 40-Local Government Services 1,957,000

(c) 50.01-Administrative Services..... 3,845,000

(d) 50.02-Distributed Administrative Services..... −3,261,000

(e) Reimbursements..... −10,141,000

1900-001-0950—For support of Board of Administration of the Public Employees' Retirement System, payable from the Public Employees' Contingency Reserve Fund 7,442,000

Provisions:

1. The appropriation made by this item is for support of the Board of Administration pursuant to Section 22840 of the Government Code.

1900-003-0830—For support of the Board of Administration of the Public Employees' Retirement System, payable from the Public Employees' Retirement Fund ..... (64,732,000)

Provisions:

1. The amount displayed in this item is based on the estimate by the Public Employees' Retirement System of expenditures for external investment advisers to be made during the 1998–99 fiscal year pursuant to Section 20210 of the Government Code. The Board of Administration of the Public Employees' Retirement System shall report to the fiscal committees of the Legislature and the Joint Legislative Budget Committee on or before January 10, 1999, regarding any revision of this estimate, including an accounting and explanation of changes, and the amount of, and basis for, investment adviser expenditures proposed for the 1999–2000 fiscal year. The Board of Administration of the Public Employees' Retirement System shall report on or before January 10, 2000, on the final expenditures under this item, including an accounting and explanation of changes from estimates previously reported to the Legislature.

2. Each of the two reports described in Provision 1 also shall include all of the following:

(a) A summary and comparison of the externally managed portfolios, the internally managed portfolios, and the total fund. This information shall include the value of the assets, the

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gross and net returns, the benchmark returns, and the costs, by dollars and basis points, for these portfolios.

(b) A description of the actions the Public Employees' Retirement System will take to ensure that any future expenditures for outside advisers will result in a greater return on investments, including costs for these advisers, than if in-house advisers were used.

(c) Separate listings of adviser contracts in effect, and approved, during the 1997–98 and 1998–99 fiscal years, with (1) amounts (total contract and annual basis) for each contract for base fees and performance-based fees, and (2) summary statements of the purposes of each contract.

1900-015-0815—For support of Board of Administration of the Public Employees' Retirement System, payable from the Judges' Retirement Fund ..... (354,000)

Provisions:

1. Notwithstanding any other provision of law, the Board of Administration of the Public Employees' Retirement System (PERS), in accordance with all applicable provisions of the California Constitution, shall submit to the Controller, the Department of Finance, the Joint Legislative Budget Committee, and the fiscal committees of the Legislature, all of the following:

(a) No later than January 10, 1999, a copy of the proposed budget for PERS for the 1999–2000 fiscal year as included with the Governor's Budget.

(b) No later than May 15, 1999, a copy of the proposed budget for PERS for the 1999–2000 fiscal year as approved by the Board of Administration.

(c) The revisions to the proposed budget for PERS for the 1998–99 fiscal year, as recommended by the PERS Finance Committee, at least 30 days prior to the consideration of those revisions by the Board of Administration.

(d) Commencing October 1, 1998, all expenditure and performance workload data provided to the Board of Administration, as updated on a quarterly basis. This quarterly update information is to be submitted to the Joint Legis-

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lative Budget Committee and the fiscal committees of the Legislature, and shall be in sufficient detail to be useful for legislative oversight purposes and to sustain a thorough ongoing review of Public Employees' Retirement System expenditures.

1900-015-0820—For support of Board of Administration of the Public Employees' Retirement System, payable from the Legislators' Retirement Fund ..... (202,000)

Provisions:

1. Notwithstanding any other provisions of law, the Board of Administration of the Public Employees' Retirement System, in accordance with all applicable provisions of the California Constitution, shall submit to the Controller, the Department of Finance, the Joint Legislative Budget Committee, and the fiscal committees of the Legislature all of the following:
   (a) A copy of the proposed budget for the Public Employees' Retirement System for the 1999–2000 fiscal year by January 10, 1999, as included with the Governor's Budget.
   (b) A copy of the proposed budget for the Public Employees' Retirement System for the 1999–2000 fiscal year as approved by the Board of Administration by May 15, 1999.
   (c) The revisions to the proposed budget for the Public Employees' Retirement System for the 1998–99 fiscal year as recommended by the Public Employees' Retirement System Finance Committee at least 30 days prior to consideration of those revisions by the Board of Administration.
   (d) Commencing October 1, 1998, all expenditure and performance workload data provided to the Board of Administration, updated on a quarterly basis, shall be submitted to the Joint Legislative Budget Committee and the fiscal committees of the Legislature. The quarterly update information submitted to the Legislature shall be in sufficient detail to be useful for legislative oversight purposes and to sustain a thorough ongoing review of the expenditures of the Public Employees' Retirement System.

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1900-015-0830—For support of Board of Administration of the Public Employees' Retirement System, payable from the Public Employees' Retirement Fund..... (132,432,000)

Provisions:

1. Notwithstanding any other provision of law, the Board of Administration of the Public Employees' Retirement System, in accordance with all applicable provisions of the California Constitution, shall submit to the Controller, the Department of Finance, the Joint Legislative Budget Committee, and the fiscal committees of the Legislature, all of the following:
   (a) A copy of the proposed budget for the Public Employees' Retirement System for the 1999–2000 fiscal year by January 10, 1999, as included with the Governor's Budget.
   (b) A copy of the proposed budget for the Public Employees' Retirement System for the 1999–2000 fiscal year as approved by the Board of Administration by May 15, 1999.
   (c) The revisions to the proposed budget for the Public Employees' Retirement System for the 1998–99 fiscal year as recommended by the Public Employees' Retirement System Finance Committee at least 30 days prior to consideration of those revisions by the Board of Administration.
   (d) Commencing October 1, 1998, all expenditure and performance workload data provided to the Board of Administration, updated on a quarterly basis, shall be submitted to the Joint Legislative Budget Committee and the fiscal committees of the Legislature. The quarterly update information submitted to the Legislature shall be in sufficient detail to be useful for legislative oversight purposes and to sustain a thorough ongoing review of the expenditures of the Public Employees' Retirement System.

1900-015-0962—For support of Board of Administration of the Public Employees' Retirement System, payable from the Volunteer Firefighters' Length of Service Award System Fund ..... (76,000)

Provisions:

1. Notwithstanding any other provision of law, the Board of Administration of the Public Employees'

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Retirement System, in accordance with all applicable provisions of the California Constitution, shall submit to the Controller, the Department of Finance, the Joint Legislative Budget Committee, and the fiscal committees of the Legislature, all of the following:

(a) A copy of the proposed budget for the Public Employees' Retirement System for the 1999–2000 fiscal year by January 10, 1999, as included with the Governor's Budget.

(b) A copy of the proposed budget for the Public Employees' Retirement System for the 1999–2000 fiscal year as approved by the Board of Administration by May 15, 1999.

(c) The revisions to the proposed budget for the Public Employees' Retirement System for the 1998–99 fiscal year recommended by the Public Employees' Retirement System Finance Committee, at least 30 days prior to consideration of those revisions by the Board of Administration.

(d) Commencing October 1, 1998, all expenditure and performance workload data provided to the Board of Administration, updated on a quarterly basis, shall be submitted to the Joint Legislative Budget Committee and the fiscal committees of the Legislature. The quarterly update information submitted to the Legislature shall be in sufficient detail to be useful for legislative oversight purposes and to sustain a thorough ongoing review of the expenditures of the Public Employees' Retirement System.

1920-001-0835—For support of State Teachers' Retirement System, payable from the State Teachers' Retirement Fund ..... ~~44,672,000~~ *44,722,000*

Schedule:

(a) 10-Services to Members and Employers ..... ~~45,074,000~~ *45,124,000*

(b) Reimbursements ..... −339,000

(c) Amount payable from the Supplemental Benefit Maintenance Account in the Teachers' Retirement Fund pursuant to Section 22954 of the Education Code ..... −63,000

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Provisions:

1. This item shall not be subject to the requirements of subdivision (b), (c), (d), or (e) of Section 31.00 of this act. Nothing in this provision shall be construed as exempting this item from requirements of the State Civil Service Act or from requirements of laws, rules, and regulations administered by the Department of Personnel Administration.

2. *From the funds appropriated by this item, $50,000 shall be expended for an actuarial evaluation of the Teachers' Retirement System as of June 30, 1998, which shall be completed on or before April 1, 1999.*

1920-002-0835—For external investment advisers, payable from the State Teachers' Retirement Fund..... (52,600,000)

Provisions:

1. The amount displayed in this item is for informational purposes only, and is based on the current estimate by the State Teachers' Retirement System (STRS) of expenditures for external investment advisers to be made during the 1998–99 fiscal year pursuant to Section 22353 of the Education Code. The STRS shall report to the fiscal committees of the Legislature and the Joint Legislative Budget Committee no later than January 10, 1999, regarding any revision of this estimate, including an accounting and explanation of the changes, and regarding the amount of, and basis for, investment adviser expenditures proposed for the 1999–2000 fiscal year. The STRS shall report on or before January 10, 2000, on the final expenditures under this item, including an accounting and explanation of changes from estimates previously reported to the Legislature.

2. Each of the two reports described in Provision 1 also shall include all of the following:

   (a) A summary and comparison of the externally managed portfolios, the internally managed portfolios, and the total fund. This information shall include the value of the assets, the gross and net returns, the benchmark returns, and the costs by dollars and basis points for these portfolios.

   (b) A description of the actions the State Teachers' Retirement System will take to ensure that any future expenditures for outside advisers will result in a greater return on invest-

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ments, including costs for these advisors, than if in-house advisers were used.

(c) Separate listings of adviser contracts in effect, and approved, during the 1997–98 and 1998–99 fiscal years, with (1) amounts (total contract and annual basis) for each contract for base fees and performance-based fees, (2) summary statements of the purposes of each contract.

1920-011-0001—For transfer by the State Controller to the Teachers' Retirement Fund from the General Fund..... ~~(730,652,000)~~ *(726,475,000)*

Schedule:

(a) Elder Full Funding..... ~~(646,702,000)~~ *(642,525,000)*

(b) Supplemental Benefit Maintenance Account (SBMA) ..... (403,950,000)

(c) SBMA Expenditure Reduction—Elk Hills ..... (−320,000,000)

Provisions:

1. The estimated amount referenced in Schedule (a) is the state's contribution required by Section 22955 of the Education Code.
2. The estimated amount referenced in Schedule (b) is the state's contribution required by Section 22954 of the Education Code.
3. Upon order of the Department of Finance, the State Controller shall reduce the State's SBMA contribution referenced in Schedule (b) by the amount referenced in Schedule (c) pursuant to Chapter 939, Statutes of 1997.

1920-490—Reappropriation, State Teachers' Retirement System (STRS). Notwithstanding any other provision of law, up to $1,142,000 of the ~~unexpended~~ balance as of June 30, 1998, of the appropriation identified in the following citation is reappropriated, subject to the limitations set forth in Provision 1, and shall be available for encumbrance and expenditure until June 30, 1999. Any amount of this reappropriation that is not expended in 1998–99 shall be carried over to 1999–2000 and is hereby reappropriated. In no event shall the total amounts reappropriated for the 1999–2000 Budget exceed three percent of STRS' 1998–99 appropriation.

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835—State Teachers' Retirement Fund

(1) Item 1920-001-835, Budget Act of 1997.

Provisions:

1. The funds reappropriated in this item shall be available for expenditure by the State Teachers' Retirement System for the purposes of meeting unanticipated system costs and promoting better service to the system's membership. The funds may not be encumbered without advance approval of the State Teachers' Retirement Board. The board shall report to the Legislature on a quarterly basis throughout the 1998–99 fiscal year on expenditures made pursuant to this item.

BUSINESS, TRANSPORTATION AND HOUSING

2100-001-0081—For support of Department of Alcoholic Beverage Control, payable from Alcohol Beverage Control Fund..... ~~31,034,000~~ *31,012,000*

Schedule:

(a) 10.10-Licensing..... ~~16,929,000~~ *16,918,000*

(b) 10.20-Compliance ..... ~~14,974,000~~ *14,963,000*

(c) 10.30.010-Administration..... 2,855,000

(d) 10.30.020-Distributed Administration..... −2,855,000

(e) Reimbursements ..... −869,000

2100-101-0081—For local assistance, Department of Alcoholic Beverage Control, Program 10.20-Compliance, for grants to local law enforcement agencies payable from Alcohol Beverage Control Fund 1,500,000

Provisions:

1. Notwithstanding any other provisions of law, the Department of Alcoholic Beverage Control is authorized to grant funds to local law enforcement agencies for the purpose of enhancing enforcement of alcoholic beverage control laws in the local jurisdiction.
2. Notwithstanding any other provisions of law, at the discretion of the Director, Department of Alcoholic Beverage Control, the Department may advance grant funds to local law enforcement agencies.
3. Notwithstanding any other provisions of law, at the discretion of the Director, Department of Al-

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coholic Beverage Control, title to any authorized equipment purchased by the local law enforcement agency pursuant to the grant may be vested in the local law enforcement agency at the conclusion of the grant period.			
2120-001-0117—For support of Alcoholic Beverage Control Appeals Board, Program 10, payable from the Alcoholic Beverage Control Appeals Fund.....			727,000
2150-001-0298—For support of the Department of Financial Institutions, payable from the Financial Institutions Fund.....			15,758,000
Schedule:			
(a) 10-Licensing and Supervision of Banks and Trust Companies.....		14,302,000	
(b) 20-Payment Instruments.....		515,000	
(c) 30-Certification of Securities		10,000	
(e) 50-Supervision of California Business and Industrial Development Corporations.....		28,000	
(f) 60-Credit Unions.....		2,248,000	
(g) 70-Savings and Loan.....		105,000	
(h) 80-Industrial Loan Companies		957,000	
(i) 90.01-Administration.....		3,289,000	
(j) 90.02-Distributed Administration...		−3,289,000	
(k) Reimbursements.....		−159,000	
(m) Amount payable from the Credit Union Fund (Item 2150-001-0299).		−2,248,000	
2150-001-0299—For support of the Department of Financial Institutions, for payment to Item 2150-001-0298, payable from the Credit Union Fund			2,248,000
2180-001-0067—For support of Department of Corporations, payable from the State Corporations Fund.....			~~36,156,000~~ *36,216,000*
Schedule:			
(a) 10-Investment Program.....		~~13,287,000~~ *13,315,098*	
(b) 20-Lender-Fiduciary Program		~~7,178,000~~ *7,194,428*	
(c) 30-Health Care Program		~~15,691,000~~ *15,706,474*	
(d) 50.01-Administration.....		5,667,000	
(e) 50.02-Distributed Administration ...		−5,667,000	
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.			

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2. The Director of Finance may allocate funds from Item 9903-001-0494 for the purchase of data processing software, hardware, related equipment, and services to implement a document management system that will provide the public and staff of the Department of Corporations immediate electronic access to the department's mission-critical files, ensure confidential file security, establish file integrity, and provide full disaster recovery if at least 30 days prior to that allocation, the director provides written notice to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house of the Legislature that considers the Budget Bill.

2240-001-0001—For support of the Department of Housing and Community Development 4,580,000

Schedule:

(a) 10-Codes and Standards Program... 20,234,000

(b) 20-Community Affairs Program..... ~~12,268,000~~ *12,168,000*

(c) 30.01-Housing Policy Development Program..... 1,274,000

(d) 30.02-Distributed Housing Policy Development Program..... −122,000

(e) 50.01-Administration..... 8,734,000

(f) 50.02-Distributed Administration.... −8,734,000

(g) Reimbursements..... −395,000

(h) Amount payable from the Mobilehome Park Revolving Fund (Item 2240-001-0245) ..... −3,604,000

(i) Amount payable from the Mobilehome Park Purchase Fund (Item 2240-001-0530) ..... −586,000

(j) Amount payable from the Rural Predevelopment Loan Fund (Item 2240-001-0635) ..... −132,000

(k) Amount payable from the Mobilehome-Manufactured Home Revolving Fund (Item 2240-001-0648).....−15,243,000

(*l*) Amount payable from the Self-Help Housing Fund (Item 2240-001-0813)..... −188,000

(m) Amount payable from the Federal Trust Fund (Item 2240-001-0890)..... −4,897,000

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(n) Amount payable from the Housing Rehabilitation Loan Fund (Item 2240-001-0929)	−2,569,000	
(o) Amount payable from the Rental Housing Construction Fund (Item 2240-001-0938)	−898,000	
(p) Amount payable from the Emergency Housing Assistance Fund (Item 2240-001-0985)	~~−562,000~~ *−462,000*	
2240-001-0245—For support of Department of Housing and Community Development, for payment to Item 2240-001-0001, payable from the Mobilehome Park Revolving Fund		3,604,000
2240-001-0530—For support of Department of Housing and Community Development, for payment to Item 2240-001-0001, payable from the Mobilehome Park Purchase Fund		586,000
2240-001-0635—For support of the Department of Housing and Community Development, for payment to Item 2240-001-0001, payable from the Rural Predevelopment Loan Fund		132,000
2240-001-0648—For support of the Department of Housing and Community Development, for payment to Item 2240-001-0001, payable from the Mobilehome-Manufactured Home Revolving Fund		15,243,000

Provisions:

1. Notwithstanding Section 18077 of the Health and Safety Code, or any other provision of law, the first $2,388,000 in revenues collected by the Department of Housing and Community Development from manufactured home license fees shall be deposited in the Mobilehome-Manufactured Home Revolving Fund, and shall be available to the department for the support, collection, administration, and enforcement of manufactured home license fees.
2. Notwithstanding Section 18077.5 of the Health and Safety Code, or any other provision of law, the Department of Housing and Community Development is not required to comply with the reporting requirement of Section 18077.5 of the Health and Safety Code.

2240-001-0813—For support of the Department of Housing and Community Development, for payment to Item 2240-001-0001, payable from the Self-Help Housing Fund	188,000

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2240-001-0890—For support of Department of Housing and Community Development, for payment to Item 2240-001-0001, payable from the Federal Trust Fund	4,897,000
2240-001-0929—For support of Department of Housing and Community Development, for payment to Item 2240-001-0001, payable from the Housing Rehabilitation Loan Fund	2,569,000
2240-001-0938—For support of Department of Housing and Community Development, for payment to Item 2240-001-0001, payable from the Rental Housing Construction Fund	898,000
2240-001-0985—For support of the Department of Housing and Community Development, for payment to Item 2240-001-0001, payable from the Emergency Housing Assistance Fund	~~562,000~~ *462,000*
2240-013-0474—For support of the Department of Housing and Community Development, payable from the Child Care and Development Facilities Loan Guaranty Fund	105,000
2240-014-0472—For support of the Department of Housing and Community Development, payable from the Child Care and Development Facilities Direct Loan Fund	105,000
2240-101-0001—For local assistance, Department of Housing and Community Development	~~4,604,000~~ *4,629,000*
Schedule:	
(a) 20-Community Affairs ..... ~~103,604,000~~ *103,629,000*	
(b) Amount payable from the Federal Trust Fund (Item 2240-101-0890) ..... −99,000,000	
Provisions:	
1. Of the amount appropriated in this item, $200,000 shall be used for assistance grants provided through the California Indian Assistance Program.	
2240-101-0843—For local assistance, Department of Housing and Community Development, payable from the California Housing Trust Fund	(2,000,000)
Schedule:	
(a) For transfer to the Emergency Housing Assistance Fund (0985) .. (2,000,000)	

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2240-101-0890—For local assistance, Department of Housing and Community Development, for payment to Item 2240-101-0001, payable from the Federal Trust Fund	99,000,000
Provisions:	
1. Notwithstanding any other provision of law, federal funds appropriated by this act but not encumbered by June 30 may be expended in the subsequent fiscal year.	
2240-102-0001—For local assistance, Department of Housing and Community Development, for transfer to the Special Deposit Fund-Office of Migrant Services (0942)	9,887,000
Provisions:	
1. Of the funds appropriated by this item, $5,000,000 shall be expended to reconstruct the first eligible migrant housing project in Kern County. If federal funds are received during the 1998–99 fiscal year to finance all or a portion of that first project, the remainder of the $5,000,000 shall be expended to finance the second eligible project in Kern County. If federal funds are received to finance all or a portion of the second eligible project, any remaining balance of the $5,000,000 shall revert to the General Fund.	
2. Notwithstanding Section 28.00 of this act or any other provision of law, any federal funds received by the Office of Migrant Services during the 1998–99 fiscal year for the purposes specified in Provision 1 of this item are hereby appropriated for those purposes.	
2240-103-0001—For local assistance, Department of Housing and Community Development, for transfer to the Self-Help Housing Fund (0813)	2,000,000
2240-103-0813—For local assistance, Department of Housing and Community Development, payable from the Self-Help Housing Fund	2,928,000
Provisions:	
1. The funds appropriated by this item shall be expended pursuant to paragraph (1) of subdivision (b) of Section 50696 of the Health and Safety Code for group mutual self-help housing for any low-income owner-builder who contributes substantial labor to build his or her principal residence.	

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2. Notwithstanding any other provision of law, funds appropriated by this act but not encumbered by June 30, 1999 may be expended in the 1999–2000 fiscal year.
3. The Department of Housing and Community Development may use not more than $72,000 of the amount appropriated in this item for the cost of administering grants funded with moneys appropriated in this item.

2240-104-0001—For local assistance, Department of Housing and Community Development, for transfer to the Farmworker Housing Grant Fund (0927) 6,000,000

Provisions:

1. The Department of Housing and Community Development may use up to $350,000 of the amount appropriated in this item for administration of the grants funded by this item.

2240-105-0001—For local assistance, Department of Housing and Community Development, for transfer to the California Housing Rehabilitation Loan Fund (0929) 15,000,000

Provisions:

1. The funds transferred by this item to the California Housing Rehabilitation Loan Fund shall be used for the purposes set forth in Section 50668.5 of the Health and Safety Code to finance multifamily affordable housing units that receive assistance under federal programs specified in subdivision (a) of Section ~~65863.1~~ *65863.10* of the Government Code and that are eligible for termination of their use as low-income housing in the next 3 years due to termination of subsidy contracts, mortgage prepayment, or expiration of an affordability restriction. The Department of Housing and Community Development may use funds appropriated by this item to compensate local government agencies or other public or nonprofit agencies for the cost of monitoring compliance with the regulatory agreement required by the program. The department may waive the requirements of Section 50668.5 of the Health and Safety Code and any regulations adopted thereunder that are in conflict with the provisions of this item or that are necessary for prompt and effective implementation of the program funded by this item.
2. The department may use up to $660,000 of the amount appropriated by this item, but no more

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than $330,000 per fiscal year, for the cost of administering funds appropriated by this item.	
2240-105-0929—For local assistance, Department of Housing and Community Development, payable from the California Housing Rehabilitation Loan Fund	14,670,000
Provisions:	
1. The funds appropriated in this item shall be used for preservation of at-risk housing.	
2240-106-0001—For local assistance, Department of Housing and Community Development, for transfer to the Rental Housing Construction Fund (0938)....	10,000,000
Provisions:	
1. The funds appropriated by this item shall be deposited in the Family Housing Demonstration Account and shall be used for the purposes set forth in Chapter 15 (commencing with Section 50880) of Part 2 of Division 31 of the Health and Safety Code to finance construction of community housing developments and congregate housing developments, with child care and a job training program to assist families with children moving from welfare to work. The housing shall be located on a main transportation system. Sponsors shall provide evidence that a development funded by this program is consistent with the welfare reform plan required by Section 10531 of the Welfare and Institutions Code. The funds shall be used to assist housing developments serving families that qualify for benefits under the CalWORKs program and experience the greatest difficulty moving from welfare to work. This service-enriched program shall be administered as a transitional program with timelines established by the Department of Housing and Community Development. Participating households shall receive assistance from this program during the job training and preparation period and then shall be assisted in locating and moving to affordable housing. The department may waive any requirements of Chapter 15 (commencing with Section 50880) of Part 2 of Division 31 of the Health and Safety Code and any regulations adopted thereunder that are in conflict with the provisions of this item or that are necessary for prompt and effective implementation of the program described in this item.	

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2. The department may use up to $375,000 of the funds appropriated by this item, but not more than $220,000 per fiscal year, for the cost of administering funds appropriated by this item.

2240-107-0001—For local assistance, Department of Housing and Community Development, for transfer to the Emergency Housing Assistance Fund (0985). ~~2,000,000~~ *7,000,000*

Provisions:

1. The minimum amount of a grant made with funding appropriated in this item shall be $40,000, except that no more than two grants in an amount of less than $40,000 may be awarded in each county.
2. *Of the amount transferred to the Emergency Housing Assistance Fund pursuant to this item, $5,000,000 shall be allocated to assist the construction of permanent local homeless shelters.*

2240-295-0001—For local assistance, Department of Housing and Community Development, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or of Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for allocation by Controller..... 950,000

Schedule:

(1) 98.01.114.380—Regional Housing Needs Assessments (Ch. 1143, Stats. 1980) 950,000

2240-490—Reappropriation, Department of Housing and Community Development. The balance of the appropriations provided in the following citations are reappropriated for local assistance for the purposes provided for those appropriations and shall be available for encumbrance and expenditure as specified.

0472-Child Care and Development Facilities Direct Loan Fund:

Item 2240-014-0472, Budget Act of 1997

Year of completion: June 30, 1999

0927-Farmworker Housing Grant Fund

Item 2240-104-0927, Budget Act of 1997

Year of completion: June 30, 1999

0474-Child Care and Development Facilities Loan Guaranty Fund:

Item 2240-013-0474, Budget Act of 1997

Year of completion: June 30, 2018

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2310-001-0400—For support of the Office of Real Estate Appraisers payable from the Real Estate Appraisers Regulation Fund		3,967,000
Schedule:		
(a) 10-Administration of the Real Estate Appraisers Program	4,042,000	
(b) Reimbursements	−75,000	
2320-001-0317—For support of Department of Real Estate, payable from the Real Estate Fund		~~27,741,000~~ *27,609,000*
Schedule:		
(a) 10-Licensing and Education	6,077,000	
(b) 20-Enforcement and Recovery	~~17,318,000~~ *17,236,054*	
(c) 30-Subdivisions	~~5,112,000~~ *5,065,721*	
(d) 40.10-Administration	~~6,094,000~~ *6,090,225*	
(e) 40.20-Distributed Administration	−6,110,000	
(f) Reimbursements	−750,000	
2600-001-0042—For support of California Transportation Commission, for payment to Item 2600-001-0046, payable from the State Highway Account, State Transportation Fund		176,000
2600-001-0046—For support of California Transportation Commission, payable from the Public Transportation Account, State Transportation Fund		1,261,000
Schedule:		
(a) 10-Administration of California Transportation Commission	1,437,000	
(b) Amount payable from the State Highway Account, State Transportation Fund (Item 2600-001-0042)	−176,000	
2600-101-0001—For local assistance, California Transportation Commission		*2,000,000*

Provisions:

1. The funds appropriated by this item shall be available for allocation by the California Transportation Commission to the North Coast Railroad Authority (NCRA) pursuant to the following:

(a) The funds shall be available to provide for the immediate and critical needs of the NCRA, including, but not limited to, the following:

(1) Implementing an accounting system that complies with commission requirements for receipt of state and federal funds.

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(2) Addressing environmental concerns raised by the Departments of Fish and Game, Toxic Substance Control, and Justice.

(3) Payment to contractors and vendors for services rendered prior to June 30, 1998, excluding any contractual obligations to Railways, Inc.

(b) Any remaining funds shall be available for additional needs of the NCRA, including, but not limited to, the following:

(1) Necessary actions to meet the requirements of the compliance order of the Federal Rail Administration concerning the operation of the railroad.

(2) Necessary capital improvements to safely operate and maintain the rail service.

(3) Any other expenditure necessary to comply with the findings or recommendations of the commission or any other government agency with jurisdiction or involvement with NCRA activities.

(c) The funds appropriated by this item shall not be used as repayment of the so-called "Q-Fund" loan.

(d) All funds allocated pursuant to this provision shall be subject to the conditions contained in the other provisions of this item.

2. Within 60 days of enactment of the 1998 Budget Act, the California Transportation Commission shall hire an independent consultant to act as a Special Rail Master to monitor implementation of commission recommendations for allocation of funds pursuant to this item. Support for the Special Rail Master shall be provided with funds appropriated by this item. Prior to hiring the Special Rail Master, the North Coast Railroad Authority may submit a written request to the commission for allocation of funds pursuant to subdivision (a) of Provision 1 of this item.

3. The California Transportation Commission shall report on or before December 31, 1999, to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the fiscal committees of the Legislature on how the funds allocated pursuant to this item have been expended by the North Coast Railroad Authority (NCRA) and any state agency that received an allocation of funds

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for expenditure. Further, the report shall include recommendations by the California Transportation Commission, if any, for additional actions by the state to help maintain rail freight service, passenger service, or both, on the rail lines currently being served by the North Coast Railroad Authority.

4. Notwithstanding any other provision of law, an amount not to exceed $25,000 may be transferred from this item to Item 2600-001-0046 to support costs of the California Transportation Commission, including costs related to hiring a Special Rail Master, to implement the provisions of this item.

5. Funds appropriated by this item shall be available for encumbrance by the California Transportation Commission until June 30, 2000.

2640-101-0046—For local assistance, Special Transportation Programs, notwithstanding Section 99312 of the Public Utilities Code, for allocation by the Controller, payable from the Public Transportation Account, State Transportation Fund 100,259,000

Provisions:

1. Notwithstanding Sections 99313 and 99314 of the Public Utilities Code, not more than $59,912 of the amount appropriated by this item shall reimburse the Controller for expenditures for administration of State Transportation Assistance funds.
2. In addition to the amounts allocated pursuant to Section 99312 of the Public Utilities Code, the Controller shall disburse sufficient funds from the balance of the Public Transportation Account to provide a total of $100,259,000 to eligible regional transportation planning agencies, county transportation commissions, and transit agencies pursuant to Sections 99313 and 99314 of the Public Utilities Code for support of the State Transit Assistance Program.

2660-001-0041—For support of Department of Transportation, for payment to Item 2660-001-0042, payable from the Aeronautics Account, State Transportation Fund 2,558,000

2660-001-0042—For support of Department of Transportation, payable from the State Highway Account, State Transportation Fund..... ~~1,443,577,000~~ *1,524,625,000*

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Schedule:

(a) 10-Aeronautics 2,883,000

(b) 20.10-Highway Transportation—Capital Outlay Support.....~~694,405,000~~ *774,653,000*

(c) 20.30-Highway Transportation—Local Assistance 12,755,000

(d) 20.40-Highway Transportation—Program Development..... 76,535,000

(e) 20.65-Highway Transportation—Legal 62,150,000

(f) 20.70-Highway Transportation—Operations 137,000,000

(g) 20.80-Highway Transportation—Maintenance 693,520,000

(h) 30-Mass Transportation ..... ~~77,550,000~~ *83,105,000*

(i) 40-Transportation Planning..... ~~24,357,000~~ *25,157,000*

(j) 50.00-Administration.....216,492,000

(k) 60.10-Equipment Service Center....~~152,530,000~~ *145,390,000*

(*l*) 60.20-Distributed Equipment Service Center..... ~~−152,530,000~~ *−145,390,000*

(m) Reimbursements ..... −137,793,000

(n) Amount payable from the Aeronautics Account, State Transportation Fund (Item 2660-001-0041)..... −2,558,000

(o) Amount payable from the Bicycle Lane Account, State Transportation Fund (Item 2660-001-0045)..... −10,000

(p) Amount payable from the Public Transportation Account, State Transportation Fund (Item 2660-001-0046) .....~~−89,018,000~~ *−94,573,000*

(q) Amount payable from the Federal Trust Fund (Item 2660-001-0890) ..... −324,691,000

Provisions:

1. For purposes of the funds appropriated in Schedules (b) to (g), inclusive, Program 20—Highway Transportation. Upon approval of the Department of Finance, the Department of Transportation shall notify the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative

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Budget Committee at least 20 days prior to spending funds to expand activities above budgeted levels or to implement a new activity not identified in this act, including any of those expenditures to be funded through a transfer of money from other expenditure categories or programs, except in the case of emergency work increases caused by snow, storm, or earth movement damage.

2. From funds appropriated by this item, the Department of Transportation may enter into interagency agreements with the Department of the California Highway Patrol to compensate that department for the cost of work performed by patrol officers at or near state highway construction projects so as to reduce the risk of occurrence of serious motor vehicle accidents.

3. (a) Notwithstanding any other provision of law, funds appropriated by this item from the State Highway Account may be reduced and replaced by an equivalent amount of federal funds determined by the department to be available and necessary to comply with Section 8.50 of this act 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 chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee of this action.

(b) To the extent that moneys in the State Highway Account are reduced pursuant to this provision, the Department of Transportation may transfer, with the approval of the Business, Transportation and Housing Agency, and upon authorization by the Director of Finance, all or part of the savings to Item 2660-301-0042 for capital outlay projects approved by the California Transportation Commission. The Director of Finance shall authorize the transfer not sooner than 30 days after notification in writing to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee.

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4. Notwithstanding any other provision of law, funds appropriated in Schedules (a) to (*l*), inclusive, of this item for equipment rental service may be transferred between those schedules to allow for the proper recording of expenditures as they relate to equipment rental service.

5. Notwithstanding any other provision of law, funding appropriated in this item may be transferred to Item 2660-005-0042 to pay for any necessary insurance, debt service, and other expenditures for department-owned office buildings in District 4 and District 8. Any transfer will require the prior approval of the Department of Finance.

7. The Department of Transportation shall employ state staff to undertake bridge inspections and bridge ''scour'' evaluations, and may reduce up to $2,119,000 in Items 2660-101-0042 and 2660-101-0890 combined, and transfer these amounts to Items 2660-001-0042 and 2660-001-0890 respectively for this purpose. The department shall conduct bridge inspection and scour evaluation for local bridges unless a local agency, upon written notification to the department, requests to conduct the work on its own.

8. Of the funds appropriated by this item, $400,000 shall be available to maintain the ''floating vehicle'' congestion management program in District 4.

9. Of the funds appropriated in this item, $1,400,000 is available for the Rural Intelligent Transportation System Showcase, but only if federal funds are approved therefor by the Federal Highway Administration.

10. Any savings in personal services resulting from an inability to fill the proposed new positions for support of the capital outlay program for a full year shall revert to the appropriate funds on June 30, 1999.

~~11. In addition to the funds already appropriated in Schedule (b), the sum of forty million one hundred twenty-five thousand dollars ($40,125,000) is hereby appropriated on January 11, 1999, for the purposes of Schedule (b).~~

11. Notwithstanding any other provision of law, the Department of Transportation shall sell Parcel Nos. 1773-01-01 and 6515-01-01, which are located in the town of Middletown and have been

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designated as surplus property by the state, to the South Lake County Fire Protection District (district) for an amount not to exceed the original cost to the department for the purchase of the properties. The transfer of ownership shall take place no later than January 1, 1999, and shall be subject to the following conditions:

(a) Should the district wish to discontinue ownership of the property prior to January 1, 2019, then ownership of the property would revert to the department.

(b) The property may only be used by a taxpayer supported agency and may not be leased or subleased to a nontaxpayer supported entity prior to January 1, 2019.

(c) The district shall allow for the temporary storage of any maintenance vehicles or equipment owned and operated by the department as necessary to provide for the timely and efficient maintenance of local highways that are the responsibility of the department. The intent of this subdivision shall remain in effect until January 1, 2019.

12. (a) The Department of Transportation shall not expend any funds for the support, right-of-way, or construction of the Hatton Canyon Freeway Project located on State Route 1, except those funds as are necessary to design the project and obtain all necessary permits, unless the department has complied with all applicable requirements of Division 20 (commencing with Section 30000) of the Public Resources Code.

(b) The department shall report to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the fiscal committees of each house of the Legislature when all of the required permits have been approved by each local, state, or federal agency responsible for issuing any of the required permits.

13. It is the intent of the Legislature that, upon completion of an interim lease in the Manchester area, the Department of Transportation shall permanently site the future consolidated District 6 Headquarters Building in the downtown area of the City of Fresno, which is defined by the

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area bordered by Routes 41, 99, and 180. The department shall provide a status report to the Legislature no later than December 1, 1999, on its plans for construction of the consolidated District 6 Headquarters Building. The status report shall provide an update on efforts by the department to identify and acquire a building site and methods used to include community input for the design and location of the building.	
14. Prior to the commencement of construction on the Bay Bridge/West Anchorage Reconstruction Project within the City and County of San Francisco, the Department of Transportation shall enter into a noise and dust mitigation agreement with the City and County of San Francisco or other local government agency, as appropriate.	
15. Of the funds appropriated in this item, $500,000 shall be available for the Department of Transportation to provide matching funds for the 1998 federal Transportation Enhancement Activity (TEA-21) fund available for the Norman Y. Mineta International Institute for Surface Transportation Policy Studies at San Jose University, and $300,000 shall be available for matching TEA-21 funds for the new transportation research center at the University of Southern California Jointly with California State University at Long Beach.	
2660-001-0045—For support of Department of Transportation, for payment to Item 2660-001-0042, payable from the Bicycle Lane Account, State Transportation Fund	10,000
2660-001-0046—For support of Department of Transportation, for payment to Item 2660-001-0042, payable from the Public Transportation Account, State Transportation Fund	~~89,018,000~~ *94,573,000*
Provisions:	
1. For Program 30—Mass Transportation. Of the ~~$58,087,000 appropriated by this item for intercity rail, $53,497,000 shall be available to support existing service on the three state-supported intercity rail routes and $4,590,000 is intended for the fifth and sixth expansion Capitol Corridor trains. Any funds not expended on these services by June 30, 1999, shall revert to the Public Transportation Account. If any intercity rail service is transferred~~	

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~~to a local Joint Power Authority during the 1998–99 budget year, the department shall, in conjunction with the Secretary for Business, Transportation and Housing, advise the Joint Legislative Budget Committee of the cost to provide the transferred service by the Joint Powers Authority, as agreed upon pursuant to the Interagency Transfer Agreement for the service, and this item shall be adjusted accordingly to reflect the agreed upon funding level for the transferred service. The California Transportation Commission and the Secretary of Business, Transportation and Housing shall not allocate any of the $58,087,000 identified in this provision for any~~ *$63,642,000 appropriated by this item for intercity rail, $54,997,000 shall be available to support existing service on the three state-supported intercity rail routes. Of the remaining balance, $4,055,000 is intended for the expansion of the fifth San Joaquin Corridor from Bakersfield to Sacramento and $4,590,000 is intended for the fifth and sixth expansion Capitol Corridor trains. Any funds not expended on these services by June 30, 1999, shall revert to the Public Transportation Account. If any intercity rail service is transferred to a local Joint Power Authority during the 1998–99 fiscal year, the department shall, in conjunction with the Secretary of Business, Transportation and Housing, advise the Joint Legislative Budget Committee of the cost to provide the transferred service by the Joint Powers Authority, as agreed upon pursuant to the Interagency Transfer Agreement for the service, and this item shall be adjusted accordingly to reflect the agreed upon funding level for the transferred service. The California Transportation Commission and the Secretary of Business, Transportation and Housing shall not allocate any of the $63,642,000 identified in this provision for any* purpose other than those identified in this provision without the prior written approval of the Department of Finance, and no 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, or not sooner than whatever lesser time the

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chairperson of the joint committee, or his or her designee, may in each instance determine.	
2660-001-0608—For support of Department of Transportation, payable from the Equipment Service Fund...	~~143,813,000~~ *145,390,000*
2660-001-0890—For support of Department of Transportation, for payment to Item 2660-001-0042, payable from the Federal Trust Fund	324,691,000
Provisions:	
1. For Program 20—Highway Transportation. For purposes of the Streets and Highways Code, all expenditures from this item shall be deemed to be expenditures from the State Highway Account, State Transportation Fund.	
2. For Program 20—Highway Transportation. Federal funds may be received from any federal source, and shall be deposited in the Federal Trust Fund. Any federal reimbursements shall be credited to the account from which the expenditures were originally made.	
3. Notwithstanding any other provision of law, the Director of Finance may augment this item with additional federal funds in conjunction with an equivalent offsetting reduction in State Highway Account funds in Item 2660-001-0042, pursuant to Provision 3 of that item.	
2660-005-0042—For support of the Department of Transportation, for building insurance, debt service, and other costs for department-owned office buildings in District 4 and District 8, payable from the State Highway Account, State Transportation Fund	14,869,000
Provisions:	
(1) Notwithstanding any other provision of law, funds provided in Item 2660-001-0042 may be transferred to this item to pay for any necessary insurance, debt service, and other expenditures for the department-owned office buildings in District 4 and District 8. Any transfer shall require the prior approval of the Department of Finance.	
2660-007-0042—For support of Department of Transportation, payable from the State Highway Account, State Transportation Fund	46,587,000
Schedule:	
(a) 20-Highway Transportation 46,569,000	
(b) 50-Administration 18,000	

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Provisions:

1. The funds appropriated by this item may be expended only to attain compliance with the stormwater discharge provisions of the National Pollutant Discharge Elimination System permits as promulgated by the State Water Resources Control Board or regional water quality control boards, or as ordered by the federal courts.

2660-011-0041—For transfer by the State Controller from the Aeronautics Account, State Transportation Fund, to the Public Transportation Account, State Transportation Fund, as prescribed by Section 21682.5 of the Public Utilities Code ..... (30,000)

2660-011-0042—For transfer by the State Controller from the State Highway Account, State Transportation Fund, to the Toll Bridge Seismic Retrofit Account, State Transportation Fund ..... (101,521,000)

2660-012-0042—For augmentation for emergencies relating to a state of emergency declared by the Governor, subject to all provisions of Item 9840-001-0001, payable from the State Highway Account ..... (40,000,000)

Provisions:

1. No deficiencies shall be authorized by the Director of Finance in any appropriation of money from this item under the provisions of Section 11006 of the Government Code. Required notification to the Legislature of deficiency appropriations pursuant to this item shall include, in addition to all other required information, (a) an estimate of federal funds or other funds that the department may receive for the same purposes as the proposed deficiency appropriation, and (b) explanation of the necessity of the proposed deficiency appropriation given anticipated federal funds or other funds.

2660-013-0042—For transfer by the State Controller from the State Highway Account, State Transportation Fund, to the Public Transportation Account, State Transportation Fund to fund the Transit Capital Improvement Program. ..... (30,510,000)

2660-013-0046—For transfer by the State Controller from the Public Transporation Account, State Transportation Fund, to the Toll Bridge Seismic Retrofit Account, State Transportation Fund..... (10,000,000)

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2660-021-0042—For transfer by the State Controller from the State Highway Account, State Transportation Fund, to the Public Transportation Account, State Transportation Fund, as prescribed by Section 194 of the Streets and Highways Code	(13,470,000)
2660-022-0042—For transfer by the State Controller from the State Highway Account, State Transportation Fund, to the Environmental Enhancement and Mitigation Demonstration Account, State Transportation Fund, as prescribed by Chapter 106, Statutes of 1989	(9,000,000)
2660-101-0001—For local assistance, Department of Transportation	*3,600,000*

Provisions:

1. *Of the funds appropriated by this item, $600,000 shall be available to the San Francisco Port Authority for purposes of matching local funds to support the Water Transit Blue Ribbon Advisory Task Force, as endorsed by Senate Resolution 19 of the 1997–98 Regular Session.*
2. *Funds appropriated by this item, except as provided in Provision 1, shall be used to award grants to local communities and regional telecommunications networks for purposes of providing resources, on a competitive basis, to cities and counties, to support planning and development of "smart communities." A 50 percent cash or in-kind match of local funds shall be required. The Department of Transportation shall utilize these funds to augment an existing interagency agreement (#51X717) with San Diego State University Foundation and the California Institute for Smart Communities within the International Center for Communications at the San Diego State University for purposes of administering this grant program. The department, in collaboration with the California Institute for Smart Communities, shall, not later than September 1, 1998, develop criteria for these competitive grant awards.*

2660-101-0041—For local assistance, Department of Transportation, payable from the Aeronautics Account, State Transportation Fund	*34,000*

Provisions:

1. *The funds appropriated by this item shall only be available for subvention to the City of South Lake Tahoe to support air traffic control tower operations at the Lake Tahoe Airport (Airport). It is the*

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intent of the Legislature that these funds are provided on a one-time basis to provide bridge funding to the Airport pending appeal to the federal government to reestablish participation by the Airport in the Federal Contract Tower Program administered by the Federal Aviation Administration.

2660-101-0042—For local assistance, Department of Transportation, payable from the State Highway Account, State Transportation Fund 668,517,000

Schedule:

(a) 20.25-Highway Transportation—State Local Partnership 200,000,000

(b) 20.30-Local Assistance 156,342,000

(c) 30-Mass Transportation 310,175,000

(d) 40-Transportation Planning 2,000,000

Provisions:

1. Funds appropriated in item (a) shall be available for allocation by the California Transportation Commission in the 1998–99 fiscal year. Allocation funds shall be available for expenditures in the 1998–99, 1999–2000, 2000–2001, and 2001–2002 fiscal years.
2. Funds appropriated in item (b) and (c) shall be available for allocation by the California Transportation Commission in the 1998–99, 1999–2000, and 2000–2001 fiscal years.
3. Notwithstanding other provisions of law, funds appropriated within Schedule (b) may be transferred to Schedule (c), and funds appropriated within Schedule (c) may be transferred to Schedule (b). These transfers shall require the prior approval of the California Transportation Commission and the Department of Finance. These funds shall be available for allocation by the Commission in 1998–99, 1999–2000, 2000–2001.
4. Notwithstanding other provisions of law, funds scheduled in items (b) or (c) may be transferred to Item 2660-301-0042. These transfers shall require the prior approval of the California Transportation Commission and the Department of Finance. The Department of Finance shall authorize any transfer pursuant to this provision not sooner than 30 days after notification in writing to the chairpersons in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee. Such transfers shall be avail-

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able for allocation by the commission in the 1998–99, 1999–2000, and 2000–2001 fiscal years.

6. The department shall employ state staff to undertake bridge inspections and bridge ''scour'' evaluations, and may reduce up to $2,119,000 in Items 2660-101-0042 and 2660-101-0890 combined, and transfer these amounts to Items 2660-001-0042 and 2660-001-0890, respectively, for this purpose. The department shall conduct bridge inspection and scour evaluation for local bridges unless local agencies, upon written notification to the department, request to conduct the work on their own.

2660-101-0045—For local assistance, Department of Transportation, Program 20—Highway Transportation, payable from the Bicycle Lane Account, State Transportation Fund..... 1,000,000

2660-101-0183—For local assistance, Department of Transportation, Program 20—Highway Transportation, payable from the Environmental Enhancement and Mitigation Demonstration Program Fund 10,000,000

2660-101-0890—For local assistance, Department of Transportation, payable from the Federal Trust Fund 650,112,000

Schedule:

(a) 20-Highway Transportation 564,112,000

(b) 30-Mass Transportation 46,000,000

(c) 40-Transportation Planning 40,000,000

Provisions:

1. For Program 20—Highway Transportation. For purposes of the Streets and Highways Code, all expenditures from this item shall be deemed to be expenditures from the State Highway Account, State Transportation Fund.

2. For Program 20—Highway Transportation. Federal funds may be received from any federal source and shall be deposited in the Federal Trust Fund. Any federal reimbursements shall be credited to the account from which the expenditures were originally made.

3. Notwithstanding other provisions of law, funds appropriated within Schedule (a) may be transferred to Schedule (b), and funds appropriated within Schedule (b) may be transferred to Schedule (a). Funds appropriated within Schedules (a) and (b) may be transferred to Item 2660-301-

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0890. These transfers shall require the prior approval of the Department of Finance and the California Transportation Commission. These funds shall be available for allocation by the commission and shall be available for expenditure in the 1998–99, 1999–2000, and 2000–2001 fiscal years.

5. The Department of Transportation shall employ state staff to undertake bridge inspections and bridge ''scour'' evaluations, and may reduce up to $2,119,000 in Items 2660-101-0042 and 2660-101-0890 combined, and transfer these amounts to Items 2660-001-0042 and 2660-001-0890, respectively, for this purpose. The department shall conduct bridge inspection and scour evaluation for local bridges unless a local agency, upon written notification to the department, request to conduct the work on its own.

2660-103-0046—For local assistance, Department of Transportation, payable from the Public Transportation Account, State Transportation Fund..... 185,000

Schedule:

(b) 30-Mass Transportation..... 185,000

Provisions:

1. The funds appropriated by this item shall be expended only to reimburse the Capitol Corridor Joint Powers Board for administrative costs related to the preparation and implementation of an interagency transfer agreement (ITA) with the state for the operation of the capitol corridor Intercity Rail Service. These moneys shall be available only if the ITA is executed in the 1997–98 or 1998–99 fiscal year. Any funds appropriated by this item that are not expended for this purpose shall revert to the Public Transportation Account on June 30, 1999.

2660-301-0042—For capital outlay, Department of Transportation, payable from the State Highway Account, State Transportation Fund..... ~~820,000,000~~ *830,000,000*

Schedule:

(a) 20-Highway Transportation ..... ~~1,610,460,000~~ *1,620,460,000*

(1) State Highway Operation and Protection Program ..... ~~(428,449,000)~~ *(474,264,000)*

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(2) Regional Improvements	~~(384,007,000)~~ *(251,804,000)*
(3) Interregional Improvements	~~(58,544,000)~~ *(103,932,000)*
(4) Reimbursements	~~(757,533,000)~~ *(790,460,000)*
(b) Reimbursements	−790,460,000

Provisions:

1. For Program 20—Highway Transportation. Notwithstanding any other provision of law, up to five percent of the amounts scheduled in this item may be transferred to Item 2660-101-0042 of this act only under emergency situations, for implementation of cost savings programs, or to maximize the use of federal funds. These transfers shall require the prior approval of the California Transportation Commission and the Department of Finance.
2. For Program 20—Highway Transportation. For each capital outlay appropriation, the department shall determine for reversion the difference between the appropriation and the total amount needed for encumbered projects, encumbered right-of-way, and projects still to be scheduled for encumbrance against the appropriations. On or before December 15, 1998, the department shall submit to the Controller the estimated amounts to be reverted as of June 30, 1998, from the 1995–96 and 1996–97 and 1997–98 fiscal year appropriations.
3. For Program 20—Highway Transportation. Notwithstanding any other provision of law, funds appropriated by this item may be transferred to Item 2660-101-0042, Schedule (b), by agreement with those agencies described by subdivision (g) of Section 182.6 of the Streets and Highways Code for federally apportioned highway bridge replacement and rehabilitation projects and Hazard Elimination Safety Program projects, on a dollar-for-dollar basis. Transferred and exchanged funds shall only be used for projects selected for these programs. These transfers shall require the prior approval of the California Transportation Commission and the Department of Finance.

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2660-301-0890—For capital outlay, Department of Transportation, payable from the Federal Trust Fund..... 1,112,048,000

Schedule:

(a) 20—Highway Transportation.... 1,107,000,000

(b) 30-Mass Transportation 5,048,000

Provisions:

1. For Program 20—Highway Transportation. Notwithstanding any other provision of law, up to five percent of the amounts appropriated by this item may be transferred to Item 2660-101-0890 only under emergency situations, for implementation of cost savings programs or to maximize the use of federal funds. These transfers shall require the prior approval of the California Transportation Commission and the Department of Finance.

2. Provision 2 of Item 2660-301-0042 is also applicable to this item.

3. For Program 20—Highway Transportation. For purposes of the Streets and Highways Code, all expenditures from this item shall be deemed to be expenditures from the State Highway Account, State Transportation Fund.

4. For Program 20—Highway Transportation. Federal funds may be received from any federal source and shall be deposited in the Federal Trust Fund. Any federal reimbursements shall be credited to the account from which the expenditures were originally made.

2660-302-0046—For capital outlay, Department of Transportation, payable from the Public Transportation Account, State Transportation Fund..... 0

Schedule:

(a) 30-Mass Transportation 50,000,000

(b) Reimbursements.....−50,000,000

2660-311-0042—For capital outlay, Department of Transportation, payable from the State Highway Account, State Transportation Fund..... 3,033,000

Schedule:

(1) 20.20.508-Sacramento Headquarters Annex: Seismic Retrofit—Construction 3,033,000

Provisions:

1. For Program 20—Highway Transportation. Up to 20 percent of the funds appropriated in (1) of this item may be transferred from Item 2660-301-0042 of this act to enable the California Transpor-

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tation Commission to allocate supplemental funds to projects within this item. The transfer may be made only with the approval of the commission. Also, the Department of Finance shall be notified of the transfer prior to the commission's approval of any transfer or allocation of those funds to any project.	
2660-399-0042—For the Department of Transportation, for final cost accounting of projects for which appropriations have expired, for state operations, local assistance, or capital outlay, payable from the State Highway Account, State Transportation Fund. Funds appropriated in this item shall be available for expenditure until June 30, 1999.....	5,000,000
2660-491—Reappropriation, Department of Transportation. Notwithstanding any other provision of law, the unliquidated encumbrances for the appropriations provided in the following citations, are reappropriated until June 30, 1999. The unencumbered balance shall not be available for encumbrance.	
0042—State Highway Account	
(1) Item 2660-301-042, Budget Act of 1989	
(2) Item 2660-301-042, Budget Act of 1990	
(3) Item 2660-125-042, Budget Act of 1995	
0045—Bicycle Lane Account	
(1) Item 2660-101-045, Budget Act of 1995	
0183—Environmental Enhancement and Mitigation Demonstration Program Fund	
(1) Item 2660-125-183, Budget Act of 1995	
0853—Petroleum Violation Escrow Account	
(1) Chapter 1427, Statutes of 1988	
(2) Chapter 1434, Statutes of 1988	
(3) Chapter 1435, Statutes of 1988	
(4) Chapter 1648, Statutes of 1990	
(5) Chapter 960, Statutes of 1991	
(6) Item 2660-101-853, Budget Act of 1992	
(7) Chapter 1159, Statutes of 1993	
0890—Federal Trust Fund	
(1) Item 2660-101-890, Budget Act of 1993	
0056—Seismic Safety Retrofit Account	
(1) Chapter 18, Statutes of 1989	
(4) Item 2660-101-890, Budget Act of 1990	
(5) Item 2660-101-890, Budget Act of 1992	

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2660-492—Reappropriation, Department of Transportation. Notwithstanding any other provision of law, the balance as of June 30, 1998, of the appropriations in the following citations, are appropriated for the purposes provided for in those appropriations and shall be available for expenditure until June 30, 1999.

0042—State Highway Account

(1) Item 2660-301-042, Budget Act of 1994

(2) Item 2660-301-042, Budget Act of 1995

0890-Federal Trust Fund

(1) 2660-301-890, Budget Act of 1994

(2) 2660-301-890, Budget Act of 1995

2660-493—Reappropriation, Department of Transportation. Notwithstanding any other provision of law, the appropriations in the following citations are reappropriated to enable the collection of outstanding federal reimbursements as of the end of June 30, 1998. These appropriations are not available for encumbrance or liquidation and shall revert on June 30, 1999:

0890—Federal Trust Fund

(1) Item 2660-001-890, Budget Act of 1985

(2) Item 2660-001-890, Budget Act of 1986

(3) Item 2660-001-890, Budget Act of 1987

(4) Item 2660-001-890, Budget Act of 1988

(5) Item 2660-001-890, Budget Act of 1989

(6) Item 2660-001-890, Budget Act of 1990

(7) Item 2660-001-890, Budget Act of 1991

(8) Item 2660-001-890, Budget Act of 1992

(9) Item 2660-001-890, Budget Act of 1993

2660-495—Reversion, Department of Transportation. As of June 30, 1997, the unencumbered balances of the appropriations provided in the following citations shall revert to the balance in the fund from which the appropriation was made:

0042—State Highway Account

(1) Item 2660-301-042, Budget Act of 1988

(2) Item 2660-301-042, Budget Act of 1989

0890—Federal Trust Fund

(1) Item 2660-301-890, Budget Act of 1988

2660-496—Reversion, Department of Transportation. As of June 30, 1999, pursuant to the September 1996 audit findings prepared by the Department of Finance, the unencumbered balances in the following items shall revert to the Petroleum Violation Escrow Account to repay any remaining interest earned in the Transportation Planning and Development Ac-

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count during 1996–97 on Transit Capital Improvement Projects financed by Petroleum Violation Escrow Account funds.	
0046—Transportation Planning and Development Account	
(1) Item 2660-101-046, Budget Act of 1986 as amended by Chapter 890, Statutes of 1986	
(2) Item 2660-101-046, Budget Act of 1997 except for the encumbered balance in the Amtrak Bakersfield Project which is funded by the Transportation Planning and Development Account, STF	
(3) Item 2660-301-046, Budget Act of 1988	
2665-001-0046—For support of the High-Speed Rail Authority, payable from the Public Transportation Account, State Transportation Fund	3,000,000
2700-001-0044—For support of Office of Traffic Safety, payable from the Motor Vehicle Account, State Transportation Fund	336,000
Schedule:	
(a) 10-California Traffic Safety 14,908,000	
(b) Amount payable from the Federal Trust Fund (Item 2700-001-0890) −14,572,000	
2700-001-0890—For support of Office of Traffic Safety, for payment to Item 2700-001-0044, payable from the Federal Trust Fund, not subject to the provisions of Section 28.00	14,572,000
2700-101-0890—For local assistance, Office of Traffic Safety, payable from the Federal Trust Fund, not subject to the provisions of Section 28.00	10,682,000
2720-001-0042—For support of Department of the California Highway Patrol, for payment to Item 2720-001-0044, payable from the State Highway Account, State Transportation Fund	21,914,000
2720-001-0044—For support of Department of the California Highway Patrol, payable from the Motor Vehicle Account, State Transportation Fund	783,967,000
Schedule:	
(a) 10-Traffic Management ~~737,424,000~~ *738,144,000*	
(b) 20-Regulation and Inspection 83,182,000	
(c) 30-Vehicle Ownership Security 22,454,000	
(d) 35-Protective Services 29,317,000	
(e) 40.01-Administration 135,634,000	
(f) 40.02-Distributed Administration −135,634,000	

Item	Amount
(g) Reimbursements	~~−28,288,000~~ *−29,008,000*
(h) Amount payable from the State Highway Account (Item 2720-001-0042).....	−21,914,000
(i) Amount payable from the Protective Services Fund (Item 2720-001-0246).....	−26,120,000
(j) Amount payable from the Motor Carrier Permit Fund (Item 2720-001-0292).....	−1,554,000
(k) Amount payable from the Motor Carrier Safety Improvement Fund (Item 2720-001-0293)	−1,468,000
(*l*) Amount payable from the California Motorcyclist Safety Fund (Item 2720-001-0840)	−1,541,000
(m) Amount payable from the Federal Trust Fund (Item 2720-001-0890).	−5,323,000
(n) Amount payable from the Hazardous Substance Account, Special Deposit Fund (Item 2720-001-0942).....	−200,000
(o) Amount payable from the Asset Forfeiture Account, Special Deposit Fund (Item 2720-011-0942).....	−2,002,000

Provisions:

1. Pursuant to Section 14669 of the Government Code, the Department of General Services, acting on behalf of the California Highway Patrol, may enter into a lease-purchase agreement or a lease with an option to purchase, with an initial option purchase price over $2,000,000, to provide adequate office and parking facilities for the Los Angeles Communication Center and to acquire facilities for the Central Los Angeles Area Office. The lease agreement shall be submitted to the Department of Finance for review and approval of the proposed lease prior to beginning lease negotiations, with an economic analysis detailing the cost benefit of the project. The Director of Finance shall approve or disapprove any lease-purchase agreement submitted to the Department of Finance pursuant to this provision not sooner than 30 days after written notification to the

Item Amount

Chairperson of the Joint Legislative Budget Committee and the chairpersons of the fiscal committees of the Legislature.

~~3.~~

2. In addition to the funds already appropriated in this item, it is the intent of the Legislature that the amount of $54,000,000 shall be reserved for allocation to Item 9800-001-0494 for salary increases for sworn uniformed California Highway Patrol officers in accordance with Section 19827 of the Government Code.

3. Notwithstanding Provision 2 of Item 2720-011-0042 of Section 2.00 of the Budget Act of 1997 (Ch. 282, Stats. 1997), the $35,000,000 loan from the State Highway Account to the Motor Vehicle Account shall not be required to be repaid by June 30, 1999.

4. No funds shall be expended by the Department of the California Highway Patrol to construct a fence around the Capitol Building.

2720-001-0246—For support of Department of the California Highway Patrol, for payment to Item 2720-001-0044, payable from the Protective Services Fund 26,120,000

2720-001-0292—For support of Department of the California Highway Patrol, for payment to Item 2720-001-0044, payable from the Motor Carrier Permit Fund 1,554,000

2720-001-0293—For support of Department of the California Highway Patrol, for payment to Item 2720-001-0044, payable from the Motor Carrier Safety Improvement Fund 1,468,000

2720-001-0840—For support of the Department of the California Highway Patrol, for transfer to Item 2720-001-0044, payable from the California Motorcyclist Safety Fund..... 1,541,000

2720-001-0890—For support of Department of the California Highway Patrol, for payment to Item 2720-001-0044, payable from the Federal Trust Fund..... 5,323,000

2720-001-0942—For support of Department of the California Highway Patrol, for payment to Item 2720-001-0044, payable from the Hazardous Substance Account, Special Deposit Fund 200,000

~~2720-011-0001—For transfer by the Controller from the General Fund to the Motor Vehicle Account, State Transportation Fund..... 35,000,000~~

Item | Amount

2720-011-0942—For support of Department of the California Highway Patrol, for payment to Item 2720-001-0044, payable from the Asset Forfeiture Account, Special Deposit Fund 2,002,000

2720-021-0044—For Department of the California Highway Patrol, for advance authority for the department to incur automotive equipment purchase obligations in an amount not to exceed $5,000,000 during the 1998–99 fiscal year, for delivery beginning in the 1999–2000 fiscal year, payable from the Motor Vehicle Account, State Transportation Fund..... (5,000,000)

2720-301-0001—For capital outlay, Department of the California Highway Patrol..... 150,000

2720-301-0044—For capital outlay, Department of the California Highway Patrol, payable from the Motor Vehicle Account, State Transportation Fund..... 140,000

Schedule:

(1) 50.01.001-Minor Projects 36,000

(2) 50.90.900-Statewide: Property Options and Appraisals..... 40,000

(3) 50.90.901-Studies, Preplanning, and Budget Packages 100,000

(4) Reimbursements..... −36,000

2720-495—Reversion, Department of the California Highway Patrol. As of June 30, 1998, ~~$2,000,000~~ *$1,600,000* of the appropriation provided in the following citation for the purposes of constructing a fence around the State Capitol shall revert to the balance in the fund from which the appropriation was made.

0001—General Fund

(1) Item 2720-031-0001, Budget Act of 1997 (Ch. 282, Stats. 1997)

2740-001-0001—For support of Department of Motor Vehicles, for payment to Item 2740-001-0044 ..... ~~60,000~~ *340,000*

Provisions:

1. ~~The~~ *Of the* funds appropriated by this item ~~are~~ *$60,000 is available* for the Anatomical Donor Designation program *and $280,000 is available for the Tehachapi field office* .

2740-001-0042—For support of Department of Motor Vehicles, for payment of Item 2740-001-0044, payable from the State Highway Account, State Transportation Fund..... 37,913,000

Item		Amount
2740-001-0044—For support of Department of Motor Vehicles, payable from the Motor Vehicle Account, State Transportation Fund		~~317,051,000~~ *317,601,000*
Schedule:		
(a) 11-Vehicle/Vessel Identification and Compliance	~~328,601,000~~ *329,305,000*	
(b) 22-Driver Licensing and Personal Identification	~~162,751,000~~ *162,877,000*	
(c) 25-Driver Safety	73,524,000	
(d) 32-Occupational Licensing and Investigative Services	32,511,000	
(e) 35-New Motor Vehicle Board	1,520,000	
(f) 41.01-Administration	66,574,000	
(g) 41.02-Distributed Administration	−66,574,000	
(h) Reimbursements	−6,746,000	
(i) Amount payable from the General Fund (Item 2740-001-0001)	~~−60,000~~ *−340,000*	
(ix) Amount payable from the State Highway Account, State Transportation Fund (Item 2740-001-0042)	−37,913,000	
(j) Amount payable from the New Motor Vehicle Board Account, State Transportation Fund (Item 2740-001-0054)	−1,520,000	
(k) Amount payable from the Motor Vehicle License Fee Account, Transportation Tax Fund (Item 2740-001-0064)	−230,854,000	
(*l*) Amount payable from Motor Carriers Permit Fund (Item 2740-001-0292)	−2,865,000	
(m) Amount payable from the Harbors and Watercraft Revolving Fund (Item 2740-001-0516)	−1,898,000	

Provisions:

1. The Department of Motor Vehicles shall not divert any resources away from its year-2000 efforts for any of its information technology projects unless the project is a component of the department's plan to become year-2000 compliant or the department certifies that it has completed all year-2000 efforts for its mission critical systems.

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2. Of the amount appropriated in this item, $2,726,000 shall be used for the redesign of the department's vehicle registration database and $4,404,000 shall be used to replace the department's occupational licensing system. The department shall certify to the Department of Information Technology and to the Joint Legislative Budget Committee that it has completed Phase II (Redesign) of its Business Process Reengineering study for vehicle registration and occupational licensing, respectively, no later than 20 days prior to the expenditure of funds provided for the redesign of the respective databases.

3. Of the amount appropriated in this item, $253,000 shall be used for the replacement of the department's headquarters' "3270" terminals with new terminals on a three-year lease. One terminal may be replaced with a personal computer (PC), provided that PC functionality is immediately required at the corresponding workstation.

4. Of the amount appropriated in this item, $1,152,253 shall be used for the replacement of the department's field office terminals with new terminals. Up to 3 percent of these terminals may be replaced with PCs, provided that PC functionality is immediately required at the corresponding workstation.

5. Of the amount appropriated in this item, $1,162,000 may be used to replace the department's telephone system with hardware, software, and services that are made available by the vendor who is awarded the contract for replacement of the Calnet system.

6. Of the amount appropriated by this item, $350,000 shall be used to modify the computer systems of the Department of Motor Vehicles to provide that, in cases in which a smog check certificate is the only outstanding registration requirement, vehicle registration stickers be automatically mailed to the owner once the vehicle passes its smog check test. It is the intent of the Legislature that this change be completed by January 1, 1999.

7. Of the amount appropriated by this item, $200,000 shall be used by the Department of Motor Vehicles and the Department of Consumer Affairs, through an interagency agreement, to

Item Amount

implement a joint public awareness program informing consumers that sellers are required by law to provide a valid smog certificate of compliance prior to sale of a vehicle, pursuant to Section 24007 of the Vehicle Code.

2740-001-0054—For support of Department of Motor Vehicles, for payment to Item 2740-001-0044, payable from the New Motor Vehicle Board Account, State Transportation Fund 1,520,000

2740-001-0064—For support of Department of Motor Vehicles, for payment to Item 2740-001-0044, payable from the Motor Vehicle License Fee Account, Transportation Tax Fund 230,854,000

2740-001-0292—For support of Department of Motor Vehicles, for payment to Item 2740-001-0044, payable from the Motor Carriers Permit Fund 2,865,000

2740-001-0516—For support of Department of Motor Vehicles, for payment to Item 2740-001-0044, payable from the Harbors and Watercraft Revolving Fund 1,898,000

Provisions:

1. The funds appropriated by this item are for undocumented vessel registration and fee collection.

2740-011-0044—For payment of deficiencies in appropriations for the Department of Motor Vehicles which may be authorized by the Director of Finance, payable from the Motor Vehicle Account, State Transportation Fund..... (1,000,000)

Provisions:

1. The Director of Finance shall report allocations from this appropriation in the same manner as required for reporting allocations from Item 9840-001-0494 of this act.

2740-101-0042—For local assistance, Department of Motor Vehicles, payable from the State Highway Account, State Transportation Fund..... 25,000,000

Provisions:

1. The funds appropriated by this item shall be allocated to the Department of Motor Vehicles for disbursement to counties by the Controller in the form of loans in an amount no greater than each county could have received under subdivision (b) of Section 9250.19 of the Vehicle Code for the 1998–99 fiscal year, which loans shall be for the purpose of allowing local law enforcement agencies to upgrade automated mobile and fixed location fingerprint identification equipment.

Item Amount

2. The loans shall be repaid by each county, without interest, in accordance with a repayment schedule established by the Department of Finance that ensures that each loan will be repaid within five years from the date that the actual collection of the one dollar ($1) fee commences pursuant to subdivision (a) of Section 9250.19 of the Vehicle Code. Repayment of the loans shall be made by the withholding of money by the Controller, in accordance with that repayment schedule, from funds otherwise required to be disbursed under subdivision (b) of Section 9250.19 of the Vehicle Code.

3. The Controller shall report no later than March 1 of each year to the Chairperson of the Joint Legislative Budget Committee on the status of the repayment of all outstanding loans made to counties with moneys appropriated by this item.

4. All counties that pass a resolution pursuant to Section 9250.19 of the Vehicle Code no later than September 1, 1998, shall be eligible to receive a loan, pursuant to the provisions of this item, in an amount not less than the amount that the county would have received under subdivision (b) of Section 9250.19 of the Vehicle Code for the calendar year in which the loan was made.

2740-301-0044—For capital outlay, Department of Motor Vehicles, payable from the Motor Vehicle Account, State Transportation Fund ..... ~~7,185,000~~ *12,474,000*

Schedule:

(1) 71.03.015-Sacramento Headquarters: 7th Floor Asbestos Removal—Construction 1,318,000

(2) 71.03.016-Sacramento Headquarters: Lower Level Asbestos Removal—Working drawings, construction 704,000

(3) 71.03.017-Sacramento Headquarters: 4th Floor Asbestos Removal—Preliminary plans, working drawings 505,000

(4) 71.22.010-Statewide: Studies, preplanning and budget packages 100,000

(5) 71.37.010-Oakland-Claremont: Field Office replacement project—Construction 5,289,000

Item	Amount
(6) 71.39.010-Long Beach: Field Office—Purchase of leased facility 4,558,000	
2780-001-0683—For support of Stephen P. Teale Data Center, Business, Transportation and Housing Agency, payable from the Stephen P. Teale Data Center Revolving Fund	86,004,000
Schedule:	
(a) Support 86,166,000	
(b) Reimbursements (Human Resources Information System) ..... −162,000	
Provisions:	
1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the Stephen P. Teale Data Center in excess of the amount appropriated 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 committee, or his or her designee, may in each instance determine.	
TRADE AND COMMERCE	
2920-001-0001—For support of California Trade and Commerce Agency	~~24,915,000~~ *26,145,000*
Schedule:	
(a) 10-Economic Development ..... ~~10,596,000~~ *11,651,000*	
(b) 20-International Trade and Investment ..... ~~4,679,000~~ *4,654,000*	
(c) 25-Marketing and Communications. 674,000	
(d) 30-Tourism 8,011,000	
(e) 40-Contracts, Grants, and Loans 847,000	
(f) 60-Economic Research and Strategic Planning..... ~~1,287,000~~ *1,487,000*	
(g) 70.01-Administration 4,434,476	
(h) 70.02-Distributed Administration ... −4,434,476	
(i) Reimbursements..... −1,179,000	

Item	Amount
Provisions:	
1. The Secretary of Trade and Commerce, by January 1, 1999, shall remove any lien placed on property owned by the United States Olympic Committee in connection with the loan authorized pursuant to Section 7591 of the Government Code. The removal of the lien does not signify a legislative intent to relieve the obligation of the San Diego National Sports Training Foundation from repaying the loan made pursuant to Section 7591 of the Government Code.	
2920-001-0123—For support of California Trade and Commerce Agency, Program 10, payable from the Rural Economic Development Fund	145,000
2920-001-0145—For support of California Trade and Commerce Agency, payable from the Commerce Marketing Fund	106,000
Schedule:	
(a) 10-Economic Development 52,000	
(b) 30-Tourism 54,000	
2920-001-0440—For support of California Trade and Commerce Agency, payable from the Petroleum Underground Storage Tank Financing Account	1,506,000
Schedule:	
(a) 10-Economic Development 1,031,000	
(b) 40-Contracts, Grants and Loans 475,000	
2920-001-0633—For support of California Trade and Commerce Agency, Program 10, payable from the California Economic Development Financing Authority Fund	347,000
2920-001-0649—For support of California Trade and Commerce Agency, payable from the California Infrastructure and Economic Development Bank Fund	459,000
Schedule:	
(a) 10-Economic Development 365,000	
(b) 40-Contracts, Grants and Loans 94,000	
2920-001-0801—For support, California Trade and Commerce Agency, Program 10—Economic Development, payable from the California Small Business Development Center Fund	250,000
2920-001-0890—For support, California Trade and Commerce Agency, Program 10—Economic Development, payable from the Federal Trust Fund	937,000
2920-002-0393—For support of California Trade and Commerce Agency, payable from the Job Creation Investment Fund	500,000

Item		Amount
Schedule:		
(a) 10-Economic Development	362,000	
(b) 40-Contracts, Grants, and Loans	138,000	
(d) 70.01-Administration	70,000	
(e) 70.02-Distributed Administration	−70,000	
2920-011-0001—For support of California Trade and Commerce Agency		~~4,737,000~~ *4,662,000*
Schedule:		
(a) For transfer to the Small Business Expansion Fund (0918)	4,662,000	
(b) For transfer to the California Export Promotion Account (0824)	~~75,000~~ *0*	
2920-012-0001—For support of California Trade and Commerce Agency, Foreign Trade Offices		~~5,526,000~~ *5,906,000*
Schedule:		
(a) Taiwan	348,000	
(b) Africa	~~363,000~~ *443,000*	
(c) Germany	564,000	
(d) Hong Kong	~~1,256,000~~ *956,000*	
(e) London	490,000	
(f) Mexico City	1,353,000	
(g) Japan	1,152,000	
(h) Shanghai	*300,000*	
(i) Calgary	*150,000*	
(j) Philippines	*150,000*	
2920-101-0001—For local assistance, California Trade and Commerce Agency		~~18,282,000~~ *30,957,000*
Schedule:		
(a1) 10.10-Economic Development (Small Business Development Centers)	*1,000,000*	
(a) 10.30-Economic Development (Strategic Technology Program)	~~12,867,000~~ *23,467,000*	
(b) 10.40-Economic Development (Defense Adjustment Projects)	3,000,000	
(c) 10.50-Economic Development (Small Business Development Centers)	~~2,115,000~~ *3,015,000*	

Item	Amount
(d) 20-International Trade and Investment	~~300,000~~ *225,000*
(e) 30-Tourism	*250,000*

Provisions:

~~1. Of the funds appropriated by this item, $300,000 is for a one-time expenditure for the Greater Oakland International Trade Center to provide assistance and training to small businesses in the greater Bay Area in identifying, establishing, and expanding export markets for their products and services.~~

1. Of the amount appropriated by this item, the Trade and Commerce Agency shall allocate $6,300,000 to implement the California Space Flight Competitive Grant Program administered by the California Space and Technology Alliance (CSTA) pursuant to subdivision (p) of Section 15333.3 of the Government Code. The CSTA may expend up to $875,000 for program administration.

2. Of the amount appropriated by this item, the Trade and Commerce Agency shall allocate $2,200,000 to implement the Highway to Space Competitive Grant Program administered by the Western Commercial Space Center (WCSC) pursuant to Section 15333.4 of the Government Code. The WCSC may expend up to $200,000 for program administration.

3. Of the funds appropriated by this item, $500,000 shall be allocated to Kern County for activities within the Southwest Military Defense Complex.

4. Of the funds appropriated by this item, $500,000 shall be allocated for the purpose of establishing pilot programs linking education, employability skills, and job opportunities for at-risk youth in Kings, Kern, and/or Madera County. Funded pilot programs shall: (1) work in collaboration with local school districts and businesses; (2) provide at-risk youths with tangible skills in career development, job attainment, leadership, and self-development linked to work-based activities; (3) provide a followup component to participants after completion of the program; (4) include a community service component; and (5) develop an ongoing career network for disadvantaged adolescents.

Item	Amount
2920-101-0439—For local assistance, California Trade and Commerce Agency, payable from the Underground Storage Tank Cleanup Fund, for transfer to the Petroleum Underground Storage Tank Financing Account	(33,000,000)
2920-101-0801—For local assistance, California Trade and Commerce Agency, Program 10—Economic Development, payable from the California Small Business Development Center Fund	1,000,000
2920-101-0890—For local assistance, California Trade and Commerce Agency, Program 10—Economic Development, payable from the Federal Trust Fund.	7,114,000
2920-111-0001—For local assistance, California Trade and Commerce Agency	50,000,000
Schedule:	
(1) For transfer to the California Infrastructure and Economic Development Bank Fund (0649) 50,000,000	
Provisions:	
1. Of the amounts transferred by this item, up to $8,500,000 may be used for private technology development projects.	
2. Of the amounts transferred by this item, up to $1,500,000 shall be used for the extension of point-of-presence fiber optic networks.	
2920-112-0001—For local assistance, California Trade and Commerce Agency, for transfer to the Job Creation Investment Fund	~~5,000,000~~ *6,500,000*
2920-112-0393—For local assistance, California Trade and Commerce Agency, payable from the Job Creation Investment Fund	~~5,000,000~~ *6,500,000*
~~2920-113-0001—For local assistance, California Trade and Commerce Agency, for transfer to the California Infrastructure and Economic Development Bank Fund (0649)~~	~~10,000,000~~
~~Provisions:~~	
~~1. The funds appropriated in this item shall be solely available for the purpose of private economic development projects including, but not limited to, Health Care, Multimedia, Environmental, and Information Technology.~~	

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2920-490—Reappropriation, Trade and Commerce Agency. The balance of appropriations provided in the following item is reappropriated.

0001—General Fund

(1) Item 2920-101-0001, of Ch. 282, Stats. 1997, as augmented by Section 14 of Chapter 928 of the Statutes of 1997.

RESOURCES

3110-001-0001—To the Resources Agency, Special Resources Program, Program 30—Sea Grant Program, for grants to public and private higher education for use as a maximum of two-thirds of the local matching share for projects under the National Sea Grant College Program Act, as amended..... 319,000

3110-001-0140—To the Resources Agency, Special Resources Program, Program 30-Sea Grant Program, for a grant to the University of California for support of the Sea Grant Marine Advisory Program, payable from the California Environmental License Plate Fund 112,000

3110-101-0001—For local assistance, Special Resources Program, Program 10—Tahoe Regional Planning Agency..... 1,701,000

3110-101-0140—For local assistance, Special Resources Program, Program 10—Tahoe Regional Planning Agency, payable from the California Environmental License Plate Fund 247,000

3125-001-0001—For support of California Tahoe Conservancy ..... ~~2,897,000~~ *3,097,000*

Schedule:

(a) 10-Tahoe Conservancy..... ~~3,464,000~~ *3,426,000*

(b) Reimbursements..... −33,000

(c) Amount payable from California Environmental License Plate Fund (Item 3125-001-0140) ..... ~~−344,000~~ *−106,000*

(d) Amount payable from Habitat Conservation Fund (Item 3125-001-0262)..... −17,000

(e) Amount payable from the Lake Tahoe Conservancy Account (Item 3125-001-0286) ..... −1,000

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(g) Amount payable from the Tahoe Conservancy Fund (Item 3125-001-0568) ..... −172,000

Provisions:

1. The funds appropriated in Schedule (d) of this item shall be used for purposes consistent with the Natural Resources Infrastructure Fund and the Habitat Conservation Fund.

2. Of the amount appropriated by this item, $200,000 is available for Tahoe Regreen purposes.

3125-001-0140—For support of California Tahoe Conservancy, for payment to Item 3125-001-0001, payable from the California Environmental License Plate Fund ..... ~~344,000~~ *106,000*

3125-001-0262—For support of California Tahoe Conservancy, for payment to Item 3125-001-0001, payable from the Habitat Conservation Fund 17,000

3125-001-0286—For support of California Tahoe Conservancy, for payment to Item 3125-001-0001, payable from the Lake Tahoe Conservancy Account 1,000

~~3125-011-0383—For transfer by the State Controller to the Habitat Conservation Fund, payable from the Natural Resources Infrastructure Fund..... (17,000)~~

~~Provisions:~~

~~1. The funds transferred by this item shall be used for purposes consistent with the requirements of the National Resources Infrastructure Fund and the Habitat Conservation Fund.~~

3125-001-0568—For support of California Tahoe Conservancy, for payment to Item 3125-001-0001, payable from the Tahoe Conservancy Fund..... 172,000

Provisions:

1. Of this amount, pursuant to Section 66908.3 of the Government Code, the conservancy shall pay $40,390 to the County of Placer, and $2,610 to the County of El Dorado.

2. Fifty percent (50%) of the amounts pursuant to Provision 1 above shall be used by the Counties of Placer and El Dorado for soil erosion control projects in the Lake Tahoe region, as defined in Section 66905.5 of the Government Code.

3125-011-0383—For transfer by the State Controller to the Habitat Conservation Fund, payable from the Natural Resources Infrastructure Fund..... (17,000)

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Provisions:

1. The funds transferred by this item shall be used for purposes consistent with the requirements of the Natural Resources Infrastructure Fund and the Habitat Conservation Fund.

3125-101-0001—For local assistance, California Tahoe Conservancy, Program 10—Tahoe Conservancy, for soil erosion control grants ..... ~~2,000,000~~ *2,400,000*

Provisions:

1. Notwithstanding any other provision of law, this appropriation shall be available for encumbrance until June 30, 2001.

2. Of the funds appropriated by this item, the amount of $2,000,000 is available for soil erosion control grants and the amount of $400,000 is available for construction of the Rocky Point bicycle and pedestrian trail.

3125-101-0140—For local assistance, California Tahoe Conservancy, Program 10—Tahoe Conservancy, for soil erosion control grants, payable from the California Environmental License Plate Fund 2,000,000

Provisions:

1. Notwithstanding any other provision of law, this appropriation shall be available for encumbrance until June 30, 2001.

3125-301-0001—For capital outlay, California Tahoe Conservancy ..... ~~7,500,000~~ *6,000,000*

Schedule:

(1) 50.30.002-Land acquisition and site improvements—public access and recreation pursuant to Title 7.42 (commencing with Section 66905) of the Government Code ..... ~~3,080,000~~ *2,830,000*

(2) 50.30.004-Land acquisition and site improvements—stream environment zones and watershed restorations pursuant to Title 7.42 (commencing with Section 66905) of the Government Code ..... ~~1,914,000~~ *1,164,000*

Item		Amount
(3) 50.30.005-Land acquisition pursuant to Section 66907 of the Government Code	~~2,750,000~~ *2,250,000*	
(4) Reimbursements	−244,000	

Provisions:

1. The acquisition of real property or interests with funds appropriated by this item is not subject to the Property Acquisition Law when the value is $250,000 or less, and, therefore, is not subject to approval by the State Public Works Board.
2. The amount appropriated by this item is available for expenditure for capital outlay or for local assistance. Expenditures of funds for grants to public agencies and grants to nonprofit organizations, as authorized by subdivision (a) of Section 66907.7 of the Government Code, are exempt from review by the State Public Works Board.

3125-301-0140—For capital outlay, California Tahoe Conservancy, payable from the California Environmental License Plate Fund 3,280,000

Schedule:

(a) 50.30.003-Acquisition, restoration, and enhancement of habitat	500,000
(b) 50.30.004-Land acquisition and site improvements—stream environment zone and watershed restoration	2,780,000

Provisions:

1. The acquisition of real property or interests with funds appropriated by this item is not subject to the Property Acquisition Law when the value is less than $250,000 and, therefore, is not subject to Public Works Board approval.
2. The amount appropriated by this item is available for expenditure for capital outlay or for grants. Expenditures of funds for grants to public agencies and grants to nonprofit organizations, as authorized by subdivision (a) of Section 66907.7 of the Government Code, are exempt from Public Works Board review.

3125-301-0262—For capital outlay, California Tahoe Conservancy, payable from the Habitat Conservation Fund 483,000

Schedule:

(1) 50.30.003-Acquisition, restoration, and enhancement of habitat	483,000

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Provisions:

1. The acquisition of real property or interests with funds appropriated by this item is not subject to the Property Acquisition Law when the value is less than $250,000 and, therefore, is not subject to Public Works Board approval.
2. The amount appropriated by this item is available for expenditure for capital outlay or for local assistance. Expenditures of funds for grants to public agencies and grants to nonprofit organizations, as authorized by subdivision (a) of Section 66907.7 of the Government Code, are exempt from Public Works Board review.
3. The funds appropriated by this item shall be used for purposes consistent with the Natural Resources Infrastructure Fund and the Habitat Conservation Fund.

3125-301-0286—For capital outlay, California Tahoe Conservancy, payable from the Lake Tahoe Conservancy Account..... 210,000

Schedule:

(1) 50.30.002-Land acquisition and site improvements—Public access and recreation pursuant to Title 7.42 (commencing with Section 66905) of the Government Code..... 105,000

(2) 50.30.004-Land acquisition and site improvements—Stream environment zones and watershed restorations pursuant to Title 7.42 (commencing with Section 66905) of the Government Code 105,000

Provisions:

1. The acquisition of real property or interests with funds appropriated by this item is not subject to the Property Acquisition Law when the value is $250,000 or less, and, therefore, is not subject to Public Works Board approval.
2. The amount appropriated by this item is available for expenditure for capital outlay or for local assistance. Expenditures of funds for grants to public agencies and grants to nonprofit organizations, as authorized by subdivision (a) of Section 66907.7 of the Government Code, are exempt from Public Works Board review.

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3125-301-0443—For capital outlay, California Tahoe Conservancy, payable from the Lake Tahoe Water Quality Subaccount 5,000,000

Schedule:

(1) 50.30.007-Lake Tahoe Water Quality Program..... 5,000,000

Provisions:

1. The acquisition of real property or an interest in real property with funds appropriated by this item is not subject to the Property Acquisition Law when the value is less than $250,000 and, therefore, the acquisition is not subject to Public Works Board approval.
2. The funds appropriated by this item are available for expenditure for capital outlay or grants. Expenditures of funds for grants to public agencies and grants to nonprofit organizations, as authorized by subdivision (a) of Section 66907.7 of the Government Code, are exempt from Public Works Board review.

3125-311-0383—For transfer by the State Controller to the Habitat Conservation Fund, payable from the Natural Resources Infrastructure Fund ..... (483,000)

Provisions:

1. The funds transferred by this item shall be used for purposes consistent with the requirements of the National Resources Infrastructure Fund and the Habitat Conservation Fund.

3125-490—Reappropriation, California Tahoe Conservancy. The balances of the appropriation provided in the following citation is reappropriated for the purposes provided for in that appropriation, and shall be available for liquidation until June 30, 1999:

0001—General Fund

(1) Item 3125-101-164, Budget Act of 1993, as transferred to the General Fund per Section 16346 of the Government Code.

(2) Item 3125-301-001(a), Budget Act of 1993.

3340-001-0001—For support of California Conservation Corps ..... ~~32,450,000~~ *42,450,000*

Schedule:

(a) 10-Training and Work Program..... ~~39,561,000~~ *49,561,000*

(b) 10.55-Administration..... (6,872,000)

(c) 10.55-Distributed Administration..... (−6,872,000)

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(d) Amount payable from the California Environmental License Plate Fund (Item 3340-001-0140)..... −294,000

(e) Amount payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund (Item 3340-001-0235) ..... −252,000

(f) Amount payable from the Energy Resources Programs Account, General Fund (Item 3340-001-0465)..... −6,070,000

(g) Amount payable from the Federal Trust Fund (Item 3340-001-0890)..... −495,000

Provisions:

1. Notwithstanding Section 14316 of the Public Resources Code, the Department of Finance may make a loan from the General Fund to the California Conservation Corps for the purposes of this item, in the amount of 25 percent of the reimbursements anticipated in the Collins-Dugan Reimbursement Account to be received by the California Conservation Corps from each client agency, not to exceed an aggregate total of $6,998,000, to meet cash-flow needs due to delays in collecting reimbursements. Any loan made by the Department of Finance pursuant to this provision shall only be made if the California Conservation Corps has a valid contract or certification signed by the client agency, which demonstrates that sufficient funds will be available to repay the loan. All money so transferred shall be repaid to the General Fund as soon as possible, but not later than one year from the date of the loan. On and after a date 90 days after the end of that year, the Department of Finance shall charge interest to the California Conservation Corps, at the rate earned in the Pooled Money Investment Fund, on any portion of the loan that has not been repaid.

2. The funds appropriated by this act for the support of the California Conservation Corps are subject to the conditions set forth in this item, the Memorandum of Understanding as adopted by the Legislature as a part of the annual budget process, and the Supplemental Report of the 1998 Budget Act.

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3. Of the funds appropriated by this item, $2,725,000 shall be available for use by the California Conservation Corps to respond to natural disasters and other emergencies, including the fighting of forest fires. The Director of Finance may adjust this amount to the extent indicated by corrections identified by the director in the reports of the past expenditures of the California Conservation Corps upon which the amounts appropriated by this item are based. The Director of Finance shall notify the Chairperson of the Joint Legislative Budget Committee at least 30 days prior to making that adjustment.

4. To the extent that funds in excess of the amount identified in Provision 3 are necessary in order for the California Conservation Corps to respond to one or more emergencies declared by the Governor, the Department of Finance shall transfer, from the funds available pursuant to Section 8609.6 of the Government Code, an amount not to exceed $1,500,000 as necessary to fund that response. If, after the Department of Finance has transferred funds pursuant to this provision, the California Conservation Corps receives reimbursements or other amounts in payment of its costs of response to one or more declared emergencies, those amounts shall be deposited in the General Fund.

~~5. It is the intent of the Legislature that $15,000,000 in Temporary Assistance for Needy Families (TANF) funds appropriated by Item 5180-101-0890 to the Department of Social Services be provided to the California Conservation Corps for pass-through to local corps for CalWORKs recipient work participation activities.~~

5. Of the amount appropriated by this item, $5,000,000 shall be available for the acquisition and development of the San Francisco Bay Trail. The California Conservation Corps shall work in consultation with the Association of Bay Area Governments to identify projects to receive grants from this appropriation.

3340-001-0140—For support of California Conservation Corps, for payment to Item 3340-001-0001, payable from the California Environmental License Plate Fund 294,000

Item	Amount
3340-001-0235—For support of California Conservation Corps, for payment to Item 3340-001-0001, payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund	252,000
3340-001-0465—For support of California Conservation Corps, for payment to Item 3340-001-0001, payable from the Energy Resources Programs Account, General Fund	6,070,000
3340-001-0853—For support of California Conservation Corps, payable from Petroleum Violation Escrow Account	~~0~~ *9,737,000*
3340-001-0890—For support of California Conservation Corps, for payment to Item 3340-001-0001, payable from the Federal Trust Fund	495,000
3340-301-0001—For capital outlay, California Conservation Corps	1,100,000
Schedule:	
(1) 20.10.135-Sequoia Base Center Kitchen Expansion/Office ~~Relation—Preliminary~~ *Relocation—Preliminary* plans, working drawings, and construction 1,100,000	
3360-001-0001—For support of State Energy Resources Conservation and Development, for payment to Item ~~3360-001-0465~~	~~50,000,000~~
3360-001-0465	*1,600,000*
Provisions:	
1. Of the funds appropriated in this item, $1,600,000 shall be used for an Environmental, Energy, and Highway Research Test Track.	
3360-001-0044—For support of State Energy Resources, Conservation and Development Commission, for payment to Item 3360-001-0465, payable from the Motor Vehicle Account, State Transportation Fund	117,000
3360-001-0314—For support of State Energy Resources, Conservation and Development Commission, for payment to Item 3360-001-0465, payable from the Diesel Emission Reduction Fund	1,006,000
Provisions:	
1. Notwithstanding subdivision (a) of Section 2.00 of this act, funds appropriated by this item shall be available for expenditure during the 1998–99 and 1990–00 fiscal years.	

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2. Notwithstanding Section 16304.1 of the Government Code, funds appropriated by this item shall be available for liquidation of encumbrances until June 30, 2004.
3. Notwithstanding any other provision of law, funds appropriated by this item may be used by the State Energy Resources, Conservation and Development Commission to provide grants, loans, or repayable research contracts. When the commission evaluates proposals, a high-point scoring method may be used in lieu of lowest cost. Repayment terms shall be determined by the commission.

3360-001-0381—For support of State Energy Resources, Conservation and Development Commission, for payment to Item 3360-001-0465, payable from the Public Interest Research, Development and Demonstration Programs Fund 65,119,000

Provisions:

1. Notwithstanding subdivision (a) of Section 2.00 of this act, funds appropriated by this item shall be available for expenditure during the 1998–99 and 1999–00 fiscal years.
2. Notwithstanding Section 16304.1 of the Government Code, funds appropriated by this item shall be available for liquidation of encumbrances until June 30, 2004.
3. Notwithstanding any other provision of law, funds appropriated by this item may be used by the State Energy Resources, Conservation and Development Commission to provide grants, loans, or repayable research contracts. When the commission evaluates proposals, a high-point scoring method may be used in lieu of lowest cost. Repayment terms shall be determined by the commission.

3360-001-0382—For support of State Energy Resources, Conservation and Development Commission, for payment to Item 3360-001-0465, payable from Renewable Resource Trust Fund 1,436,000

3360-001-0465—For support of State Energy Resources, Conservation and Development Commission, payable from the Energy Resources Programs Account, General Fund..... ~~32,898,000~~ *34,698,000*

Schedule:

(a) 10-Regulatory and Planning..... ~~18,865,000~~ *19,065,000*

(b) 20-Energy Resources Conservation. 11,112,000

Item	Amount
(c) 30-Development	~~133,946,000~~ *89,597,000*
(d) 40.01-Policy, Management and Administration	8,495,000
(e) 40.02-Distributed Policy, Management and Administration	−8,358,000
(f) Reimbursements	−1,236,000
(fx) Amount payable from the General Fund (Item 3360-001-0001)	~~−50,000,000~~ *−1,600,000*
(g) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 3360-001-0044)	−117,000
(h) Amount payable from the Diesel Emission Reduction Fund (Item 3360-001-0314)	−1,006,000
(i) Amount payable from the Public Interest Research, Development and Demonstration Programs Fund (Item 3360-001-0381)	−65,119,000
(j) Amount payable from the Renewable Resource Trust Fund (Item 3360-001-0382)	−1,436,000
(k) Amount payable from Energy Technologies Research Development and Demonstration Account (Item 3360-001-0479)	−1,269,000
(*l*) Amount payable from Local Government Geothermal Resources Revolving Subaccount, GRDA (Item 3360-001-0497)	−257,000
(m) Amount payable from Petroleum Violation Escrow Account (Item 3360-001-0853)	~~−1,431,000~~ *−2,931,000*
(n) Amount payable from Katz Schoolbus Fund (Item 3360-001-0854)	~~−655,000~~ *−1,606,000*
(o) Amount payable from the Federal Trust Fund (Item 3360-001-0890)	−8,474,000
(p) Amount payable from Energy Resources Programs Account, General Fund (Public Resources Code Section 25402.1)	−162,000

Provisions:

1. Notwithstanding any other provision of law, funds appropriated by this item for the purposes of pro-

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viding customer credits for purchases of renewable energy pursuant to paragraph (1) of subdivision (e) of Section 383.5 of the Public Utilities Code shall, for a period of six months after enactment of the Budget Act *of 1998* , be made available for purchases of in-state renewable generation without regard to ownership of the generation source.

2. Of the funds appropriated by this item, $1,600,000 shall be used for Solar Hot Water Heaters and Solar Electricity program.

3. Of the funds appropriated by this item from the Energy Resources Programs Account, $200,000 shall be used for the development and support of Consumer Electric Users Cooperatives. The commission may utilize these funds to hire staff and consultant support as it deems necessary.

3360-001-0479—For support of State Energy Resources, Conservation and Development Commission, for payment to Item 3360-001-0465, payable from the Energy Technologies Research, Development and Demonstration Account for the purpose of funding loans, grants and contracts to provide a variety of research projects..... 1,269,000

Provisions:

1. Notwithstanding subdivision (a) of Section 2.00 of this act, funds appropriated by this item shall be available for expenditure during the 1998–99 and 1999–00 fiscal years.
2. Notwithstanding Section 16304.1 of the Government Code, funds appropriated by this item shall be available for liquidation of encumbrances until June 30, 2002.
3. Notwithstanding any other provision of law, funds appropriated by this item may be used by the State Energy Resources, Conservation and Development Commission to provide grants, loans, or repayable research contracts. When the commission evaluates proposals, a high-point scoring method may be used in lieu of lowest cost. Repayment terms shall be determined by the commission.

3360-001-0497—For support of State Energy Resources, Conservation and Development Commission, for payment to Item 3360-001-0465, payable from the Local Government Geothermal Resources Revolving Subaccount, GRDA 257,000

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~~Provisions:~~

~~1. The Commission shall undertake a competitive solicitation for the allocation, in the form of grants from the Geothermal Resources Development Account (GRDA), of the funds appropriated by this item. Eligible projects are those geothermal related reservoir recharge projects not otherwise qualifying for funds under SB 90 (Ch. 905, Stats. 1997) as Renewable or Public Interest Energy Research projects.~~

~~The State Energy Resources Conservation and Development Commission shall establish terms and conditions for funding agreements that provide funding conditioned on the submittal of technical data and analysis on the performance of reservoir recharge and resulting production of electricity for eligible geothermal related reservoir recharge projects.~~

3360-001-0853—For support of State Energy Resources, Conservation and Development Commission, for payment to Item 3360-001-0465, payable from Petroleum Violation Escrow Account ..... ~~1,431,000~~ *2,931,000*

Provisions:

1. Notwithstanding subdivision (a) of Section 2.00 of this act, funds appropriated by this item shall be available for expenditure during the 1998–99 and 1999–00 fiscal years.
2. Notwithstanding Section 16304.1 of the Government Code, funds appropriated by this item shall be available for liquidation of encumbrances until June 30, 2002.
3. Notwithstanding any other provision of law, funds appropriated by this item may be used by the State Energy Resources, Conservation and Development Commission to provide grants, loans, or repayable research contracts. When the commission evaluates proposals, a high-point scoring method may be used in lieu of lowest cost. Repayment terms shall be determined by the commission.

3360-001-0854—For support of State Energy Resources, Conservation and Development Commission, for payment to Item 3360-001-0465, payable from the Katz Schoolbus Fund created by Section 17911 of the Education Code ..... ~~655,000~~ *1,606,000*

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Provisions:

1. Notwithstanding subdivision (a) of Section 2.00 of this act, funds appropriated by this item shall be available for expenditure during the 1998–99 and 1999–00 fiscal years.
2. Notwithstanding Section 16304.1 of the Government Code, funds appropriated by this item shall be available for liquidation of encumbrances until June 30, 2002.
3. Notwithstanding any other provision of law, funds appropriated by this item may be used by the State Energy Resources, Conservation and Development Commission to provide grants, loans, or repayable research contracts. When the commission evaluates proposals, a high-point scoring method may be used in lieu of lowest cost. Repayment terms shall be determined by the commission.

3360-001-0890—For support of State Energy Resources, Conservation and Development Commission, for payment to Item 3360-001-0465, payable from the Federal Trust Fund 8,474,000

3360-101-0497—For local assistance, State Energy Resources, Conservation and Development Commission, pursuant to Section 3822 of the Public Resources Code, payable from the Local Government Geothermal Resources Revolving Subaccount, General Fund..... 4,500,000

Schedule:

(a) 30-Development 4,500,000

Provisions:

1. Notwithstanding subdivision (a) of Section 2.00 of this act, funds appropriated by this item shall be available for expenditure during the 1998–99 and 1999–00 fiscal years.
2. Notwithstanding Section 16304.1 of the Government Code, funds appropriated by this item shall be available for liquidation of encumbrances until June 30, 2002.
3. The Commission shall undertake a competitive solicitation for the allocation, in the form of grants from the Geothermal Resources Development Account (GRDA), of the funds appropriated by this item *and the amount, as of June 30, 1997, of the unexpended funds appropriated by Item 3360-001-0497 of Section 2.00 of the Budget Act of 1997* . Eligible projects are those geothermal related reservoir recharge projects not otherwise

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qualifying for funds under SB 90 (Ch. 905, Stats. 1997) as Renewable or Public Interest Energy Research projects.

The State Energy Resources Conservation and Development Commission shall establish terms and conditions for funding agreements that provide funding conditioned on the submittal of technical data and analysis on the performance of reservoir recharge and resulting production of eletricity for the eligible geothermal related reservoir recharge projects.

3360-490—Reappropriation, State Energy Resources, Conservation and Development Commission. The balance of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations, and shall be available for encumbrance and expenditure until June 30, 1999:

0381—Public Interest Research, Development and Demonstration Fund:

(1) Item 3360-001-0381, Budget Act of 1997.

0853—Petroleum Violation Escrow Account:

(1) Chapter 980, Statutes of 1995, Section 1(D)(3), Provide Loans for the Farm Energy Loan Program and Section 1(D)(4), Provide Technical Assistance for the Farm Energy Loan Program.

3360-491—Extension of liquidation period, State Energy Resources, Conservation and Development Commission. Notwithstanding any other provision of law, funds appropriated in the following citations shall be available for liquidation until June 30, 1999:

0497—Local Government Geothermal Resources Subaccount:

(1) Item 3360-101-0497, Budget Act of 1994.

Notwithstanding any other provisions of law, the funds appropriated in the following citations shall be available for liquidation until June 30, 2000:

0853—Petroleum Violation Escrow Account:

(1) Chapter 1159, Statutes of 1993, Section 6(K)(9), Yosemite National Park Alternative, as reappropriated by Item 3360-490 and Item 3360-492, Budget Act of 1994.

Notwithstanding any other provisions of law, the funds appropriated in the following citations shall be available for liquidation until June 30, 2002.

Item		Amount
0381—Public Interest Research, Development and Demonstration Fund:		
(1) Item 3360-001-0381, Budget Act of 1997.		
3460-001-0001—For support of Colorado River Board of California		209,000
Schedule:		
(a) 10-Protection of California's Colorado River Rights and Interests	1,076,000	
(b) Reimbursements	−851,000	
(c) Amount payable from the California Environmental License Plate Fund (Item 3460-001-0140)	−16,000	
3460-001-0140—For support of Colorado River Board of California, for payment to Item 3460-001-0001, payable from the California Environmental License Plate Fund		16,000
Provisions:		
1. The funds appropriated by this item are for the Salinity Control Forum.		
3480-001-0001—For support of Department of Conservation		16,120,000
Schedule:		
(a) 10-Geologic Hazards and Mineral Resources Conservation	22,203,000	
(b) 20-Oil, Gas, and Geothermal Resources	11,701,000	
(c) 30-Land Resource Protection	2,255,000	
(d) 40.01-Administration	8,582,000	
(e) 40.02-Distributed Administration	−8,582,000	
(f) 50-Beverage Container Recycling and Litter Reduction Program	20,933,000	
(g) Reimbursements	−8,266,000	
(h) Amount payable from the Surface Mining and Reclamation Account, General Fund (Item 3480-001-0035)	−2,401,000	
(i) Amount payable from the State Highway Account, State Transportation Fund (Item 3480-001-0042).	−12,000	
(j) Amount payable from the California Beverage Container Recycling Fund (Item 3480-001-0133)	−20,858,000	
(k) Amount payable from the California Environmental License Plate Fund (Item 3480-001-0140)	−55,000	

Item	Amount
(*l*) Amount payable from the Soil Conservation Fund (Item 3480-001-0141)	−998,000
(m) Amount payable from Hazardous and Idle-Deserted Well Abatement Fund (Section 3206, Public Resources Code)	−55,000
(n) Amount payable from Mine Reclamation Account (Item 3480-001-0336)	−1,244,000
(o) Amount payable from Seismic Hazards Identification Fund (Item 3480-001-0338)	−1,826,000
(p) Amount payable from the Strong Motion Instrumentation Special Fund (Item 3480-001-0398)	−2,740,000
(q) Amount payable from the Agricultural Land Stewardship Program Fund (Item 3480-001-0867)	−100,000
(r) Amount payable from the Federal Trust Fund (Item 3480-001-0890)	−2,417,000

Provisions:

1. Notwithstanding any other provision of law, upon approval and order of the Director of Finance, the Department of Conservation may borrow sufficient funds, from special funds that otherwise provide support for the department, to meet cash-flow needs due to delays in collecting reimbursements. Any loan made by the Department of Finance pursuant to this provision may be made only if the Department of Conservation has a valid contract or certification signed by the client agency, which demonstrates that sufficient funds will be available to repay the loan. All money so transferred shall be repaid to the special fund as soon as possible, but not later than one year from the date of the loan.

~~2. Of the funds appropriated by this item, $15,000,000 shall be used for the Agricultural Land Stewardship Program.~~

3480-001-0035—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the Surface Mining and Reclamation Account, General Fund 2,401,000

Item	Amount
3480-001-0042—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the State Highway Account, State Transportation Fund	12,000
Provisions:	
1. The funds appropriated by this item are for the state's share of costs of the California Institute of Technology seismograph network.	
3480-001-0133—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the California Beverage Container Recycling Fund	20,858,000
3480-001-0140—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the California Environmental License Plate Fund	55,000
3480-001-0141—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the Soil Conservation Fund	998,000
3480-001-0336—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the Mine Reclamation Account	1,244,000
3480-001-0338—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the Seismic Hazards Identification Fund	1,826,000
Provisions:	
1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures from the Seismic Hazard Identification Fund in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefore is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his designee, may in each instance determine. When exercising this provision, the department must maintain a minimum 10 percent reserve balance in the Seismic Hazards Identification Fund at all times and not exceed a total program expenditure level of $2,300,000. This provision may also be used to reduce expenditures below the amount appropriated by this item should revenues be unable to maintain an adequate balance.	
2. *(a) If, on or before September 1, 1998, the Department of Conservation receives additional*	

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funds from the Federal Emergency Management Agency for the mapping of seismic hazard areas related to the Northridge Earthquake of 1994, then not more than $1,250,000 of the funds appropriated in this item shall be used to publish maps for seismic hazard areas in the Counties of Los Angeles, Orange, and Ventura, and the remainder of the funds appropriated in this item, including any additional funds approved pursuant to Provision 1 and including an additional appropriation of $400,000, shall be used to publish maps of seismic hazard areas associated with the Peninsula Segment of the San Andreas Fault, the Hayward Fault, and the Calaveras Fault in the Counties of Alameda, Contra Costa, San Mateo, and Santa Clara and in the City and County of San Francisco, prioritized considering earthquake hazards and populations at risk.

(b) If, on or before September 1, 1998, the department does not receive the federal funds described in (a) above, then all of the funds appropriated by this item, including any additional funds approved pursuant to Provision 1 and including an additional appropriation of $84,000, shall be used to publish maps of seismic hazard areas associated with the Peninsula Segment of the San Andreas Fault, the Hayward Fault, and the Calaveras Fault in the Counties of Alameda, Contra Costa, San Mateo, and Santa Clara and in the City and County of San Francisco, prioritized considering earthquake hazards and populations at risk.

3480-001-0398—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the Strong Motion Instrumentation Special Fund 2,740,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures from the Strong Motion Instrumentation Special Fund in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefore is provided to the chairpersons of the fiscal committees and the Chairperson

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of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his designee, may in each instance determine. When exercising this provision, the department must maintain a minimum ten percent reserve balance in the Strong Motion Instrumentation Special Fund at all times and not exceed a total program expenditure level of $5,000,000. This provision may also be used to reduce expenditures below the amount appropriated by this item should revenues be unable to maintain an adequate balance.

3480-001-0867—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the Agricultural Land Stewardship Program Fund 100,000

Provisions:

1. Funds appropriated by this item shall be used for purposes consistent with the requirements of the Agricultural Land Stewardship Program Fund and the Public Resources Account, Cigarette and Tobacco Products Surtax Fund.
2. Notwithstanding any other provision of law, this appropriation shall be available for encumbrance until June 30, 2000.

3480-001-0890—For support of Department of Conservation, for payment to Item 3480-001-0001, payable from the Federal Trust Fund 2,417,000

3480-002-0001—For support of the Department of Conservation 934,000

Provisions:

1. *Funds appropriated by this item shall be available for expenditure by the department only if, on or before September 1, 1998, the department receives additional funds from the Federal Emergency Management Agency for the mapping of seismic hazard areas related to the Northridge Earthquake of 1994, in which case the funds appropriated by this item shall be used to publish maps of seismic hazard areas associated with the Peninsula Segment of the San Andreas Fault, the Hayward Fault, and the Calaveras Fault in the counties of Alameda, Contra Costa, San Mateo, and Santa Clara and in the City and County of San Francisco, prioritized considering earthquake hazards and populations at risk.*

Item	Amount
3480-011-0235—For transfer by the State Controller to the Agricultural Land Stewardship Program Fund, payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund.....	100,000
Provisions:	
1. The funds transferred by this item shall be available to the Department of Conservation to fund the Agricultural Land Stewardship Program pursuant to Chapter 931 of the Statutes of 1995, and shall be used for purposes consistent with the requirements of the Public Resources Account, Cigarette and Tobacco Products Surtax Fund.	
3480-101-0001—For local assistance, Department of Conservation	~~15,120,000~~ *8,120,000*
Provisions:	
1. The amount of ~~$15,000,000~~ *$8,000,000* of the funds appropriated by this item shall be used for the Agricultural Land Stewardship Program.	
2. Notwithstanding any other provision of law, this appropriation shall be available for encumbrance until June 30, 2001.	
3. Notwithstanding any other provision of law, when the Department of Conservation evaluates proposals, priority shall be given to projects with matching funds.	
3480-101-0141—For local assistance, Department of Conservation, Program—30 Land Resource Protection, payable from the Soil Conservation Fund for the Agricultural Land Stewardship Program.....	*2,000,000*
Provisions:	
1. Funds appropriated by this item shall be used for the purposes authorized by the Agricultural Land Stewardship Program.	
2. Funds are appropriated by this item only to the extent that those funds are available in the 1998–99 fiscal year from the balance of the cancellation fees not transferred to the Soil Conservation Fund subsequent to the appropriation made by Item 3480-001-0141.	
3. Notwithstanding any other provision of law, this appropriation shall be available for encumbrance until June 30, 2001.	
4. Notwithstanding any other provision of law, when the Department of Conservation evaluates proposals, priority shall be given to projects with matching funds.	

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3480-101-0867—For local assistance, Department of Conservation, payable from the Agricultural Land Stewardship Program Fund 3,600,000

Schedule:

(c) 30-Land Resource Protection 3,600,000

Provisions:

1. Funds appropriated by this item shall be used for purposes consistent with the requirements of the Agricultural Land Stewardship Program Fund, the California Environmental License Plate Fund and the Public Resources Account, Cigarette and Tobacco Products Surtax Fund.
2. Notwithstanding any other provision of law, this appropriation shall be available for encumbrance until June 30, 2001.

3480-111-0140—For transfer by the State Controller to the Agricultural Land Stewardship Program Fund, payable from the California Environmental License Plate Fund 1,700,000

Provisions:

1. The funds transferred by this item shall be available to the Department of Conservation to fund the Agricultural Land Stewardship Program pursuant to Chapter 931 of the Statutes of 1995, and shall be used for purposes consistent with the requirements of the California Environmental License Plate Fund.

3480-111-0235—For transfer by the State Controller to the Agricultural Land Stewardship Program Fund, payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund 1,900,000

Provisions:

1. The funds transferred by this item shall be available to the Department of Conservation to fund the Agricultural Land Stewardship Program pursuant to Chapter 931 of the Statutes of 1995, and shall be used for purposes consistent with the requirements of the Public Resources Account, Cigarette and Tobacco Products Surtax Fund.

3480-295-0001—For local assistance, Department of Conservation, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or of Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, State Controller 0

Item		Amount
Schedule:		
(1) 98.01.113.175-Mineral resources policies (Ch. 1131, Stats. 1975)....	0	
Provisions:		
1. Pursuant to Section 17581 of the Government Code, the mandate identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision is specifically identified by the Legislature for suspension during the 1998–99 fiscal year:		
(a) Mineral resources policies (Ch. 1131, Stats. 1975)		
3540-001-0001—For support of Department of Forestry and Fire Protection		~~277,971,320~~ *280,783,000*
Schedule:		
(a) 100000-Personal services	~~309,085,600~~ *311,444,000*	
(b) 300000-Operating expenses and equipment	~~134,392,400~~ *140,862,000*	
(c) Reimbursements.....	~~−113,195,680~~ *−114,159,000*	
(d) Amount payable from the General Fund (Item 3540-006-0001)....	−20,000,000	
(e) Less funding provided by capital outlay	−1,687,000	
(f) Amount payable from the State Fire Marshal Licensing and Certification Fund (Item 3540-001-0102)...	−1,797,000	
(g) Amount payable from the California Environmental License Plate Fund (Item 3540-001-0140).....	−862,000	
(h) Amount payable from the California Fire and Arson Training Fund (Item 3540-001-0198)	−1,386,000	
(i) Amount payable from the Hazardous Liquid Pipeline Safety Fund (Item 3540-001-0209)	−1,854,000	
(j) Amount payable from the Hazardous Liquid Pipeline Safety Fund (Chapter 814, Statutes of 1997)....	−271,000	
(k) Amount payable from the Insurance Fund (Ch. 420, Stats. 1994).....	−340,000	

Item	Amount
(*l*) Amount payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund (Item 3540-001-0235)	−325,000
(m) Amount payable from the Professional Forester Registration Fund (Item 3540-001-0300)	−170,000
(n) Amount payable from the California Wildlife, Coastal, and Park Land Conservation Fund of 1988 (Item 3540-001-0786)	−26,000
(o) Amount payable from the Federal Trust Fund (Item 3540-001-0890).....	−9,133,000
(p) Amount payable from the Forest Resources Improvement Fund (Item 3540-001-0928).....	~~−14,433,000~~ *−19,486,000*
(q) Amount payable from the Timber Tax Fund (Item 3540-001-0965)...	−27,000

Provisions:

1. Notwithstanding any other provision of 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 provision of law, the Department of Forestry and Fire Protection is authorized to collect up to $300,000 in reimbursements from nursery sale receipts for State Nursery operations.
3. Notwithstanding any other provision of law, the Department of Forestry and Fire Protection shall remit as General Fund revenue any nursery sale receipts collected during the period July 1, 1998, through June 30, 1999, in excess of the amount needed to reimburse the costs of operating the State Nursery.
4. Of the amount appropriated in Schedule (p) of this item, $8,421,000 shall be available only for expenditure for those purposes set forth in Section 4799.13 of the Public Resources Code, except that no funds shall be expended for the purposes set forth in paragraph (8) of subdivision (a) of that section.

Item	Amount
3540-001-0102—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the State Fire Marshal Licensing and Certification Fund	1,797,000
3540-001-0140—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the California Environmental License Plate Fund	862,000
3540-001-0198—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the California Fire and Arson Training Fund	1,386,000
3540-001-0209—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the Hazardous Liquid Pipeline Safety Fund	1,854,000
3540-001-0235—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund	325,000
3540-001-0300—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the Professional Forester Registration Fund	170,000
3540-001-0786—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the California Wildlife, Coastal, and Park Land Conservation Fund of 1988 for the California Wildlife, Coastal, and Park Land Conservation Program	26,000
3540-001-0890—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the Federal Trust Fund	9,133,000
3540-001-0928—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the Forest Resources Improvement Fund	~~14,433,000~~ *11,065,000*

Provisions:

1. Notwithstanding any other provision of law, $1,192,000 of the amount appropriated ~~in~~ *by* this item shall be available for forest wildlife habitat assessment, biodiversity, forest and rangeland and research, and forest and range resources assessment programs.
2. *Of the amount appropriated by this item, $633,000 shall be available for urban forestry*

Item Amount

grants pursuant to Chapter 2 (commencing with Section 4799.06) of Part 2.5 of Division 4 of the Public Resources Code.

3. Of the amount appropriated by this item, $2,200,000 shall be available for forest improvement programs pursuant to Chapter 1 (commencing with Section 4790) of Part 2.5 of Division 4 of the Public Resources Code.

4. Of the amount appropriated by this item, $120,000 shall be available for the purpose of establishing two positions to assist local landowner groups in performing watershed assessments and assisting in educating landowners and other governmental agencies in the use of watershed information.

5. Of the amount appropriated by this item, $2,100,000 shall be expended for the control of the pitch canker fungus in accordance with the provisions of Senate Bill 1712, if enacted during the 1997–98 Regular Legislative Session.

3540-001-0965—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001, payable from the Timber Tax Fund..... 27,000

3540-006-0001—For support of Department of Forestry and Fire Protection, for payment to Item 3540-001-0001..... 20,000,000

Provisions:

1. The funds appropriated by 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 (Item 3540-001-0001) only upon approval by the Director of Finance.
2. The Director of Forestry and Fire Protection shall furnish quarterly reports on expenditures for emergency fire suppression activities to the Director of Finance, as well as to the chairperson of the committee of each house of the Legislature that considers appropriations and to the Chairperson of the Joint Legislative Budget Committee.

3540-011-0928—For transfer to the General Fund, no more than the amount of nursery sale receipts collected during the period July 1, 1998, through June 30, 1999, for the actual costs of State Nursery operations, payable from the Forest Resources Improvement Fund ..... (300,000)

Item		Amount
3540-101-0001—For local assistance, Department of Forestry and Fire Protection		*465,000*
Schedule:		
(a) Lake Nacimiento Fire and Rescue Boat	*65,000*	
(b) Stokes Mountain Solar Powered Repeater	*400,000*	
3540-101-0786—For local assistance, Department of Forestry and Fire Protection, Program 12.10-Resources Protection and Improvement, payable from the California Wildlife, Coastal, and Park Land Conservation Fund of 1988 for the California Wildlife, Coastal, and Park Land Conservation Program.		400,000
3540-301-0001—For capital outlay, Department of Forestry and Fire Protection		32,286,000
Schedule:		
(1) 30.10.005-Alma Helitack Base: Replace Facility—Preliminary plans and working drawings	218,000	
(2) 30.10.010-Sonoma Air Attack Base: Replace Facility—Construction and equipment	1,937,000	
(3) 30.10.030-Bridgeville Forest Fire Station: Relocation Facility—Acquisition	149,000	
(4) 30.10.035-Stevens Creek Forest Fire Station: Replace Facility—Preliminary plans and working drawings	123,000	
(5) 30.10.050-Rohnerville Air Attack Base: Replace Facility—Construction and equipment	1,479,000	
(6) 30.10.055-Ukiah Air Attack Base: Replace Facility—Acquisition	670,000	
(7) 30.10.090-Pacheco Forest Fire Station: Replace Facility—Preliminary plans and working drawings	131,000	
(8) 30.20.020-Lassen-Modoc Ranger Unit Headquarters: Replace Apparatus Building and Auto Shop—Preliminary plans and working drawings	174,000	
(9) 30.20.025-Ogo Forest Fire Station: Relocate Facility—Preliminary plans and working drawings	104,000	

Item	Amount
(10) 30.20.030-Harts Mills Forest Fire Station: Relocate Facility—Acquisition	172,000
(11) 30.20.040-Manton Forest Fire Station: Relocate Facility—Acquisition	147,000
(12) 30.20.045-Weaverville Forest Fire Station: Relocate Facility—Acquisition	208,000
(13) 30.20.070-Truckee Forest Fire Station: Relocate Facility—Construction	1,100,000
(14) 30.20.075-Tehama-Glenn Ranger Unit Headquarters—Acquisition	160,000
(15) 30.20.090-Alder Conservation Camp: Replace Wastewater and Water System/Construct Access Road—Preliminary plans	111,000
(16) 30.30.030-Riverside Ranger Unit Headquarters: Replace Emergency Command Center—Construction and equipment	1,741,000
(17) 30.30.035-San Bernardino Ranger Unit Headquarters: Replace Emergency Command Center—Construction and equipment	1,591,000
(18) 30.30.045-Hesperia Forest Fire Station: Relocate Facility—Preliminary plans and working drawings	114,000
(19) 30.30.050-Ramona Air Attack Base: Replace Facility—Construction and equipment	2,291,000
(20) 30.30.060-Hemet-Ryan Air Attack Base: Replace Facility—Preliminary plans and working drawings	330,000
(21) 30.30.065-San Marcos Forest Fire Station: Relocate Facility—Acquisition	222,000
(22) 30.30.070-Valley Center Forest Fire Station: Relocate Facility—Acquisition	368,000

Item	Amount
(23) 30.30.110-Owens Valley Conservation Camp: Expand Wastewater System/Construct Apparatus Building—Preliminary plans and working drawings	84,000
(24) 30.30.130-San Bernardino Ranger Unit Headquarters—Acquisition	500,000
(25) 30.40.010-Piedra Forest Fire Station—Acquisition	60,000
(26) 30.40.015-Sonora Forest Fire Station: Relocate Facility—Acquisition	322,000
(27) 30.40.020-Batterson Forest Fire Station: Relocate Facility—Preliminary plans and working drawings	103,000
(28) 30.40.035-Sand Creek Forest Fire Station: Relocate Facility—Acquisition	223,000
(29) 30.40.040-Hammond Forest Fire Station: Relocate Facility—Preliminary plans and working drawings	114,000
(30) 30.40.055-Coalinga Forest Fire Station: Relocate Facility—Construction and equipment	1,579,000
(31) 30.50.010-Aviation Management Unit: Relocate Facility—Study	148,000
(32) 30.60.035-Statewide: Construct Telecommunication Towers and Vaults, Phase 2—Preliminary plans, working drawings, and construction	9,148,000
(33) 30.80-Minor Capital Outlay	6,465,000

Provisions:

1. The funds appropriated in Schedule (13) represent 100 percent of the state's share of acquisition and construction costs for a joint facility with the Truckee Fire Protection District. While the project will be managed by the local district, the project is subject to the review of the State Public Works Board and requires authorization to proceed to bid by the Department of Finance. Funds may also be used by the Department of Forestry and Fire Protection or Department of General Services for project monitoring

Item Amount

2. The funds appropriated by Schedules (15), (23) and (33) of this item include funding for construction and preconstruction activities, including, but not limited to, study, site search, acquisition, environmental documents, preliminary plans, working drawings, equipment, and other costs relating to the design and construction of facilities, to be performed by Department of Forestry and Fire Protection personnel in completion of the projects.

3. Funds appropriated in Schedule (31) include funds for development of program criteria for the Aviation Management Program facility needs. Prior to commencing with the balance of the study, the Department of Forestry and Fire Protection shall submit the criteria to the Department of Finance for review and concurrence.

4. The funds appropriated in Schedule (32) of this item only may be expended upon completion by the Department of Forestry and Fire Protection of a master plan for the repair and replacement of its communication towers and vaults. The Department of Forestry and Fire Protection shall submit this master plan to the chairpersons of the committees, and appropriate subcommittees thereof, in each house of the Legislature that consider the Budget Bill, and the Chairperson of the Joint Legislative Budget Committee. The Director of the Department of Forestry and Fire Protection shall, no sooner than 30 days after submission of the master plan, notify the chairs of these legislative committees of the intention of the department to initiate the design process.

3540-301-0928—For capital outlay, Department of Forestry and Fire Protection, payable from the Forest Resources Improvement Fund..... 5,700,000

(1) 30.10.145 Jackson State Forest—Acquisition..... 5,000,000

(2) 30.10.150 Soquel Demonstration State Forest—Acquisition 700,000

3540-401—Of the amount appropriated to the Special Fund for Economic Uncertainties, the Director of Finance may allocate a sufficient amount, not to exceed ten million dollars ($10,000,000), to the Department of Forestry and Fire Protection for emergency fire suppression for the 1998–99 fiscal year.

Item Amount

3540-402—In the event the bonds authorized for the project scheduled in Item 3540-301-660, Budget Act of 1995, as reappropriated by Item 3540-490, Budget Act of 1996, are not sold, the Department of Forestry and Fire Protection shall commit a sufficient portion of its support appropriation provided for in this Budget Act to repay any loans from the Pooled Money Investment Account. It is the intent of the Legislature that this commitment shall be included in future Budget Acts until outstanding loans are repaid either through the sale of bonds or from an appropriation.

3540-490—Reappropriation, California Department of Forestry and Fire Protection. Notwithstanding any other provision of law, the balances of the amount appropriated in the following citations are reappropriated to the Department of Forestry and Fire Protection for the purposes and subject to the limitations, unless otherwise specified, provided for in those appropriations:

0001—General Fund

(1) Item 3540-301-001, Schedule (6), Budget Act of 1995 (Ch. 303, Stats. 1995), 30.10.070—Mt. St. Helena Lookout and Radio Vault: Acquire Leased Site—Acquisition.

(2) Item 3540-301-001, Schedule (7), Budget Act of 1995 (Ch. 303, Stats. 1995), 30.10.075—Castle Rock Forest Fire Station: Relocation—Acquisition, preliminary plans, working drawings, construction, and equipment.

3560-001-0001—For support of State Lands Commission 9,414,000

Schedule:

(a) 10-Mineral Resources Management	6,269,000
(b) 20-Land Management.....	6,619,000
(c) 30.01-Executive and Administration.....	2,694,000
(d) 30.02-Distributed Administration ...	−2,694,000
(e) 40-Marine Facilities Management	4,733,000
(f) Reimbursements	−3,144,000
(g) Amount payable from the Oil Spill Prevention and Administration Fund (Item 3560-001-0320).....	−5,063,000

Item Amount

Provisions:

1. Notwithstanding subdivision (d) of Section 4 of Chapter 138 of the Statutes of 1964, 1st Extraordinary Session, all commission costs for administering Long Beach Tidelands, exclusive of any Attorney General charges, shall be included in revenues deposited into the General Fund pursuant to paragraph (1) of subdivision (a) of Section 6217 of the Public Resources Code.
2. All costs incurred to manage state school lands shall be deducted from the revenues produced by those lands and deposited into the General Fund pursuant to Section 24412 of the Education Code.

3560-001-0320—For support of State Lands Commission, for payment to Item 3560-001-0001, payable from the Oil Spill Prevention and Administration Fund 5,063,000

Provisions:

1. Funds appropriated by this item shall not be expended to monitor or inspect marine bunkering operations from barges or any marine lightering operations.

3580-001-0001—For support of Seismic Safety Commission..... 782,000

Schedule:

(a) 10-Seismic Safety Commission..... 1,124,000
(b) Reimbursements..... −75,000
(c) Amount payable from the Earthquake Safety and Public Buildings Rehabilitation Fund of 1990 (Item 3580-011-0768)..... −267,000

3580-011-0768—For support of Seismic Safety Commission, for payment to Item 3580-001-0001, payable from the Earthquake Safety and Public Buildings Rehabilitation Fund of 1990..... 267,000

3600-001-0001—For support of Department of Fish and Game, for payment to Item 3600-001-0200 ..... ~~17,685,000~~ *21,013,000*

Provisions:

1. Of the funds appropriated in this item, $2,100,000 is available for expenditure for the sediment dredging project at the Upper Newport Bay Ecological Reserve.

Item		Amount
3600-001-0140—For support of Department of Fish and Game, for payment to Item 3600-001-0200, payable from the California Environmental License Plate Fund		11,413,000
Provisions:		
1. Of the funds appropriated by this item, $500,000 is for reimbursement to the University of California at Santa Barbara for a Natural Center for Ecological Analysis and Synthesis.		
3600-001-0200—For support of Department of Fish and Game payable from the Fish and Game Preservation Fund		~~78,633,000~~ *79,194,000*
Schedule:		
(a) 10-Enforcement of Laws and Regulations	35,935,000	
(b) 15-Legal Services	640,000	
(c) 35-Wildlife and Natural Heritage Management	~~43,089,000~~ *46,238,000*	
(d) 55-Fisheries Management	~~86,555,000~~ *87,705,000*	
(e) 60-Environmental Services	~~18,733,000~~ *18,732,000*	
(f) 65-Oil Spill Prevention and Response Program	17,541,000	
(g) 70.01-Administration	25,624,000	
(h) 70.02-Distributed Administration	−25,624,000	
(i) Reimbursements	~~−19,994,000~~ *−20,074,000*	
(j) Amount payable from the General Fund (Item 3600-001-0001)	~~−17,685,000~~ *−21,013,000*	
(k) Amount payable from the California Environmental License Plate Fund (Item 3600-001-0140)	−11,413,000	
(*l*) Amount payable from the Fish and Wildlife Pollution Account (Item 3600-001-0207)	−1,483,000	
(m) Amount payable from the Waterfowl Habitat Preservation Account, Fish and Game Preservation Fund (Item 3600-001-0211)	−200,000	

Item	Amount
(n) Amount payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund (Item 3600-001-0235)	~~−6,485,000~~ *−6,695,000*
(o) Amount payable from the Oil Spill Prevention and Administration Fund (Item 3600-001-0320).....	−18,027,000
(p) Amount payable from the Oil Spill Response Trust Fund (Item 3600-001-0321)	−188,000
(q) Amount payable from the Environmental Enhancement Fund (Item 3600-001-0322)	−100,000
(s) Amount payable from the Salmon and Steelhead Trout Restoration Account (Item 3600-001-0384).....	−8,000,000
(t) Amount payable from the Central Valley Project Improvement Subaccount (Item 3600-001-0404).....	−12,189,000
(u) Amount payable from the California Wildlife, Coastal, and Park Land Conservation Fund of 1988 (Item 3600-001-0786)	−1,300,000
(v) Amount payable from the Federal Trust Fund (Item 3600-001-0890).....	~~−26,537,000~~ *−26,656,000*
(w) Amount payable from the Renewable Resources Investment Fund (Item 3600-001-0940)	−259,000

Provisions:

1. The funds appropriated by this item may be increased with the approval of, and under the conditions set by, the Department of Finance to meet current obligations proposed to be funded in Schedules (i) and (v). The funds appropriated by this item shall not be increased until the Department of Fish and Game has a valid contract, signed by the client agency, that provides sufficient funds to finance the increased authorization. This increased authorization may not be used to expand services or create new obligations.

   Reimbursements received under Schedules (i) and (v) shall be used in repayment of any funds used to meet current obligations pursuant to this provision.

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2. Of the funds appropriated by Schedule (i), $1,500,000 shall be available in accordance with Chapter 851 of the Statutes of 1991.

3. Of the funds appropriated in this item, $203,000 is for reimbursement to the State Department of Health Services for shellfish monitoring activities.

4. If federal reimbursements are received for the Steelhead Trout Management Program, the Department of Finance may authorize an augmentation of Item 3600-001-0890 and reduce an equal amount in savings from this item. The Department of Finance shall notify the chairperson of the fiscal committee of each house of the legislature and the Chairperson of the Joint Legislative Budget Committee within 30 days of the authorization.

~~5. The Department of Fish and Game shall not expend any funds appropriated by this item on a proposed reorganization of the department unless, at least 30 days prior to that expenditure, the department submits a report on the reorganization to the Joint Legislative Budget Committee. The report shall contain all of the following information:~~

~~(a) A review of current roles and responsibilities of the State Fish and Game Commission and recommendations on how to strengthen the independent oversight role of the commission, based upon the principles of ecological conservation and best available scientific and biological information.~~

~~(b) A review of the department's current funding sources and recommendations for how to reduce its dependence on fees from hunting and fishing activities in order to avoid any conflict between the competing goals of wildlife management and resource protection, and to strengthen its mission as a steward for the state natural resources.~~

~~(c) A review of the department's current strategic plan and recommendations on how to strengthen and reorient its mission toward wildlife protection, ecological conservation, and preservation of biological diversity.~~

~~(d) A review of the department's current staffing of wildlife biologists and recommendations~~

Item Amount

~~for how to increase the number of trained, independent conservation biologists within the department.~~

~~(e) A review of the department's current enforcement program and recommendations for strengthening enforcement of the laws within its jurisdiction.~~

~~(f) A review of the department's current programs to encourage public participation and recommendations on how to improve these programs to improve public involvement in department activities.~~

~~(g) A review of the department's current reorganization proposal as it pertains to bioregions and recommendations for new administrative and planning structures which reflect the state's bioregions, such as those contained in the publication entitled Life on the Edge (1994).~~

5. The Legislative Analyst and the Department of Fish and Game jointly shall identify the specific amount of funds being used for the department's reorganization plan, including funds being redirected as a result of the reorganization. Of the amount appropriated by this item, the amount identified by the Legislative Analyst and the department may not be expended sooner than 90 days after the department submits a report to the Joint Legislative Budget Committee on the department's reorganization as described in the Supplemental Report of the Budget Act of 1998, unless the Joint Legislative Budget Committee approves a sooner time.

6. The funds appropriated by Schedule (s) of this item only may be expended on projects for which the department makes a finding that there is a reasonable assurance that the projects will not be degraded by subsequent land use activities within the watershed.

7. The funds appropriated by Schedule (s) of this item may not be used to repair damage to streambeds or stream corridors, caused by a violation of the Z'berg-Nejedly Forest Practice Act of 1973 (Article 1 (commencing with Section 4511) of Chapter 8 of Part 2 of Division 4 of the Public Resources Code) or Section 1603 of the Fish and Game Code.

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8. A mandatory riparian "no cut" buffer equivalent to 1 site-potential tree on Class I streams, and an equivalent buffer of ⅔ the height of the site-potential tree on Class II streams shall be maintained for projects on state or federally owned land funded from the appropriation by Schedule (s) of this item, within the watershed where the project is located.

9. Of the funds appropriated by Schedule (d), $400,000 is for reimbursement to the California Conservation Corps for salmon habitat restoration projects that are mutually agreed to by the Corps and the department.

10. Of the funds appropriated by Schedule (d), up to $120,000 can be used to support consultant contracts for salmon and steelhead trout restoration watershed coordinators to assist in the implementation of Section 6217.1 of the Public Resources Code or for contract management.

3600-001-0207—For support of the Department of Fish and Game, for payment to Item 3600-001-0200, payable from the Fish and Wildlife Pollution Account 1,483,000

3600-001-0211—For support of Department of Fish and Game, for payment to Item 3600-001-0200, payable from the Waterfowl Habitat Preservation Account, Fish and Preservation Fund..... 200,000

3600-001-0235—For support of Department of Fish and Game, for payment to Item 3600-001-0200, payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund..... ~~6,485,000~~ *6,695,000*

3600-001-0320—For support of Department of Fish and Game, for payment to Item 3600-001-0200, payable from the Oil Spill Prevention and Administration Fund 18,027,000

3600-001-0321—For support of Department of Fish and Game, for payment to Item 3600-001-0200, payable from the Oil Spill Response Trust Fund 188,000

Provisions:

1. Notwithstanding Chapter 7.4 (commencing with Section 8670.1) of Division 1 of Title 2 of the Government Code, the appropriation made by this item shall not result in the imposition of uniform oil spill response fees.

Item	Amount
3600-001-0322—For support of Department of Fish and Game, for payment to Item 3600-001-0200, payable from the Environmental Enhancement Fund	100,000
3600-001-0384—For Department of Fish and Game, for payment to Item 3600-001-0200, payable from the Salmon and Steelhead Trout Restoration Account ..	8,000,000
3600-001-0404—For support of Department of Fish and Game, for payment to Item 3600-001-0200, payable from the Central Valley Project Improvement Subaccount	12,189,000
3600-001-0786—For support of Department of Fish and Game, for payment to Item 3600-001-0200, payable from the California Wildlife, Coastal, and Park Land Conservation Fund of 1988.....	1,300,000
Provisions:	
~~1. The unexpended funds from Public Resources Code Section 5907, paragraph (1) of subdivision (e) shall be expended in accordance with the Plan of Expenditure submitted by the Department of Fish and Game to the Legislature as part of the materials supporting the 1998–99 Budget, pursuant to Public Resources Code Section 5922.~~	
~~2. This plan constitutes the department's plan for expenditure of the unexpended balance and is hereby adopted by the Legislature in accordance with the requirements of Public Resources Code Section 5922.~~	
1. The funds appropriated by this item shall not be expended until approval by the Legislature of a plan for their expenditure in accordance with Section 5922 of the Public Resources Code.	
3600-001-0890—For support of Department of Fish and Game, for payment to Item 3600-001-0200, payable from the Federal Trust Fund	~~26,537,000~~ *26,656,000*
3600-001-0940—For support of Department of Fish and Game, for payment to Item 3600-001-0200, payable from the Renewable Resources Investment Fund....	259,000
3600-002-0001—For support of Department of Fish and Game	*3,320,000*
Provisions:	
1. Of the amount appropriated by this item, $3,300,000, consisting of $1,800,000 from the General Fund and $1,500,000 from authorized reimbursements, is for expenditure for the dredging project at the Upper Newport Bay Ecological Reserve.	

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2. Of the amount appropriated by this item, $20,000 is for the Suisun Resource Conservation District mosquito abatement project.

3600-002-0140—For support of Department of Fish and Game, payable from the California Environmental License Plate Fund 786,000

Provisions:

1. Of the amount appropriated by this item, $500,000 is for the Santa Rosa Creek Restoration Program.

2. Of the amount appropriated by this item, $286,000 is for the San Diego County Sweetwater Reservoir Fishing Facility.

3600-002-0320—For support of Department of Fish and Game, payable from the Oil Spill Prevention and Administration Fund 1,800,000

Provisions:

1. Of the amount appropriated by this item, $1,800,000 is for the Santa Barbara Emergency Operations & Oil Spill Response Center.

3600-011-0001—For support of Department of Fish and Game (reimbursement of free fishing licenses), for transfer to the Fish and Game Preservation Fund.... 17,000

3600-101-0001—For local assistance, Department of Fish and Game, Program 35-Wildlife and Natural Heritage Management Program 1,600,000

Provisions:

1. No funds may be expended pursuant to this item for the Natural Community Conservation Program, unless the funds are allocated to approved Natural Community Conservation Plans in Orange and San Diego Counties or unless a statute is enacted that establishes scientific and procedural standards for natural community conservation plans.

3600-101-0207—For local assistance, Department of Fish and Game, Program 65-Oil Spill Prevention and Response Program, payable from the Fish and Wildlife Pollution Account 33,000

3600-101-0320—For local assistance, Department of Fish and Game, Program 65—Oil Spill Prevention and Response, payable from the Oil Spill Prevention and Administration Fund..... 2,459,000

3600-101-0890—For local assistance, Department of Fish and Game, Program 35-Wildlife and Natural Heritage Management Program, payable from the Federal Trust Fund..... 2,000,000

Item Amount

Provisions:

1. No funds may be expended pursuant to this item for the Natural Community Conservation Program, unless the funds are allocated to approved Natural Community Conservation Plans in Orange and San Diego Counties or unless a statute is enacted that establishes scientific and procedural standards for natural community conservation plans.

3600-301-0200—For capital outlay, Department of Fish and Game, payable from the Fish and Game Preservation Fund 1,239,000

Schedule:

(1) 90.07.100-Minor Projects 1,493,000

(2) 90.88.020-Project Planning..... 50,000

(3) 90.98.001-Napa Sonoma Marsh WLA Water Control Structures—Preliminary Plans, Working Drawings, Construction 145,000

(4) Reimbursements-Minor Projects .... −449,000

Provisions:

1. Of the amount appropriated in Schedule (1) of this item, $449,000 shall be used for purposes consistent with the requirements of the Natural Resources Infrastructure Fund and the Habitat Conservation Fund.
2. Of the funds appropriated by Schedule (1) of this item, $449,000 shall be available in accordance with Chapter 851 of the Statutes of 1991.
3. The funds appropriated in Schedule (3) of this item are to be available in accordance with the agreement between the Department of Fish and Game and Ducks Unlimited, Inc., a nonprofit corporation. Ducks Unlimited will provide project funding of $155,000. Notwithstanding the Public Contract Code, Ducks Unlimited will provide all engineering, design, and construction services for this project subject to the authority of the State Public Works Board.
4. The funds appropriated in Schedule (3) of this item shall not be expended until the Department of Fish and Game submits to the Joint Legislative Budget Committee certification by the Department of General Services that the estimated cost of the water control structures to be constructed under this appropriation is $300,000 or more. Costs to be certified pursuant to this provision

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shall only include the costs of preliminary plans, working drawings, and construction.

5. The funds appropriated in Schedule (3) of this item shall not be augmented.

3600-301-0786—For capital outlay, Department of Fish and Game, payable from the California Wildlife, Coastal and Park Land Conservation Fund of 1988. 550,000

Schedule:

(2) 90.98.004-Heenan Lake Water Right—Acquisition 550,000

Provisions:

3. The funds appropriated in this item shall not be expended until approval by the Legislature of a plan for their expenditure in accordance with Section 5922 of the Public Resources Code.

3600-490—Reappropriation, Department of Fish and Game. The balances of the appropriations provided for in the following citations are reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in those appropriations:

0200—Fish and Game Preservation Fund.

(1) Item 3600-301-0200(1) Budget Act of 1997. 90.07.100 Minor Projects-Utilities and Road, Chino Fish and Wildlife Base; Reconstruct Bird Exclosure, Fish Springs Hatchery; provided funds may be used for construction activities including, but not limited to, costs related to work performed by Department of Fish and Game personnel.

0320—Oil Spill Prevention and Administration Fund.

(1) Item 3600-301-0320(1), Budget Act of 1997. 90.07.100—Minor Projects-Storage Shed

3640-001-0140—For support of the Wildlife Conservation Board, payable to Item 3640-001-0447, from the California Environmental License Plate Fund 276,000

3640-001-0262—For support of the Wildlife Conservation Board, for payment to Item 3640-001-0447, payable from the Habitat Conservation Fund 3,040,000

Provisions:

1. Of the amount appropriated by this item, $315,000 shall be available to the Wildlife Conservation Board for administrative costs associated with the California Wildlife Protection Act of

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1990, the Unallocated Account (Cigarette and Tobacco Products Surtax Fund) and the Habitat Conservation Fund.

2. Of the amount appropriated by this item, $2,725,000 shall be available to the Department of Fish and Game to fund:

(a) $725,000 for the Yolo Bypass Wildlife Area, consistent with the requirements of the Natural Resources Infrastructure Fund and the Habitat Conservation Fund.

(b) $2,000,000 for the Comprehensive Wetlands Habitat Program, consistent with the requirements of the Natural Resources Infrastructure Fund, the Unallocated Account (Cigarette and Tobacco Products Surtax Fund) and the Habitat Conservation Fund.

3640-001-0447—For support of the Wildlife Conservation Board, payable from the Wildlife Restoration Fund 733,000

Schedule:

(a) 10-Wildlife Conservation Board..... 4,049,000

(b) Amount payable from the California Environmental License Plate Fund (Item 3640-001-0140)..... −276,000

(c) Amount payable from the Habitat Conservation Fund (Item 3640-001-262)..... −3,040,000

3640-011-0383—For transfer by the State Controller to the Habitat Conservation Fund, payable from the Natural Resources Infrastructure Fund..... (1,446,000)

Provisions:

1. The funds transferred by this item shall be used for purposes consistent with the requirements of the Natural Resources Infrastructure Fund and the Habitat Conservation Fund.

3640-301-0001—For capital outlay, Wildlife Conservation Board ..... ~~75,000,000~~ *39,938,000*

Schedule:

~~(1) 80.10.060-Open-space and habitat acquisition, and restoration for threatened and endangered species 75,000,000~~

(1) 80.10.060-Acquisition and restoration for habitat or open space..... 39,938,000

Provisions:

1. No funds may be expended pursuant to this item for the ~~natural Communities~~ *Natural Community*

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Conservation Program unless they are allocated to approved Natural Community Conservation Plans in Orange and San Diego Counties or unless a statute is enacted which establishes scientific and procedural standards for natural community conservation plans.

2. Priority shall be placed on acquisitions which contribute to the restoration of habitat for threatened and endangered species.

3. The funds appropriated by this item are provided in accordance with the provisions of the Wildlife Conservation Law of 1947 and, therefore, shall not be subject to review by the State Public Works Board.

4. The amount appropriated by this item is available for expenditure for capital outlay or local assistance.

5. Of the funds appropriated by this item $10,955,000 is available to the Wildlife Conservation Board to fund the following:

(a) $250,000 for the North Bay Riparian Station.

(b) $2,000,000 for the Mattole Redwoods acquisition.

(c) $200,000 for the Cache Creek Nature Center.

(d) $500,000 for the Stough Canyon Nature Center.

(e) $100,000 for the Sky Ranch acquisition.

(f) $155,000 for the Newhall Bike Trail.

(g) $200,000 for the Clayton Ranch acquisition.

(h) $450,000 for the Mid-Peninsula Trail.

(i) $5,000,000 for the Rim of the Valley.

(j) $1,000,000 for the Bombay Project in the Santa Cruz Greenbelt.

(k) $100,000 for habitat restoration on the Palos Verdes Peninsula.

(l) $1,000,000 for the Inlands Wetlands Conservation Program.

3640-301-0262—For capital outlay, Wildlife Conservation Board, payable from the Habitat Conservation Fund 17,960,000

Provisions:

1. The funds appropriated by this item for the purposes described in Provisions 3 and 4 of this item are provided in accordance with the Wildlife Conservation Law of 1947 and, therefore, shall not be subject to Public Works Board review.

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2. The amount appropriated in this item is available for expenditure for capital outlay or local assistance.

3. Of the amount appropriated by this item, $449,000 shall be available to the Department of Fish and Game for minor capital outlay projects consistent with the requirements of the Natural Resources Infrastructure Fund, the Habitat Conservation Fund and in accordance with Chapter 851, Statutes of 1991.

4. Of the amount appropriated by this item, $17,511,000 shall be available to the Wildlife Conservation Board to fund:

(a) $6,400,000 for land acquisition for the Natural Community Conservation Planning (NCCP) Program as defined in Chapter 10 (commencing with Section 2800) of Division 3 of the Fish and Game Code, consistent with the requirements of the Natural Resources Infrastructure Fund and the Habitat Conservation Fund. Expenditure of these funds shall be limited to projects that are part of approved NCCP plans in San Diego and Orange Counties.

(b) $1,000,000 for the Inland Wetlands Conservation Program pursuant to Section 1411 of the Fish and Game Code, and consistent with the requirements of the Unallocated Account (Cigarette and Tobacco Products Surtax Fund) and the Habitat Conservation Fund.

(c) $10,111,000 for wildlife habitat acquisition projects, consistent with the requirements of the Unallocated Account (Cigarette and Tobacco Products Surtax Fund), the Natural Resources Infrastructure Fund and the Habitat Conservation Fund.

3640-301-0447—For capital outlay, Wildlife Conservation Board, payable from the Wildlife Restoration Fund, in lieu of the appropriation made by the Wildlife Conservation Law of 1947..... 5,898,000

Schedule:

(1) 80.10.010-Minor Projects 1,198,000

(2) 80.10.030-Land Acquisitions 200,000

(3) 80.10.050-NCCP Land Acquisition..... 4,500,000

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Provisions:

1. The funds appropriated in this item are provided in accordance with the provisions of the Wildlife Conservation Law of 1947 and, therefore, shall not be subject to Public Works Board review.
2. The amount appropriated in this item is available for expenditure for capital outlay or local assistance.

3640-301-0516—For capital outlay, Wildlife Conservation Board, payable from the Harbors and Watercraft Revolving Fund 325,000

Schedule:

(a) 80.10.030-Land Acquisitions..... 325,000

3640-311-0001—For transfer by the State Controller to the Habitat Conservation Fund 7,401,000

Provisions:

1. The funds transferred by this item shall be used for purposes ~~authorized by~~ *consistent with the requirements of* the Habitat Conservation Fund.

3640-311-0383—For transfer by the State Controller to the Habitat Conservation Fund, payable from the Natural Resources Infrastructure Fund..... (9,298,000)

Provisions:

1. The funds transferred by this item shall be used for purposes consistent with the requirements of the Natural Resources Infrastructure Fund and the Habitat Conservation Fund.

3680-001-0516—For support of Department of Boating and Waterways, payable from the Harbors and Watercraft Revolving Fund ..... ~~11,656,000~~ *12,506,000*

Schedule:

(a) 10-Boating Facilities..... 8,700,000
(b) 20-Boating Operations..... ~~4,862,000~~ *5,712,000*
(c) 30-Beach Erosion Control..... 262,000
(d) 40.01-Administration..... 1,855,000
(e) 40.02-Distributed Administration ... −1,855,000
(f) Reimbursements ..... −15,000
(g) Amount payable from the Federal Trust Fund (Item 3680-001-0890). −2,153,000

Provisions:

1. Notwithstanding Section 85.2 of the Harbors and Navigation Code, $262,000 of the funds appropriated by this item shall be expended for support of the Department of Boating and Waterways beach erosion control program.

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2. Of the funds appropriated by this item, $250,000 is for a boating gas tax study. The study shall be performed in accordance with the following:

(a) Notwithstanding Section 85.2 of the Harbors and Navigation Code and Section 8352.4 of the Revenue and Taxation Code, funds appropriated by this item shall be made available to the Department of Boating and Waterways for the purpose of contracting for an update or revision, or both, of the formula and method of the December 1972 Final Report on the State Gasoline Tax Paid on Gasoline Used in Propelling Boats During the 1971 Calendar Year, prepared for the purpose of estimating the amount of motor vehicle fuel used or usable per annum in propelling vessels.

(b) The contractor shall be required to consult with the Department of Boating and Waterways, the Department of Finance, the Department of Motor Vehicles, the Department of Transportation, and the State Board of Equalization. Proposals in response to the Request for Proposal shall be approved by the Department of Finance by July 1, 1999. Each proposal shall specify sampling methodologies in detail. Upon approval of a research design by the Department of Finance, the contractor shall be required to submit a final report not later than July 1, 2000.

3. Of the funds appropriated by this item, $400,000 is for a grant for the San Francisco Fisherman's Wharf Harbor Pollution Prevention and Water Quality project.

4. Of the funds appropriated by this item, $200,000 shall be used for a contract for the development of a business plan for the operation of the Spud Point Marina.

3680-001-0890—For support of Department of Boating and Waterways, for payment to Item 3680-001-0516, payable from the Federal Trust Fund..... 2,153,000

3680-101-0516—For local assistance, Department of Boating and Waterways, payable from the Harbors and Watercraft Revolving Fund..... ~~39,138,000~~ *41,638,000*

Schedule:

(a) 10-Boating Facilities..... 28,591,000

Launching Facility Grants..... (12,318,000)

Item	Amount
1) Anderson Lake.....	(400,000)
2) Lake Cachuma ..	(1,000,000)
3) Lake Casitas	(150,000)
4) Clearlake Oaks.....	(140,000)
5) Donner Lake.....	(308,000)
6) Don Pedro	(187,000)
7) Eastside Reservoir.....	(3,700,000)
8) El Capitan Reservoir.....	(480,000)
9) Elkhorn Launching	(100,000)
10) Floating Restrooms	(500,000)
11) Hell Hole.....	(186,000)
12) Hensley Lake.....	(91,000)
13) Huntington Lake ...	(270,000)
14) Long Beach (Davies).....	(450,000)
15) Mission Bay-Ski Beach	(521,000)
16) Moss Landing	(500,000)
17) Oceanside.....	(2,000,000)
18) Lake Piru.....	(100,000)
19) Ramp Repairs	(500,000)
20) Rollins Lake	(100,000)
21) Santa Barbara.....	(408,000)
22) Sardine Lake.....	(77,000)
23) Signs	(50,000)
24) Vessel Pumpout.....	(100,000)
Public Small Craft Harbors Loans	(8,676,000)
1) Eastside Reservoir.....	(1,499,000)
2) Emergency Loans..	(200,000)
3) Long Beach Shoreline.....	(700,000)
4) Long Beach Basin 8.....	(450,000)
5) Marina del Rey	(227,000)
6) Planning Loans	(200,000)
7) Santa Monica Breakwater.....	(2,200,000)
8) South Beach Harbor.....	(3,000,000)
9) Ventura Harbor Village Marina.....	(200,000)
Private Marina Loans	(6,000,000)
Clean Vessel Act Grant Program.....	(1,253,000)

Item	Amount
Aquatic Weed Control Project (Lake County)	(44,000)
Boating Trails	(300,000)
(b) 20-Boating Operations	9,975,000
(bx) 30-Beach Erosion Control	~~4,000,000~~ *6,500,000*
(c) Amount payable from the Abandoned Watercraft Abatement Fund ~~(Item 3680-101-0557)~~ *(Item 3680-101-0577)*	−1,000,000
(d) Amount payable from the Federal Trust Fund (Item 3680-101-0890)	−2,428,000

Provisions:

1. Notwithstanding Section 16304.1 of the Government Code, funds identified in Schedule (a) for Private Marina Loans shall be available for liquidation for three years following the last day the appropriation is available for encumbrance upon certification to the Department of Finance by the Department of Boating and Waterways that exigent circumstances exist resulting in projects delays.
2. Of the funds appropriated in Schedule (b), $8,100,000 is for boating safety and enforcement programs pursuant to Section 663.7 of the Harbors and Navigation Code.
3. Of the funds appropriated for the Clean Vessel Act Grant Program in Schedule (a), the Department of Boating and Waterways may transfer funds between the construction and education programs.
4. Of the amounts appropriated to Redwood City pursuant to Chapter 886, Statutes of 1997, disposal of vessels includes, but is not limited to, the identification, notification, removal, storage, and disposal of abandoned, wrecked, or dismantled vessels, or parts thereof, or any partially submerged object and related debris, and measures undertaken with regard to code enforcement to prevent future abandonment of vessels.
5. *Of the funds appropriated in Schedule (bx) of this item, $2,500,000 shall be expended for priority beach erosion management and nourishment projects.*
6. *Of the funds appropriated in Schedule (bx) of this item, $4,000,000 is available for a grant to the San Diego Association of Governments for project costs associated with the construction of*

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beach enhancement, restoration, or nourishment of public beaches with placement of sand on the beach or in the nearshore. The appropriation shall be limited to the amounts returned to the funds specified in Item 3680-495 of Section 2.00 of this act.

3680-101-0577—For local assistance, Department of Boating and Waterways, for payment to Item 3680-101-0516, payable from the Abandoned Watercraft Abatement Fund 1,000,000

3680-101-0890—For local assistance, Department of Boating and Waterways, for payment to Item 3680-101-0516, payable from the Federal Trust Fund..... 2,428,000

Provisions:

1. Of the amount appropriated by this item, $875,000 shall be for grants to local governments for boating safety and law enforcement, 15 percent of which shall be allocated according to the department's discretion, and 85 percent of which shall be allocated by the department in accordance with the following priorities:

   First—To local governments that are eligible for state aid because they are spending all their local boating revenue on boating enforcement and safety, but are not receiving sufficient state funds to meet their calculated need as defined in Section 663.7 of the Harbors and Navigation Code.

   Second—To local governments that are not spending all local boating revenue on boating enforcement and safety, and whose boating revenue does not equal their calculated need. Local assistance shall not exceed the difference between the calculated need and local boating revenue.

   Third—To local governments whose boating revenue exceeds their need, but who are not spending sufficient local revenue to meet their calculated need.

2. Of the amount appropriated by this item, $1,253,000 shall be available to fund construction and educational programs consistent with the Clean Vessel Act Grant Program.

3680-101-0940—For local assistance, Department of Boating and Waterways, payable from the Renewable Resources Investment Fund 700,000

Schedule:

(a) 30-Beach Erosion Control 700,000

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Provisions:

1. Of the funds appropriated in Schedule (a) of this item, $700,000 is available for a grant to the San Diego Association of Governments for project costs associated with the construction of beach enhancement, restoration, or nourishment of public beaches with placement of sand on the beach or in the nearshore. The appropriation shall be limited to the amounts that revert to the funds specified in Item 3680-495 of this act.

3680-102-0516—For transfer by the State Controller to the Abandoned Watercraft Abatement Fund, payable from the Harbors and Watercraft Revolving Fund... 1,000,000

3680-301-0516—For capital outlay, Department of Boating and Waterways, payable from the Harbors and Watercraft Revolving Fund 6,100,000

Schedule:

(1) 50.04.020-Lake Oroville SRA, Spillway: Boat launching facility—Working drawings	132,000
(2) 50.10.010-Millerton Lake SRA, Crows Nest Area: Boat Launching Facility—Preliminary plans	101,000
(3) 50.19.011-Castaic Lake SRA, East Ramp Area: Boat Launching Facility—Preliminary plans and working drawings	249,000
(4) 50.19.030-Pyramid Lake SRA-Emigrant Landing: Boat Launching Facility—Working drawings ...	83,000
(5) 50.33.030-Lake Perris SRA: Areas 6 and 7, Boating Facility Improvements—Working drawings	69,000
(6) 50.34.030-Lake Natoma, Nimbus Flat, Boating Instruction and Safety Center—Preliminary plans.	123,000
(7) 50.37.010-Silver Strand State Beach, Crown Cove: Boat Instruction and Safety Center—Construction	1,493,000
(8) 50.99.010-Project Planning.....	100,000
(9) 50.99.020-Minor Projects	3,750,000

Provisions:

1. Funds appropriated in Schedule (8) are available for allocation by the Department of Finance to be used to develop design information or cost infor-

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mation for new construction projects for which funds have not been appropriated previously, but which are anticipated to be included in the Governor's Budget for the 1999–2000 or 2000–2001 fiscal year.

3680-490—Reappropriation, Department of Boating and Waterways. Notwithstanding any other provision of law, the balance of the amount appropriated in the following citation is hereby reappropriated to the Department of Boating and Waterways for the purposes and subject to the limitations, unless otherwise specified, provided for in that appropriation:

0516—Harbors and Watercraft Revolving Fund

(1) Item 3680-301-0516, Schedule (4) of the Budget Act of 1997 (Ch. 282, Stats. 1997), 50.24.020—San Luis SRA, O'Neill Forebay, Boat Launching Facility—Construction

3680-495—Reversion, Department of Boating and Waterways. The balance, as of June 30, 1998, of the appropriations provided in the following citation shall revert to the fund balance of the fund from which the appropriation was made:

(1) Chapter 606, Statutes of 1995, Section 1(a)(1), for a grant to the San Diego Association of Governments to pay for costs associated with the United States Navy Aircraft Carrier Homeporting Project in the San Diego Harbor. The reversion is limited to $700,000.

(2) Item 3680-101-0516(c), Budget Act of 1996, for a grant to the San Diego Association of Governments to pay for costs associated with the United States Navy Aircraft Carrier Homeporting Project in the San Diego Harbor as described in Chapter 606, Statutes of 1995. The reversion is limited to $1,650,000.

(3) Item 3680-101-0516(c), Budget Act of 1997, for a grant to the San Diego Association of Governments to pay for costs associated with the United States Navy Aircraft Carrier Homeporting Project in the San Diego Harbor as described in Chapter 606, Statutes of 1995. The reversion is limited to $1,650,000.

(4) Chapter 928, Statutes of 1997, Section 22, to fund a grant to the San Diego Association of Governments to pay for costs associated with the United States Navy Aircraft Carrier Homeporting Beach Nourishment Project in the San Diego

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Harbor as described in Chapter 606, Statutes of 1995. The reversion is limited to $700,000.		
3720-001-0001—For support of California Coastal Commission		8,368,000
Schedule:		
(a) 10-Coastal Management Program	10,558,000	
(b) 20-Coastal Energy Program	526,000	
(c) 30.01-Administration	2,067,000	
(d) 30.02-Distributed Administration	−1,244,000	
(e) Reimbursements	−465,000	
(ex) Amount payable from California Beach and Coastal Enhancement Account (Item 3720-001-0371)	−66,000	
(g) Amount payable from the Federal Trust Fund (Item 3720-001-0890)	−3,008,000	
3720-001-0371—For support of California Coastal Commission, for payment to Item 3720-001-0001, payable from the California Beach and Coastal Enhancement Account, California Environmental License Plate Fund		66,000
3720-001-0890—For support of California Coastal Commission, for payment to Item 3720-001-0001, payable from the Federal Trust Fund		3,008,000
3720-101-0001—For local assistance, California Coastal Commission		500,000
Schedule:		
(a) 10-Coastal Management Program	500,000	
3720-101-0371—For local assistance, California Coastal Commission, payable from California Beach and Coastal Enhancement Account, California Environmental License Plate Fund		130,000
Schedule:		
(a) 10-Coastal Management Program	130,000	
3720-295-0001—For local assistance, California Coastal Commission, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or of Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, State Controller		0
Schedule:		
(1) 98.01.133.076-Local coastal plans (Ch. 1330, Stats. 1976)	0	
Provisions:		
1. Pursuant to Section 17581 of the Government Code, the mandate identified in the appropriation		

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schedule of this item with an appropriation of $0 and included in the language of this provision is specifically identified by the Legislature for suspension during the 1998–99 fiscal year:

(a) Local coastal plans (Ch. 1330, Stats. 1976)

3760-001-0001—For support of the State Coastal Conservancy, for payment to Item 3760-001-0565 160,000

Provisions:

1. The funds appropriated by this item only may be expended for activities associated with the acquisition, enhancement, or restoration of wetlands.

3760-001-0565—For support of State Coastal Conservancy, payable from the State Coastal Conservancy Fund of 1976..... 2,776,000

Schedule:

(a) 15—Coastal Resource Development.....	2,683,000
(b) 25—Coastal Resource Enhancement.....	1,647,000
(c) 90.01—Administration and Support	1,487,000
(d) 90.02—Distributed Administration.....	−1,487,000
(e) Reimbursements	−97,000
(f) Amount payable from the General Fund (Item 3760-001-0001).....	−160,000
(g) Amount payable from the Parklands Fund of 1980 (Item 3760-001-0721).....	−196,000
(h) Amount payable from the State Coastal Conservancy Fund of 1984 (Item 3760-001-0730)	−454,000
(i) Amount payable from the California Wildlife, Coastal and Park Land Conservation Fund of 1988 (Item 3760-001-0786)	−471,000
(j) Amount payable from the Federal Trust Fund (Item 3760-001-0890).....	−176,000

3760-001-0721—For support of the State Coastal Conservancy, for payment to Item 3760-001-0565, payable from the Parklands Fund of 1980 196,000

3760-001-0730—For support of the State Coastal Conservancy, for payment to Item 3760-001-0565, payable from the State Coastal Conservancy Fund of 1984..... 454,000

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3760-001-0786—For support of the State Coastal Conservancy, for payment to Item 3760-001-0565, payable from the California Wildlife, Coastal and Park Land Conservation Fund of 1988	471,000
3760-001-0890—For support of the State Coastal Conservancy, for payment to Item 3760-001-0565, payable from the Federal Trust Fund	176,000
3760-301-0001—For capital outlay, State Coastal Conservancy	~~34,090,000~~ *33,090,000*

Schedule:

~~(.1)~~

(0.1) 80.93.015-Coastal Resource Development 20,000,000

(1) 80.97.060—Natural Community Conservation Planning Program.... 5,000,000

(2) 80.97.070—Ocean and Coastal Initiative ..... ~~9,090,000~~ *8,090,000*

Provisions:

1. The conservancy shall not enter into a grant contract with a nonprofit organization or local government for property acquisition which provides for either of the following:
   (a) A reversionary interest to the state, unless the grant contract specifies that the property shall not revert to the state without review and approval by the conservancy and the State Public Works Board.
   (b) A state leasehold interest in property acquired by a nonstate public agency with conservancy grant funds, unless the lease terms are approved by the Director of General Services. Except to the extent above, the expenditures of funds for grants to public agencies and nonprofit organizations shall be exempt from State Public Works Board review.
2. The amount appropriated by this item is available for encumbrance for either capital outlay or local assistance through fiscal year 2000–01.
3. Of the funds appropriated in Schedule (2) of this item, ~~$6,590,000~~ *$5,590,000* may only be expended for acquisition, enhancement, and restoration of wetlands.

~~4. The funds appropriated in Schedule (3) are available for either coastal resource development or enhancement.~~

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4. The funds available in Schedule (0.1) are available for activities consistent with Division 21 (commencing with Section 31000) of the Public Resources Code for the following projects: Coast Dairies, $5,000,000; Bay Area Conservancy, $5,000,000; Imperial Beach, $219,000; Montezuma Wetlands, $2,000,000; Bolinas Lagoon, $500,000; Paradise Creek Education Park, $700,000; Moss Landing, $450,000; Estero Bay, $2,500,000; Caspar State Beach, $1,800,000; South Spit restoration and enhancement, $500,000; and $1,331,000 for unspecified projects.

3760-301-0262—For capital outlay, State Coastal Conservancy, payable from the Habitat Conservation Fund 4,000,000

Schedule:

(1) 80.93.025—Coastal Resource Enhancement 4,900,000

(2) Reimbursements..... −900,000

Provisions:

1. The State Coastal Conservancy shall not enter into a grant contract with a nonprofit organization or local government for property acquisition that provides for either of the following:
   a. A reversionary interest to the State, unless the grant contract specifies that the property shall not revert to the State without review and approval by the conservancy and the State Public Works Board.
   b. A state leasehold interest in property acquired by a nonstate public agency with conservancy grant funds, unless the lease terms are approved by the Director of General Services. Except to the extent above, the expenditures of funds for grants to public agencies and nonprofit organizations shall be exempt from State Public Works Board review.
2. The funds appropriated by this item are available for encumbrance for either capital outlay or local assistance without regard to fiscal year.
3. Of the funds appropriated by this item, $4,000,000 shall be used for purposes consistent with the Unallocated Account, Cigarette and Tobacco Products Surtax Fund and the Habitat Conservation Fund.

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3760-301-0565—For capital outlay, State Coastal Conservancy, payable from the State Coastal Conservancy Fund of 1976..... 625,000

Schedule:

(1) 80.93.015—Coastal Resource Development..... 1,025,000

(2) 80.97.070—Ocean and Coastal Initiative..... 500,000

(3) Reimbursements..... −900,000

Provisions:

1. The conservancy shall not enter into a grant contract with a nonprofit organization or local government for property acquisition which provides for either of the following:

(a) A reversionary interest to the state, unless the grant contract specifies that the property shall not revert to the state without review and approval by the conservancy and the State Public Works Board.

(b) A state leasehold interest in property acquired by a nonstate public agency with conservancy grant funds, unless the lease terms are approved by the Director of General Services. Except to the extent above, the expenditures of funds for grants to public agencies and nonprofit organizations shall be exempt from State Public Works Board review.

2. The amount appropriated by this item is available for encumbrance for either capital outlay or local assistance through fiscal year 2000–01.

3760-301-0593—For capital outlay, State Coastal Conservancy, payable from the Coastal Access Account of the State Coastal Conservancy Fund of 1976 225,000

Schedule:

(1) 80.97.070-Ocean and Coastal Initiative..... 225,000

Provisions:

1. The conservancy shall not enter into a grant contract with a nonprofit organization or local government for property acquisition which provides for either of the following:

(a) A reversionary interest to the state, unless the grant contract specifies that the property shall not revert to the state without review and approval by the conservancy and the State Public Works Board.

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(b) A state leasehold interest in property acquired by a nonstate public agency with conservancy grant funds, unless the lease terms are approved by the Director of General Services. Except to the extent above, the expenditures of funds for grants to public agencies and nonprofit organizations shall be exempt from State Public Works Board review.

2. The amount appropriated by this item is available for encumbrance for either capital outlay or local assistance through fiscal year 2000–01.

3760-301-0890—For capital outlay, State Coastal Conservancy, payable from the Federal Trust Fund..... 2,000,000

Schedule:

(1) 80.93.015-Coastal Resource Development 1,000,000

(2) 80.93.025-Coastal Resource Enhancement..... 1,000,000

Provisions:

1. The State Coastal Conservancy shall not enter into a grant contract with a nonprofit organization or local government for property acquisition that provides for either of the following:

(a) A reversionary interest to the state, unless the grant contract specified that the property shall not revert to the state without review and approval by the State Coastal Conservancy and the Public Works Board.

(b) A state leasehold acquired by a nonstate public agency with grant funds of the State Coastal Conservancy, unless the lease terms are approved by the Director of General Services. Except as specified in paragraph (a), the expenditure of funds for grants to public agencies and nonprofit organizations is exempt from the review of the Public Works Board.

2. The funds appropriated by this item are available for encumbrance for either capital outlay or local assistance through the 2000–01 fiscal year.

3760-301-0940—For capital outlay, State Coastal Conservancy, payable from the Renewable Resources Investment Fund..... 2,500,000

Schedule:

(1) 80.97.070-Ocean and Coastal Initiative..... 2,500,000

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Provisions:

1. The conservancy shall not enter into a grant contract with a nonprofit organization or local government for property acquisition which provides for either of the following:
   (a) A reversionary interest to the state, unless the grant contract specifies that the property shall not revert to the state without review and approval by the conservancy and the State Public Works Board.
   (b) A state leasehold interest in property acquired by a nonstate public agency with conservancy grant funds, unless the lease terms are approved by the Director of General Services. Except to the extent above, the expenditures of funds for grants to public agencies and nonprofit organizations shall be exempt from State Public Works Board review.
2. The amount appropriated by this item is available for encumbrance for either capital outlay or local assistance through fiscal year 2000–01.

3760-490—Reappropriation, State Coastal Conservancy. The ~~unencumbered~~ balance of the amounts ~~appropraited~~ *appropriated* in the following citations are hereby reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in those appropriations:

0001—General Fund

(1) Item ~~3760-301-264~~ *3760-301-164* , Schedule (2), Budget Act of 1993 (Ch. 55, Stats. 1993), as transferred to the General Fund (Item 3760-801-001) pursuant to Section 16346 of the Government Code.

80.93.025-Coastal Resource Enhancement, provided that the entire appropriation is available ~~to fiscal year 2000–01, inclusive~~ *through June 30, 2001* , and that $296,000 shall continue to be available for liquidation through ~~fiscal year 2016–17, inclusive~~ *June 30, 2017* , to allow completion of a project monitoring and remediation contract with the U.S. Army Corps of Engineers ~~to fiscal year 2016–17, inclusive~~ *through June 30, 2017* .

(2) Section 23 of Chapter 928 of the Statutes of 1997.

80.93.015-Coastal Resource Development, provided funds may be available for encumbrance

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for either capital outlay or local assistance ~~to fiscal year 1999–2000, inclusive~~ *through June 30, 2000* .

3790-001-0001—For support of Department of Parks and Recreation, for payment to Item 3790-001-0392..... ~~107,935,000~~ *98,088,000*

Provisions:

1. *Of the amount appropriated by this item, $93,000 is to be used for the California Recreational Trails System update.*
2. *Of the amount appropriated by this item, $60,000 shall be used to contract with the Orange County Conservation Corps for El Nino storm damage repair at state parks and beaches.*

3790-001-0140—For support of Department of Parks and Recreation, for payment to Item 3790-001-0392, payable from the California Environmental License Plate Fund..... 105,000

3790-001-0235—For support of Department of Parks and Recreation, for payment to Item 3790-001-0392, payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund..... 11,670,000

3790-001-0263—For support of Department of Parks and Recreation, for payment to Item 3790-001-0392, payable from the Off-Highway Vehicle Trust Fund 14,076,000

3790-001-0392—For support of Department of Parks and Recreation, payable from the State Park and Recreation Fund..... 81,322,000

Schedule:

(a) For support of the Department of Parks and Recreation .....~~235,366,000~~ *225,519,000*

(b) Reimbursements.....−14,223,000

(c) Amount payable from the General Fund (Item 3790-001-0001).....~~−107,935,000~~ *−98,088,000*

(d) Amount payable from the California Environmental License Plate Fund (Item 3790-001-0140)..... −105,000

(e) Amount payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund (Item 3790-001-0235) .....−11,670,000

(f) Amount payable from the Off-Highway Vehicle Trust Fund (Item 3790-001-0263) .....−14,076,000

Item	Amount
(h) Amount payable from the Winter Recreation Fund (Item 3790-001-0449)	−175,000
(i) Amount payable from the Harbors and Watercraft Revolving Fund (Item 3790-001-0516)	−548,000
(j) Amount payable from the Parkland Fund of 1980 (Item 3790-001-0721)	−2,417,000
(k) Amount payable from the Recreational Trails Fund (Item 3790-001-0858)	−150,000
(*l*) Amount payable from the Federal Trust Fund (Item 3790-001-0890)	−2,745,000

Provisions:

1. Of the funds appropriated by this act from state *general funds and* special funds, other than the Off-Highway Vehicle Trust Fund and bond funds, to the Department of Parks and Recreation for local assistance grants to local agencies, the department may allocate an amount not to exceed 1.5 percent of each project's allocation to provide for the department's costs to administer these grants.
2. The funds appropriated by this act for the support of the Department of Parks and Recreation shall be expended as authorized by this item and as set forth in the Memorandum of Understanding as adopted by the Legislature as a part of the annual budget process, and as reflected in the Supplemental Report of the 1998 Budget Act.
3. The Department of Parks and Recreation shall provide *to the Joint Legislative Budget Committee* :
   (a) Written notification and copies of any proposed operating plan and any proposed amendments, revisions, or additions to an existing operating plan at least 30 days prior to (1) the department's approval of that plan, amendments, revisions, or additions and (2) prior to the implementation of the plan, amendments, revisions, or additions.
   (b) Notification in writing, of any and all proposed rate increases, operational policy and guest service changes, and implemenation of new service charges at least 30 days prior to the department's approval of the increases,

Item	Amount
changes, and new service charges and prior to the implementation of the increases, changes, and new service charges.	
3790-001-0449—For support of Department of Parks and Recreation, for payment to Item 3790-001-0392, payable from the Winter Recreation Fund	175,000
3790-001-0516—For support of Department of Parks and Recreation, for payment to Item 3790-001-0392, payable from the Harbors and Watercraft Revolving Fund	548,000
3790-001-0721—For support of Department of Parks and Recreation, for payment to Item 3790-001-0392, payable from the Parkland Fund of 1980.....	2,417,000
3790-001-0858—For support of Department of Parks and Recreation, for payment to Item 3790-001-0392, payable from the Recreational Trails Fund	150,000
3790-001-0890—For support of Department of Parks and Recreation, for payment to Item 3790-001-0392, payable from the Federal Trust Fund.....	2,745,000
3790-011-0062—For support of Department of Parks and Recreation, for transfer by the State Controller to the State Parks and Recreation Fund, as prescribed by subdivision (a) of Section 2107.7 of the Streets and Highways Code, for expenditure by the department for maintenance and repair of highways in units of the state park system, payable from the Highway Users Tax Account, Transportation Tax Fund.....	(3,400,000)
3790-012-0061—For transfer by the State Controller from the Motor Vehicle Fuel Account, Transportation Tax Fund, to the State Parks and Recreation Fund	(11,649,000)
Provisions:	
1. Notwithstanding any other provision of law, of the amount that would have transferred to the Harbors and Watercraft Revolving Fund from the Motor Vehicle Fuel Account, Transportation Tax Fund, the amount of this item shall be available for transfer from the Motor Vehicle Fuel Account, Transportation Tax Fund to the State Parks and Recreation Fund.	
3790-101-0001—For local assistance, Department of Parks and Recreation, to be available for expenditure during the 1998–99, 1999–2000, and 2000–01 fiscal years	~~20,000,000~~ *7,500,000*

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Schedule:

(a) 50.20.786-Roberti-Z'berg-Harris Urban Open-Space and Recreation Program Grants ..... ~~20,000,000~~ *7,500,000*

3790-101-0262—For local assistance, Department of Parks and Recreation, payable from the Habitat Conservation Fund, to be available for expenditure during the 1998–99, 1999–2000 and 2000–2001 fiscal years 2,000,000

Schedule:

(1) 80.25-Local Grants-Habitat Conservation Fund Program 2,000,000

Provisions:

1. The funds appropriated by this item shall be available only for projects submitted to the Department of Parks and Recreation for consideration during the evaluation process for the Habitat Conservation Fund Program.
2. The funds appropriated by this item shall be used for purposes consistent with the requirements of the Habitat Conservation Fund, and the Unallocated Account, Cigarette and Tobacco Products Surtax Fund.

3790-101-0263—For grants to cities, counties, or special districts, as specified in Division 5 (commencing with Section 5001) of the Public Resources Code, Department of Parks and Recreation, payable from the Off-Highway Vehicle Trust Fund, to be available for expenditure during the 1998–99, 1999–2000 and 2000–2001 fiscal years 13,118,000

Schedule:

(1) 80.12-Off-Highway Motor Vehicle Recreation Fund-Grants..... 13,118,000

3790-101-0858—For local assistance, Department of Parks and Recreation, payable from the Recreational Trails Fund, to be available for expenditure during the 1998–99, 1999–2000 and 2000–2001 fiscal years 3,572,000

Schedule:

(1) 80.12-Off-Highway Motor Vehicle Recreation-Grants..... 1,072,000

(2) 80.25-Local Grants..... 2,500,000

Provisions:

1. The funds appropriated in Schedules (1) and (2) shall be available for expenditure for local assistance or capital outlay.

Item		Amount
3790-101-0890—For local assistance, Department of Parks and Recreation, payable from the Federal Trust Fund, to be available for expenditure during the 1998–99, 1999–2000 and 2000–2001 fiscal years		2,375,000
Schedule:		
(1) 80.25-Local Grants.....	2,000,000	
(2) 80.30-Historic Preservation Grants.	375,000	
3790-102-0001—For local assistance, Department of Parks and Recreation, to be available for expenditure during the 1998–99, 1999–2000, and 2000–01 fiscal years.....		*44,727,000*
Schedule:		
(a) 80.25-Local Grants	*44,727,000*	
(2) City of Anaheim: Community Center	*(100,000)*	
(3) City of Anaheim: Support for the Boys and Girls Club.....	*(45,000)*	
(4) City of Artesia: Artesia Park Acquisition	*(350,000)*	
(4.1) City of Bakersfield: Police Activities League Youth Center	*(25,000)*	
(4.2) Bear Mountain Parks and Recreation District: Repavement of Basketball Courts.....	*(18,000)*	
(5) City of Bell Gardens: Bell Gardens Pool.....	*(200,000)*	
(6) City of Bell Gardens: Ford Park Renovations.....	*(200,000)*	
(7) City of Bellflower: Bellflower Recreational Park	*(100,000)*	
(8) City of Bellflower: Bellflower Skateboard Park.....	*(250,000)*	
(8.1) Butte County: Courthouse Remodel.....	*(200,000)*	

Item	Amount
(8.2) City of Calexico: Nosotros Park	*(250,000)*
(8.3) City of Calabasas: Calabasas-Agoura Hills Community Center	*(1,000,000)*
(8.4) City of Chino: Youth Museum	*(150,000)*
(8.5) City of Chino: Cypress Park Picnic Pavilion	*(85,000)*
(8.6) City of Chino: Cypress Park Playground Equipment.	*(63,000)*
(8.7) City of Chino: Monte Vista Park Upgrade	*(40,000)*
(8.8) City of Chino Hills: Western Hills Park Acquisition and Equipment	*(300,000)*
(9) City of Chula Vista: 3 Park Projects	*(504,000)*
(9.1) City of Clearlake: Clearlake Senior Center	*(250,000)*
(10) City of Cloverdale: Senior Center	*(350,000)*
(11) City of Coachella: Restroom Facilities for 3 Parks	*(50,000)*
(11.1) Coalinga-Huron Parks and Recreation District: New Keck Park Irrigation System	*(9,000)*
(11.2) Coalinga-Huron Parks and Recreation District: New Olsen Park Irrigation System	*(11,000)*

Item	Amount
(11.3) Coalinga-Huron Parks and Recreation District: New Chesnut Park Irrigation System	*(5,000)*
(11.4) City of Corcoran: Boswell Community Park Tennis Courts	*(2,000)*
(11.5) City of Corcoran: Boswell Community Park: Inline Hockey Rink construction	*(9,000)*
(11.6) City of Corcoran: Boswell Park Tennis Court Lighting	*(10,000)*
(11.7) City of Corcoran: Community Pool Retrofit	*(4,000)*
(11.8) City of Corcoran: Marrot Park Swing Installation	*(3,000)*
(12) City of Corona: Gymnasium Project Retrofit and ADA Upgrades	*(130,000)*
(13) City of Cypress: Completion of Roller Hockey Rink and Skateboard Park	*(120,000)*
(14) City of Daly City: Thornton Beach Access	*(300,000)*
(14.1) City of Delano: Cecil Park Playground Equipment	*(25,000)*
(14.2) City of Delano: Cecil Park Lighting	*(20,000)*

Item	Amount
(15) City of Desert Hot Springs: Repair Boys and Girls Club Swimming Pool	*(50,000)*
(16) East Bay Regional Park District: Arroyo del Valle Outdoor Education Center	*(4,500,000)*
(17) City of El Cajon: 5 Park Projects	*(278,000)*
(18) City of El Monte: El Monte Community Center	*(500,000)*
(19) City of Exeter: Boys and Girls Club Facility Repairs	*(51,000)*
(20) City of Glendale: College View School Park	*(250,000)*
(21) City of Half Moon Bay: Pilarcitos Creek Bike Trail	*(300,000)*
(21.1) City of Hanford: Community Pool	*(4,000)*
(21.2) City of Hanford: Lacey Park Construction	*(20,000)*
(22) City of Healdsburg: Carson Warner Memorial Park	*(92,000)*
(23) City of Hemet: Development of New Youth Baseball Fields	*(55,000)*
(23.1) City of Huntington Beach: Lifeguard Tower Repair	*(250,000)*
(24) City of King City: Construction of a 10-acre Community Park	*(350,000)*

Item	Amount
(25) City of King City: Refurbishing 2 Community Tennis Courts	*(50,000)*
(27) City of La Mesa: 3 Park Projects	*(176,000)*
(28) City of Lafayette: Establishment of Community Park	*(25,000)*
(28.1) City of Lamont: Lamont Park Concession Stand	*(10,000)*
(28.2) City of Lancaster: National Soccer Complex Restrooms	*(200,000)*
(29) City of Lemon Grove: 3 Park Projects	*(136,000)*
(30) City of Linden: Swimming Pool	*(25,000)*
(31) City of Livingston: Livingston Soccer Field	*(221,000)*
(32) City of Lockeford: Community Park	*(100,000)*
(33) City of Lompoc: Alan Hancock Bikeway Extension	*(402,000)*
(34) City of Los Angeles: Griffith Park Replumbing	*(1,500,000)*
(34.1) City of Los Angeles: Korean American Museum	*(250,000)*
(35) County of Mariposa: Bridge Project Phase II	*(185,000)*
(35.1) City of Mendota: Dump Truck Acquisition	*(5,000)*
(36) City of Montclair: Sunset Park Amphitheater Project	*(75,000)*
(37) City of National City: 2 Park Projects	*(275,000)*

Item	Amount
(37.1) City of Norco: Gymnasium Project	*(130,000)*
(38) City of Ojai: Parks Improvement	*(250,000)*
(38.1) City of Ontario: De Anza Park Restroom and Storage Facilities	*(150,000)*
(39) City of Ontario: Relighting of Ontario Ballfield	*(98,000)*
(40) City of Oxnard: Rio de Valle Gymnasium/ Community Complex	*(100,000)*
(41) City of Pacifica: Milagra Creek Erosion Control Project	*(300,000)*
(42) City of Palmdale: Maintenance and Repair for McAdam Park Swimming Pool	*(100,000)*
(43) City of Rancho Cucamonga: After School Drop-In Program	*(30,000)*
(44) City of Rancho Palos Verdes: Development of Hesse Park Site	*(150,000)*
(45) City of Redondo Beach: Redondo Beach Park	*(80,000)*
(46) City of Richmond: Richmond Trail	*(40,000)*
(47) City of Riverside: Cesar Chavez Community Center	*(235,000)*
(48) City of Riverside: Villegas Park Swimming Pool Rehabilitation	*(157,000)*

Item	Amount
(50) City of Salinas: Soccer Complex Facilities	*(600,000)*
(51) City of San Buenaventura: Repairs to the Ventura Pier	*(750,000)*
(52) City of San Diego: 7 Park Projects	*(499,000)*
(53) City of San Diego: Alcott School Tot Lot	*(115,000)*
(54) City of San Diego: La Jolla Cove Erosion Project	*(540,000)*
(54.1) City of San Diego: Coast to Crest Trail	*(300,000)*
(55) City of San Diego: Lake Murray Community Park Comfort Station	*(115,000)*
(56) City of San Diego: Ocean Beach Tot Lot	*(80,000)*
(57) City of San Diego: Sandburg Park Tot Lot Upgrade	*(135,000)*
(58) City of San Diego: Tierrasanta Community Park Tot Lot Upgrade	*(80,000)*
(59) County of San Diego: New Spring Valley Family Health Center	*(51,000)*
(60) City of San Fernando: Las Palmas Youth/Senior Activity Center Demolition Tot Lot	*(800,000)*
(61) City and County of San Francisco: Asian Art Museum	*(5,000,000)*

Item	Amount
(62) City and County of San Francisco: Bayview Playground Swimming Pool	*(500,000)*
(63) City and County of San Francisco: Collingwood Park Acquisition	*(500,000)*
(64) City and County of San Francisco: Conservatory of Flowers—Plans and working drawings	*(2,000,000)*
(65) City and County of San Francisco: Glen Canyon Park.	*(50,000)*
(66) City and County of San Francisco: Golden Gate Park—Lakes Restoration	*(200,000)*
(67) City and County of San Francisco: Lake Merced Restoration	*(200,000)*
(68) City and County of San Francisco: McClaren Park	*(100,000)*
(69) City and County of San Francisco: Pine Lake Park	*(200,000)*
(70) City of San Jose: Guadalupe River Parkway—South Trail Project	*(1,000,000)*
(71) City of San Jose: Mexican Cultural Heritage Garden and Plaza	*(500,000)*
(72) City of San Jose: Vietnamese Cultural Garden	*(500,000)*

Item	Amount
(73) City of Santa Ana: Completion of Concession Stand at Santa Ana Santiago Little League	*(125,000)*
(73.1) City of Sanger: Sanger Swimming Pool	*(500,000)*
(74) City of Santa Ana: Graffiti Removal and Park Maintenance Van	*(50,000)*
(75) County of Santa Barbara: Bowl Renovation	*(3,100,000)*
(76) City of Santa Clarita: Auditorium Rehabilitation	*(350,000)*
(77) City of South San Francisco: Community Theater Renovation	*(300,000)*
(77.1) City of Shafter: Westside Park Irrigation System	*(25,000)*
(77.2) City of Shafter: Westside Park Playground Equipment	*(25,000)*
(78) City of South San Francisco: Multi-Use Park Planning	*(400,000)*
(79) Templeton Community Services District: Gibson Park Youth	*(150,000)*
(79.1) City of Taft: A street Park Irrigation and Landscaping	*(20,000)*
(80) City of Turlock: Ella Johnson Community Center	*(322,000)*

Item		Amount
(81) City of Walnut Creek: Completion of Phase I of Civic Arts Education Shadelands Campus Master Plan...	*(207,000)*	
(82) City of West Hollywood: West Hollywood Park Pool...	*(150,000)*	
(82.1) City of Wasco: Swimming Pool Repairs.....	*(25,000)*	
(82.2) City of Wasco: Filbern Avenue Bike Trail Irrigation System.....	*(25,000)*	
(82.3) City of Watsonville: Child Care Facility.....	*(400,000)*	
(83) City of West Hollywood: William S. Hart House Renovation.....	*(125,000)*	
(84) Western Center Community Foundation: Western Center for Archaeology and Paleontology.....	*(5,000,000)*	
(85) City of Willits: Willits Soccer Field.....	*(280,000)*	
(86) City of Yucaipa: Park Facilities.....	*(1,000,000)*	
3790-102-0140—For local assistance, Department of Parks and Recreation, payable from the California Environmental License Plate Fund, to be available for expenditure during the 1998–99, 1999–2000, and 2000–01 fiscal years.....		*1,215,000*
Schedule:		
(1) 80.25-Local Grants.....	*1,215,000*	
(a) City of San Diego: Bayview Terrace Elementary School—Joint Use Park Facility.....	*(1,165,000)*	

Item	Amount
(b) City of San Francisco: Palace of Fine Arts..... (50,000)	
3790-301-0001—For capital outlay, Department of Parks and Recreation.....	7,411,000
Schedule:	
(1) 90.CB.600-Morro Bay SP: Campground and Day Use Rehabilitation—Preliminary plans.....	188,000
(1.5) 90.G1.205-Red Rock Canyon SP: Storm damage—Minor projects....	270,000
(2) 90.H6.605-Cuyamaca Rancho SP: Rehabilitation of Paso Picacho Campground—Preliminary plans and working drawings.....	199,000
(3) 90.I6.605-San Elijo SB: Public Use Facilities—Working drawings and construction	3,648,000
(4) 90.RS.205-Statewide: State Park System—Minor Projects.....	2,779,000
(5) 90.RS.220-Statewide: Disasters Program—Minor Projects.....	500,000
(6) 90.RS.810-Capital Outlay Projects.	2,786,000
(7) 90.3F.605-Benbow Lake SRA: Benbow Dam Repair—Preliminary plans and working drawings.....	86,000
(8) 90.8J.600-Columbia SHP: Knapp Block Rehabilitation—Study and preliminary plans	180,000
(9) Reimbursements.....	−3,225,000

Provisions:

1. Notwithstanding any other provision of law, the Department of Parks and Recreation may borrow funds from the State Parks and Recreation Fund in order to provide advance cash for fully authorized reimbursement-funded projects. The loan shall be requested in writing by the Department of Parks and Recreation to the Controller's office as needed for cash-flow and will not be subject to any interest.
2. In the event the Department of Parks and Recreation receives additional unanticipated reimbursements from any agency of any local government or the federal government for other capital outlay projects, expenditure may be authorized in accordance with Section 28.50 of this act.

Item		Amount
3790-301-0262—For capital outlay, Department of Parks and Recreation, payable from the Habitat Conservation Fund		2,500,000
Schedule:		
(1) 90.RS.406-Habitat Conservation: Proposed Additions—Acquisition	1,000,000	
(2) 90.RS.407-Santa Lucia Mountains: Proposed Additions—Acquisition	1,500,000	
Provisions:		
1. The funds appropriated in Schedule (1) of this item shall be expended for state park acquisitions located in the Klamath-Siskiyou, Sierra Foothills and Low Coastal Mountain, Southwest Mountain and Valley, and Sierra Nevada Landscape Provinces.		
2. The funds appropriated in Schedules ~~1 and 2~~ *(1) and (2)* of this item shall be used for purposes consistent with the Unallocated Account, Cigarette and Tobacco Products Surtax Fund and the Habitat Conservation Fund.		
3790-301-0263—For capital outlay, Department of Parks and Recreation, payable from the Off-Highway Vehicle Trust Fund		~~10,445,000~~ *5,345,000*
Schedule:		
(1) 90.C7.401-Ocotillo Wells SVRA: Eastern Acquisition—Acquisition	3,600,000	
(2) 90.RS.206-Statewide: OHV Minors—Minor Projects	650,000	
(3) 90.RS.403-Statewide: Opportunity Purchase—Acquisition	300,000	
(4) 90.RS.404-Statewide: Prebudget Appraisal Costs—Planning	50,000	
(5) 90.RS.601-Fresno Area/Southern San Joaquin Valley—OHV Site ~~Planning~~	~~195,000~~	
~~(6) 90.RS.414-Fresno Area/Southern San Joaquin Valley—Acquisition~~	~~3,000,000~~	
Planning and Acquisition	*295,000*	
(7) 90.RS.605-Statewide: Budget Package/Schematic Planning—Planning	50,000	
~~(8) 90.7C.400-Oceano Dunes SVRA: La Grande Tract—Acquisition~~	~~2,200,000~~	

Item Amount

(9) 90.7K.601-Carnegie SVRA: Tesla and Alameda—Planning 400,000

Provisions:

1. Funds appropriated in Schedule (7) shall be used to develop design information or cost information for new projects for which funds have not been appropriated previously, but which are anticipated to be included in the Governor's Budget for the 1999–2000 or 2000–2001 fiscal year.
2. Funds appropriated in Schedule (4) shall be used to develop cost information for new acquisition projects for which funds have not been appropriated previously, but which are anticipated to be included in the Governor's Budget for the 1999–2000 or 2000–2001 fiscal year. In addition, these funds also may be used for other acquisition-related administrative costs.
3. Funds appropriated in Schedule (3) shall be available for inholding acquisitions, parcels adjacent to existing state vehicular recreation areas or parcels available through tax default that fall within the department's ~~five year~~ *five-year* plan for program expansion.
4. *Of the funds appropriated in Schedule (5), $100,000 may be used to purchase an option for property.*

3790-301-0545—For capital outlay, Department of Parks and Recreation, payable from the River Parkway Subaccount 1,000,000

Schedule:

(1) 90.RS.811-River Parkway Program—Minor Projects 1,000,000

3790-301-0786—For capital outlay, Department of Parks and Recreation, payable from the California Wildlife, Coastal and Park Land Conservation Fund of 1988 457,000

Schedule:

(1) 90.RS.260-Statewide: Recreational Trails—Minor Projects 250,000

(2) 90.RS.230-Statewide: Stewardship Program—Minor Projects 207,000

Provisions:

1. Funds appropriated in Schedule (2) of this item shall be available for expenditure until June 30, 2001.

Item		Amount
3790-301-0890—For capital outlay, Department of Parks and Recreation, payable from the Federal Trust Fund		600,000
Schedule:		
(1) 90.RS.801-Federal Trust Fund: Acquisition and development	600,000	
3790-302-0001—For capital outlay, Department of Parks and Recreation		*5,737,000*
Schedule:		
(1) 90.B2.205-Auburn State Recreation Area: Quarry Road Stabilization—Minor Project	*47,000*	
(2) 90.E4.400-Chino Hills State Park: Coal Canyon Biological Corridor—Acquisition	*3,000,000*	
(3) 90.FB.100-Pio Pico State Park: Restoration—Preliminary plans, working drawings, and construction	*750,000*	
(4) 90.5N.205-Mount Diablo State Park: Construction of Observatory—Minor Project	*60,000*	
(5) 90.5N.400-Mount Diablo State Park: Acquisition of Turtle Rock Ranch—Acquisition	*200,000*	
(6) 90.6L.400-Tomales Bay State Park: Scenic Lands, Millerton Point Acquisition—Acquisition	*1,300,000*	
(7) 90.6U.205-Annadel State Park: ADA Compliant Restrooms—Minor Project	*40,000*	
(8) 90.99.205-San Luis Reservoir State Recreation Area: Los Banos Creek Bridge—Minor Project	*340,000*	

3790-401—For the 1998–99 fiscal year, the balance as of July 1, 1998, deposits in, and accruals to the Conservation and Enforcement Services Account in the Off-Highway Vehicle Trust Fund shall be transferred by the State Controller to the Off-Highway Vehicle Trust Fund. All funds transferred pursuant to this item shall be available for expenditure by the Department of Parks and Recreation for purposes of conservation and enforcement activities pursuant to Sections 23 and 25 of Chapter 1027, Statutes of 1987 which are authorized for expenditure within Items 3790-001-0263, 3790-101-0263, and 3790-301-0263. The State Controller shall make the transfers quarterly or at such intervals as determined neces-

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sary to meet the cash-flow needs of the Off-Highway Vehicle Trust Fund.

3790-490—Reappropriation, Department of Parks and Recreation. The balances of the appropriations provided in the following citations are reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in the appropriations:

0001—General Fund

(1) Item 3790-301-0001(1), Budget Act of 1997, Reimbursements-Transportation Enhancement Activities Program.

(2) Item 3790-301-0001(2), Budget Act of 1997. Reimbursements-Environmental Enhancement and Mitigation Demonstration Program.

(3) Item 3790-301-0001(3), Budget Act of 1997, 90.RS.101, Statewide: California Coastal Trail Improvements-Preliminary plans, working drawings, and construction.

(4) Item 3790-301-0001(4), Budget Act of 1997, 90.94.101, Stanford Mansion State Historical Park Preservation-Preliminary plans, working drawings, and construction.

(5) Item 3790-301-0001(5), Budget Act of 1997, 90.FB.101, Pio Pico-Preliminary plans, working drawings, and construction.

(6) Item 3790-301-0001(6), Budget Act of 1997, 90.BN.280, Point Sur Lighthouse Restoration-Minor project.

(7) Item 3790-301-0001(7), Budget Act of 1997, 90.8U.101, Alder Creek Bike Trail/Bridge-Preliminary plans, working drawings, and construction.

(8) Item 3790-301-0001(8), Budget Act of 1997, 90.RS.280, Coastal Bicycle Trail Improvements-Minor project.

(9) Item 3790-301-0001(9), Budget Act of 1997, 90.9B.101, Railtown SHP: Rehabilitate Railroad Shops-Preliminary plans, working drawings, and construction.

(10) Item 3790-301-0001(10), Budget Act of 1997, 90.9H.280, Allensworth SHP: Railroad Station Restoration-Minor project.

(11) Item 3790-301-0001(11), Budget Act of 1997, 90.9M.280, American River Trail-Minor project.

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(12) Item 3790-301-0001(12), Budget Act of 1997, 90.FO.280, Huntington and Bolsa Chica SB: Rehabilitate Recreational Facilities-Minor project.

(13) Item 3790-301-0001(13), Budget Act of 1997, 90.C0.280, Henry W. Coe SP: Entrance Development-Minor project.

(14) Item 3790-301-0001(14), Budget Act of 1997, 90.8P.280, Emerald Bay SP: Trail Development-Minor project.

(15) Item 3790-301-0001(15), Budget Act of 1997, 90.42.280, Pudding Creek Trestle and Coastal Dune Restoration-Minor project.

(16) Item 3790-301-0001(16), Budget Act of 1997, 90.FJ.280, Los Liones Canyon Roadside Restoration and Recreation Improvements-Minor project.

(18) Item 3790-301-0001(19), Budget Act of 1997, 90.GI.280, Crystal Cove SP: Improvements-Minor project.

(19) Item 3790-301-0001(20), Budget Act of 1997, 90.9R.280, Fort Tejon SHP: Grapevine Creek Restoration and Stabilization-Minor project.

(20) Item 3790-301-0001(21), Budget Act of 1997, 90.8P.281, Eagle Falls Pedestrian Access Enhancement-Minor project.

(21) Item 3790-301-0001(22), Budget Act of 1997, 90.6U.280, Annadel SP: Trails Restoration-Minor project.

(22) Item 3790-301-0001(23), Budget Act of 1997, 90.5X.280, Marconi Conference Center SHP: Improvements-Minor project.

(23) Item 3790-301-0001(24), Budget Act of 1997, 90.3B.280, Avenue of the Giants Auto Tour Improvements-Minor project.

(24) Item 3790-301-0001(25), Budget Act of 1997, 90.8I.280, Calaveras Big Trees SP: Entrance Improvements-Minor project.

(25) Item 3790-301-0001(26), Budget Act of 1997, 90.8Q.280, Brannan Island SRA: Enhance Roadside-Minor project.

0263-Off-Highway Vehicle Trust Fund

(1) Item 3790-301-263(2), Budget Act of 1995, 90.C7.400, Ocotillo Wells SVRA: Northern Acquisition-Acquisition, with the exception of a

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partial reversion as shown in Item 3790-495-0263(1).

(2) Item 3790-301-263(5), Budget Act of 1995, 90.RS.403, Statewide: Opportunity Purchases-Acquisition.

(3) Item 3790-301-263(8), Budget Act of 1995, as reappropriated by Item 3790-490, Budget Acts of 1996 and 1997. 90.RS.606 San Diego, OHV Area: Site Planning.

0392-State Parks and Recreation Fund

(1) Item 3790-301-392(1), Budget Act of 1995, as reappropriated by Item 3790-490, Budget Acts of 1996 and 1997. 90.GI.110 Crystal Cove SP: Historic District Rehabilitation-Study, preliminary plans, working drawings.

(2) Item 3790-301-392(2), Budget Act of 1995, as reappropriated by Item 3790-490, Budget Acts of 1996 and 1997. 90.RS.810 Capital Outlay Projects.

(3) Item 3790-301-392(3), Budget Act of 1995, as reappropriated by Item 3790-490, Budget Acts of 1996 and 1997. Reimbursements-Capital Outlay Projects.

0545-River Parkway Subaccount

(1) Item 3790-301-0545(2), Budget Act of 1997, 90.38.290, Richardson Grove SP: Durphy Creek Fisheries Rehabilitation.

(2) Item 3790-301-0545(3), Budget Act of 1997, 90.2X.290, Humboldt Lagoons SP: Mcdonald Creek Restoration.

(3) Item 3790-301-0545(4), Budget Act of 1997, 90.3X.290, Russian Gulch Creek Trail Rehabilitation.

(4) Item 3790-301-0545(5), Budget Act of 1997, 90.3B.290, Humboldt Redwoods SP: South Fork, Eel River, and Bull Creek Watershed/Trail Rehabilitation.

0722-Parklands Fund of 1984

(1) Item 3790-301-722(10.1), Budget Act of 1985, as reappropriated by Item 3790-490, Budget Acts of 1992 and 1995, 90.EA.400.852, Chino Hills SP: Brea Olinda wilderness acquisition, provided that the amount of this reappropriation shall not exceed $780,000.

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0786-California Wildlife, Coastal, and Park Land Conservation Fund of 1988

(1) Item 3790-301-786(7), Budget Act of 1994, as reappropriated by Item 3790-490, Budget Acts of 1995, 1996 and 1997. 90.RS.615 Statewide: CEQA Filing Fees-Planning.

(2) Item 3790-301-786(4), Budget Act of 1995, as reappropriated by Item 3790-490-786(18), Budget Acts of 1996 and 1997. 90.RS.405 Statewide: Relocation Assistance; provided that funds reappropriated in this item may be used for relocation assistance, acquisition costs, and/or prebudget appraisals costs.

(3) Item 3790-301-0786(2), Budget Act of 1996, as reappropriated by Item 3790-490, Budget Act of 1997. 90.RS.260 Statewide: Recreational Trails-Minor Projects.

(4) Item 3790-301-0786(5), Budget Act of 1996, as reappropriated by Item 3790-490, Budget Act of 1997. 90.RS.608. Statewide: Budget Packages/Schematic Planning, and Topographic Surveys.

3790-495—Reversion, Department of Parks and Recreation. As of June 30, 1998, the unencumbered balances of the appropriations provided in the following citations shall revert to the fund balance of the fund from which the appropriation was made:

0263-Off-Highway Vehicle Trust Fund

(1) Item 3790-301-263(2), Budget Act of 1995, 90.C7.400, Ocotillo Wells SVRA: Northern Acquisition-Acquisition—Partial reversion—except that the amount to be reverted shall be limited to $500,000.

0392—State Parks and Recreation Fund

(1) Item 3790-402 of Section 2.00 of Chapter 162 of the Statutes of 1996 as modified by Item 3790-403 of Section 2.00 of Chapter 282 of the Statutes of 1997. Revert transfer and appropriation authority. Funds shall revert to the New Governor's Mansion Account within the Special Deposit Fund.

3810-001-0001—For support of the Santa Monica Mountains Conservancy, for payment to Item 3810-011-0941..... 50,000

Provisions:

1. Funds appropriated by this item are available for reimbursement to local conservation corps for corps services for the programs authorized in Di-

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vision 23 (commencing with Section 33000) of the Public Resources Code.		
3810-001-0140—For support of the Santa Monica Mountains Conservancy, for payment to Item 3810-011-0941, payable from the California Environmental License Plate Fund		107,000
3810-011-0941—For support of Santa Monica Mountains Conservancy, payable from the Santa Monica Mountains Conservancy Fund		447,000
Schedule:		
(a) 10-Santa Monica Mountains Conservancy	~~594,000~~ *644,000*	
(b) Reimbursements	−40,000	
(bx) Amount payable from the General Fund (Item 3810-001-0001)	*−50,000*	
(d) Amount payable from the California Environmental License Plate Fund (Item 3810-001-0140)	−107,000	
Provisions:		
1. Notwithstanding Article 4 (commencing with Section 11040) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code, the Attorney General shall continue to provide legal services to the Santa Monica Mountains Conservancy consistent with the manner in which the Attorney General provides legal services to state agencies that are funded by appropriations made from the General Fund.		
2. (a) The Santa Monica Mountains Conservancy shall not encumber state appropriated funds for the purchase or acquisition of real property directly or through any public agency intermediary, including the State Public Works Board, that requires the payment of interest costs, or late fees or penalties, unless the ~~Conservancy~~ *conservancy* certifies all of the following: (1) that the purchase is necessary to implement an acquisition identified in the high priority category of the work program submitted annually to the Legislature pursuant to Section 33208 of the Public Resources Code, or amendments made thereto, (2) that the purchase agreement does not involve interest payments or terms in excess of those that the State Public Works Board may enter into pursuant to Section 15854.1 of the Gov-		

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ernment Code, and (3) that the purchase agreement does not commit the state to future appropriations.

(b) The Santa Monica Mountains Conservancy shall report periodically to the Legislature, but no less frequently than twice yearly, concerning the status of any purchases certified as required in (a) and the amount of state funds thus far encumbered for interest, penalties, or other principal surcharges.

3810-301-0001—For capital outlay, Santa Monica Mountains Conservancy ..... ~~15,000,000~~ *10,000,000*

Schedule:

(1) 50.20.001-Acquisition, restoration and improvements for the Los Angeles and San Gabriel Rivers and tributaries ..... ~~15,000,000~~ *10,000,000*

Provisions:

1. Funds appropriated ~~pursuant to~~ *in* this item shall be used for the purposes of restoring or improving the Los Angeles River and San Gabriel River. These funds may be expended for planning, including river restoration planning, acquisition in watersheds, restoration projects, and water quality and storm water improvement efforts. Priority shall be given to projects with multiple beneficial effects; plans or programs which restore natural ecology, conserve water, reduce storm water runoff, provide recreation and community development opportunities and contribute to environmentally sound flood control.
2. The amount appropriated in this item is available for encumbrance for either capital outlay or local assistance through fiscal year 2000–01.

3820-001-0001—For support of San Francisco Bay Conservation and Development Commission 1,972,000

Schedule:

(a) 10-Bay Conservation and Development 2,750,000

(b) Reimbursements ..... −574,000

(c) Amount payable from the Federal Trust Fund (Item 3820-001-0890). −106,000

(d) Amount payable from the Bay Fill Clean-up and Abatement Fund (Item 3820-001-0914) ..... −98,000

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Provisions:

1. Of the funds appropriated in this item, $73,000 shall be for the purpose of updating the wetland protection, marshes, and mudflats policies of the San Francisco Bay Plan, which shall include public outreach and public participation in the formulation and implementation of the policies.
2. None of the funds appropriated in this item shall be used to establish or operate a mitigation bank.

3820-001-0890—For support of San Francisco Bay Conservation and Development Commission, for payment to Item 3820-001-0001, payable from the Federal Trust Fund 106,000

3820-001-0914—For support of San Francisco Bay Conservation and Development Commission, for payment to Item 3820-001-0001, payable from the Bay Fill Clean-up and Abatement Fund 98,000

3830-001-0001—For support of the San Joaquin River Conservancy, for payment to Item 3830-001-0140 .. 50,000

Provisions:

1. Funds appropriated in this item shall be made available for reimbursement to the local conservation corps for corps services for the programs authorized in Division 22.5 (commencing with Section 32500) of the Public Resources Code.

3830-001-0140—For support of the San Joaquin River Conservancy, payable from the California Environmental License Plate Fund 185,000

Schedule:

(a) 10-San Joaquin River Conservancy. ~~195,000~~ *245,000*

(b) Reimbursements ..... −10,000

(c) Amount payable from the General Fund (Item 3830-001-0001)..... −50,000

Provisions:

1. Acquisitions and enhancements administered pursuant to this item shall not be undertaken if they would require increased state funds for management purposes.

3830-301-0104—For capital outlay, San Joaquin River Conservancy, payable from the San Joaquin River Conservancy Fund 0

Schedule:

(1) 20—Capital Outlay Acquisition and Enhancement Projects 5,000,000

(2) Reimbursements ..... −5,000,000

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Provisions:

1. Acquisitions and enhancements pursuant to this item shall not be undertaken if they would require increased state funds for management purposes.
2. Notwithstanding any other provision of law, the funds appropriated by this item are available for encumbrance for either capital outlay or local assistance through the 2000–01 fiscal year.
3. Notwithstanding any other provision of law, upon approval and order of the Director of Finance, loans may be made to the San Joaquin River Conservancy Fund from the California Environmental License Plate Fund to meet cash-flow needs due to delays in collecting reimbursements. Any loan authorized by the Department of Finance pursuant to this provision shall only be made if the Conservancy has a valid contract or certification which demonstrates that sufficient funds will be available to repay the loan. All money so transferred shall be repaid to the special fund as soon as possible, but not later than the end of the fiscal year.

3840-001-0140—For support of the Delta Protection Commission, payable from the California Environmental License Plate Fund 39,000

3840-001-0176—For support of the Delta Protection Commission, payable from the Delta Flood Protection Fund 67,000

3840-001-0516—For support of the Delta Protection Commission, payable from the Harbors and Watercraft Revolving Fund 66,000

3850-001-0140—For support of the Coachella Valley Mountains Conservancy, payable from the California Environmental License Plate Fund 133,000

Schedule:

(a) 10-Coachella Valley Mountains Conservancy 263,000

(b) Reimbursements ..... −100,000

(c) Amount payable from the Coachella Valley Mountains Conservancy Fund (Item 3850-001-0296)..... −30,000

Provisions:

1. Acquisitions and enhancements administered pursuant to this item shall not be undertaken if they would require increased state funds for management purposes.

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3850-001-0296—For support of the Coachella Valley Mountains Conservancy, for payment to Item 3850-001-0140, payable from the Coachella Valley Mountains Conservancy Fund 30,000

3850-301-0296—For capital outlay, Coachella Valley Mountains Conservancy, payable from the Coachella Valley Mountains Conservancy Fund 40,000

Schedule:

(a) 20-Coachella Valley Mountains, Acquisition and Enhancement Projects and Costs 540,000

(b) Reimbursements ..... −500,000

Provisions:

1. Acquisitions and enhancements pursuant to this item shall not be undertaken if they would require increased state funds for management purposes.
2. Notwithstanding any other provision of law, the funds appropriated by this item are available for encumbrance for either capital outlay or local assistance through the 2000–01 fiscal year.
3. Notwithstanding any other provision of law, upon approval and order of the Director of Finance, loans may be made to the Coachella Valley Mountains Conservancy Fund from the California Environmental License Plate Fund to meet cash-flow needs due to delays in collecting reimbursements. Any loan authorized by the Department of Finance pursuant to this provision shall only be made if the Conservancy has a valid contract or certification which demonstrates that sufficient funds will be available to repay the loan. All money so transferred shall be repaid to the special fund as soon as possible, but not later than the end of the fiscal year.

3860-001-0001—For support of Department of Water Resources ..... ~~40,970,000~~ *56,460,000*

Schedule:

(a) 10-Continuing Formulation of the California Water Plan ..... ~~39,700,000~~ *53,700,000*

(b) 20-Implementation of the State Water Resources Development System 2,050,000

(c) 30-Public Safety and Prevention of Damage ..... ~~32,896,000~~ *34,886,000*

Item	Amount
(d) 40-Services	4,861,000
(e) 50.01-Management and Administration	48,620,000
(f) 50.02-Distributed Management and Administration	−48,620,000
(g) Reimbursements	−9,741,000
(gx) Less funding provided by capital outlay (Item 3860-301-0001)	*−500,000*
(h) Amount payable from the California Environmental License Plate Fund (Item 3860-001-0140)	−751,000
(i) Amount payable from the Central Valley Project Improvement Subaccount (Item 3860-001-0404)	−15,000,000
(j) Amount payable from the Delta Levee Rehabilitation Subaccount (Item 3860-001-0409)	−1,714,000
(k) Amount payable from the Feasibility Projects Subaccount (Item 3860-001-0445)	−2,008,000
(*l*) Amount payable from the Water Conservation and Groundwater Recharge Subaccount (Item 3860-001-0446)	−362,000
(m) Amount payable from the Energy Resources Programs Account (Item 3860-001-0465)	−1,659,000
(n) Amount payable from the Local Projects Subaccount (Item 3860-001-0543)	−381,000
(o) Amount payable from the Sacramento Valley Water Management and Habitat Protection Subaccount (Item 3860-001-0544)	−353,000
(p) Amount payable from the 1984 State Clean Water Bond Fund (Item 3860-001-0740)	−10,000
(q) Amount payable from the 1986 Water Conservation and Water Quality Bond Fund (Item 3860-001-0744)	−343,000
(r) Amount payable from the 1988 Water Conservation Fund (Item 3860-001-0790)	−343,000
(s) Amount payable from the Federal Trust Fund (Item 3860-001-0890)	−5,222,000

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(t) Amount payable from the Renewable Resources Investment Fund (Item 3860-001-0940) ..... −650,000

Provisions:

1. The amounts appropriated in Items 3860-001-0001 to 3860-001-0940, inclusive, shall be transferred to the Water Resources Revolving Fund (0691) for direct expenditure in such amounts as the Department of Finance may authorize, including cooperative work with other agencies.

2. Of the amount appropriated by this item, $6,000,000 shall be available for support of the CALFED process. However, no public agency, including a state or local agency, may expend any money for the development and implementation of an isolated transmission facility that is recommended by the CALFED Bay-Delta program, until the Legislature specifically approves such a facility.

3. Of the amount appropriated by this item, $1,490,000 shall be available to pay settlement agreements from litigation on the overpayment of interest on loans from the 1976 water bond. Of this amount, $90,000 shall be used to pay the settlement of Paradise Irrigation District v. Department of Water Resources, Sacramento Superior Court Case No. 97AS03923, and $1,400,000 shall be used to pay the settlement of Bolinas Public Utilities District, et al. v. Department of Water Resources, Los Angeles County Superior Court Case No. BC 173016.

4. Of the amount appropriated by this item, $10,000,000 may be expended for feasibility and environmental studies pertaining to the Sites Reservoir site.

3860-001-0140—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the California Environmental License Plate Fund 751,000

3860-001-0404—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Central Valley Project Improvement Subaccount 15,000,000

3860-001-0409—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Delta Levee Rehabilitation Subaccount 1,714,000

Item	Amount
3860-001-0445—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Feasibility Projects Subaccount.....	2,008,000
3860-001-0446—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Water Conservation and Groundwater Recharge Subaccount.....	362,000
3860-001-0465—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Energy Resources Programs Account .	1,659,000
3860-001-0543—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Local Projects Subaccount.....	381,000
3860-001-0544—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Sacramento Valley Water Management and Habitat Protection Subaccount.....	353,000
3860-001-0740—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the 1984 State Clean Water Bond Fund..	10,000
3860-001-0744—For support of the Department of Water Resources, for payment to Item 3860-001-0001, payable from the 1986 Water Conservation and Water Quality Bond Fund.....	343,000
3860-001-0790—For support of the Department of Water Resources, for payment to Item 3860-001-0001, payable from the 1988 Water Conservation Fund.....	343,000
3860-001-0890—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Federal Trust Fund.....	5,222,000
3860-001-0940—For support of Department of Water Resources, for payment to Item 3860-001-0001, payable from the Renewable Resources Investment Fund	650,000
3860-101-0001—For local assistance, Department of Water Resources.....	~~10,000,000~~ *40,000,000*

~~Schedule:~~

~~(a) 30.20-Flood Control Subventions... 10,000,000~~

~~Provisions:~~

~~1. The amount appropriated by this item for flood control subventions shall be repaid to the General Fund if the Safe Drinking Water, Clean Water, and Flood Protection Act (Div. 26 (commencing with Sec. 79000) Wat. C.) is approved by the voters at the November 3, 1998, statewide general election. The amount of repayment shall be equal to the~~

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~~amount appropriated by this item or the amount contained in the Flood Control Subventions Account, of the Safe Drinking Water, Clean Water, and Flood Prevention Act, whichever amount is less.~~

Provisions:

1. The Department of Water Resources shall allocate funds on a pro rata basis to pay for the state's share of the nonfederal costs of flood control projects, which have been adopted and authorized in accordance with one or more of the following provisions of law:

(a) State Water Resources Law of 1945 (Ch. 1 (commencing with Sec. 12570) and Ch. 2 (commencing with Sec. 12639), Pt. 6, Div. 6, Wat. C.).

(b) Flood Control Law of 1946 (Ch. 3 (commencing with Sec. 12800), Pt. 6, Div. 6, Wat. C.).

(c) California Watershed Protection and Flood Prevention Law (Ch. 4 (commencing with Sec. 12850), Pt. 6, Div. 6, Wat. C.).

2. The funds shall be used to pay for costs for which valid written claims that have been submitted to the department as of June 17, 1998, and for estimated claims in fiscal year 1998–99, as determined by the department as of June 17, 1998. Funds, which are made available in this act, shall be allocated on a pro rata basis to projects in the counties of: Contra Costa, Fresno, Kern, Los Angeles, Marin, Napa, Orange, Riverside, San Bernardino, San Diego, Santa Clara, Sonoma, and Ventura.

3860-101-0176—For local assistance, Department of Water Resources, payable from the Delta Flood Protection Fund 5,040,000

Schedule:

(a) 30.20-Flood Control Subventions... 5,040,000

3860-101-0409—For local assistance, Department of Water Resources, payable from the Delta Levee Rehabilitation Subaccount 4,086,000

3860-101-0446—For local assistance, Department of Water Resources, payable from the Water Conservation and Groundwater Recharge Subaccount 7,250,000

3860-101-0543—For local assistance, Department of Water Resources, payable from the Local Projects Subaccount 10,000,000

Item	Amount
3860-101-0544—For local assistance, Department of Water Resources, payable from the Sacramento Valley Water Management and Habitat Protection Subaccount	2,845,000
3860-101-0740—For local assistance, Department of Water Resources, Program 10.29—Conservation Loans, payable from the 1984 State Clean Water Bond Fund	20,000
3860-101-0744—For local assistance, Department of Water Resources, Program 10.29—Conservation Loans, payable from the 1986 Water Conservation and Water Quality Bond Fund	10,000,000
3860-101-0790—For local assistance, Department of Water Resources, Program 10.29—Conservation Loans, payable from the Water Conservation Bond Fund of 1988	5,000,000
3860-102-0001—For local assistance, Department of Water Resources	*17,786,000*
Schedule:	
(a) Delano-Earlimart Irrigation District Gauging Station	*15,000*
(b) Dredging Projects	*15,700,000*
(c) Middle Creek Marsh Restoration Project Feasibility Study	*371,000*
(d) Salton Sea	*1,500,000*
(e) Caliente Creek Warning System	*170,000*
(f) Mendota Drinking Water Wells	*30,000*
Provisions:	
1. Funds appropriated in Schedule (b) are available on a one-time basis for the following projects: Crescent City Harbor, $135,000; Humboldt Harbor and Bay, $1,612,000; Los Angeles Harbor, $7,016,000; Oakland Harbor, $2,401,000; Port of Long Beach, $1,612,000; Richmond Harbor, $2,318,000; San Francisco Bay to Stockton, $67,000; Santa Monica Breakwater, $404,000; and Silver Strand Shoreline/Imperial Beach, $135,000.	
2. Funds appropriated in Schedule (e) are for a local assistance grant to the City of Lemont for the Caliente Creek Warning System.	
3. Funds appropriated in Schedule (f) are for a local assistance grant to the City of Mendota for the drilling of test wells related to the preparation of an environmental impact report.	

Item		Amount
3860-301-0001—For capital outlay, Department of Water Resources		~~24,710,000~~ *27,460,000*
Schedule:		
(1) 30.95.010-Sacramento Riverbank Protection Project	2,500,000	
(1.1) 30.95.111-1997 Flood Damage Repair Projects	7,100,000	
(2) 30.95.115-American River Flood Control Project Phase 1: Common Elements	10,900,000	
(2.1) 30.95.150-West Sacramento Levee Reconstruction Project	2,400,000	
(3) 30.95.205-Sutter County Bridge Replacement	370,000	
(4) 30.95.210-Tisdale Bridge Replacement	1,800,000	
(6) 30.95.230-San Joaquin River Watershed Management Study	1,500,000	
(7) 30.95.235-Sacramento River Watershed Management Study	1,400,000	
(8) 30.95.250-Yuba River-Preconstruction Engineering and Design Work	300,000	
(9) 30.95.255-Eastside Bypass, Lower San Joaquin River	2,000,000	
(9.1) 30.95.280-Terminus Dam, Lake Kaweah Project	*2,500,000*	
(9.3) 30.95.285-Colusa Basin Drainage District, Flood Control Project	*1,000,000*	
(9.9) Reimbursements	~~−2,200,000~~ *−2,950,000*	
(10) Reimbursements-American River Flood Control Project Phase 1: Common Elements	−3,270,000	
(12) Reimbursements-Yuba River-Preconstruction Engineering and Design Work	−90,000	

Provisions:

1. The funds appropriated by this item may be expended for the acquisition of land, easements, and rights-of-way, including, but not limited to, borrow pits, spoil areas, and easements for levees, clearing, flood control works, and flowage, and for appraisals, surveys, and engineering studies necessary for the completion or operation of the projects in the Sacramento and San Joaquin watersheds as authorized by Section 8617.1 and

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Chapters 1 (commencing with Section 12570), 2 (commencing with Section 12639), 3 (commencing with Section 12800), 3.5 (commencing with Section 12840), and 4 (commencing with Section 12850) of Part 6 of Division 6 of the Water Code.

2. The amounts appropriated in this item are also for advances to the federal government or payments to the federal government or others for incidental construction or reconstruction items that are an obligation of the state in connection with the completion or operation of the projects and for materials and necessary construction, reconstruction, relocation, or alterations to highways, railroads, bridges, powerlines, communication lines, pipelines, irrigation works, and other structures and facilities and for appraisals, surveys, and engineering studies incidental thereto.

3. The funds appropriated in this item include funding for preliminary plans, working drawings, construction supervision, contract administration, and other work activities to be performed by Department of Water Resources personnel in completion of the projects.

4. Notwithstanding Section 26.00 of this act, funds may be transferred, with the approval of the Department of Finance, between projects specified in this item and other Department of Water Resources major capital outlay projects with an active appropriation. The Director of Finance shall notify, in writing, the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, within 30 days, or such lesser time as the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may determine, prior to any transfer.

3860-301-0413—For capital outlay, Department of Water Resources, payable from the South Delta Barriers Subaccount..... 1,650,000

Schedule:

(1) 10.95.015 South Delta Barriers Program..... 1,650,000

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CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY

3900-001-0001—For support of State Air Resources Board, for payment to Item 3900-001-0044 ..... ~~23,137,000~~ *48,137,000*

Provisions:

1. Of the funds appropriated by this item, the amount of $25,000,000 shall be available for expenditure for the purposes specified in Assembly Bill 1368 and Senate Bill 1857, of the 1997–98 Regular Session.

3900-001-0044—For support of State Air Resources Board, payable from the Motor Vehicle Account, State Transportation Fund 50,934,000

Schedule:

(a) 15-Mobile Source ..... ~~69,626,000~~ *95,126,000*

(b) 25-Stationary Source 43,494,000

(c) 30.01-Program Direction and Support 9,503,000

(d) 30.02-Distributed Program Direction and Support ..... −9,503,000

(e) Reimbursements ..... −4,920,000

(f) Amount payable from the General Fund (Item 3900-001-0001)..... ~~−23,137,000~~ *−48,137,000*

(g) Amount payable from the Air Pollution Control Fund (Item 3900-001-0115) ..... −9,474,000

(h) Amount payable from the Vehicle Inspection and Repair Fund (Item 3900-001-0421) ..... ~~−9,020,000~~ *−9,520,000*

(i) Amount payable from the Air Toxics Inventory and Assessment Account, General Fund (Item 3900-001-0434) ..... −1,478,000

(j) Amount payable from the Rice Straw Demonstration Project Fund (Item 3900-001-0489) ..... −2,500,000

(k) Amount payable from the High Polluter Repair or Removal Account (Item 3900-001-0582) ..... −780,000

(*l*) Amount payable from the Federal Trust Fund (Item 3900-001-0890). −10,877,000

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Provisions:

1. Of the amount appropriated in this item, $1,000,000 shall be used to contract with, and may be advanced to, the San Joaquin Valleywide Air Pollution Study Agency for the California Regional Particulate Matter Air Quality Study.

3900-001-0115—For support of State Air Resources Board, for payment to Item 3900-001-0044, payable from the Air Pollution Control Fund 9,474,000

3900-001-0421—For support of State Air Resources Board, for payment to Item 3900-001-0044, payable from the Vehicle Inspection and Repair Fund ..... ~~9,020,000~~ *9,520,000*

3900-001-0434—For support of State Air Resources Board, for payment to Item 3900-001-0044, payable from the Air Toxics Inventory and Assessment Account, General Fund 1,478,000

3900-001-0489—For support of State Air Resources Board, for payment to Item 3900-001-0044, payable from the Rice Straw Demonstration Project Fund ... 2,500,000

3900-001-0582—For support of State Air Resources Board, for payment to Item 3900-001-0044, payable from the High Polluter Repair or Removal Account 780,000

3900-001-0890—For support of State Air Resources Board, for payment to Item 3900-001-0044, payable from the Federal Trust Fund 10,877,000

3900-011-0001—For transfer by the State Controller to the Rice Straw Demonstration Project Fund 2,300,000

~~3900-101-0001—For local assistance, State Air Resources Board, for assistance to counties in the operation of local air pollution control districts ..... 8,011,000~~

~~Schedule:~~

~~(a) 35-Subvention ..... 8,011,000~~

3900-101-0044—For local assistance, State Air Resources Board, for assistance to counties in the operation of local air pollution control districts, payable from the Motor Vehicle Account, State Transportation Fund 7,511,000

Schedule:

(a) 35-Subvention 7,511,000

3910-001-0100—For support of California Integrated Waste Management Board, for payment to Item 3910-001-0387, payable from the California Used Oil Recycling Fund 3,853,000

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Provisions:

1. Notwithstanding subdivision (c) of Section 48653 of the Public Resources Code, the aggregate of appropriations from the California Used Oil Recycling Fund may exceed $3,000,000 during the 1998–99 fiscal year.

3910-001-0226—For support of California Integrated Waste Management Board, for payment to Item 3910-001-0387, payable from the California Tire Recycling Management Fund 4,372,000

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. Notwithstanding Section 42889 of the Public Resources Code, expenditures for administration of the Tire Recycling Program may exceed the limits set forth in subdivisions (a) and (b) of Section 42889 of the Public Resources Code.

3910-001-0281—For support of California Integrated Waste Management Board, for payment to Item 3910-001-0387, payable from the Recycling Market Development Revolving Loan Account 4,936,000

Provisions:

1. Notwithstanding Section 42010 of the Public Resources Code, $4,000,000 of the funds appropriated in this item shall be available for expenditure, until June 30, 2001, for market development activities undertaken pursuant to Chapter 672 of the Statutes of 1997, including the development of recycled content product specifications, the promotion of procurement of recycled content products, the creation of regional cooperative efforts for market development, and the enhancement of recycled market development zone administration.

3910-001-0386—For support of California Integrated Waste Management Board, for payment to Item 3910-001-0387, payable from the Solid Waste Disposal Site Cleanup Trust Fund 411,000

Provisions:

1. Notwithstanding Section 48020 of the Public Resources Code, expenditures for administration of the Solid Waste Cleanup Trust Fund Program may

Item		Amount
exceed the limits set forth in paragraph (2) of subdivision (c) of Section 48020 of the Public Resources Code.		
3910-001-0387—For support of California Integrated Waste Management Board, payable from the Integrated Waste Management Account, Integrated Waste Management Fund		28,342,000
Schedule:		
(a) 10-Planning and Enforcement	18,523,000	
(b) 15-Disposal Site Cleanup and Maintenance	411,000	
(c) 20-Waste Reduction and Resource Recovery	34,270,000	
(d) 25-Tire Recycling	4,372,000	
(e) 30.01-Administration	8,124,000	
(f) 30.02-Distributed Administration	−8,124,000	
(g) Reimbursements	−480,000	
(h) Amount payable from California Used Oil Recycling Fund (Item 3910-001-0100)	−3,853,000	
(i) Amount payable from California Used Oil Recycling Fund (paragraph (4) of subdivision (a) of Section 48653 of the Public Resources Code)	−3,000,000	
(j) Amount payable from California Used Oil Recycling Fund (paragraph (1) of subdivision (a) of Section 48653 of the Public Resources Code)	−2,500,000	
(k) Amount payable from California Tire Recycling Management Fund (Item 3910-001-0226)	−4,372,000	
(*l*) Amount payable from Recycling Market Development Revolving Loan Account (Item 3910-001-0281)	−4,936,000	
(m) Amount payable from Recycling Market Development Revolving Loan Account (Section 42010 of the Public Resources Code)	−8,574,000	
(n) Amount payable from Solid Waste Disposal Site Cleanup Trust Fund (Item 3910-001-0386)	−411,000	

Item	Amount
(o) Amount payable from the Farm and Ranch Solid Waste Cleanup and Abatement Account (Item 3910-001-0558)	−555,000
(p) Amount payable from Federal Trust Fund (Item 3910-001-0890).....	−553,000
Provisions:	
1. Notwithstanding Section 42010 of the Public Resources Code, the California Integrated Waste Management Board may offset the costs of administering the revolving loan program for Recycling Market Development Zones with funds appropriated by this item.	
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.	
3910-001-0558—For support of California Integrated Waste Management Board, for payment to Item 3910-001-0387, payable from the Farm and Ranch Solid Waste Cleanup and Abatement Account	555,000
Provisions:	
1. Notwithstanding Section 48100 of the Public Resources Code, expenditures for administration of the Farm and Ranch Solid Waste Cleanup and Abatement Grant Program may exceed the limits set forth in paragraph (3)(A) of subdivision (c) of Section 48100 of the Public Resources Code.	
3910-001-0890—For support of California Integrated Waste Management Board, for payment to Item 3910-001-0387, payable from the Federal Trust Fund	553,000
3910-003-0100—For transfer by the State Controller to the Farm and Ranch Solid Waste Cleanup and Abatement Account pursuant to paragraph (2)(A) of subdivision (c) of Section 48100 of the Public Resources Code, payable from the California Used Oil Recycling Fund	(250,000)
3910-003-0226—For transfer by the State Controller to the Farm and Ranch Solid Waste Cleanup and Abatement Account pursuant to paragraph (2)(A) of subdivision (c) of Section 48100 of the Public Resources Code, payable from the California Tire Recycling Management Fund	(250,000)

Item	Amount
3910-003-0387—For transfer by the State Controller to the Recycling Market Development Revolving Loan Account as a loan pursuant to subdivision (e) of Section 42010 of the Public Resources Code, payable from the Integrated Waste Management Account	(5,000,000)
3910-004-0387—For transfer by the State Controller to the Solid Waste Disposal Site Cleanup Trust Fund pursuant to paragraph (1) of subdivision (b) of Section 48027 of the Public Resources Code, payable from the Integrated Waste Management Account	(5,000,000)
3910-005-0387—For transfer by the State Controller to the Farm and Ranch Solid Waste Cleanup and Abatement Account pursuant to paragraph (2)(A) of subdivision (c) of Section 48100 of the Public Resources Code, payable from the Integrated Waste Management Account	(55,000)
3910-101-0226—For local assistance, California Integrated Waste Management Board, payable from the California Tire Recycling Management Fund.....	500,000
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.	
3910-101-0387—For local assistance, California Integrated Waste Management Board, payable from the Integrated Waste Management Account, Integrated Waste Management Fund.....	4,500,000
3910-101-0890—For local assistance, California Integrated Waste Management Board, payable from the Federal Trust Fund	1,500,000
3930-001-0001—For support of Department of Pesticide Regulation.....	~~10,931,000~~ *12,449,000*
Schedule:	
(a) 12-Registration and Health Evaluation.....	~~12,218,000~~ *12,987,000*
(b) 17-Enforcement, Environmental Monitoring and Data Management.....	~~25,649,000~~ *26,398,000*
(c) 20.10-Executive and Administrative Services.....	~~4,685,000~~ *4,980,000*

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(d) 20.20-Distributed Executive and Administrative Services..... ~~−4,685,000~~ *−4,980,000*

(e) Reimbursements ..... −564,000

(f) Amount payable from the Department of Pesticide Regulation Fund (Item 3930-001-0106)..... −21,636,000

(g) Amount payable from the California Environmental License Plate Fund (Item 3930-001-0140)..... −487,000

(h) Amount payable from the Food Safety Account (Item 3930-001-0224)..... −1,996,000

(i) Amount payable from the Federal Trust Fund (Item 3930-001-0890)..... −2,253,000

~~Provisions:~~

~~1. Of the amount appropriated in this item, $2,000,000 shall be used to contract with the University of California to establish pilot demonstration projects to provide extension service, training, and financial incentives to participating farmers who desire to reduce their use of chemical fertilizers and/or pesticides. The Department of Pesticide Regulation's costs of administering the contract(s) shall not exceed $40,000.~~

1. Of the amount appropriated by this item, $1,000,000 shall be allocated by the Department of Pesticide Regulation to the University of California, Sustainable Agriculture Research and Education Program for Biologically Integrated Farming Systems demonstration projects.

2. Of the amount appropriated by this item, $1,000,000 shall be allocated by the Department of Pesticide Regulation to the University of California, Sustainable Agriculture Research and Education Program for research, outreach, and demonstration projects related to alternatives to methyl bromide.

3930-001-0106—For support of Department of Pesticide Regulation, for payment to Item 3930-001-0001, payable from the Department of Pesticide Regulation Fund 21,636,000

Provisions:

1. The amount appropriated in this item includes revenues derived from the assessment of fines and

Item	Amount
penalties imposed as specified in Section 13332.18 of the Government Code.	
3930-001-0140—For support of Department of Pesticide Regulation, for payment to Item 3930-001-0001, payable from the California Environmental License Plate Fund	487,000
3930-001-0224—For support of Department of Pesticide Regulation, for payment to Item 3930-001-0001, payable from the Food Safety Account	1,996,000
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.	
3930-001-0890—For support of Department of Pesticide Regulation, for payment to Item 3930-001-0001, payable from the Federal Trust Fund	2,253,000
3930-003-0106—For transfer by the State Controller to the Food Safety Account pursuant to Section 12846.5 of the Food and Agricultural Code, payable from the Department of Pesticide Regulation Fund	(1,623,000)
3930-101-0001—For local assistance, Department of Pesticide Regulation	2,449,000
Schedule:	
(a) 17-Enforcement, Environmental Monitoring and Data Management 12,185,000	
(b) Amount payable from the Department of Pesticide Regulation Fund (Item 3930-101-0106) ..... −466,000	
(c) Amount payable from the Department of Pesticide Regulation Fund (Section 12844 of the Food and Agricultural Code) ..... −9,270,000	
3930-101-0106—For local assistance, Department of Pesticide Regulation, for payment to Item 3930-101-0001, payable from the Department of Pesticide Regulation Fund	466,000
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.	

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3930-490—Reappropriation, Department of Pesticide Regulation. Notwithstanding any other provision of law, $430,000 of the unencumbered balance of the funds appropriated by Item 3930-001-0001 of the Budget Act of 1997 is hereby appropriated for the purposes set forth in Provision 1 of that item, and shall be available for expenditure until June 30, 1999.

3940-001-0001—For support of State Water Resources Control Board..... ~~49,842,000~~ *46,014,000*

Schedule:

(a) 10-Water Quality .....~~291,521,000~~ *287,421,000*

(b) 20-Water Rights 9,639,000

(c) 30.01-Administration 13,443,000

(d) 30.02-Distributed Administration ...−13,443,000

(e) Reimbursements ..... ~~−8,080,000~~ *−7,808,000*

(f) Amount payable from the Leaking Underground Storage Tank Cost Recovery Fund (Item 3940-001-0025)..... −5,530,000

(g) Amount payable from the Unified Program Account (Item 3940-001-0028)..... −599,000

(h) Amount payable from the Waste Discharge Permit Fund (Item 3940-001-0193) .....−15,659,000

(i) Amount payable from the Environmental Protection Trust Fund (Item 3940-001-0225) ..... −1,600,000

(j) Amount payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund (Item 3940-001-0235) ..... −1,655,000

~~(k) Amount payable from the Natural Resources Infrastructure Fund (Item 3940-001-0383) .....~~ ~~0~~

(*l*) Amount payable from the Integrated Waste Management Account, Integrated Waste Management Fund (Item 3940-001-0387) ..... −4,937,000

(m) Amount payable from the State Revolving Fund Loan Subaccount (Item 3940-001-0417) ..... −442,000

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(n) Amount payable from the Small Communities Grant Subaccount (Item 3940-001-0418)	−434,000
(o) Amount payable from the Water Recycling Subaccount (Item 3940-001-0419)	−140,000
(p) Amount payable from the Drainage Management Subaccount (Item 3940-001-0422)	−66,000
(q) Amount payable from the Delta Tributary Watershed Subaccount (Item 3940-001-0423)	−224,000
(r) Amount payable from the Seawater Intrusion Control Subaccount (Item 3940-001-0424)	−34,000
(s) Amount payable from the Underground Storage Tank Tester Account (Item 3940-001-0436)	−51,000
(t) Amount payable from the Underground Storage Tank Cleanup Fund (Item 3940-001-0439)	−185,823,000
(u) Amount payable from the Underground Storage Tank Fund (Item 3940-001-0475)	−435,000
(v) Amount payable from the 1984 State Clean Water Bond Fund (Item 3940-001-0740)	−1,001,000
(w) Amount payable from the 1988 Clean Water and Water Reclamation Fund (Item 3940-001-0764)	−148,000
(x) Amount payable from the Federal Trust Fund (Item 3940-001-0890)	−23,855,000
(y) Amount payable from the Special Deposit Fund (Item 3940-001-0942)	−605,000

Provisions:

1. Notwithstanding any other provision of law, upon approval and order of the Director of Finance, the State Water Resources Control Board may borrow sufficient funds, from special funds that otherwise provide support for the board, for cash purposes. Any such loans are to be repaid with interest at the rate earned in the Pooled Money Investment Account.

2. *Of the amount appropriated by this item, $272,000 shall be used to review applications for*

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a hydroelectric project license for compliance with the federal Clean Water Act. Any fees received from applicants shall be used to reduce expenditures from the General Fund.

3. Of the amount appropriated by this item, (a) $1,000,000 shall be used to develop, implement, and enforce a coastal nonpoint source pollution control program enacted by Senate Bill 1453 of the 1997–98 Regular Session, (b) $250,000 shall be used for the Resource Conservation District of Greater San Diego County to implement nonpoint source pollution education in San Diego County, (c) $1,000,000 shall be used by the San Francisco Regional Water Quality Control Board for a nonpoint source pollution prevention grant program, of which $200,000 is to be used to provide fish and shellfish monitoring and public notification as required in Assembly Bill 2231 of the 1997–98 Regular Session, (d) $500,000 shall be used by the San Diego Regional Water Quality Control Board for a nonpoint source pollution prevention grant program, (e) $500,000 shall be used by the Los Angeles Regional Water Quality Control Board for a nonpoint source pollution prevention grant program, and (f) $2,500,000 shall be used to fund the City of San Diego Recycled Water for Industry Project to demonstrate that recycled wastewater can be repurified sufficiently to be suitable for various industrial purposes.

3940-001-0025—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Leaking Underground Storage Tank Cost Recovery Fund..... 5,530,000

3940-001-0028—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Unified Program Account..... 599,000

Provisions:

1. It is intended that the total funding provided by this item and Item 3940-001-0475 be maintained in 1998–99 for the state underground storage tank regulatory activities. In the event that revenues for the Unified Program Account are insufficient to support the appropriation in this item because of delays in shifting programmatic responsibilities to certified unified program agencies, this item may be reduced and a corresponding increase may be

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made to Item 3940-001-0475, upon approval of the Department of Finance.	
Any funding adjustments to this item or to Item 3940-001-0475 which would result in a total expenditure authorization exceeding the cumulative appropriation amount of these two items remain subject to the provisions of Section 27.00.	
3940-001-0193—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Waste Discharge Permit Fund.....	15,659,000
3940-001-0225—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Environmental Protection Trust Fund	1,600,000
3940-001-0235—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Public Resources Account, Cigarette and Tobacco Products Surtax Fund.....	1,655,000
3940-001-0387—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Integrated Waste Management Account, Integrated Waste Management Fund.....	4,937,000
3940-001-0417—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the State Revolving Fund Loan Subaccount.....	442,000
3940-001-0418—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Small Communities Grant Subaccount.....	434,000
3940-001-0419—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Water Recycling Subaccount	140,000
3940-001-0422—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Drainage Management Subaccount.....	66,000
3940-001-0423—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Delta Tributary Watershed Subaccount.....	224,000
3940-001-0424—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Seawater Intrusion Control Subaccount.....	34,000

Item	Amount
3940-001-0436—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Underground Storage Tank Tester Account	51,000
3940-001-0439—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Underground Storage Tank Cleanup Fund	185,823,000
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.	
3940-001-0475—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Underground Storage Tank Fund	435,000
Provisions:	
1. Pursuant to subdivision (b) of Section 25287 of the Health and Safety Code, the surcharge to be included in the fee paid to a local agency by each person who submits an application for a permit to operate an underground storage tank shall be $56 per tank, during the 1998–99 fiscal year. This surcharge shall be transmitted to the State Water Resources Control Board and deposited in the Underground Storage Tank Fund.	
3940-001-0740—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the 1984 State Clean Water Bond Fund	1,001,000
3940-001-0764—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the 1988 Clean Water and Water Reclamation Fund	148,000
3940-001-0890—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Federal Trust Fund	23,855,000
3940-001-0942—For support of State Water Resources Control Board, for payment to Item 3940-001-0001, payable from the Special Deposit Fund	605,000
3940-011-0740—For transfer by the State Controller from the 1984 State Clean Water Bond Fund to the State Water Pollution Control Revolving Fund	1,213,000
3940-101-0001—For local assistance, State Water Resources Control Board	*4,525,000*

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Schedule:

(a) City of Mendota Wastewater Treatment Plant Upgrades 2,500,000

(b) Lake County Sanitation District, Phase II of the Regional Wastewater Recycling Program: Clearlake Basin 2000 Project..... 2,000,000

(c) Compton Municipal Water District: Chlorination Facility Upgrades.... 25,000

3940-101-0744—For local assistance, State Water Resources Control Board, payable from the 1986 Water Conservation and Water Quality Bond Fund..... 13,000,000

3940-102-0422—For local assistance, State Water Resources Control Board, payable from the Drainage Management Subaccount 2,500,000

3940-490—Reappropriation, State Water Resources Control Board. Notwithstanding any other provision of law *and without regard to whether the Yucaipa Valley Water District exhausts all administrative remedies* , $280,000 of the amount appropriated in Item 3940-001-0383 of Section 2.00 of the Budget Act of 1997 (Ch. 282, Stats. 1997) is hereby reappropriated for the purpose specified in Section 36 of Chapter 928 of the Statutes of 1997, to the State Water Resources Control Board to reimburse the Yucaipa Valley Water District for disputed audit repayments. The board shall transfer $280,000 to the Yucaipa Valley Water District, pursuant to Section 36 of Chapter 928 of the Statutes of 1997 *, on the operative date of this section* .

3960-001-0001—For support of Department of Toxic Substances Control, for payment to Item 3960-001-0014..... 17,474,000

Provisions:

1. The Director of the Department of Toxic Substances Control may expend $11,072,000 from this item for the following activities at the Stringfellow Federal Superfund site: (1) operation and maintenance of pretreatment plants to treat contaminated groundwater extracted from the site, (2) site maintenance and groundwater monitoring, and (3) implementation of work to stabilize the site.

3960-001-0013—For support of Department of Toxic Substances Control, for payment to Item 3960-001-0014, payable from the Federal Receipts Account, Hazardous Waste Control Account 1,074,000

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Provisions:

1. Upon request of the Department of Toxic Substances Control, and approval of the Department of Finance, the Controller shall augment this item in an amount not to exceed the proceeds of federal hazardous waste control fees deposited in the Federal Receipts Account in the 1998–99 fiscal year, pursuant to Section 25174.8 of the Health and Safety Code.

3960-001-0014—For support of Department of Toxic Substances Control, payable from the Hazardous Waste Control Account ..... ~~25,211,000~~ *25,319,000*

Schedule:

(a) 12-Site Mitigation ..... ~~71,084,000~~ *70,630,000*

(b) 13-Hazardous Waste Management.. ~~36,675,000~~ *36,725,000*

(c) 15-Statewide Support..... 3,731,000

(d) 19.01-Administration..... 24,071,000

(e) 19.02-Distributed Administration ...−24,071,000

(f) 20-Science, Pollution Prevention and Technology..... ~~9,902,000~~ *9,914,000*

(g) Reimbursements.....−10,864,000

(h) Amount payable from General Fund (Item 3960-001-0001) .....−17,474,000

(i) Amount payable from Federal Receipts Account, HWCA (Item 3960-001-0013) ..... −1,074,000

(j) Amount payable from Illegal Drug Lab Cleanup Account (Item 3960-001-0065).....~~−10,927,000~~ *−10,427,000*

(k) Amount payable from California Used Oil Recycling Fund (Item 3960-001-0100) ..... −224,000

(*l*) Amount payable from Toxic Substances Control Account (Item 3960-001-0557) .....−28,252,000

(m) Amount payable from Federal Trust Fund (Item 3960-001-0890).....−27,366,000

Provisions:

1. This item appropriates $617,000 less than the amount requested by the Department of Toxic Substances Control in the Governor's Budget. The

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amount of the reduction equals the sum of the amount, as reported by the Department of Toxic Substances Control pursuant to paragraph (8) of subdivision (d) of Section 25174 of the Health and Safety Code, budgeted by the department for the 1998–99 fiscal year to fund the initiative known as the Regulatory Structure Update described on page EP32 of the Governor's Budget, 1998–99. The reduction of this item by this total amount is a formal action of the Legislature within the meaning of Section 13332.15 of the Government Code. The Legislature declares its intent to (a) deny funding for the initiative known as the Regulatory Structure Update and (b) prohibit the use of any other appropriation to fund the initiative known as the Regulatory Structure Update.

2. In addition to the funds otherwise appropriated by this item, the sum of $1,000,000 is hereby appropriated from the Hazardous Waste Control Account for a new hazardous waste manifest tracking system within the Department of Toxic Substances Control. The department shall follow an alternative procurement process in which it states its business requirements and accepts proposals from the vendor community for a new hazardous waste manifest tracking system. The business requirements for the system design shall include, but not be limited to, collection of all data fields contained on the Uniform Hazardous Waste Manifest form. Up to $100,000 may be expended to contract with an independent vendor to assist the department in developing its procurement documents and choosing a solution contained in the bids received. After choosing a proposal, the department must submit a Feasibility Study Report to the Department of Information Technology and the Department of Finance for review and approval. Funds may be expended to implement a manifest tracking system no sooner than 30 days after the department provides the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the legislative fiscal committees of each house with (a) the chosen design and (b) written approval by the Department of Information Technology and the Department of Finance.

Item	Amount
3960-001-0018—For support of Department of Toxic Substances Control, payable from the Site Remediation Account	6,750,000
Schedule:	
(a) ~~12.10.030.101—Frontier~~ *12.10.030.190—Frontier* Fertilizer: Soil and Groundwater	300,000
(b) ~~12.10.030.110—McCormick~~ *12.10.030.195—McCormick* and Baxter	1,500,000
(c) ~~12.10.030.036—Modesto~~ *12.10.030.200—Modesto* Groundwater	25,000
(d) ~~12.10.030.175—San~~ *12.10.030.205—San* Gabriel-Richwood	40,000
(e) ~~12.10.030.116—Selma~~ *12.10.030.210—Selma* Pressure Treating: Groundwater	25,000
(f) ~~12.10.030.117—Selma~~ *12.10.030.215—Selma* Pressure Treating: Soil	500,000
(g) ~~12.10.030.081—DC~~ *12.10.030.220—DC* Metals	825,000
(h) ~~12.10.030.082—Hard~~ *12.10.030.225—Hard* Chrome Products	550,000
(i) ~~12.10.030.076—Gardena~~ *12.10.030.230—Gardena* Valley 1 & 2	2,000,000
(j) ~~12.10.030.181—Aero~~ *12.10.030.235—Aero* Quality Plating	250,000
(k) ~~12.10.030.182—Precision~~ *12.10.030.240—Precision* Media	260,000
(*l*) ~~12.10.030.186—Lava Corp~~ *12.10.030.245—Lava Cap* Mine	475,000

Provisions:

1. Notwithstanding any other provisions of this act, the Director of the Department of Toxic Substances Control may transfer amounts to or from projects scheduled in this item, reduce projects, schedule additional projects, or remove scheduled projects as long as the total amount expended under the item does not exceed the amount appropriated by the item, including any augmentation authorized under Provision 3.

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2. The Director of the Department of Toxic Substances Control shall report, in writing, not later than 30 days after the end of the fiscal year to the Chairperson of the Joint Legislative Budget Committee, the chairperson of the legislative fiscal committees that act on the department's budget, the chairperson of the Environmental Safety and Toxic Materials policy committee of the Assembly and the chairperson of the Environmental Quality policy committee of the Senate any actions taken under Provision 1.
3. Upon request of the Director of the Department of Toxic Substances Control, and approval of the Department of Finance, the Controller shall augment this item in an amount which does not exceed the amount transferred to the Site Remediation Account pursuant to Item 3960-012-0557.
4. 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.

3960-001-0065—For support of Department of Toxic Substances Control, for payment to Item 3960-001-0014, payable from the Illegal Drug Lab Cleanup Account ..... ~~10,927,000~~ *10,427,000*

3960-001-0100—For support of Department of Toxic Substances Control, for payment to Item 3960-001-0014, payable from the California Used Oil Recycling Fund..... 224,000

3960-001-0456—For support of Department of Toxic Substances Control, payable from the Expedited Site Remediation Trust Fund..... 1,260,000

Provisions:

1. Notwithstanding any other provisions of law, upon request of the Department of Toxic Substances Control, the Department of Finance may augment the amount available for expenditure in this item to pay costs associated with orphan shares at sites selected for the Expedited Site Remediation Pilot Program from any uncommitted funds in the Expedited Site Remediation Trust Fund not sooner than 30 days after 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 subcommit-

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tees in each house that consider the budget, and the Chairperson of the Joint Legislative Budget Committee.

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.

3960-001-0557—For support of Department of Toxic Substances Control, payable from the Toxic Substances Control Account 28,252,000

Provisions:

1. Of the funds appropriated by this item, $750,000 shall be used for the purposes of emergency response activity pursuant to Section 25354 of the Health and Safety Code, in lieu of any appropriation made pursuant to that section.

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.

3. The first $540,000 in fines and penalties deposited in the Toxic Substances Control Account in the 1998–99 fiscal year pursuant to Article 8 (commencing with Section 25180) of Chapter 6.5 of Division 20 of the Health and Safety Code, exclusive of fines and penalties transferred to the Hazardous Substance Account pursuant to Section 25192 of the Health and Safety Code for expenditure in accordance with Section 25385.9 of the Health and Safety Code, shall be transferred to the Expedited Site Remediation Trust Fund, and any amount in excess of $540,000 shall be transferred to either the Site Remediation Account or the Expedited Site Remediation Trust Fund for expenditure for hazardous substance release site projects, including National Priority List sites, state orphan sites, and orphan share sites selected for the Expedited Site Remediation Pilot Program. The department shall assign priority to these projects on the basis of economic benefit and relative threat to the public health and the environment. Any contract funds to be expended for National Priority List sites or state orphan sites shall be transferred to the Site Remediation Account. Any funds to be expended on orphan shares for sites selected for the Expedited Site Remedia-

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tion Pilot Program shall be transferred to the Expedited Site Remediation Trust Fund.	
4. Notwithstanding paragraph (a)(5) of Section 25173.7 of the Health and Safety Code, the Director of the Department of Toxic Substances Control may expend up to $550,000 from this item for the purposes of entering into an interagency agreement with the Board of Equalization for administration and collection of environmental fees and to close out the Railroad Accident Prevention and Immediate Deployment fee collection program.	
3960-001-0890—For support of Department of Toxic Substances Control, for payment to Item 3960-001-0014, payable from the Federal Trust Fund	27,366,000
3960-011-0001—For transfer by the State Controller to the Illegal Drug Lab Cleanup Account	~~10,927,000~~ *10,427,000*
3960-011-0058-For transfer by the State Controller from the Rail Accident Prevention and Response Fund to the Hazardous Spill Prevention Account, Rail Accident Prevention and Response Fund	(100,000)
3960-011-0059—For transfer by the State Controller from the Hazardous Spill Prevention Account, Rail Accident and Prevention Response Fund, to the Toxic Substances Control Account	(200,000)
Provisions:	
1. The amount specified in this item is an estimate of the funds available in the Hazardous Spill Prevention Account and does not represent a limit on the funds that may be transferred.	
3960-011-0557—For transfer by the State Controller from the Toxic Substances Control Account to the Expedited Site Remediation Trust Fund.....	(540,000)
Provisions:	
1. Notwithstanding any other provisions of law, upon request of the Department of Toxic Substances Control, and approval of the Department of Finance, the Controller shall transfer funds from the Toxic Substances Control Account to the Expedited Site Remediation Trust Fund, pursuant to Chapter 6.85 (commencing with Section 25396) of Division 20 of the Health and Safety Code. The amount of the funds transferred shall not exceed the proceeds of fines and penalties deposited in the Toxic Substances Control Account in the 1998–99 fiscal year, exclusive of the fines	

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and penalties transferred to the Site Remediation Account pursuant to Provision 3 of Item 3960-001-0557, and to the Hazardous Substance Account pursuant to Section 25192 of the Health and Safety Code for expenditure in accordance with Section 25385.9 of the Health and Safety Code. The Department of Toxic Substances Control shall assign priority to hazardous substance release site projects as described in Provision 3 of Item 3960-001-0557, and shall not cause to be transferred an amount that, when added to the funds available as of July 1, 1998, is in excess of the potential liability of the State for cleanup costs associated with orphan share sites selected for the Expedited Site Remediation Pilot Program as of March 31, 1999.

2. The amount specified in this item is an estimate of the funds available from the proceeds of fines and penalties described in Provision 1, and does not represent a limit on the funds that may be transferred.

3. 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.

3960-012-0001—For transfer by the State Controller to the Toxic Substances Control Account..... 4,800,000

Provisions:

1. The amount transferred by this item shall be expended for direct site remediation costs, as defined in Section 25337 of the Health and Safety Code, and shall be used to meet part of the requirement of paragraph (a)(1) of Section 25173.7 of the Health and Safety Code.

3960-012-0014—For transfer by the State Controller, upon request of the Director of the Department of Toxic Substances Control, from the Hazardous Waste Control Account to the Toxic Substances Control Account ..... (5,000,000)

Provisions:

1. Upon request of the Director of the Department of Toxic Substances Control, the State Controller shall transfer not more than $5,000,000 from the Hazardous Waste Control Account to the Toxic Substances Control Account.

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3960-012-0557—For transfer by the State Controller from the Toxic Substances Control Account to the Site Remediation Account ..... (6,750,000)

Provisions:

1. Notwithstanding any other provisions of law, upon request of the Director of the Department of Toxic Substances Control, and approval of the Department of Finance, the Controller shall increase the amount transferred from the Toxic Substances Control Account to the Site Remediation Account, pursuant to subdivision (h) of Section 25187 of the Health and Safety Code. Any increase in the amount transferred shall not exceed the proceeds of fines and penalties deposited in the Toxic Substances Control Account in the 1998–99 fiscal year, exclusive of the fines and penalties transferred to the Expedited Site Remediation Trust Fund pursuant to subdivision (a) of Section 25399.1 of the Health and Safety Code, and to the Hazardous Substance Account pursuant to Section 25192 of the Health and Safety Code for expenditure in accordance with Section 25385.9 of the Health and Safety Code. The Department of Toxic Substances Control shall assign priority to hazardous substance release site projects as described in Provision 3 of Item 3960-001-0557.
2. 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.

3960-101-0001—For local assistance, Department of Toxic Substances Control, Program 12, for allocation to the City of Signal Hill Police Department for asbestos removal 100,000

3980-001-0001—For support of Office of Environmental Health Hazard Assessment 6,451,000

Schedule:

(a) 10-Health Risk Assessment 11,174,000
(b) Reimbursements ..... −3,909,000
(c) Amount payable from the California Environmental License Plate Fund (Item 3980-001-0140) ..... −814,000

3980-001-0140—For support of Office of Environmental Health Hazard Assessment, for payment to Item 3980-001-0001, payable from the California Environmental License Plate Fund 814,000

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3985-001-0001—To the Secretary for Environmental Protection, Special Environmental Programs		*3,396,000*
Schedule:		
(a) 10-Permit Assistance Centers	*2,821,000*	
(b) 20-Scientific Peer Review	*1,120,000*	
(bx) 30-Circuit Prosecutor Project	*404,000*	
(c) Amount payable from the Hazardous Waste Control Account (Item 3985-001-0014)	*−298,000*	
(d) Amount payable from the Department of Pesticide Regulation Fund (Item 3985-001-0106)	*−184,000*	
(dx) Amount payable from the Recycling Market Development Revolving Loan Account (Item 3985-001-0281)	*−135,000*	
(e) Amount payable from the Integrated Waste Management Account, Integrated Waste Management Fund (Item 3985-001-0387)	*−150,000*	
(f) Amount payable from the Underground Storage Tank Cleanup Fund (Item 3985-001-0439)	*−48,000*	
(g) Amount payable from the State Water Quality Control Fund (Item 3985-001-0679)	*−134,000*	
Provisions:		
1. The funds appropriated by this item may be transferred to Item 0555-001-0001 for administration of the Permit Assistance Centers, the Scientific Peer Review, and Circuit Prosecutor Project programs.		
3985-001-0014—To the Secretary for Environmental Protection, Special Environmental Programs, for payment to Item 3985-001-0001, payable from the Hazardous Waste Control Account		*298,000*
3985-001-0106—To the Secretary for Environmental Protection, Special Environmental Programs, for payment to Item 3985-001-0001, payable from the Department of Pesticide Regulation Fund		*184,000*
3985-001-0281—To the Secretary for Environmental Protection, Special Environmental Programs, for payment to Item 3985-001-0001, payable from the Recycling Market Development Revolving Loan Account		*135,000*

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Provisions:

1. Notwithstanding any of the provisions of law, funds appropriated by this item may be used for the Circuit Prosecutor Project.

3985-001-0387—To the Secretary for Environmental Protection, Special Environmental Programs, for payment to Item 3985-001-0001, payable from the Integrated Waste Management Account, Integrated Waste Management Fund 150,000

3985-001-0439—To the Secretary for Environmental Protection, Special Environmental Programs, for payment to Item 3985-001-0001, payable from the Underground Storage Tank Cleanup Fund 48,000

3985-001-0679—To the Secretary for Environmental Protection, Special Environmental Programs, for payment to Item 3985-001-0001, payable from the State Water Quality Control Fund 134,000

HEALTH AND WELFARE

4100-001-0890—For support of the State Council on Developmental Disabilities, payable from the Federal Trust Fund..... 6,074,000

Schedule:

(a) 10-State Council Planning and Operations..... 1,254,000

(b) 20-Community Program Development..... 1,426,000

(c) 30-Allocation to Area Boards 3,394,000

Provisions:

1. In the event federal funds from the Basic State Grant to the State Council on Developmental Disabilities are available to the council in an amount exceeding the amounts appropriated in this item, the additional funds shall be used only for the following purposes, unless the funds are specifically designated by federal law for other purposes:

(a) To augment the allocation to the Program Development Fund.

(b) To fund the costs of salary and benefit increases approved by the Legislature that exceed the Budget Act appropriation.

(c) To fund the implementation of any portion of the state plan as approved by the council.

4110-001-0001—For support of Area Boards on Developmental Disabilities 0

Item		Amount
Schedule:		
(a) 10-Area Board Services	6,806,000	
(b) Reimbursements	−6,806,000	
4120-001-0001—For support of Emergency Medical Services Authority		1,236,000
Schedule:		
(a) 10-Emergency Medical Services Authority	3,028,000	
(b) Amount payable from the Emergency Medical Services Training Program Approval Fund (Item 4120-001-0194)	−14,000	
(c) Amount payable from the Emergency Medical Services Personnel Fund (Item 4120-001-0312)	−780,000	
(d) Amount payable from the Federal Trust Fund (Item 4120-001-0890)	−998,000	
4120-001-0194—For support of Emergency Medical Services Authority, for payment to Item 4120-001-0001, payable from the Emergency Medical Services Training Program Approval Fund		14,000
4120-001-0312—For support of Emergency Medical Services Authority, for payment to Item 4120-001-0001, payable from the Emergency Medical Services Personnel Fund		780,000
4120-001-0890—For support of Emergency Medical Services Authority, for payment to Item 4120-001-0001, payable from the Federal Trust Fund		998,000
4120-101-0001—For local assistance, Emergency Medical Services Authority, Program 10, grants to local agencies		4,697,000

Provisions:

1. The General Fund support for poison control centers shall augment, but not replace, local expenditures for existing poison control center services. These funds shall be used primarily to increase services to underserved counties and populations and for poison prevention and information services. The Director of the Emergency Medical Services Authority may contract with eligible poison control centers for the distribution of these funds.
2. Upon the request of the Director of the Emergency Medical Services Authority, and subject to the approval of the Department of Health Services, the California Medical Assistance Commission, and the Department of Finance, moneys ap-

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propriated in this item may be transferred to the Emergency Services and Supplemental Payments Fund for expenditure as provided in Item 4260-101-0693 for local assistance for the purposes specified in that item.

3. The Emergency Medical Services Authority shall use the following guidelines in administering state-funded grants to local agencies: (a) funding eligibility shall be limited to rural multicounty regions that demonstrate a heavy use of the emergency medical services system by nonresidents, (b) local agencies shall provide matching funds of at least $1 for each dollar of state funds received, (c) state funding shall be used to provide only essential minimum services necessary to operate the system, as defined by the authority, (d) no region shall receive both federal and state funds in the same fiscal year for the same purpose, and (e) the Emergency Medical Services Authority shall monitor the use of the funds by recipients to assure that these funds are used in an appropriate manner.

4. Each region shall be eligible to receive up to one-half of the total cost of a minimal system for that region, as defined by the Emergency Medical Services Authority. However, the authority may reallocate unclaimed funds among regions.

5. Notwithstanding Provision 3(b), each region with a population of 300,000 or less as of June 30, 1998, shall receive the full amount for which it is eligible if it provides a cash match of $0.41 per capita or more. Failure to provide local cash contributions at the specified level shall result in a proportional reduction in state funding.

6. The Emergency Medical Services Authority shall evaluate the contractual objectives for regional agencies, to focus increased funding of regional agencies on unmet needs within the region. These unmet needs shall be consistent with the Emergency Medical Services System and Guidelines (EMSA #101) developed by the Emergency Medical Services Authority.

4120-101-0890—For local assistance, Emergency Medical Services Authority, Program 10, payable from the Federal Trust Fund 2,084,000

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4130-001-0632—For support of the Health and Welfare Agency Data Center, payable from the Health and Welfare Agency Data Center Revolving Fund..... ~~239,210,000~~ *239,565,000*

Schedule:

(a) 10-Facilities Operations ..... ~~91,953,000~~ *91,780,000*

(b) 20-Administration 17,671,000

(c) 30-Systems Management Services..~~129,586,000~~ *130,114,000*

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the Health and Welfare Agency Data Center in excess of the amount appropriated not sooner than 30 days after providing notification in writing to the chairperson of the fiscal committee of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee, or no sooner than such lesser time as the chairperson of the committee, or his or her designee, may in each instance determine.
2. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated pursuant to Section 11755 of the Government Code.
3. Notwithstanding any other provision of law, the Health and Welfare Agency Data Center shall submit a Feasibility Study Report or equivalent federal planning document to the Department of Finance for review and approval prior to award of the systems implementation contract for each welfare automation consortium with the exception of the Los Angeles Eligibility Automated Determination, Evaluation, and Reporting System (LEADER) and ISAWS, for which the Health and Welfare Agency Data Center shall continue to submit Special Project Reports or the equivalent federal planning document.
4. The Health and Welfare Agency Data Center, in cooperation with the Department of Social Services, shall develop a strategic plan for the Child Welfare Services Case Management System (CWS/CMS) on or before January 1, 1999. The plan shall (a) quantify the use, growth, and refresh rates for hardware and software to meet the objectives of CSW/CMS with a cost/benefit analysis

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to justify expenditures and (b) outline a schedule for modifications and enhancements based on program priorities. The strategic plan does not relieve the data center from meeting other reporting requirements such as information technology reporting requirements, as defined in the State Administrative Manual.	
5. On or before February 1, 1999, the Health and Welfare Data Center and the State Department of Social Services, in consultation with the Department of Information Technology and County Welfare Directors, shall report to the Joint Legislative Budget Committee on how current and planned automation systems meet the business requirements of counties in determining eligibility for benefits, case management, and informational interfaces with other data bases necessary to implement the state and federally required statewide automated welfare system.	
4140-001-0001—For support of Office of Statewide Health Planning and Development	847,000
Schedule:	
(a) 10-Health Policy and Analysis 3,549,000	
(b) 30-Health Professions Development 2,726,000	
(c) 42-Facilities Development 20,218,000	
(d) 45-Cal Mortgage Loan Insurance... 3,753,000	
(e) 60-Health Facilities Data 8,543,000	
(f) 80.01-Administration 6,832,000	
(g) 80.02-Distributed Administration ... −6,532,000	
(h) Reimbursements ..... −2,885,000	
(i) Amount payable from the Hospital Building Fund (Item 4140-001-0121) ..... −18,188,000	
(j) Amount payable from the California Health Data and Planning Fund (Item 4140-001-0143) ..... −11,328,000	
(k) Amount payable from the Registered Nurse Education Fund (Item 4140-001-0181) ..... −736,000	
(*l*) Amount payable from the Health Facilities Construction Loan Insurance Fund (Section 129200, Health and Safety Code) ..... −4,163,000	

Item		Amount
(m) Amount payable from the Minority Health Professions Education Fund (Section 128355, Health and Safety Code)	−442,000	
(n) Amount payable from the Federal Trust Fund (Federal Funds)	−500,000	
4140-001-0121—For support of Office of Statewide Health Planning and Development, for payment to Item 4140-001-0001, payable from the Hospital Building Fund		18,188,000
4140-001-0143—For support of Office of Statewide Health Planning and Development, for payment to Item 4140-001-0001, payable from the California Health Data and Planning Fund		11,328,000
4140-001-0181—For support of Office of Statewide Health Planning and Development, for payment to Item 4140-001-0001, payable from the Registered Nurse Education Fund		736,000
4140-101-0001—For local assistance, Office of Statewide Health Planning and Development		~~5,235,000~~ *8,235,000*
Schedule:		
(aa) 10-Health Policy and Analysis	*3,000,000*	
(a) 30-Health Professions Development (Family Physician Training)	6,635,000	
(b) Reimbursements	−400,000	
(c) Amount payable from the Federal Trust Fund (Item 4140-101-0890)	−1,000,000	

Provisions:

1. Notwithstanding subdivision (a) of Section 2.00 of this act, or any other provision of law, the funds appropriated in this item for contracts with accredited medical schools or programs that train primary care physicians' assistants or primary care nurse practitioners, as well as contracts with hospitals or other health care delivery systems located in California, that meet the standards of the Health Manpower Policy Commission established pursuant to Article 1 (commencing with Section 128200) of Chapter 4 of Part 3 of Division 107 of the Health and Safety Code, shall continue to be available for the 1999–2000, 2000–2001, and 2001–2002 fiscal years.

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4140-101-0890—For local assistance, Office of Statewide Health Planning and Development, for payment to Item 4140-101-0001, payable from the Federal Trust Fund		1,000,000
4140-111-0236—For local assistance, Office of Statewide Health Planning and Development, Program 10, Health Policy and Analysis, payable from the Unallocated Account, Cigarette and Tobacco Products Surtax Fund		2,000,000
4170-001-0001—For support of Department of Aging		~~4,101,000~~ *3,886,000*
Schedule:		
(a) 10-Nutrition	3,105,000	
(b) 20-Senior Community Employment Service	446,000	
(c) 30-Supportive Services and Centers	2,379,000	
(d) 40-Special Projects	4,474,000	
(e) 50.01-Administration	5,808,000	
(f) 50.02-Distributed Administration	−5,808,000	
(g) Reimbursements	~~−1,769,000~~ *−1,984,000*	
(h) Amount payable from the State HICAP Fund (Item 4170-001-0289)	−144,000	
(i) Amount payable from the Federal Trust Fund (Item 4170-001-0890)	−4,390,000	
Provisions:		
1. The Department of Aging shall report to the fiscal committees of the Legislature no later than March 1, 1999, on the status of the procurement ~~and~~ *of* all new sites funded through the 1998−99 budget augmentation.		
4170-001-0289—For support of Department of Aging, for payment to Item 4170-001-0001, payable from the State HICAP Fund		144,000
4170-001-0890—For support of Department of Aging, for payment to Item 4170-001-0001, payable from the Federal Trust Fund		4,390,000
Provisions:		
1. The Department of Finance may authorize the transfer of funds between this item and Item 4170-101-0890 no sooner than 30 days after written notification to the chairpersons of the fiscal committees of each house and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee may		

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determine. The notification shall include: (1) the amount of the proposed transfer; (2) an identification of the purposes for which the funds will be used; (3) documentation that the proposed activities must be carried out in the current year and that no other funds are available for their support; and (4) the impact of any transfer on the level of services.	
4170-101-0001—For local assistance, Department of Aging	~~52,039,000~~ *50,602,000*
Schedule:	
(a) 10-Nutrition 64,506,000	
(b) 20-Senior Community Employment Service 7,016,000	
(c) 30-Supportive Services and Centers ~~34,399,000~~ *34,699,000*	
(d) 40-Special Projects 59,280,000	
(e) Reimbursements ..... ~~−18,643,000~~ *−20,380,000*	
(f) Amount payable from the State HICAP Fund (Item 4170-101-0289) ..... −854,000	
(g) Amount payable from the Federal Trust Fund (Item 4170-101-0890) ..... −93,665,000	
Provisions:	
1. Notwithstanding Section 26.00 of this act, the Department of Finance, upon notification by the California Department of Aging, may authorize transfers between Program 10—Nutrition and Program 30—Supportive Services and Centers in response to budget revisions submitted by the Area Agencies on Aging.	
2. Of the funds appropriated in Schedule (d) of this item, $2,000,000 shall be available for expenditure until June 30, 2001, for the startup costs related to Adult Day Health Care center expansion.	
3. Of the funds appropriated in Schedule (d) of this item for Linkages sites, $15,000 may be used per site for the purchase of service.	
4170-101-0289—For local assistance California Department of Aging, for payment to Item 4170-101-0001, payable from the State HICAP Fund	854,000
4170-101-0890—For local assistance, Department of Aging, for payment to Item 4170-101-0001, payable from the Federal Trust Fund	93,665,000

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Provisions:

1. Provision 1 of Item 4170-001-0890 is also applicable to this item.
2. Notwithstanding subdivision (d) of Section 28.00 of this act, the Department of Finance upon notification by the California Department of Aging may authorize augmentations in this item for budget revisions submitted by Area Agencies on Aging and approved by the Department of Aging for estimated entitlements of per-meal reimbursements from the U.S. Department of Agriculture and for funds allocated to Area Agencies on Aging for federal Title III one-time-only allocations.
3. Notwithstanding Section 26.00 of this act, the Department of Finance, upon notification by the Department of Aging, may authorize transfers between Program 10—Nutrition and Program 30—Supportive Services and Centers in response to budget revisions submitted by the Area Agencies on Aging.

4180-001-0001—For support of Commission on Aging 300,000

4180-001-0983—For support of Commission on Aging, payable from the California Fund for Senior Citizens 187,000

Provisions:

1. Funds appropriated in this item from the California Fund for Senior Citizens shall be allocated by the Commission on Aging for the purposes specified in Section 18723 of the Revenue and Taxation Code.
2. Pursuant to Section 18723 of the Revenue and Taxation Code, the unencumbered balance of this item as well as the unencumbered balance of prior year appropriations from the California Fund for Senior Citizens may be carried over and expended in any following fiscal year.

4180-002-0886—For support of Commission on Aging, payable from the California Seniors Special Fund 74,000

Provisions:

1. Pursuant to Section 18773 of the Revenue and Taxation Code, the unencumbered balance of this item as well as the unencumbered balance of prior year appropriations from the California Seniors Special Fund may be carried over and expended in any following fiscal year.

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4180-002-0890—For support of Commission on Aging, payable from the Federal Trust Fund		283,000
4200-001-0001—For support of the Department of Alcohol and Drug Programs		4,288,000
Schedule:		
(a) 15-Alcohol and Other Drug Services Program	27,435,000	
(b) 30.01-State Administration	8,264,000	
(c) 30.02-State Administration—distributed	−8,264,000	
(d) Reimbursements	−3,592,000	
(e) Amount payable from Driving-Under-the-Influence Program Licensing Trust Fund (Item 4200-001-0139)	−1,675,000	
(f) Amount payable from Narcotic Treatment Program Licensing Trust Fund (Item 4200-001-0243)	−1,041,000	
(g) Amount payable from Audit Repayment Trust Fund (Item 4200-001-0816)	−67,000	
(h) Amount payable from the Federal Trust Fund (Item 4200-001-0890)	−16,772,000	
Provisions:		
1. Upon order of the Department of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4200-101-0001.		
2. The Director of the Department of Finance may authorize the transfer of the support General Fund appropriation among the Alcohol and Other Drug Services Program and the Administration Program in response to shifts in workload among the two programs.		
4200-001-0139—For support of the Department of Alcohol and Drug Programs, for payment to Item 4200-001-0001, payable from the Driving-Under-the-Influence Program Licensing Trust Fund		1,675,000
Provisions:		
1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the Driving-Under-the-Influence Program Licensing Trust Fund in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative		

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Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

4200-001-0243—For support of the Department of Alcohol and Drug Programs, for payment to Item 4200-001-0001, payable from the Narcotic Treatment Program Licensing Trust Fund 1,041,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the Narcotic Treatment Program Licensing Trust Fund in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

4200-001-0816—For support of the Department of Alcohol and Drug Programs, for payment to Item 4200-001-0001, payable from the Audit Repayment Trust Fund 67,000

4200-001-0890—For support of the Department of Alcohol and Drug Programs, for payment to Item 4200-001-0001, payable from the Federal Trust Fund..... 16,772,000

Provisions:

1. Upon order of the Department of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4200-101-0890.

4200-101-0001—For local assistance, Department of Alcohol and Drug Programs ..... ~~66,197,000~~ *82,897,000*

Schedule:

(a) 15-Alcohol and Other Drug Services Program.....~~340,470,000~~ *342,170,000*

(b) Reimbursements.....~~−65,095,000~~ *−50,095,000*

(c) Amount payable from the Federal Trust Fund (Item 4200-101-0890)..... −209,034,000

(d) Amount payable from Resident-Run Housing Revolving Fund (Item 4200-101-0977) ..... −144,000

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Provisions:

1. Upon order of the Department of Finance, the Controller shall transfer funds as are necessary between this item and Item 4200-001-0001.
2. Upon approval of the Department of Finance, one or more short-term loans not to exceed a cumulative total of $78,824,000 may be made available from the General Fund when there is a delay in the allocation of federal Substance Abuse Prevention and Treatment (SAPT) Block Grant funds to California. The loans shall be repaid, with interest calculated pursuant to subdivision (a) of Section 16314 of the Government Code, upon receipt of the federal SAPT Block Grant.
3. The funds appropriated by this item are available to provide funding for the state's share of expenditures for substance abuse services provided to persons eligible for Medi-Cal.
4. Notwithstanding subdivision (a) of Section 2.00 and Section 26.00 of this act, the Department of Finance may authorize a transfer of expenditure authority between Items 4200-101-0001 and 4200-102-0001 such that the funds appropriated by either item may be used to pay the state and federal share of prior fiscal years allowable Medi-Cal costs that exceed the amount encumbered in prior fiscal years. The Director of Finance shall notify the Legislature within 10 days after authorizing a transfer pursuant to this provision 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.
5. Notwithstanding any other provision of law, both the federal and nonfederal shares of any money recovered for previously paid Drug Medi-Cal program 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 Drug Medi-Cal services as defined in the Welfare and Institutions Code.
6. Notwithstanding Sections 26.00, 28.00 and 28.50 of this act, the Director of Finance shall authorize the transfer of funds from this item to Item 4200-102-0001 as necessary to maintain the funding level for the perinatal substance abuse treatment

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program at a minimum level of twenty-five million dollars ($25,000,000).

7. Of the funds appropriated in this item that are carried over from prior fiscal years, $3,000,000 per year shall be allocated to counties on a competitive grant basis to develop and expand drug court-related substance abuse treatment in the 1998–99 and 1999–2000 fiscal years.

8. The reimbursements scheduled in this item, received from the Department of Social Services for the purposes of providing services pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, may not be used as a match to any other fund source as these funds have been budgeted to meet the state's Temporary Assistance for Needy Families maintenance-of-effort requirement.

~~9. The $5,000,000 appropriated by this item for drug court treatment services shall be allocated on a competitive basis. Selected counties shall have (1) a drug court program in place, (2) northern and southern California representation, and (3) rural and urban representation.~~

~~10. Of the funds appropriated by this item, $5,000,000 shall be used to fund drug or alcohol treatment services for youth, or both. Priority for $2,000,000 of this amount shall be given to those counties with the highest concentration of alcohol- and drug-related arrests, as reported by the Department of Justice.~~

~~11. Of the funds appropriated by this item, $8,000,000 in federal Temporary Assistance for Needy Families reimbursements shall be used to fund the California Perinatal Treatment Network perinatal treatment programs.~~

9. (a) Of the amount appropriated by this item, $8,000,000 shall be available for competitive grants for the Drug Court Demonstration Partnership Program only if that program is enacted by a statute that is effective on or before January 1, 1999. The Department of Alcohol and Drug Programs shall collaborate with the Administrative Office of the Courts in the design and implementation of the grant program.

(b) Of the funds identified in this provision, up to $650,000 may be transferred to Item 4200-

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001-0001 for expenditure by the Department of Alcohol and Drug Programs. Of the amount available for transfer by this subdivision, up to $150,000 is available for oversight and implementation and up to $500,000 is available to contract for evaluation of the competitive grants as provided for in subdivision (a).

10. Of the amount appropriated by this item, $5,000,000 shall be used for expansion of youth substance abuse treatment services. The Department of Alcohol and Drug Programs shall award these funds to counties on a competitive basis, giving priority to counties with a high incidence of youth substance abuse. The department shall award $3,000,000 to counties in urban areas of the state, and $2,000,000 to counties in rural areas.

11. Of the funds appropriated by this item, the amount of $3,100,000 shall be used to fund the existing California Perinatal Treatment Network perinatal treatment programs and $3,000,000 shall be allocated on a competitive basis for new perinatal treatment programs.

12. By August 1, 1998, the Department of Alcohol and Drug Programs (DADP) and the California Department of Corrections (CDC) shall convene a workgroup for the purpose of examining and developing a system for coordinating the delivery of treatment services to parolees. At a minimum, the system shall (1) ensure coordination among the CDC, the DADP and county drug and alcohol programs, and (2) address rate structures, treatment capacity, program standards, and licensing requirements. The workgroup shall submit on or before March 1, 1999, a report of its findings and recommendations to the appropriate fiscal and policy committees of the Legislature, including any recommendations for statutory change. The workgroup shall consist of representatives of county drug and alcohol administrators, treatment service providers, the DADP, the CDC, the California Youth Authority, and the Legislature.

13. The Department of Finance shall complete, on a reimbursable basis, a performance audit of the Department of Alcohol and Drug Programs' pro-

Item	Amount
cedures in allocating funds in a timely manner and of county procedures.	
4200-101-0890—For local assistance, Department of Alcohol and Drug Programs, for payment to Item 4200-101-0001, payable from the Federal Trust Fund.....	209,034,000
Provisions:	
1. Upon order of the Department of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4200-001-0890.	
2. The Department of Alcohol and Drug Programs shall require county offices of alcohol and drug programs to give funding priority, within the funds expended on youth prevention programs, to establishing, expanding, or improving programs for the target populations identified by the federal grant requirements.	
4200-101-0977—For local assistance, Department of Alcohol and Drug Programs, for payment to Item 4200-101-0001, payable from the Resident-Run Housing Revolving Fund.....	144,000
Provisions:	
1. To the extent that moneys available in the Resident-Run Housing Revolving Trust Fund are less than the amount appropriated by this item, this appropriation shall be limited to that lesser amount.	
2. Notwithstanding any other provision of law, if revenues and loan repayments to the Resident-Run Housing Revolving Trust Fund are sufficient to create additional allocation workload, the Director of Finance may authorize expenditures for the Department of Alcohol and Drug Programs in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.	
4200-102-0001—For local assistance, Department of Alcohol and Drug Programs, for perinatal substance abuse treatment programs	21,041,000
Schedule:	
(a) 15-Alcohol and Other Drug Services Program..... 24,610,000	
(b) Reimbursements..... −3,569,000	

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Provisions:

1. Upon order of the Department of Finance, the Controller shall transfer funds as are necessary between this item and Item 4200-001-0001 for support costs associated with the perinatal substance abuse treatment programs.
2. The funds appropriated by this item, exclusive of funds allocated to alcohol and drug-free living programs and transitional living programs, are available to provide funding for the state's share of expenditures for perinatal substance abuse services provided to persons eligible for Medi-Cal.
3. Provisions 4 and 5 of Item 4200-101-0001 also apply to this item.
4. Notwithstanding Sections 26.00, 28.00 and 28.50 of this act, the Director of Finance shall authorize the transfer of funds to this item from Item 4200-101-0001 as necessary to maintain the funding level for the perinatal substance abuse treatment program at a minimum level of twenty-five million dollars ($25,000,000).

4200-490—Reappropriation, Department of Alcohol and Drug Programs. Notwithstanding any other provision of law, the ~~unencumbered~~ balances of the following appropriations are reappropriated for the purposes provided for in those appropriations. Of the amounts reappropriated pursuant to this item, up to $1,400,000 shall be allocated to counties for costs incurred in connection with serving residents of other counties. The funds reappropriated by this item shall be available for encumbrance and expenditure until June 30, 1999:

0001—General Fund

(a) Item 4200-101-0001, Budget Act of 1996
(b) Item 4200-102-0001, Budget Act of 1996
(c) Item 4200-101-0001, Budget Act of 1997
(d) Item 4200-102-0001, Budget Act of 1997

4220-001-0001—For support of Child Development Policy Advisory Committee appointed pursuant to Section 8286 of the Education Code 240,000

Schedule:

(a) 10-Child Development Policy Advisory Committee 468,000
(b) Reimbursements..... −228,000

4260-001-0001—For support of Department of Health Services ..... ~~175,417,000~~ *182,437,000*

Item	Amount
Schedule:	
(1) 10-Public and Environmental Health	~~262,126,000~~ *265,689,000*
(2) 20-Health Care Services	~~394,039,000~~ *398,174,000*
(3) 30.01-Departmental Administration	~~34,180,000~~ *34,370,000*
(4) 30.02-Departmental Administration Distributed	−32,531,000
(5) Reimbursements	−18,820,000
(6) Amount payable from the Breast Cancer Research Account (Item 4260-001-0007)	−1,594,000
(7) Amount payable from the Breast Cancer Control Account (Item 4260-001-0009)	−6,971,000
(8) Amount payable from the Nuclear Planning Assessment Special Account (Item 4260-001-0029)	−563,000
(9) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 4260-001-0044)	−473,000
(10) Amount payable from the Sale of Tobacco to Minors Control Account (Item 4260-001-0066)	−2,215,000
(11) Amount payable from the Occupational Lead Poisoning Prevention Account, General Fund (Item 4260-001-0070)	−2,621,000
(12) Amount payable from the Medical Waste Management Fund (Item 4260-001-0074)	−1,138,000
(13) Amount payable from the Radiation Control Fund (Item 4260-001-0075)	−12,854,000
(14) Amount payable from the Tissue Bank License Fund (Item 4260-001-0076)	−164,000
(14.1) Amount payable from the Childhood Lead Poisoning Prevention Fund (Item 4260-001-0080)	−4,828,000
(15) Amount payable from the Export Document Program Fund (Item 4260-001-0082)	−421,000

Item		Amount
(16)	Amount payable from the Clinical Laboratory Improvement Fund (Item 4260-001-0098).....	−6,067,000
(17)	Amount payable from the Health Statistics Special Fund (Item 4260-001-0099).....	−13,644,000
(18)	Amount payable from the Wine Safety Fund (Item 4260-001-0116)	−189,000
(19)	Amount payable from the Water Device Certification Special Account (Item 4260-001-0129)	−139,000
(20)	Amount payable from the Food Safety Fund (Item 4260-001-0177)	−2,874,000
(21)	Amount payable from the Environmental Laboratory Improvement Fund (Item 4260-001-0179)	−2,407,000
(22)	Amount payable from the Genetic Disease Testing Fund (Item 4260-001-0203)	−60,158,000
(23)	Amount payable from the Low-Level Radioactive Waste Disposal Fund (Item 4260-001-0227).....	−1,859,000
(24)	Amount payable from the Health Education Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-001-0231).....	−37,415,000
(25)	Amount payable from the Hospital Services Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-001-0232).....	−925,000
(26)	Amount payable from the Physician Services Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-001-0233).....	−236,000
(27)	Amount payable from the Research Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-001-0234).....	−3,738,000
(28)	Amount payable from the Unallocated Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-001-0236).....	−3,121,000
(29)	Amount payable from the Domestic Violence Fund (Item 4260-001-0253)	−565,000

Item	Amount
(30) Amount payable from the Infant Botulism Treatment and Prevention Fund (Item 4260-001-0272)	−1,284,000
(31) Amount payable from the Safe Drinking Water Account (Item 4260-001-0306)	−8,146,000
(32) Amount payable from the Registered Environmental Health Specialist Fund (Item 4260-001-0335)	−247,000
(33) Amount payable from the Mosquitoborne Disease Surveillance Account (Item 4260-001-0478)	−29,000
(34) Amount payable from Cancer Research Fund (Item 4260-001-0589)	−25,000,000
(35) Amount payable from the Emergency Services and Supplemental Payments Fund (Item 4260-001-0693)	−122,000
(36) Amount payable from the California Alzheimer's and Related Disorders Research Fund (Item 4260-001-0823)	−395,000
(37) Amount payable from the Medi-Cal Inpatient Payment Adjustment Fund (Item 4260-001-0834)	−790,000
(38) Amount payable from the Federal Trust Fund (Item 4260-001-0890)	~~−260,368,000~~ *−261,236,000*
(39) Amount payable from the Local Health Capital Expenditure Account, County Health Services Fund (Item 4260-001-0900)	−17,000

Provisions:

1. Of the total amount of reimbursements in this item, $3,743,000 shall be available for administration, research, and training projects. Notwithstanding Section 28.00 of this act, the State Department of Health Services shall report any new project over $200,000 or any increase or decrease in excess of $400,000 for an identified project.
2. Except as otherwise prohibited by law, the department 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 1998–99 fiscal year, the esti-

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mated revenues would be sufficient to offset at least 95 percent of the approved program level intended to be supported by those fees.

3. Effective July 1, 1998, the annual fee for a general acute care hospital, acute psychiatric hospital, special hospital, general acute care rehabilitation hospital and chemical dependency recovery hospital shall be $46.11 per bed. Effective July 1, 1998, the annual fee for a skilled nursing facility, intermediate care facility, or intermediate care facility for the developmentally disabled is $147.25 per bed.

The fees of the State Department of Health Services that are subject to the annual fee adjustment pursuant to subdivision (a) of Section 100445 of the Health and Safety Code shall be increased by 2.3 percent, effective July 1, 1998.

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 be increased by 19.76 percent on a one-time basis to support year 2000 automation costs, effective July 1, 1998.

4. Of the funds appropriated by this item and Item 4260-001-0890, $37,000 and $110,000, respectively, are not available for expenditure without prior approval by the Director of Finance, and not sooner than 30 days after notification in writing of the necessity for these expenditures is provided to the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may determine. The funds identified in this provision shall be available exclusively for Medi-Cal field offices located in counties originally scheduled to be transitioned from the existing fee-for-service delivery system to managed care health plans during the 1998–99 fiscal year. To the extent that these transitions do not occur as scheduled, the budgeted savings will not be achieved. It is the intent of this provision to provide sufficient resources, subject to the requirement of legislative notification, to process treatment authorization requests and thereby avoid

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adverse impact on either providers or beneficiaries.

5. When entering into contracts with health care service plans that provide comprehensive dental benefits to Medi-Cal beneficiaries on an at-risk basis, the State Department of Health Services may require that the health care service plans pay for the costs of the administrative and regulatory oversight required to monitor the contract compliance terms of the agreement with the department.

6. Of the amount appropriated by this item, $1,254,000 shall be used only to conduct a study of the costs of outpatient services provided to Medi-Cal beneficiaries.

7. Of the amount appropriated by Schedule (2) of this item, $300,000 shall be used to conduct a comprehensive physician rate study that, at a minimum, performs a market comparison to determine the equity of Medi-Cal rates in both fee-for-services and capitated systems, and explores operations for providing different rates for special populations, including seriously and chronically ill individuals and individuals with developmental disabilities.

8. The State Department of Health Services shall provide the fiscal and policy committees of each house of the Legislature with a copy of its five-year strategic plan for implementing a statewide comprehensive school health program by January 1, 1999.

9. Of the amount appropriated by this item, $150,000 shall be available for the administrative support of the existing oversight panel for the Santa Susana Field Laboratory during the 1998–99 fiscal year.

10. The Bureau of State Audits shall provide the fiscal committees and appropriate policy committees of the Legislature with an evaluation of the port-of-entry projects, including the California Airport Residency Review Program, as conducted by the State Department of Health Services, by April 1, 1999. The evaluation shall, at a minimum, review the protocols, procedures, and methods used by the investigators to identify and determine potential beneficiary fraud in the Medi-Cal Program, provide a demographic profile of the individuals questioned as well as those

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who are investigated, measure the cost-benefit ratio of the projects, including a summary of the funds collected and any cost avoidance assumptions, and analyze the overall effectiveness of the projects at identifying fraud.

4260-001-0007—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Breast Cancer Research Account 1,594,000

4260-001-0009—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Breast Cancer Control Account..... 6,971,000

4260-001-0029—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Nuclear Planning Assessment Special Account 563,000

4260-001-0044—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Motor Vehicle Account, State Transportation Fund..... 473,000

4260-001-0066—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Sale of Tobacco to Minors Control Account..... 2,215,000

Provisions:

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

4260-001-0070—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Occupational Lead Poisoning Prevention Account, General Fund 2,621,000

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.

4260-001-0074—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Medical Waste Management Fund 1,138,000

Provisions:

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

Item	Amount
4260-001-0075—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Radiation Control Fund	12,854,000
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Government Code Section 13332.18.	
4260-001-0076—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Tissue Bank License Fund	164,000
4260-001-0080—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Childhood Lead Poisoning Prevention Fund	4,828,000
4260-001-0082—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Export Document Program Fund	421,000
4260-001-0098—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Clinical Laboratory Improvement Fund	6,067,000
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Government Code Section 13332.18.	
2. Notwithstanding any other provision of law, the Department of Health Services shall not impose fees on clinical laboratories that were not subject to state fees prior to January 1, 1996, until exemption from the federal Clinical Laboratory Improvement Amendments (CLIA; P.L. 100–578) of 1988 is granted. Expenditures for the Clinical Laboratory Program shall not exceed amounts collected in clinical laboratory fees plus federal grant funds provided by the Health Care Financing Administration to support this program. Since the date of exemption from CLIA is unknown, the Department of Finance may adjust the amounts provided for this program by this item and from federal funds pursuant to the provisions of Sections 27.00 and 28.00 of this act.	
3. The Department of Health Services shall, by January 1, 1999, provide the Legislature with a status update on the implementation of the Clinical Laboratory Improvement Act (42 U.S.C. Sec.	

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263a). This update shall include data on the program's outcomes and effectiveness to date, number of filled and vacant positions, level of anticipated program expenditures, status of the program regulations, and status as to obtaining an exemption from the Health Care Financing Administration.

4260-001-0099—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Health Statistics Special Fund..... 13,644,000

4260-001-0116—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Wine Safety Fund 189,000

4260-001-0129—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Water Device Certification Special Account..... 139,000

4260-001-0177—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Food Safety Fund..... 2,874,000

4260-001-0179—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Environmental Laboratory Improvement Fund..... 2,407,000

4260-001-0203—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Genetic Disease Testing Fund..... 60,158,000

Provisions:

1. On or before January 10, 1999, the State Department of Health Services shall provide the Legislature with an expenditure plan for the Genetic Disease Branch that provides a summary of program expenditures, including proposed policy changes for the upcoming fiscal year and a status update on the implementation of the business management information system.

4260-001-0227—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Low-Level Radioactive Waste Disposal Fund 1,859,000

Provisions:

1. Upon the request of the Department of Health Services and the approval of the Director of Finance, a General Fund loan of up to $1,000,000 shall be made to the Low-Level Radioactive Waste Disposal Fund. The loan shall be repaid upon receipt of fees collected from the disposal of

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low-level radioactive waste by generators once the Ward Valley site becomes operational. Accrued interest shall also be repaid in accordance with Section 16314 of the Government Code.

2. Of the amount appropriated by this item, up to $1,136,000 shall be used to fund an infiltration study.

4260-001-0231—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Health Education Account, Cigarette and Tobacco Products Surtax Fund 37,415,000

Provisions:

1. Media advertising products for the tobacco education campaign shall be selected through a two step approval process which, including production, shall not exceed 120 days. The process shall be initiated by the advertising contractor's submission of a preliminary concept to the State Department of Health Services.

Final approval or rejection of advertising concepts shall be made within 10 business days of the submission by the advertising contractor. The department shall provide any submitted advertising concepts and related research to members of the Tobacco Education and Research Committee (TERC) upon request. All unapproved material available to TERC shall be confidential, restricted to TERC members only, and shall not be distributed or presented in public settings until after the department has made a decision regarding the advertisement and completed production.

The department shall consider any comment or recommendations of TERC in determining approval or disapproval of proposed advertising concepts.

Final acceptance or rejection of completed advertisements shall be made within 10 business days of the submission by the advertising contractor. The department shall provide all final submitted advertisements to members of TERC upon request and shall consider the comments and recommendations of TERC in determining acceptance of completed advertisements.

Final acceptance or rejection by the department shall be based on the demonstrated effectiveness of the proposed or completed advertisements. For purposes of this section,

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"demonstrated effectiveness" means that advertising content, image, or theme which has been demonstrated by the advertising contractor through market research and testing to be the most effective at reducing tobacco use as rapidly as possible among target audiences.

Nothing shall preclude the department from airing advertisements that have been approved and that may not be in broadcast rotation. Any advertisement produced or aired in California shall not require reapproval by the department to be aired and shall be available for broadcast, when, in the best professional judgment of the advertising contractor and the department, the use of those advertisements will contribute to a decline in tobacco use in California.

4260-001-0232—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Hospital Services Account, Cigarette and Tobacco Products Surtax Fund 925,000

4260-001-0233—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Physician Services Account, Cigarette and Tobacco Products Surtax Fund 236,000

4260-001-0234—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Research Account, Cigarette and Tobacco Products Surtax Fund..... 3,738,000

4260-001-0236—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Unallocated Account, Cigarette and Tobacco Products Surtax Fund..... 3,121,000

4260-001-0253—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Domestic Violence Fund..... 565,000

4260-001-0272—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Infant Botulism Treatment and Prevention Fund 1,284,000

4260-001-0306—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Safe Drinking Water Account 8,146,000

Provisions:

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

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4260-001-0335—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Registered Environmental Health Specialist Fund	247,000
4260-001-0478—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Mosquitoborne Disease Surveillance Account	29,000
4260-001-0589—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Cancer Research Fund	25,000,000
4260-001-0693—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Emergency Services and Supplemental Payments Fund	122,000

Provisions:

1. To the extent that moneys available in the Emergency Services and Supplemental Payments Fund are less than the amount appropriated in this item, this appropriation shall be limited to that lesser amount.
2. Notwithstanding any other provision of law, if revenues to the Emergency Services and Supplemental Payments Fund are sufficient to create additional allocation workload, the Director of Finance may authorize expenditures for the Department of Health Services in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.
3. Funds appropriated by this item and augmentations authorized pursuant to Provision 2 may be transferred by executive order approved by the Director of Finance from the Department of Health Services to the California Medical Assistance Commission if revenues to the Emergency Services and Supplemental Payments Fund are sufficient to create allocation workload for that commission.

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4260-001-0823—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the California Alzheimer's and Related Disorders Research Fund	395,000
4260-001-0834—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Medi-Cal Inpatient Payment Adjustment Fund	790,000
4260-001-0890—For support of Department of Health Services, for payment to Item 4260-001-0001, payable from the Federal Trust Fund	~~260,368,000~~ *261,236,000*
Provisions:	
1. The limitations and conditions applicable to Item 4260-001-0001 also apply to this item if appropriate.	
2. Of the funds appropriated in this item, $49,473,000 shall be available for administration, research, and training projects. Notwithstanding Section 28.00 of this act, the State Department of Health Services shall report under that section any new project over $200,000 or any increase or decrease in excess of $400,000 for an identified project.	
4260-001-0900—For support of Department of Health Services, in lieu of the amounts that otherwise would be appropriated in the Local Health Capital Expenditure Account of the County Health Services Fund pursuant to Chapter 1351, Statutes of 1980, for payment to Item 4260-001-0001, payable from the Local Health Capital Expenditure Account, County Health Services Fund	17,000
4260-002-0001—For transfer to the Cancer Research Fund	25,000,000
4260-002-0942—For support of Department of Health Services, payable from the Health Facilities Citation Penalties Account, Special Deposit Fund	1,000,000
4260-003-0942—For support of Department of Health Services, payable from the Federal Citation Penalties Account, Special Deposit Fund	203,000
4260-007-0890—For support of Department of Health Services, payable from the Federal Trust Fund	18,795,000
Provisions:	
1. Notwithstanding Section 28.00 of this act, adjustments may be made to align the federal funds for legislative actions and other technical adjustments	

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affecting the recipient department's appropriation authority.

4260-101-0001—For local assistance, Department of Health Services, Medical Assistance Program, payable from the Health Care Deposit Fund (912) after transfer from the General Fund ..... ~~6,858,124,000~~ *6,876,805,000*

Schedule:

(a) 20.10.030-Benefits (Medical Care and Services)..... ~~15,873,922,000~~ *15,954,495,000*

(b) 20.10.010-Eligibility (County Administration)..... ~~828,159,000~~ *878,700,000*

(c) 20.10.020-Fiscal Intermediary Management..... 178,671,000

(d) Prior Fiscal Year Reconciliation..... 0

(e) Amount payable from the Federal Trust Fund (Item 4260-101-0890) ..... ~~−10,012,918,000~~ *−10,125,351,000*

(f) Amount payable from Federal Trust Fund (Item 4260-103-0890).... −9,710,000

Provisions:

1. The aggregate principal amount of disproportionate share hospital general obligation debt that may be issued in the 1998–99 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 provision of law, both the federal and nonfederal shares of any money 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 provision of law, accounts receivable for recoveries as described in Provision 2 above shall have no effect upon the positive balance of the General Fund or the Health Care Deposit Fund. Notwithstanding any other provision of law, money recovered as described in this item that is required to be transferred from the Health Care Deposit Fund to the

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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 $45,000,000 to be transferred as needed to the Health Care Deposit Fund to meet cash needs. The loans are subject to the repayment provisions of Section 16351 of the Government Code. Any additional loan requirement in excess of $45,000,000 shall be processed in the manner prescribed by Section 16351 of the Government Code.

5. Notwithstanding any other provision of law, the Director of Health Services may give public notice relative to proposing or amending any rule or regulation that could result in increased costs in the Medi-Cal program only after approval by the Department of Finance as to the availability of funds; and any rule or regulation adopted by the Director of Health Services and any communication that revises the Medi-Cal program shall be effective only from and after the date upon which it is approved as to availability of funds by the Department of Finance.

6. Of the funds appropriated by this item, up to $50,000 may be allocated for attorneys' fees awarded pursuant to state or federal law without prior notification to the Legislature. Individual settlements authorized under this language shall not exceed $5,000. The semiannual estimates of Medi-Cal expenditures due to the Legislature in January and May shall reflect attorney fees paid 15 or more days prior to the transmittal of the estimate.

7. 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 Director 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 and to the Chairperson of the Joint Legislative Budget Committee or not sooner than such lesser time as the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may designate. If there are changes or potential changes in federal funding,

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the Department of Finance shall provide timely written notification of the changes to the chairperson of the fiscal committee in each house and the Chairperson of the Joint Legislative Budget Committee. The semiannual estimates of Medi-Cal expenditures due to the Legislature in January and May may constitute the notification required by this provision.

8. 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 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, county administration, and fiscal intermediary services.

9. 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 Services (Item 4260-001-0001) to the fiscal intermediary budget item for purposes of making improvements to the Medi-Cal claims system.

10. Upon order of the Director of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4300-101-0001 for the state's share of expenditures for developmental services provided to persons eligible for Medi-Cal.

11. Notwithstanding subdivision (a) of Section 2.00 and Section 26.00 of this act, the Department of Finance may authorize transfer of expenditure authority between Schedule (a), (b), or (c) and Schedule (d). Schedule (d) may be used for the liquidation of prior years' excess obligations of Item 4260-101-0001.

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The Director of Finance shall notify the Legislature within ten 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.

12. The Department of Finance may transfer funds from this item to Item 4260-001-0001 from funds appropriated for the implementation of Medi-Cal outreach and simplification activities.

13. The State Department of Health Services shall continue the following policies and actions pertaining to antipsychotic drugs, prior authorization, and the Medi-Cal List of Contract Drugs:

(a) Postpone the therapeutic category review of antipsychotics until the department has determined that there is sufficient therapeutic information comparing the atypical antipsychotics to each other. During the therapeutic category review, the department shall seek input from provider organizations and sources in the mental health community and the Department of Mental Health.

(b) Conduct an ''individual drug petition'' review of each new antipsychotic drug approved by the federal Food and Drug Administration (FDA). The department shall seek input from provider organizations and sources in the mental health community and the Department of Mental Health during this process.

If information regarding therapeutic equivalency becomes available during these reviews, the department shall include it in the evaluation process. Information from studies not published may be acceptable and the department shall keep that information confidential.

(c) Continue its prior authorization policy regarding atypical antipsychotics and affirming their use as first line agents consistent with guidelines published in the currentExpert Consensus Guideline Series, Treatment of Schizophrenia.

(d) Offer assistance to providers who are having difficulty obtaining prior authorization approval for the atypical antipsychotic drugs.

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The department shall refer telephone calls and letters to the field office administrators for action.

14. The State Department of Health Services shall convene as necessary a work group that consists of industry representatives, individual providers, advocates interested in long-term health care concerns, recipient constituency groups, and other interested parties as deemed appropriate by the department, to discuss and develop alterna~~tives to the current ratesetting process.~~ *tives to the current long-term care rate-setting process.*

15. The State Department of Health Services shall provide the fiscal and policy committees of the Legislature with a status update, including po~~tential alternatives to the current ratesetting pro~~*tential alternatives to the current long-term care rate-setting pro*cess, on or before January 15, 1999.

~~16. The State Department of Health Services shall not collect any liability that the Children's Hospital of San Diego may have at issue in Audit Appeal No. JA5-0689-759, in exchange for the hospital's agreement to construct a new distinct part convalescent hospital dedicated to children.~~

16. The State Department of Health Services may negotiate settlements with acute care hospitals with a distinct part pediatric convalescent facility that violate Medi-Cal Cost reimbursement policies or procedures governing the operation of acute care hospitals. The department may waive all of part of any overpayment made that would otherwise be reimbursable to the department by an acute care hospital. This provision shall only apply to hospitals in San Diego County.

17. Of the funds appropriated by this item, up to $25,000,000 in Item 4260-101-0001 and $25,000,000 in Item 4260-101-0890 may be allocated for a central valley burn and trauma center located in Fresno. Availability of this funding is contingent upon enactment of enabling legislation.

18. Of the funds appropriated by this item, $1,000,000 shall solely be used for an evaluation of the Family PACT program.

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19. The State Department of Health Services shall, on or before September 30, 1998, submit to the Secretary of Health and Human Services an amendment to the State Medicaid Plan to extend coverage of personal care services to Medi-Cal ‘‘medically needy’’ individuals. The State Department of Health Services and the State Department of Social Services shall develop as expeditiously as possible the administrative procedures that will allow ‘‘income eligibles’’ in the In-Home Supportive Services (IHSS) program, who are not otherwise excluded under Title XIX of the Social Security Act, to receive services under the IHSS Personal Care Services Program.

20. The State Department of Health Services and the Managed Risk Medical Insurance Board shall provide the fiscal and policy committees of each house of the Legislature with a quarterly status update on the effectiveness of the joint Medi-Cal program and Healthy Families program education and outreach campaign. This status update shall include, at a minimum, the number of children enrolled, the outcomes from the community-based training and certification process, the amount of application assistance fees paid and pending, general effectiveness of the media campaign, and the overall status of performance measures as contained in the outreach and education contracts.

21. The State Department of Health Services shall biannually provide status updates to the fiscal and appropriate policy committees in each house of the Legislature regarding the implementation throughout the state, of Medi-Cal Managed Care, both the Two-Plan Model and Geographic Managed Care. The biannual status updates shall include, at a minimum, implementation dates for the plans, the number of beneficiaries enrolled, key concerns, if any, and strategies or actions taken by the department to mitigate the identified concerns.

22. The State Department of Health Services shall continue to convene, as needed, constituency work groups, consisting of diverse provider groups, advocacy organizations, and program recipients, to address issues regarding benefi-

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ciary education, choice, enrollment, disenrollment, and other items pertaining to Medi-Cal Managed Care implementation and the ongoing provision of services.

23. Upon approval of the Director of Finance, the appropriation made by this item may be augmented by up to $2,500,000 for transfer to Item 4300-101-0001, subject to the enactment of legislation and adoption of regulations by the State Department of Developmental Services establishing a new rate structure for day programs and in-home respite agencies. The new rate structure shall include performance outcome measures.

4260-101-0693—Notwithstanding any other provision of law, moneys available in the Emergency Services and Supplemental Payments Fund, after the appropriation made by Item 4260-001-0693 of this act, are appropriated to the Department of Health Services for expenditure for local assistance for the purposes specified in Section 14085.6 of the Welfare and Institutions Code.

4260-101-0890—For local assistance, Department of Health Services, for payment to Item 4260-101-0001, payable from the Federal Trust Fund..... ~~10,012,918,000~~ *10,125,351,000*

Provisions:

1. Any of the provisions in Item 4260-101-0001 that are relevant to this item also apply to this item.
2. *Upon approval by the Director of Finance, the appropriation made by this item may be augmented by up to $2,800,000 and appropriated for transfer to Item 4300-101-0001, subject to the enactment of legislation and adoption of regulations by the State Department of Developmental Services establishing a new rate structure for day programs and in-home respite agencies. The new rate structure shall include performance outcome measurements.*

4260-102-0001—For local assistance, Department of Health Services, Program 20.10.030-Benefits (Medical Care and Services), for supplemental reimbursement for debt service pursuant to Section 14085.5 of the Welfare and Institutions Code..... 60,208,000

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4260-102-0890—For local assistance, Department of Health Services, Program 20.10.030—Benefits (Medical Care and Services), payable from Federal Trust Fund, for supplemental reimbursement for debt service pursuant to Section 14085.5 of the Welfare and Institutions Code 63,856,000

4260-103-0890—For local assistance, for refugee services, Department of Health Services, for payment to Item 4260-101-0001, payable from the Federal Trust Fund 9,710,000

Provisions:

1. Any of the provisions in Item 4260-101-0001 that are relevant to this item also apply to this item.

4260-111-0001—For local assistance, Department of Health Services..... ~~389,577,000~~ *386,527,000*

Schedule:

(a) 10.10.010-Vital Records Improvement Project 300,000

(aa) 10.20.010-Environmental Management..... 410,000

(b) 10.30.030-Childhood Lead Poisoning Prevention 11,000,000

(c) 10.30.040-Chronic Diseases.....~~194,426,000~~ *195,426,000*

(d) 10.30.050-Communicable Disease Control ..... ~~68,965,000~~ *68,005,000*

(e) 10.30.060-AIDS .....~~204,748,000~~ *205,548,000*

(f) 20.30-County Health Services .....~~207,732,000~~ *210,432,000*

(g) 20.40-Primary Care and Family Health..... ~~1,376,221,000~~ *1,369,471,000*

(h) Reimbursements-Family Health Services, CCS Enrollment Fees, and GHPP Repayments ..... −372,000

(i) Reimbursements-Primary Care and Family Health, WIC Rebates and Recoveries ..... −250,001,000

(j) Reimbursements-Public Health Service AIDS.....−11,429,000

(k) Reimbursements—Chronic Diseases..... −7,342,000

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(*l*) Amount payable from the Breast Cancer Control Account (Item 4260-111-0009).....−18,885,000

(m) Amount payable from the Childhood Lead Poisoning Prevention Fund (Item 4260-111-0080).....−14,600,000

(n) Amount payable from the Health Statistics Special Fund (Item 4260-111-0099) ..... −300,000

(o) Amount payable from the Health Education Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-111-0231).....−64,304,000

(p) Amount payable from the Hospital Services Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-111-0232) ..... −130,036,000

(q) Amount payable from the Physician Services Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-111-0233).....−20,633,000

(r) Amount payable from the Unallocated Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-111-0236) ..... −102,687,000

(s) Amount payable from the Child Health and Safety Fund (Item 4260-111-0279)..... −491,000

(t) Amount payable from the Federal Trust Fund (Item 4260-111-0890) ..... ~~−1,052,735,000~~
−1,052,985,000

Provisions:

1. Program 10.30.040—Chronic Diseases:
Of the total amount of reimbursements in this item, $7,342,000 shall be available for administration, research and training projects. Notwithstanding Section 28.00 of this act, the Department of Health Services shall report under that section, any new project over $200,000 or any increase or decrease in excess of $400,000 for an identified project.

2. Program 10.30.060-AIDS:
The Office of AIDS in the State Department of Health Services, in allocating and processing contracts and grants, shall comply with the same requirements that are established for contracts and

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grants for other public health programs. The contracts or grants administered by the Office of AIDS shall be exempt from the Public Contract Code and shall be exempt from approval by the Department of Finance and the Department of General Services prior to their execution.

3. Program 20.40-Primary Care and Family Health:
   (a) Notwithstanding Section 28.00 of this act, the Department of Finance, upon request of the State Department of Health Services, may authorize and approve a budget revision to augment Schedule (i) Primary Care and Family Health, WIC Rebates and Recoveries, in this item for any additional rebate moneys or recoveries that become available for the Special Supplemental Food Program for Women, Infants, and Children (WIC) during this fiscal year.
   (b) Counties may retain 50 percent of total enrollment and assessment fees that are collected by the counties for the CCS program. Fifty percent of the enrollment and assessment fee for each county shall be offset from the state's match for that county.
   (c) Notwithstanding any other provision of law, of the funds appropriated in Schedule (g) of this item, up to $500,000 for the Community Challenge Grant Program is available for expenditure until December 31, 1999, for the Statewide Program Evaluation.
4. Nonfederal funds appropriated by this item and Item 4260-001-0001 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) may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.
5. Of the amount appropriated in this item, $500,000 shall be used to address special areas of concern in the treatment and provision of care for individuals with Alzheimer's disease, including models of care for rural areas, partnerships with medical schools for additional training in the field of

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dementia, and development of treatment strategies that provide culturally appropriate care.

6. Of the amount appropriated by this item, $15,137,000 shall be transferred to the Safe Drinking Water State Revolving Fund to provide a 20 percent match of federal funds available for loans and grants to public water systems for infrastructure improvements. If a general obligation bond act is approved and becomes operative during the 1998–99 fiscal year and provides funds for the Safe Drinking Water State Revolving Fund, the Director of Finance shall direct the Controller to transfer funds from the revolving fund to the General Fund in an amount sufficient to fully reimburse the General Fund for the transfer made from the General Fund to the revolving fund to the extent the bond act provides funds for the revolving fund and authorizes that reimbursement.

7. Of the funds appropriated in this item, $1,000,000 shall be used for breast cancer treatment pursuant to legislation enacted during the 1997–98 Regular Session.

4260-111-0009—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the Breast Cancer Control Account 18,885,000

4260-111-0080—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the Childhood Lead Poisoning Prevention Fund 14,600,000

4260-111-0099—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the Health Statistics Special Fund 300,000

4260-111-0231—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the Health Education Account, Cigarette and Tobacco Products Surtax Fund 64,304,000

4260-111-0232—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the Hospital Services Account, Cigarette and Tobacco Products Surtax Fund 130,036,000

4260-111-0233—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the Physician Services Account, Cigarette and Tobacco Products Surtax Fund 20,633,000

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4260-111-0236—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the Unallocated Account, Cigarette and Tobacco Products Surtax Fund 102,687,000

4260-111-0279—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the Child Health and Safety Fund 491,000

4260-111-0890—For local assistance, Department of Health Services, for payment to Item 4260-111-0001, payable from the Federal Trust Fund..... ~~1,052,735,000~~ *1,052,985,000*

Provisions:

1. Of the funds appropriated by this item, $55,990,000 shall be available for administration, research, and training projects. Notwithstanding the provisions of Section 28.00 of this act, the State Department of Health Services shall report under that section any new project over $200,000 or any increase or decrease in excess of $400,000 for an identified project.

4260-112-0001—For local assistance, Department of Health Services, for implementation of Chapter 623 of the Statutes of 1997, Healthy Families Program (Public Health) 6,415,000

Schedule:

(a) 20.40—Primary Care and Family Health 21,788,000

(b) Amount payable from the Federal Trust Fund (Item 4260-112-0890).....−15,373,000

4260-112-0890—For local assistance, Department of Health Services, for payment to Item 4260-112-0001, payable from the Federal Trust Fund 15,373,000

4260-113-0001—For local assistance, Department of Health Services, for the implementation of Chapter 623 of the Statutes of 1997, Healthy Families Program (Medi-Cal)..... 3,850,000

Schedule:

(a) 20.10.010-Eligibility (County Administration) 7,200,000

(b) 20.10.020-Fiscal Intermediary Management 1,027,000

(c) 20.10.030-Benefits (Medical Care and Services) 14,966,000

Item	Amount
(d) Amount payable from the Federal Trust Fund (Item 4260-113-0890)	−19,343,000
4260-113-0890—For local assistance, Department of Health Services, for payment to Item 4260-113-0001, payable from the Federal Trust Fund	19,343,000
4260-114-0942—For local assistance, Department of Health Services, payable from the Women, Infants, and Children Vendor Fines and Penalties Account, Special Deposit Fund	100,000
4260-295-0001—For local assistance, Department of Health Services, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or of Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, State Controller	6,898,000
Schedule:	
(1) 98.01.026.891-SIDS Contacts by Local Health Officers (Ch. 268, Stats. 1991)	317,000
(2) 98.01.045.374-SIDS Notices (Ch. 453, Stats. 1974)	34,000
(3) 98.01.091.692-Pacific Beach Safety (Ch. 916, Stats. 1992)	69,000
(4) 98.01.095.589-SIDS Autopsies (Ch. 955, Stats. 1989)	1,825,000
(5) 98.01.108.888-AIDS Search Warrants (Ch. 1088, Stats. 1988)	878,000
(6) 98.01.116.381-Medi-Cal Beneficiary Death Notices (Ch. 102, Stats. 1981 and Ch. 1163, Stats. 1981)	98,000
(7) 98.01.159.788-Inmates AIDS Testing (Ch. 1597, Stats. 1988)	1,212,000
(8) 98.01.160.390-Perinatal services for alcohol/drug exposed infants (Ch. 1603, Stats. 1990)	2,465,000
Provisions:	
1. Except as provided in Provision 2, allocations of funds appropriated by this item to the appropriate local entities shall be made by the State Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accor-	

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dance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated by this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.

2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the Controller may, upon notifying the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.

4260-301-0660—For capital outlay, Department of Health Services , payable from Public Buildings Construction Fund 108,416,000

Schedule:

(1) 94.60.040-Phase II Replacement Laboratory Facilities, Richmond-Construction 108,416,000

Provisions:

1. The State Public Works Board may issue lease-revenue bonds, notes or bond anticipation notes pursuant to Chapter 5 (commencing with Section 15830) of Part 10b of Division 3 of Title 2 of the Government Code to finance the construction of the project authorized by this item.
2. The State Public Works Board and the Department of Health Services may obtain interim financing for the project costs authorized in this item from any appropriate source including but not limited to the Pooled Money Investment Account pursuant to Sections 16312 and 16313 of the Government Code.
3. The maximum amount of bonds, notes or bond anticipation notes to be sold shall not exceed the cost of construction and any additional amounts necessary to pay interim and permanent financing costs.

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4260-401—In the event the bonds authorized for replacement laboratory facilities in the City of Richmond, as authorized by Section 100500 of the Health and Safety Code, are not sold, the Department of Health Services shall commit, from the amount appropriated to the department by this act for its support, a sufficient amount to repay interim financing loans incurred for that facilities purpose. It is the intent of the Legislature that this commitment requirement be included in future Budget Acts until outstanding loans for interim financing are repaid either through the sale of bonds or from an appropriation.

4260-402—In the event the bonds authorized for the Capital Area Plan project in Chapter 761, Statutes 1997 are not sold, the Department of Health Services shall commit a sufficient portion of its support appropriation, as determined by the Department of Finance, which is provided for in this Budget Act to repay any interim financing. It is the intent of the Legislature that this commitment shall be included in future Budget Acts until all interim financing is repaid either through the proceeds from the sale of bonds or from an appropriation.

4270-001-0001—For support, California Medical Assistance Commission 1,189,000

Schedule:

(a) 10-California Medical Assistance Commission..... 2,378,000

(b) Reimbursements..... −1,189,000

4280-001-0001—For support of Managed Risk Medical Insurance Board, for the implementation of Chapter 623, Statutes of 1997, Healthy Families Program ... 858,000

4280-001-0309—For support of Managed Risk Medical Insurance Board, for payment to Item 4280-001-0313, payable from the Perinatal Insurance Fund.... 741,000

Provisions:

1. Provision 1 of Item 4280-001-0313 also applies to this item.

4280-001-0313—For support of Managed Risk Medical Insurance Board, payable from the Major Risk Medical Insurance Fund 720,000

Schedule:

(a) 10-Major Risk Medical Insurance Program..... 720,000

(b) 20-Access for Infants and Mothers Program..... 741,000

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(c) 30-Health Insurance Plan of California 340,000

(d) Amount payable from the Perinatal Insurance Fund, (Item 4280-001-0309)..... −741,000

(e) Amount payable from the Voluntary Alliance Uniting Employers Fund (Item 4280-001-0957) ..... −340,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the Managed Risk Medical Insurance Board in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.

4280-001-0890—For support of Managed Risk Medical Insurance Board, for the implementation of Chapter 623, Statutes of 1997, Healthy Families Program ... 1,667,000

4280-001-0957—For support of Managed Risk Medical Insurance Board, for payment to Item 4280-001-0313, payable from the Voluntary Alliance Uniting Employers Fund 340,000

Provisions:

1. Provision 1 of Item 4280-001-0313 also applies to this item.

4280-101-0001—For local assistance, Managed Risk Medical Insurance Board, for the implementation of Chapter 623, Statutes of 1997, Healthy Families Program 38,597,000

Provisions:

1. The Managed Risk Medical Insurance Board shall provide the fiscal and policy committees of the Legislature with a quarterly status update on the effectiveness of the joint Medi-Cal Program and Healthy Families Program education and outreach campaign. This status update shall include, at a minimum, the number of children enrolled, the outcomes from the community-based training and certification process, the amount of application assistance fees paid and pending, general effectiveness of the media campaign, and the overall status of performance measures as

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contained in the outreach and education contracts.

~~1.~~

2. The Managed Risk Medical Insurance Board shall report to the fiscal and policy committees of the Legislature, on a quarterly basis, the number of enrollments, disenrollments, and terminations, and reasons for terminations, in the Healthy Families Program. This data shall be reported in such a manner as to facilitate comparison by county or health care service area, and by plan.

3. The Managed Risk Medical Insurance Board shall convene, at least on a quarterly basis, a work group consisting of representatives from participating health plans, mental health providers and advocates, the State Department of Mental Health, and other interested parties as deemed appropriate by the Managed Risk Medical Insurance Board, to discuss the memorandum of understanding and related issues regarding the provision of mental health services in the Healthy Families Program.

4. The Managed Risk Medical Insurance Board shall convene, at least on a quarterly basis, a work group consisting of representatives from participating health plans, county California Children's Services (CCS) programs, CCS providers, advocates, the State Department of Health Services, and other interested parties as deemed appropriate by the Managed Risk Medical Insurance Board, to discuss the memorandum of understanding and related issues regarding the Healthy Families Program and interactions with the California Children's Services Program.

5. It is the Legislature's intent for the State Department of Health Services to engage interested parties in providing comments and recommendations to the department on the crafting of the request for proposal to conduct the Rural Health Demonstration Projects prior to the final release of the request for proposal.

4280-101-0890—For local assistance, Managed Risk Medical Insurance Board, for the implementation of Chapter 623, Statutes of 1997, Healthy Families Program 75,026,000

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4280-102-0001—For local assistance, Managed Risk Medical Insurance Board, for the implementation of Chapter 623 of the Statutes of 1997, Healthy Families Program 0

Provisions:

1. Notwithstanding any other provision of law, the Department of Finance may augment this item, up to a total of $10,000,000, upon notification in writing of the necessity therefor to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee.
2. As determined by the Department of Finance, with prior notification to the Legislature pursuant to Provision 1, the funds appropriated in this item may be used only for Healthy Families Program costs.
3. The funds appropriated in this item may be expended only after approval by the Department of Finance and prior notification to the Legislature pursuant to Provision 1. Notwithstanding any other provision of law, the Department of Finance may allocate funds from this item to General Fund items that appropriate funds used to match federal funds for the Healthy Families Program either for support of any state department or board or for local assistance.
4. To the extent that federal funds later become available for activities funded from this item, the federal funds shall be claimed and the General Fund reimbursed.

4280-111-0232—For transfer by the State Controller to the Perinatal Insurance Fund from the Hospital Services Account, Cigarette and Tobacco Products Surtax Fund, for the implementation of Part 6.3 (commencing with Section 12695) of Division 2 of the Insurance Code ..... (17,349,000)

4280-111-0233—For transfer by the State Controller to the Perinatal Insurance Fund from the Physician Services Account, Cigarette and Tobacco Products Surtax Fund, for the implementation of Part 6.3 (commencing with Section 12695) of Division 2 of the Insurance Code ..... (12,071,000)

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4280-111-0236—For transfer by the State Controller to the Perinatal Insurance Fund from the Unallocated Account, Cigarette and Tobacco Products Surtax Fund, for the implementation of Part 6.3 (commencing with Section 12695) of Division 2 of the Insurance Code	(2,938,000)
4280-112-0233—For transfer by the State Controller to the Major Risk Medical Insurance Fund from the Physician Services Account, Cigarette and Tobacco Products Surtax Fund, for the implementation of Part 6.5 (commencing with Section 12700) of Division 2 of the Insurance Code	(4,033,000)
4280-112-0236—For transfer by the State Controller to the Major Risk Medical Insurance Fund from the Unallocated Account, Cigarette and Tobacco Products Surtax Fund, for the implementation of Part 6.5 (commencing with Section 12700) of Division 2 of the Insurance Code	(5,967,000)
4300-001-0001—For support of Department of Developmental Services	~~25,361,000~~ *25,232,000*
Schedule:	
(a) 10-Community Services Program	~~21,350,000~~ *21,221,000*
(b) 20-Developmental Centers Program	7,426,000
(c) 35.01-Administration	~~20,955,000~~ *21,084,000*
(d) 35.02-Distributed Administration	~~−19,718,000~~ *−19,847,000*
(e) Reimbursements	−2,661,000
(f) Amount payable from the Developmental Disabilities Program Development Fund (Item 4300-001-0172)	−233,000
(g) Amount payable from the Federal Trust Fund (Item 4300-001-0890)	−1,758,000

Provisions:

1. The State Department of Developmental Services shall present the results of technical assistance audits and management reviews, conducted to evaluate the quality and timeliness of reporting fiscal and policy information at developmental centers, at public meetings held on campus at the developmental centers.
2. The State Department of Developmental Services shall, on or before January 1, 1999, provide the Legislature with a comprehensive plan for providing housing and treatment services to individuals

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with developmental disabilities who are eligible for services under the ~~Lanterman-Petris-Short~~ *Lanterman Developmental Disabilities Services* Act ~~(Pt. 1 (commencing with Sec. 5000), Div. 5,~~ *(Div. 4.5 (commencing with Sec. 4500),* W.&I.C.) and who have had a confrontation with, or been arrested by, law enforcement officials, or who have intensive behavioral treatment needs. This plan shall include options regarding the viability of providing additional beds at Porterville and Lanterman Developmental Centers, as well as beds at Agnews Developmental Center.

3. The State Department of Developmental Services shall provide the fiscal and policy committees of the Legislature with the findings of the Regional Center Core Staffing Study by no later than March 1, 1999. This study is to address the type of classification, number, qualifications, and compensation required for Regional Centers to meet their state and federal mandates, and to be consistent with good professional and business practices.

4. The State Department of Developmental Services shall conduct an analysis of the Regional Center's purchase of services expenditures and the factors that contribute to variances across the statewide Regional Center service system. The findings of this analysis shall be provided to the fiscal and policy committees of the Legislature by no later than March 1, 1999.

5. The State Department of Developmental Services shall provide the fiscal and policy committees of the Legislature with two status updates on the progress of the master planning process pertaining to the full assessment of the Developmental Centers by September 30, 1998, and by January 10, 1999.

4300-001-0172—For support of Department of Developmental Services, for payment to Item 4300-001-0001, payable from the Developmental Disabilities Program Development Fund..... 233,000

4300-001-0890—For support of Department of Developmental Services, for payment to Item 4300-001-0001, payable from the Federal Trust Fund 1,758,000

Provisions:

1. Upon order of the Director of Finance, the State Controller shall transfer such funds as are neces-

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sary between this item and Item 4300-101-0890 in order to effectively administer the Early Intervention Program (Part ~~H~~ *C* of the Individuals with Disabilities Education Act).

4300-003-0001—For support of Department of Developmental Services, for Developmental Centers 19,049,000

Schedule:

(a) 20-Developmental Centers Program 464,646,000

(b) Reimbursements ..... −444,293,000

(c) Amount payable from the California State Lottery Education Fund (Item 4300-003-0814) ..... −517,000

(d) Amount payable from the Federal Trust Fund (Item 4300-003-0890)..... −787,000

Provisions:

1. The General Fund shall make a loan available to the State Department of Developmental Services not to exceed a cumulative total of $130,000,000. The loan funds will be transferred to this item as needed to meet cash-flow needs due to delays in collecting reimbursements from the Health Care Deposit Fund, and subject to the repayment provisions of Section 16351 of the Government Code.

2. Of the amount appropriated in Schedule (a), $903,400 is provided for payment of energy service contracts as required in connection with issuance of Public Works Board Energy Efficiency Revenue Bonds (State Pool Program), Series 1986 A.

3. To the extent that the State Department of Developmental Services is eligible to receive additional Title XIX Medi-Cal reimbursements as a result of population increases in the developmental centers, the department is authorized to expend those reimbursements for the care of the additional clients upon approval of the Director of Finance.

4. Upon order of the Director of Finance, the Controller shall transfer such funds as are necessary between this item and Items 4300-101-0001 and 4440-011-0001. Within 10 working days after approval of a transfer as authorized by this provision, the Department of Finance shall notify the chairperson of the fiscal committee of each house of the Legislature of the transfer, including the

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amount transferred, how the amount was determined, and how the amount will be utilized.

5. The State Department of Developmental Services (DDS) shall notify the chairperson of the fiscal committee of each house of the Legislature, the Senate Special Committee on Developmental Disabilities and Mental Health, and the Senate Health and Human Services Committee of specific outcomes resulting from citations and the results of annual surveys conducted by the State Department of Health Services as well as findings of any other government agency authorized to conduct investigations or surveys of state developmental centers. DDS shall forward the notifications, including a copy of the specific findings, to the chairpersons of the respective committees within 10 working days of its receipt of these findings. DDS also shall forward these findings, within three working days of submission, to the appropriate investigating agency. In addition, DDS shall provide notification to the above-mentioned committee chairs, within three working days, of its receipt of information concerning any investigation initiated by the United States Department of Justice and the private nonprofit corporation designated by the Governor pursuant to Division 4.7 (commencing with Section 4900) of the Welfare and Institutions Code or concerning any findings or recommendations resulting from any of these investigations.

6. The State Department of Developmental Services shall provide the Legislature with an implementation plan for increasing level-of-care staff at the Developmental Centers by August 1, 1998. At a minimum, this plan shall specify how the positions are allocated across Developmental Centers, what training programs are planned, and what methods of recruitment and retention are being contemplated.

7. The State Department of Developmental Services shall provide the Legislature with a status update on the implementation plan for increasing level-of-care staff at the Developmental Centers by March 1, 1999. This status update shall include, at a minimum, the number of level-of-care staff hired, a list of any special salary incentives provided, remaining vacancies by classification, and

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the department's plan for ~~filing~~ *filling* those vacancies.

8. The State Department of Developmental Services shall provide the Legislature with a status update on the forensic population of consumers residing at the Developmental Centers. This status update shall, at a minimum, include a three-year projection of the population, the installation of security arrangements at each Developmental Center to date, a description of any special training provided to employees, a description of any special incidents regarding this population, and a description of any special training programs provided to this population.

4300-003-0814—For support of Department of Developmental Services, for payment to Item 4300-003-0001, payable from the California State Lottery Education Fund 517,000

Provisions:

1. All funds received pursuant to Proposition 37 that are allocable to the Department of Developmental Services pursuant to Section 8880.5 of the Government Code, and that are in excess of the amount appropriated in this item, are hereby appropriated in augmentation of this item. These additional funds may be expended only upon written approval of the Director of Finance.

4300-003-0890—For support of Department of Developmental Services, for payment to Item 4300-003-0001, payable from the Federal Trust Fund 787,000

4300-004-0001—For support of Department of Developmental Services (Proposition 98), for Developmental Centers 13,822,000

Schedule:

(a) 20-Developmental Centers Program 19,692,000

(1) 20.17-AB 1202 Contracts 7,311,000

(2) 20.66-Medi-Cal Eligible Education Services 12,381,000

(b) Reimbursements ..... −5,870,000

Provisions:

1. Of the amount appropriated in this item, ~~$5,297,000~~ *$5,535,000* is to be used to provide the General Fund match for Medi-Cal Eligible Education Services.

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4300-101-0001—For local assistance, Department of Developmental Services, for Regional Centers..... ~~611,968,000~~ *612,653,000*

Schedule:

10.10-Regional Centers

(a) 10.10.010-Operations ..... ~~275,106,000~~ *275,791,000*

(b) 10.10.020-Purchase of Services 1,080,736,000

(c) 10.10.060-Early Intervention Programs..... 22,344,000

(d) 10.20.010-Program Development... 1,810,000

(e) Reimbursements..... −723,564,000

(f) Amount payable from Developmental Disabilities Program Development Fund (Item 4300-101-0172)..... −2,150,000

(g) Amount payable from Developmental Disabilities Services Account (Item 4300-101-0496) ..... −30,000

(h) Amount payable from Federal Trust Fund (Item 4300-101-0890).... −42,284,000

Provisions:

1. Upon order of the Director of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4300-003-0001. The Director of Finance may authorize the transfer of funds between this item and Item 4260-101-0001 for the state's share of expenditures for developmental services provided to persons eligible under the California Medical Assistance Program.

3. A loan shall be made available from the General Fund to the State Department of Developmental Services not to exceed a cumulative total of $110,000,000. The loan funds shall be transferred to this item as needed to meet cash-flow needs due to delays in collecting reimbursements from the Health Care Deposit Fund, and are subject to the repayment provisions of Section 16351 of the Government Code.

4. Upon order of the Director of Finance, the Controller shall transfer such funds as are necessary between this item and Item 5160-001-0001 to provide for the transportation costs to and from work activity programs of clients who are receiving vocational rehabilitation services through the Voca-

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tional Rehabilitation/Work Activity Program (VR/WAP) Transition program.

5. Upon order of the Director of Finance, in order to more effectively meet client service needs, the Controller shall transfer the General Fund share of program costs as necessary between this item and Items 5160-001-0001 and 5160-101-0001 to provide for the net transfer of clients between the Department of Developmental Services and the Department of Rehabilitation for the following:
   (a) The conversion of regional center day programs to work activity or supported employment programs.
   (b) The transfer between day programs and VR/WAP or VR/Supported Employment Programs.
   (c) Clients originating from subdivision (b) of this provision who transfer to a work activity or a supported employment program upon closure from VR.

   The transfer of funds shall be accomplished through a budget revision, on a quarterly basis, in the fiscal year in which the clients initially transferred from the regional center day programs.
6. The State Department of Developmental Services shall present the results of any audit review or findings conducted to determine state contract compliance, federal fiscal compliance, and performance contract measures outcomes at publicly held regional center board meetings.
7. The State Department of Developmental Services, when allocating funds for the purpose of expanding clinical staff, shall consider the need to provide additional resources to regional centers located in rural or medically underserved areas since these areas have limited access to medical services generally.
8. The State Department of Developmental Services shall develop a new ratesetting methodology for Adult Day and In-Home Respite programs by June 30, 1999.
9. *The State Department of Developmental Services shall survey all regional centers and secure data from the data base of the department to ascertain the incidence of autism and pervasive developmental disorders in California. The department*

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shall compile the number of persons who entered the regional center system during the period between January 1, 1988, to January 1, 1998, inclusive, with the diagnosis of autism and pervasive developmental disorders. The survey shall include a comparison during the period between January 1, 1988, to January 1, 1998, inclusive, of the numbers of persons with each of the other disabilities as defined by the Lanterman Developmental Disabilities Services Act (Division 4.5 (commencing with Section 4500) of the Welfare and Institutions Code) and those diagnosed with autism and pervasive developmental disorders. The department shall report its findings to the Legislature by March 1, 1999.

10. Of the funds appropriated in Schedule (b), $150,000 shall be used to support access to and coordination of donated dental services.

11. Upon approval of the Director of Finance, the appropriation made by this item shall be augmented by an amount not to exceed $10,300,000 ($5,000,000 General Fund and $5,300,000 in Reimbursements from the Department of Health Services) to implement a new rate structure for day programs and in-home respite agencies. The new rate structure shall include performance outcome measures.

4300-101-0172—For local assistance, Department of Developmental Services, for payment to Item 4300-101-0001, payable from the Developmental Disabilities Program Development Fund 2,150,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the Department of Developmental Services in excess of the amount appropriated no sooner than 30 days after notification in writing of the chairperson of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or no sooner than such lesser time as the chairperson of the committee, or his or her designee, may in each instance determine.

4300-101-0496—For local assistance, Department of Developmental Services, for payment to Item 4300-101-0001, payable from the Developmental Disabilities Services Account..... 30,000

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4300-101-0890—For local assistance, Department of Developmental Services, for Regional Centers, for payment to Item 4300-101-0001, payable from Federal Trust Fund.....	42,284,000

Provisions:

1. Upon order of the Director of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4300-001-0890 in order to effectively administer the Early Intervention Program (Part ~~H~~ *C* of the Individuals with Disabilities Education Act).
2. It is the intent of the Legislature that family resource centers may operate through a variety of organizations within their local communities.
3. The State Department of Developmental Services, through coordination with the regional center, shall ensure local interagency coordination and collaboration in the provision of early intervention services, including local training activities, child find activities, public awareness, and the family resource center activities.
4. The Bureau of State Audits shall conduct an analysis of the Early Start Program administered by the State Department of Developmental Services. This analysis shall include a review of regional center expenditures for both operations and the purchase of services. At a minimum, for each regional center, the review shall specifically identify the case manager to consumer ratio, the types of services purchased for children 0–3 years of age, the level of expenditure for each service category, types and volume of generic services accessed to meet needs, and the level of expenditure for children 0–3 years that is not included as part of the overall Early Start Program.
5. The State Department of Developmental Services shall convene, at least on a quarterly basis, the Early Start Program Work Group that was established in 1997. The Work Group shall be used to continue discussions regarding program recommendations for the purposes of developing legislation and fiscal information in order to prepare for program reauthorization, and for general program administration and operations consultation.

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4300-295-0001—For local assistance, Department of Developmental Services, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or of Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, State Controller..... 475,000

Schedule:

(1) 98.01.064.480—Judicial Proceedings (Ch. 644, Stats. 1980)..... 85,000

(2) 98.01.069.475—Attorney Fees (Ch. 694, Stats. 1975)..... 185,000

(3) 98.01.125.380—MR Representation (Ch. 1253, Stats. 1980) 104,000

(4) 98.01.130.480—Conservatorship (Ch. 1304, Stats. 1980) 101,000

(5) 98.01.135.776—Guardianship/Conservatorship filings (Ch. 1357, Stats. 1976) 0

Provisions:

1. Except as provided in Provision 2 below, allocations of funds provided in this item to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated in this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.

2. Pursuant to Section 17581 of the Government Code, mandates identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the ~~1997–98~~ *1998–99* fiscal year:

   (a) Guardianship/Conservatorship filings, (Ch. 1357, Stats. 1976)

3. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the Controller may, upon notifying the Director of Finance in

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writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.	
4300-301-0001—For capital outlay, Department of Developmental Services	10,227,000
(1) 55.15.130 Agnews: Fire & Life safety upgrades, Building 54—Preliminary plans and working drawings.....	107,000
(1.6) 55.30.230-Lanterman: Security Improvements—Preliminary plans, working drawings, and construction.....	4,992,000
(2) 55.50.330 Porterville: Air condition main kitchen—Preliminary plans and working drawings.....	144,000
(3) 55.50.340 Porterville: Forensic client training building—Preliminary plans, working drawings and construction	1,532,000
(3.5) 55.50.350-Porterville: Security Improvements Phase II—Preliminary plans, working drawings, and construction	2,654,000
(4) 55.10.300 Minor Projects.....	798,000
Provisions:	
1. Due to the urgent public safety issues associated with the projects *identified* in Schedules 3 and 3.5, the State Department of Developmental Services and the Department of General Services shall contract with architectural and engineering consultants in accordance with Section 1330 of Title 21 of the California Code of Regulations *for these projects* . In order to expedite the design and construction of these security improvements for the forensic population, the State Department of Developmental Services and the Department of General Services shall, in implementing this provision, use emergency contract procedures for the design and construction phases in accordance with Section ~~3.10.1~~ *3.10* of the State Contracting Manual and Section ~~10122~~ *1102* of the Public	

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Contract Code, and shall expedite the capital outlay process, as defined in Section 6800 of the State Administrative Manual.

4300-490—Reappropriation, Department of Developmental Services. Notwithstanding any other provision of law, as of June 30, 1998, the balances of the appropriations provided in the following citations are reappropriated for the purposes specified and ~~for the purposes set forth in Provision 1 of this item, and~~ shall be available for expenditure until June 30, 1999.

001—General Fund:

(1) Item 4300-101-0001 (a) 10.10.010 and (b) 10.10.020, Budget Act of 1997, for regional centers. ~~Following satisfaction of the requirements of Provision 1, one-half~~ *One-half* of the savings generated by regional centers operating under performance-based contracts shall be reappropriated for one-time expenditures that are approved by the Department of Developmental Services.

~~Provisions:~~

~~1. Of the amount reappropriated by this item, $1,500,000 shall be expended by the regional centers for one-time expenditures for infant mental health services public awareness, training, outreach, and startup of multidisciplinary programs that consolidate all sources of funds.~~

4440-001-0001—For support of Department of Mental Health 25,245,000

Schedule:

(a) 10-Community Services..... 28,172,000

(b) 20-Long-Term Care Services 8,901,000

(c) 35.01-Departmental Administration .. 14,115,000

(d) 35.02-Distributed Departmental Administration .....−14,115,000

(e) Reimbursements ..... −9,593,000

(ex) Less funding provided by capital outlay (Item 4440-301-0001)..... −168,000

(f) Amount payable from the Federal Trust Fund (Item 4440-001-0890)..... −2,067,000

Provisions:

1. Upon order of the Director of Finance, and following 30-day notification to the Joint Legislative Budget Committee, the Controller shall transfer between this item and Item 4440-016-0001 those funds that are necessary for direct community ser-

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vices, as well as administrative and ancillary services related to the provision of direct services.

2. Of the funds appropriated for support of the Sexually Violent Predator program, any funds in excess of the amount needed for the program shall revert to the General Fund unless the expenditure of those funds is approved by the Department of Finance. Approval of the Department of Finance may not be effective sooner than 30 days after notification to the Joint Legislative Budget Committee.

3. If the federal funds appropriated for support of the State Department of Mental Health/Department of Rehabilitation Cooperative Program are not made available to the state, the positions authorized to support this program shall be eliminated.

4440-001-0890—For support of Department of Mental Health, for payment to Item 4440-001-0001, payable from the Federal Trust Fund 2,067,000

Provisions:

1. Upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between this item and Item 4440-101-0890.

4440-011-0001—For support of the State Hospitals, Department of Mental Health ..... ~~283,015,000~~ *282,015,000*

Schedule:

(a) 20.10-Long-Term Care Services-Lanterman-Petris-Short.....122,063,000

(b) 20.20-Long-Term Care Services-Penal Code and Judicially Committed ..... ~~285,386,000~~ *284,386,000*

(c) 20.30-Long-Term Care Services-Other State Hospital Services 55,501,000

(d) Reimbursements ..... −179,648,000

(e) Amount payable from the California State Lottery Education Fund (Item 4440-011-0814)..... −287,000

Provisions:

1. Upon order of the Director of Finance, the Controller shall transfer such funds as are necessary between this item and Items 4300-003-0001, 4300-004-0001, 5240-001-0001, and 5460-001-0001.

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2. Upon order of the Director of Finance, and following 30-day notification to the Joint Legislative Budget Committee, the Controller shall transfer between this item and Item 4440-016-0001 those funds that are necessary for direct community services, as well as administrative and ancillary services related to the provision of direct services.
3. Upon approval of the State Department of Mental Health, a portion of the funds appropriated in Schedule (b) shall be available to reimburse counties for the cost of treatment and legal services to patients in the four State Department of Mental Health State Hospitals, pursuant to Section 4117 of the Welfare and Institutions Code. Expenditures made under this item shall be charged to either the fiscal year in which the claim is received or the fiscal year in which the Controller issues the warrant. Claims filed by local jurisdictions for legal services may be scheduled by the Controller for payment.
4. The reimbursements identified in Schedule (d) of this item shall include amounts received by the State Department of Mental Health as a result of billing for LPS state hospital bed day expenditures attributable to conservatees who are gravely disabled as defined in subparagraph (B) of paragraph (1) of subdivision (h) of Section 5008 of the Welfare and Institutions Code (Murphy Conservatee).
5. Of the total amount attributable in the 1998–99 fiscal year to patient-generated collections for LPS patients, a total of $8,000,000 shall be transferred as revenue to the General Fund, and the remainder shall be used to offset county costs for LPS state hospital beds.
6. Of the funds appropriated for the Sexually Violent Predator program, any funds in excess of the amount needed for the program shall revert to the General Fund unless the expenditure of those funds is approved by the Department of Finance. Approval of the Department of Finance may not be effective sooner than 30 days after notification to the Joint Legislative Budget Committee.
7. The State Department of Mental Health shall consult with the Sheriff of the County of Napa and the Police Chief of the City of Napa in the develop-

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ment, and ongoing modification, of a security plan for Napa State Hospital.

8. The State Department of Mental Health shall provide specialized training to local law enforcement located in the immediate vicinity of Napa State Hospital or Metropolitan State Hospital, as needed, in order to ensure both patient and local community safety. At a minimum, the training shall include information on how to identify a patient, procedures for notifying the state hospitals, and techniques for diffusing and appropriately controlling potentially difficult situations.

9. The State Department of Mental Health shall provide specialized training to level-of-care and, as necessary, non-level-of-care, staff at both Napa and Metropolitan State Hospitals to ensure the safest and most therapeutic environment possible for both patients and staff.

10. The State Department of Mental Health shall provide, to the fiscal and policy committees of the Legislature, the City of Napa, and the County of Napa, quarterly status updates, beginning in September of 1997, on the progress of modifications at the Napa State Hospital.

11. The State Department of Mental Health shall provide a status update to the Legislature by January 1, 1999, regarding patients referred, or while in custody under, the Penal Code. This status update, at a minimum, shall include a three-year projection of the patient population, the installation of additional security arrangements to date, a description of any special training provided to employees, a description of any special incidents regarding this patient population, and a description of any special training programs provided to this patient population.

12. Transfers of low- and medium-security risk forensic patients to Metropolitan State Hospital shall be arranged on a flow basis to ensure community security and safety and patient stability. Increases in forensic patients at Metropolitan State Hospital shall occur over several months and in no instance shall the number of patients transferred exceed 30 patients in any one month.

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4440-011-0814—For support of the Department of Mental Health, for payment to Item 4440-011-0001, payable from the California State Lottery Education Fund 287,000

Provisions:

1. All funds received pursuant to Proposition 37 that are allocable to the Department of Mental Health pursuant to Section 8880.5 of the Government Code, and that are in excess of the amount appropriated in this item, are appropriated in augmentation of this item. These additional funds may be expended only upon written approval of the Director of Finance.

4440-012-0001—For support of the State Hospitals (Proposition 98), Department of Mental Health 3,400,000

Schedule:

(a) 20.10-Long-term Care Services-Lanterman-Petris-Short..... 3,400,000

(b) 20.30-Other State Hospital Services..... 367,000

(c) Reimbursements ..... −367,000

Provisions:

1. The funds appropriated by this item are available to contract for the provision of education services for mental health patients on state hospital grounds.

4440-016-0001—For support, Department of Mental Health, for Conditional Release Services 16,084,000

Schedule:

(a) 20-Long-Term Care Services 16,084,000

Provisions:

1. The funds appropriated by this item shall be used to provide community services as provided in Section 4360 of the Welfare and Institutions Code. These funds shall support direct community services, as well as administrative and ancillary services related to the provision of direct services.

2. Upon order of the Director of Finance, and following 30-day notification to the Joint Legislative Budget Committee, the Controller shall transfer between this item and Items 4440-001-0001 and 4440-011-0001 those funds that are necessary for direct community services, as well as administrative and ancillary services related to the provision of direct services.

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3. The State Department of Mental Health shall provide forensic conditional release services mandated either in Title 15 (commencing with Section 1600) of Part 2 or in Title 15 (commencing with Section 2960) of Article 3 of the Penal Code, through contracts with programs which integrate the supervision and treatment roles and providers selected consistent with Section 1615 of the Penal Code.

4. Of the funds appropriated by this item, it is intended that no funds shall be available for the payment of treatment services to persons on court visit from state hospitals to the community as designated in subdivision (a) of Section 4117 of the Welfare and Institutions Code.

4440-101-0001—For local assistance, Department of Mental Health..... ~~40,356,000~~ *60,206,000*

Schedule:

(a) 10.25-Community Services—Other Treatment ..... ~~458,707,000~~ *495,742,000*

(b) 10.40-Community Services—Adult System of Care ..... ~~7,772,000~~ *8,222,000*

(c) 10.47-Community Services—~~Children's Mental Health Services~~ . ~~26,354,000~~ *Children's Mental Health Services* . *40,354,000*

(d) 10.85-AIDS 1,500,000

(dx) 10.97-Community Services—Healthy Families..... 11,856,000

(e) Reimbursements..... ~~−465,833,000~~ *−497,468,000*

Provisions:

1. Augmentations to reimbursements in this item from the Office of Emergency Services for Disaster Relief are exempt from Section 28.00 of this act. The State Department of Mental Health shall provide written notification to the Joint Legislative Budget Committee describing the nature and planned expenditure of these augmentations when the amount received exceeds $200,000.

2. It is the intent of the Legislature that local expenditures for mental health services for Medi-Cal eligible individuals serve as the match to draw down maximum federal financial participation to continue the Short-Doyle/Medi-Cal program.

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3. The funds appropriated in Schedule (b) are for allocation to those counties that had Adult System of Care programs funded pursuant to Chapter 982 of the Statutes of 1988, and may not be used for any other purpose unless approved by the Director of Finance and following 30-day notification to the Joint Legislative Budget Committee.

~~4. Non-federal funds appropriated by 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) may not be expended in any way that would cause their disqualification as a federally-allowable maintenance-of-effort expenditure.~~

~~5.~~

4. Of the amount appropriated in Schedule (c), $2,000,000 shall be allocated to replace Children's System of Care (base program) federal funds for counties losing that funding, ~~$3,000,000~~ *$4,000,000* shall be allocated to counties for which the program is underfunded, and ~~$1,000,000~~ *$14,000,000* shall be allocated to counties seeking to establish their own Children's System of Care Program~~. To the extent that less than $2,000,000 is needed to replace expiring federal funds, that funding may be used for other Children's System of Care activities, including the provision of funding to support planning grants and systemwide training to enhance Children's System of Care programs.~~ *through a request-for-application process. If counties submit proposals that do not meet funding requirements, the State Department of Mental Health shall provide technical assistance to the counties to eliminate application deficiencies.*

5. Of the amount appropriated by this item, $400,000 shall be used to provide assistance to Asian-Americans and subethnic communities in understanding and obtaining mental health services. Through a competitive bid process, these funds shall be used to focus on (a) developing and providing educational materials in Chinese, Vietnamese, Korean, Hmong, and Tagalog, (b) providing training materials and sessions for mental

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health professionals on cultural and language issues pertaining to access to services, (c) conducting community outreach with bilingual intake and referral for clients, and (d) collecting statewide data on mental health treatment provided to these communities.

4440-101-0311—For local assistance, Department of Mental Health, all funds that are transferred into the Traumatic Brain Injury Fund pursuant to subdivision (f) of Section 1464 of the Penal Code 500,000

Schedule:

(a) 10.87-Community Services—Traumatic Brain Injury Projects.... 900,000

(b) Reimbursements..... −400,000

4440-101-0890—For local assistance, Department of Mental Health, payable from the Federal Trust Fund 36,719,000

Schedule:

(a) 10.25-Community Services—other treatment 21,860,000

(b) 10.47-Community Services—Children's Mental Health Services..... 12,511,000

(c) 10.75-Community Services—Homeless Mentally Disabled..... 2,348,000

Provisions:

1. The funds appropriated by this item are for assistance to local agencies in the establishment and operation of mental health services, in accordance with Division 5 (commencing with Section 5000) of the Welfare and Institutions Code.
2. Notwithstanding any other provision of law, funds appropriated in Item 4440-101-0890 of the Budget Act of 1997 for rollover by the counties in the 1998–99 fiscal year shall be used only for the specified purposes for which they were allocated, subject to review and approval of the Department of Mental Health.
3. The Department of Mental Health may authorize advance payments of federal grant funds on a monthly basis to the counties for grantees. These advance payments may not exceed one-twelfth of Section 2.00 of the individual grant award for the 1998–99 fiscal year.
4. Upon order of the Department of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4440-001-0890.

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5. Upon order of the Department of Finance, the Controller shall transfer such funds as are necessary between Schedule (a) and Schedule (b) to meet federal requirements.

4440-102-0001—For local assistance, Department of Mental Health (Proposition 98) for early mental health services 15,000,000

4440-103-0001—For local assistance, Department of Mental Health, Program 10.25-Community Services: Other Treatment for Mental Health Managed Care . ~~169,417,000~~ *167,137,000*

Provisions:

1. The allocation of funds appropriated by this item shall be determined based on a methodology developed by the State Department of Mental Health in consultation with a statewide organization representing counties. This methodology shall be based on a review of actual and projected expenditures for mental health services for Medi-Cal beneficiaries, by county.
2. Of the amount appropriated by this item, $8,000,000 shall be transferred to the Mental Health Managed Care Deposit Fund (Fund 0865).
3. Upon order of the Director of Finance and agreement between the State Department of Mental Health and the State Department of Health Services, the State Controller shall transfer between this item and Item 4260-101-0001 any General Fund amount determined necessary to fully reflect the transfer of responsibility for administration of mental health services pursuant to the implementation of mental health managed care, including any adjustments that may be necessary to implement the San Mateo field test.
4. Notwithstanding any other provision of law, the emergency regulations adopted pursuant to Section 14680 of the Welfare and Institutions Code to implement the second phase of Mental Health Managed Care as provided in Part 2.5 (commencing with Section 5775) of Division 5 of the Welfare and Institutions Code shall remain in effect until July 1, 1999, or until the regulations are made permanent, whichever occurs first, and shall not be subject to the repeal provisions of Section 11346.1 of the Government Code until that time.
5. The State Department of Mental Health shall provide a detailed status update, including county by county information, on the implementation of mental health managed care, including progress

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on both inpatient and outpatient consolidation, to the fiscal and appropriate policy committees in each house of the Legislature on or before January 1, 1999.

4440-111-0001—For local assistance, Department of Mental Health, for caregiver resource centers serving families of brain-damaged adults..... ~~10,247,000~~ *9,247,000*

Provisions:

1. Of the funds appropriated by this item, $200,000 shall be made available to the Statewide Resources Consultant and the Caregiver Resource Centers to carry out responsibilities pursuant to Section 4364 of the Welfare and Institutions Code to (a) increase Huntington's disease training opportunities and data collection related to the delivery of high-quality in-home and out-of-home care for persons with Huntington's disease, and (b) increase outreach to Huntington's disease families for enhanced involvement within the Caregiver Resource Center system, including, but not limited to, augmenting services, such as respite care and specialized family consultation or expanding family support groups.

4440-131-0001—For local assistance, Department of Mental Health, for services to special education pupils..... 12,334,000

Provisions:

1. In allocating to the counties funds for mental health services to pupils who are specified in accordance with Chapter 26.5 (commencing with Section 7570) of Division 7 of Title 1 of the Government Code and the Individuals with Disabilities Education Act Section 602(a) Amendments of 1990, as defined in Section 300.5 of Title 34 of the Code of Federal Regulations, and who meet the requirements of Section 56026 of the Education Code and Sections 3030 and 3031 of Title 5 of the California Code of Regulations, the Department of Mental Health may allocate the funds based on the individual county's needs, in lieu of using the allocation method set forth in Welfare and Institutions Code Section 5701.

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4440-295-0001—For local assistance, Department of Mental Health, for reimbursement, in accordance with the provision of Section 6 of Article XIII B of the California Constitution or of Section 17561 of the Government Code, or the costs of any new program or increased level of service of an existing program mandated by statute or executive order, State Controller		38,263,000
Schedule:		
(1) 98.01.049.877—Coroner's Costs (Ch. 498, Stats. 1977)	103,000	
(2) 98.01.081.579—Short-Doyle Case Management (Ch. 815, Stats. 1979)	0	
(3) 98.01.103.678—Mentally Disordered Offender Recommitments (Ch. 1036, Stats. 1978)	181,000	
(4) 98.01.111.479—Not Guilty By Reason of Insanity (Ch. 1114, Stats. 1979)	284,000	
(5) 98.01.132.784—Short-Doyle Audits (Ch. 1327, Stats. 1984)	0	
(6) 98.01.135.285—Residential Care Services (Ch. 1352, Stats. 1985)	0	
(7) 98.01.174.784—Services to Handicapped Students (Ch. 1747, Stats. 1984)	37,695,000	

Provisions:

1. Allocations of funds appropriated by this item to the appropriate local entities shall be made by the State Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated by this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.
2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the State Controller may, upon notifying the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any

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other scheduled amount therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.

3. Pursuant to Section 17581 of the Government Code, mandates identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the ~~1997–98~~ *1998–99* fiscal year:
   (a) Short-Doyle Case Management (Ch. 815, Stats. 1979)
   (b) Short-Doyle Audits (Ch. 1327, Stats. 1984)
   (c) Residential Care Services (Ch. 1352, Stats. 1985)

4440-301-0001—For capital outlay, Department of Mental Health 6,417,000

Schedule:

(1.1) 55.18.255-SVP Facility—Site search, environmental reports , schematics, ~~and due diligence~~ *due diligence, and* option funds..... 5,475,000

(2) 55.45.255-Patton: Fire/Life Safety and Environmental Improvements, EB Building—Working drawings... 418,000

(3) 55.35.920-Metro: Replace R&T and Administration Buildings—Preliminary plans and working drawings 333,000

(4) 55.10.205-Minor Projects 191,000

4440-301-0660—For capital outlay, Department of Mental Health, payable from Public Buildings Construction Fund 33,235,000

Schedule:

(1) 55.18.245-Atascadero: New 250 Bed Hospital Addition I—Construction 33,235,000

Provisions:

1. The State Public Works Board may issue lease-revenue bonds, notes or bond anticipation notes pursuant to Chapter 5 (commencing with Section 15830) of Part 10b of Division 3 of Title 2 of the Government Code to finance the construction for the project authorized by this item.

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2. The State Public Works Board and the Department of Mental Health may obtain interim financing for the project costs authorized in this item from any appropriate source including but not limited to the Pooled Money Investment Account pursuant to Sections 16312 and 16313 of the Government Code.
3. The maximum amount of bonds, notes or bond anticipation notes to be sold shall not exceed the cost of construction and any additional amounts necessary to pay interim and permanent financing costs.

4440-301-0768—For capital outlay, Department of Mental Health, payable from the Earthquake Safety and Public Buildings Rehabilitation Fund of 1990 1,253,000

Schedule:

(1) 55.35.920-Metro: Replace R&T and Administration Buildings—Preliminary plans and working drawings 1,253,000

4440-490—Reappropriation, Department of Mental Health. The unencumbered balances of the appropriations provided for in the following citations are reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in those appropriations:

4440-301-0001—Budget Act of 1997

(3) 55.40.265-Napa: Perimeter Security Fencing-~~preliminary plans, working drawings,~~ *Working drawings* and construction.

(4) 55.40.270-Napa: Improve Domestic Water ~~System-preliminary plans, working drawings, and construction.~~ *System—Construction.*

4700-001-0890—For support of Department of Community Services and Development, payable from the Federal Trust Fund 11,718,000

Schedule:

(a) 20—Energy Programs..... 10,452,000
(b) 40—Community Services..... 2,407,000
(c) 50.01—Administration..... 2,904,000
(d) 50.02—Distributed Administration. −2,904,000
(e) Reimbursements ..... −1,141,000

Provisions:

1. On a federal fiscal year basis, the Department of Community Services and Development shall make the following program allocation for the

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community services block grant, as a percentage of the total block grant:

(a) Administration ..... 5 percent

The department shall provide the Controller with the dollar value of this allocation limit, as it relates to the appropriation in this item, at the beginning of the state fiscal year, and shall update this information whenever necessary to reflect federal revisions to the grant.

2. Any unexpended federal funds from Item 4700-001-0890, Budget Act of 1997, shall be in augmentation of Item 4700-001-0890 of this act and not subject to the provisions of Section 28.00.

4700-101-0001—For local assistance, Department of Community Services and Development ..... ~~13,000,000~~ *4,400,000*

Schedule:

(a) 40-Community Services..... ~~1,000,000~~ *2,400,000*

~~(b) 45-Migrant Seasonal Farm Workers Food Program..... 2,000,000~~

~~(c) 50-Naturalization Services..... 10,000,000~~

(b) 47-Naturalization Services..... 2,000,000

Provisions:

1. Of the funds appropriated by this item, ~~$2,000,000 shall be allocated for the food assistance needs of the legal immigrant, migrant seasonal farmworker populations that would be eligible for the federal Food Stamp Program but for the passage of Public Law 104-193. These funds shall be used to expand services to communities with high percentages of the legal immigrant, migrant seasonal farmworker population.~~ *$1,350,000 shall be allocated for homeless education.*

2. *The Department of Community Services and Development shall use the amount appropriated in Schedule (b), as follows:*

(a) The department shall contract with, and allocate funds to, citizenship assistance providers to provide naturalization services, which shall include, to the extent consistent with applicable federal law, all of the following:

(1) Outreach services.

(2) Assessment of skills.

(3) Instruction and curriculum development.

(4) Staff development.

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(5) Citizenship testing.

(6) Naturalization preparation and assistance.

(7) Regional and state coordination and program evaluation.

(b) Citizenship assistance providers shall give priority for naturalization services to immigrants rendered ineligible for federal benefits solely due to the provisions of Public Law 104-193 and any subsequent amendments to that law in the following order:

(1) Senior citizens and disabled individuals.

(2) Parents of children losing benefits.

(3) Persons otherwise eligible for federal food stamp benefits.

(4) Other legal residents.

(c) The department shall award contracts and allocate funds pursuant to a competitive bid process open to existing and new service providers so that the aggregate allocation to citizenship assistance providers serving each county will be in an amount equal to that county's percentage of legal noncitizens, as determined by the department.

(d) (1) In order to be eligible for funding under this provision, a citizenship assistance provider shall be required to provide a 25 percent match, either through public or private funds or in-kind contributions, unless the Director of Community Services and Development waives the matching requirement based on the financial ability of the provider to meet the matching requirement. The department shall adopt, pursuant to regulation, a criteria for the waiver.

(2) A citizenship assistance provider shall be paid 90 percent of the rate determined by the department, upon filing of a citizenship application with the federal Immigration and Naturalization Service, and the remaining 10 percent upon the citizenship application being approved by the federal Immigration and Naturalization Service.

(3) The provider shall be ineligible to receive funding under this article if any officer or

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employee of the provider who would be involved in the administration of grant funds has been convicted of a criminal offense related to the administration of grant funds.

(e) (1) The department shall, within 10 days of awarding contracts to citizenship assistance providers, provide each county with a listing of each provider in the county with information including, but not limited to, the provider's address, telephone number, contact person for the program, hours of operation, target clientele and area of service, and scope of services to be offered.

(2) The department shall require all citizenship assistance providers to consult with the county in order to assist the county to meet the naturalization needs of noncitizens.

(f) The department's administrative expenses shall not exceed 5 percent of the total funds appropriated for this program.

(g) For purposes of this provision, "citizenship assistance provider" or "provider" means any not-for-profit entity, including a community-based organization, community college, adult education program, or local government, that has cultural and linguistic capabilities, and that has been approved to provide services under this provision by the department. Local governments may subcontract with not-for-profit entities for these purposes.

(h) The department may adopt emergency regulations in order to implement this provision, in accordance with the Administrative Procedure Act, Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The adoption of regulations pursuant to this provision shall be deemed to be an emergency and considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health and safety, or general welfare. Emergency regulations adopted pursuant to this provision shall be exempt from

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the review and approval of the Office of Administrative Law. The emergency regulations authorized by this provision shall be submitted to the Office of Administrative Law for filing with the Secretary of State and publication in the California Code of Regulations.

4700-101-0890—For local assistance, Department of Community Services and Development, for assistance to individuals and payments to service providers, payable from the Federal Trust Fund 109,633,000

Schedule:

(a) 20-Energy Programs 62,581,000

(b) 40-Community Services 50,482,000

(c) Reimbursements ..... −3,430,000

Provisions:

1. On a federal fiscal year basis, the department shall make the following program allocations for the community services block grant as a percentage of the total block grant:

   (a) Discretionary ..... 5 percent

   (b) Migrant and seasonal farm workers ..... 10 percent

   (c) Native American Indian programs..... 3.9 percent

   (d) Community action agencies and rural community services ..... 76.1 percent

   All grantees under the community services block grant program shall be subject to standard state contracting procedures required under the program.

2. The department shall provide the State Controller with the dollar value of these allocation limits, as they relate to the appropriation in this item, at the beginning of the fiscal year, and shall update this information whenever necessary to reflect federal revisions to the grant.

3. Funds collected by the department from energy contractors as a result of overpayments shall be used for local assistance for energy programs, and funds collected from community service block grant (CSBG) contractors as a result of overpayments shall be used for local assistance for CSBG programs in 1998–99.

4. Funds scheduled in Item 4700-101-0890 may be transferred to Item 4700-001-0890 for the administration of the Low Income Home Energy Assis-

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tance Programs, subject to approval of the Department of Finance.

5. Any unexpended federal funds from Item 4700-101-0890, Budget Act of 1997, shall be in augmentation of Item 4700-101-0890 of this act and not subject to the provisions of Section 28.00.

5100-001-0001—For support of Employment Development Department, for payment to Item 5100-001-0870..... ~~23,622,000~~ *24,872,000*

Provisions:

1. Of the funds appropriated by this item, $500,000 shall be allocated and disbursed by the Employment Development Department to the administrative entity of the job training Service Delivery Area for the City of Los Angeles to support no more than four at-risk youth employment demonstration projects by private, nonprofit entities, and $150,000 shall be allocated and disbursed by the department to each of the administrative entities of the job training Service Delivery Areas of the City of Oakland, the County of San Diego and City of San Diego, the City and County of San Francisco, the City of Santa Ana, and the County of Fresno to support in each of those jurisdictions no more than two youth demonstration projects by private, nonprofit entities.

5100-001-0184—For support of Employment Development Department, for payment to Item 5100-001-0870, payable from the Employment Development Department Benefit Audit Fund 8,905,000

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.

5100-001-0185—For support of Employment Development Department, for payment to Item 5100-001-0870, payable from the Employment Development Contingent Fund..... 36,915,000

Provisions:

1. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated for administration pursuant to Section 1586 of the Unemployment Insurance Code.

2. Notwithstanding the provisions of Item 9840-001-0494, the Director of Finance may authorize

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the creation of deficiencies pursuant to Section 11006 of the Government Code for the purposes of this item.

3. 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.

5100-001-0514—For support of Employment Development Department, for payment to Item 5100-001-0870, payable from the Employment Training Fund 82,382,000

Provisions:

1. Notwithstanding subdivision (a) of Section 2.00 of this act, funds disencumbered from Employment Training Fund training contracts during 1998–99 are hereby appropriated for transfer to, and in augmentation of, this item for allocation by the Employment Training Panel for training contracts. The Employment Development Department shall notify the Legislature by September 1, 1999, of the actual amount of funds appropriated pursuant to this provision.

2. Any funds appropriated for the Employment Development Department, State-Local Cooperative Labor Market Information Program, if not expended by June 30, 1999, shall be made available to the Employment Training Fund for purposes of funding job training contracts.

3. Of the funds appropriated by this item, at least $10,000,000 shall be used for training activities for small businesses or consortia of small businesses. For purposes of this provision, ‘‘small business’’ means a business that employs fewer than 100 persons. In addition, the Employment Training Panel shall dedicate administrative support for the purpose of reaching out to, and assisting, small businesses, or consortia of small businesses, in accessing the panel’s training contract funds.

4. In order to reduce the incidence of contract disencumberances, the Employment Training Panel shall adopt performance goals of annual reductions. For the 1998–99 fiscal year, disencumberances shall be reduced to no more than 35 percent of available funds, 30 percent for the 1999–2000 fiscal year, 25 percent for the 2000–01 fiscal year, and 22 percent for the 2001–02 fiscal year. The

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panel shall report to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the budget committees of each house of the Legislature by April 15, 1999, and annually thereafter on the projected disencumberances for each ensuing fiscal year.	
5100-001-0579—For support of Employment Development Department, payable from the Welfare-to-Work Grant Fund—Federal, to be available for expenditure during the 1998–99, 1999–00, and 2000–01	54,512,000
5100-001-0588—For support of Employment Development Department, for payment to Item 5100-001-0870, payable from the Unemployment Compensation Disability Fund.....	136,525,000

Provisions:

1. The Employment Development Department shall submit on October 1, 1998, and April 20, 1999, to the Department of Finance for its review and approval, an estimate of expenditures for both the current and budget years, including the assumptions and calculations underlying Employment Development Department projections for support expenditures from this item. The Department of Finance shall approve, or modify, the assumptions underlying all estimates within 15 working days of the due date. If the Department of Finance does not approve or modify in writing, the assumptions underlying all estimates within 15 working days of the due date, the Employment Development Department shall consider the assumptions and calculations approved as submitted. If the Department of Finance determines that the estimate of support expenditures differs from the amount appropriated by this item, the Director of Finance shall so report to the Legislature. At the time the report is made, the amount of this appropriation shall be adjusted by the difference between this Budget Act appropriation and the approved estimate of the Department of Finance. Revisions for the support of the Disability Insurance program reported pursuant to this provision are not subject to Section 28.00 of this act.
2. Notwithstanding the provisions of Item 9840-001-0988, the Director of Finance may authorize the creation of deficiencies pursuant to Section 11006 of the Government Code, for the purposes of this item.

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5100-001-0869—For support of state programs under the Job Training Partnership Act, Employment Development Department, for Program 60—Job Training Partnership, payable from the Consolidated Work Program Fund..... 163,704,000

Schedule:

(a) 60.11-Administrative Cost Pool 8,653,000

(b) 60.20-Incentive and Technical Assistance..... 8,653,000

(c) 60.30-Older Workers 7,589,000

(d) 60.40-Educational Linkages..... 13,845,000

(e) 60.60-Displaced Workers Program . 91,381,000

(f) 60.65-Veterans 733,000

(g) 60.85-School to Career..... 32,850,000

Provisions:

1. The funds appropriated in this item may be transferred to Item 5100-101-0869, upon the approval of the Department of Finance, when service delivery areas decide to operate projects under the federal guidelines applicable to Adult and Youth Training Programs.

2. Notwithstanding subdivision (a) of Section 2.00 of this act, funds disencumbered from Job Training Partnership Act subgrants during the 1998–99 fiscal year are hereby appropriated for transfer to, and in augmentation of, this item for allocation by the Employment Development Department for Job Training Partnership Act subgrants.

3. The Employment Development Department shall submit on October 1, 1998, and April 20, 1999, to the Department of Finance for its review and approval, an estimate of federal grants and expenditures for both the 1998–99 and 1999–2000 fiscal years, including the assumptions and calculations underlying the Employment Development Department projections. The Department of Finance shall approve, or modify the assumptions underlying, all estimates within 15 working days of the due date. If the Department of Finance does not approve or modify in writing the assumptions underlying all estimates within 15 working days of the due date, the Employment Development Department shall consider the assumptions and calculations approved as submitted. If the Department of Finance determines that the estimate of federal grants and expenditures differs from the amount appropriated by this item, the Director of

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Finance shall so report to the Legislature. At the time the report is made, the amount of this appropriation shall be adjusted by the difference between this Budget Act appropriation and the approved estimate of the Department of Finance. Revisions reported pursuant to this provision are not subject to Section 28.00 of this act.	
5100-001-0870—For support of Employment Development Department, payable from the Unemployment Administration Fund—Federal	550,568,000
Schedule:	
(a) 10-Employment and Employment Related Services	~~201,482,000~~ *202,732,000*
(b) 21-Tax Collections and Benefit Payments	535,056,000
(c) 22-California Unemployment Insurance Appeals Board	54,508,000
(d) 30.01-General Administration	48,228,000
(e) 30.02-Distributed General Administration	−43,964,000
(f) 50-Employment Training Panel	75,611,000
(g) Reimbursements	−30,842,000
(h) Amount payable from the General Fund (Item 5100-001-0001)	~~−23,622,000~~ *−24,872,000*
(i) Amount payable from the Employment Development Department Benefit Audit Fund (Item 5100-001-0184)	−8,905,000
(j) Amount payable from the Employment Development Contingent Fund (Item 5100-001-0185)	−36,915,000
(k) Amount payable from the Employment Training Fund (Item 5100-001-0514)	−82,382,000
(*l*) Amount payable from the Unemployment Compensation Disability Fund (Item 5100-001-0588)	−136,525,000
(m) Amount payable from the School Employees Fund (Item 5100-001-0908)	−762,000
(n) Amount payable from the Employment Development Contingent Fund (Sec. 1586, Unemployment Insurance Code)	−400,000

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Provisions:

1. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated pursuant to Section 1555 of the Unemployment Insurance Code.
2. The Employment Development Department (EDD) shall submit on October 1, 1998, and April 20, 1999, to the Department of Finance for its review and approval, an estimate of expenditures for both current and budget years, including the assumptions and calculations underlying EDD projections for support expenditures for the Unemployment Insurance program from this item. The Department of Finance shall approve, or modify, the assumptions underlying all estimates within 15 working days of the due date. If the Department of Finance does not approve or modify in writing the assumptions underlying all estimates within 15 working days of the due date, EDD shall consider the assumptions and calculations approved as submitted. If the Department of Finance determines that the estimate of support expenditures differs from the amount appropriated by this item, the Director of Finance shall so report to the Legislature. At the time the report is made, the amount of this appropriation shall be adjusted by the difference between this appropriation and the Department of Finance approved estimate for the Unemployment Insurance program. Revisions for the support of the Unemployment Insurance program that are reported pursuant to this provision are not subject to Section 28.00 of this act.
3. *Positions for the Trade Adjustment Act program that are supported entirely by federal funds appropriated by this item shall be eliminated if the Employment Development Department determines that sufficient federal funds will not be available to fund those positions.*
4. *Positions for the North American Free Trade Agreement Act program that are supported entirely by federal funds appropriated by this item shall be eliminated if the Employment Development Department determines that sufficient federal funds will not be available to fund those positions.*

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5100-001-0908—For support of Employment Development Department, for payment to Item 5100-001-0870, payable from the School Employees Fund 762,000

Provisions:

1. Notwithstanding the provisions of Item 9840-001-0988, the Director of Finance may authorize the creation of deficiencies pursuant to Section 11006 of the Government Code, for the purposes of this item.
2. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated for administration pursuant to Section 822 of the Unemployment Insurance Code.
3. Provision 2 of Item 5100-001-0870 also applies to this item.

5100-011-0184—For support of the Employment Development Department, the amount of the unencumbered balance exceeding $1,000,000 in the Employment Development Department Benefit Audit Fund as of June 30, 1999, shall be transferred to the General Fund.

5100-011-0185—For support of Employment Development Department payable from the Employment Development Contingent Fund. Notwithstanding any other provision of law, the State Controller shall transfer to the General Fund the amount, as determined by the Director of Finance, in the Employment Development Contingent Fund as of June 30, 1999, that is in excess of the $1,000,000 reserve required by Section 1590 of the Unemployment Insurance Code.

5100-011-0890—For support of Employment Development Department, payable from the Federal Trust Fund, for transfer to the Unemployment Administration Fund..... (550,568,000)

5100-021-0890—For support of Employment Development Department, payable from the Federal Trust Fund, for transfer to the Consolidated Work Program Fund..... (163,704,000)

5100-031-0890—For support of Employment Development Department, payable from the Federal Trust Fund, for transfer to the Welfare-to-Work Fund. ..... (54,512,000)

5100-101-0579—For local assistance under the Welfare-to-Work Grant, Employment Development Department, payable from the Welfare-to-Work Fund—Federal, to be available for expenditure during the 1998–99, 1999–00, and 2000–01 fiscal years..... 147,050,000

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Provisions:

1. Notwithstanding subdivision (a) of Section 2.00 of this act, funds disencumbered from the Welfare-to-Work Grant during 1998–99 are hereby appropriated for transfer to, and in augmentation of, this item for allocation by the Employment Development Department.

5100-101-0588—For local assistance, Employment Development Department, for Program 21—Tax Collections and Benefit Payments, payable from the Unemployment Compensation Disability Fund.... 1,579,462,000

Provisions:

1. Notwithstanding Item 9840-001-0988, the Director of Finance may authorize the creation of deficiencies pursuant to Section 11006 of the Government Code for the purposes of this item.
2. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated pursuant to Section 3012 of the Unemployment Insurance Code.
3. The Employment Development Department shall submit on October 1, 1998, and April 20, 1999, to the Department of Finance for its review and approval, an estimate of expenditures for both current and budget years, including the assumptions and calculations underlying Employment Development Department projections for benefits payable from this item. The Department of Finance shall approve, or modify the assumptions underlying, all estimates within 15 working days of the due date. If the Department of Finance does not approve or modify in writing the assumptions underlying all estimates within 15 working days of the due date, the Employment Development Department shall consider the assumptions and calculations approved as submitted. If the Department of Finance determines that the estimate of benefit expenditures differs from the amount appropriated by this item, the Director of Finance shall so report to the Legislature. At the time the report is made, the amount of this appropriation shall be adjusted by the difference between this Budget Act appropriation and the approved estimate of the Department of Finance. Revisions reported pursuant to this provision are not subject to Section 28.00 of this act.

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5100-101-0869—For local assistance under the Job Training Partnership Act, Employment Development Department, for Program 60-Job Training Partnership, payable from the Consolidated Work Program Fund 411,519,000

Schedule:

(a) 60.60-Displaced Workers Program.....118,042,000

(b) 60.70-Adult and Youth Training Programs 148,547,000

(c) 60.80-Summer Youth Programs.....144,930,000

Provisions:

1. Notwithstanding subdivision (a) of Section 2.00 of this act, funds disencumbered from Job Training Partnership Act subgrants during 1998–99 are hereby appropriated for transfer to and in augmentation of this item for allocation by the Employment Development Department for Job Training Partnership Act subgrants.

2. The Employment Development Department shall submit on October 1, 1998, and April 20, 1999, to the Department of Finance for its review and approval, an estimate of federal grants and expenditures for both current and budget years, including the assumptions and calculations underlying Employment Development Department projections. The Department of Finance shall approve, or modify the assumptions underlying, all estimates within 15 working days of the due date. If the Department of Finance does not approve or modify in writing the assumptions underlying all estimates within 15 working days of the due date, the Employment Development Department shall consider the assumptions and calculations approved as submitted. If the Department of Finance determines that the estimate of federal grants and expenditures differs from the amount appropriated by this item, the Director of Finance shall so report to the Legislature. At the time the report is made, the amount of this appropriation shall be adjusted by the difference between this Budget Act appropriation and the approved estimate of the Department of Finance. Revisions reported pursuant to this provision are not subject to Section 28.00 of this act.

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5100-101-0871—For local assistance, Employment Development Department, for Program 21—Tax Collections and Benefit Payments, payable from the Federal Unemployment Fund 2,659,454,000

Provisions:

1. Funds appropriated in this item are in lieu of the amounts that would have otherwise been appropriated pursuant to Section 1521 of the Unemployment Insurance Code.
2. Provision 3 of Item 5100-101-0588 is also applicable to this item.

5100-101-0890—For local assistance, Employment Development Department, payable from the Federal Trust Fund, for transfer to the Consolidated Work Program Fund..... (411,519,000)

5100-101-0908—For local assistance, Employment Development Department, for Program 21—Tax Collections and Benefit Payments, payable from the School Employees Fund 30,057,000

Provisions:

1. Notwithstanding Item 9840-001-0988, the Director of Finance may authorize the creation of deficiencies pursuant to Section 11006 of the Government Code for the purposes of this item.
2. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated for benefits pursuant to Section 822 of the Unemployment Insurance Code.
3. Provision 3 of Item 5100-101-0588 also applies to this item.

5100-111-0890—For local assistance, Employment Development Department, payable from the Federal Trust Fund, for transfer to the Federal Unemployment Fund (0871) .....(2,659,454,000)

5100-131-0890—For local assistance, Employment Development Department, payable from the Federal Trust Fund, for transfer to the Welfare-to-Work Fund..... (147,050,000)

5100-301-0588—For capital outlay, Employment Development Department, payable from the Unemployment Compensation Disability Fund..... 3,000,000

Schedule:

(1) 80.35.001-San Francisco JS/UI/DI Office—Renovation and Asbestos Abatement—Working drawings and construction..... 3,000,000

Item		Amount
5100-301-0870—For capital outlay, Employment Development Department, payable from the Unemployment Administration Fund-Federal		1,795,000
Schedule:		
(1) 80.35.001-San Francisco JS/UI/DI Office—Renovation and Asbestos Abatement—Working drawings and construction	1,000,000	
(2) 80.92.001-San Bernardino Office—Renovation and Asbestos Abatement—Preliminary plans and working drawings	222,000	
(3) 80.37.001-Minor Projects	573,000	
5100-301-0871—For capital outlay, Employment Development Department payable from the Unemployment Fund-Federal		3,119,000
Schedule:		
(1) 80.35.001-San Francisco JS/UI/DI Office—Renovation and Asbestos Abatement—Working drawings and construction	3,119,000	
5100-301-0890—For capital outlay, Employment Development Department, payable from the Federal Trust Fund, for transfer to the Unemployment Administration Fund-Federal		(1,795,000)
Schedule:		
(1) 80.35.001-San Francisco JS/UI/DI Office—Renovation and Asbestos Abatement—Working drawings and construction	(1,000,000)	
(2) 80.92.001—San Bernardino Office—Renovation and Asbestos Abatement—Preliminary plans and working drawings	(222,000)	
(3) 80.37.001-Minor Projects	(573,000)	
5100-302-0890—For capital outlay, Employment Development Department, payable from the Federal Trust Fund, for transfer to the Unemployment Fund-Federal		(3,119,000)
Schedule:		
(1) 80.35.001-San Francisco JS/UI/DI Office—Renovation and Asbestos Abatement—Working drawings and construction	(3,119,000)	

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5100-311-0690—For capital outlay, Employment Development Department. To prevent the loss of funds in the Employment Development Department Building Funds, the unencumbered balances of the funds deposited in the Employment Development Department Building Fund shall be transferred to the Federal Unemployment Fund.

Provisions:

1. The Employment Development Department shall report to the Legislature by September 1, 1999, the amount of funds transferred pursuant to this item.

5160-001-0001—For support of Department of Rehabilitation..... ~~43,040,000~~ *43,662,000*

Schedule:

(a) 10-Vocational Rehabilitation Services.....~~284,572,000~~ *286,639,000*

(b) 20-Habilitation Services 2,591,000

(c) 30-Support of Community Facilities ~~6,272,000~~ *6,454,000*

(d) 40.01-Administration..... 20,494,000

(e) 40.02-Distributed Administration ...−20,494,000

(f) Reimbursements ..... −7,035,000

(g) Amount payable from the Federal Trust Fund (Item 5160-001-0890) ..... ~~−240,000,000~~ *−241,627,000*

~~(h) Amount payable from the Vending Stands Account Special Deposit Fund, pursuant to Section 16370 of the Government Code)..... −3,360,000~~

(i) Amount payable from the Vending Stand Account (Item 5160-001-0600)..... −3,360,000

Provisions:

1. In order to participate in the County Mental Health Cooperative Programs, a county shall identify, in its joint proposal with a local office of the Department of Rehabilitation, cash and in-kind resources it shall make available for prevocational and other services to supplement vocational rehabilitation resources.

2. Upon order of the Director of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4300-101-0001 to pro-

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vide for the transportation costs to and from work activity programs of clients who are receiving vocational rehabilitation services through the Vocational Rehabilitation/Work Activity Program (VR/WAP) Transition program.

3. The Department of Rehabilitation shall review the process for providing modified vehicles to vocational rehabilitation clients and shall eliminate redundant authorization requirements. The department shall adopt policies to ensure that counselors are informed about their role in the process and to increase the number of driving evaluators who are qualified to make van assessments. Future minivan purchases shall be made as needed, unless the department determines that a fleet purchase is the most cost-effective option.

The department shall report to the Legislature on or before January 1, 1999, on the feasibility and desirability of implementing longer-term changes to the van purchase and modification system, including, but not limited to, the use of upfront loans and grants and allowing clients to assume more control of the process.

4. The department shall maximize its use of certified time as a match for federal vocational rehabilitation funds. To the extent that certified time is available, it shall be used in lieu of the General Fund moneys.

5. Of the funds appropriated by this item, $182,000 shall be used to fund community organizing projects. General Fund moneys shall be available only if federal funds are not available for these projects.

5160-001-0600—For support of Department of Rehabilitation, for payment to Item 5160-001-0001, payable from the Vending Stand Account..... 3,360,000

5160-001-0890—For support of Department of Rehabilitation, for payment to Item 5160-001-0001, payable from the Federal Trust Fund ..... ~~240,000,000~~ *241,627,000*

Provisions:

1. The amount appropriated by this item that is payable from federal Social Security Act funds for vocational rehabilitation services for SSI/SSDI recipients shall be expended only to the extent that funds received exceed the amount appropriated by Item 5160-101-0890 that is payable from

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the federal Social Security Act funds. It is the intent of the Legislature that first priority of federal Social Security Act funding be given to Independent Living Centers in the amount of federal Social Security Act funding appropriated by Item 5160-101-0890.

5160-101-0001—For local assistance, Department of Rehabilitation ..... ~~92,975,000~~ *87,696,000*

Schedule:

(a) 10-Vocational Rehabilitation Services..... 487,000

(b) 20-Habilitation Services ..... ~~90,241,000~~ *84,962,000*

(c) 30-Support of Community Facilities 9,737,000

(d) Amount payable from Federal Trust Fund (Item 5160-101-0890)..... −7,490,000

Provisions:

1. Upon order of the Director of Finance, the Controller shall transfer funds as are necessary between this item and Item 5160-001-0001 to provide the state's share of client service expenditures for habilitation clients who are eligible to become vocational rehabilitation clients.

5160-101-0890—For local assistance, Department of Rehabilitation, for payment to Item 5160-101-0001, payable from the Federal Trust Fund..... 7,490,000

5170-001-0001—For support of State Independent Living Advisory Council..... 0

Schedule:

(a) 10 State Council Services 419,000

(b) Reimbursements..... −419,000

5180-001-0001—For support of Department of Social Services ..... ~~81,542,000~~ *100,513,000*

Schedule:

(a) 16-Welfare Programs ..... ~~81,135,000~~ *83,333,000*

(b) 25-Social Services and Licensing...~~108,792,000~~ *129,454,000*

(c) 35-Disability Evaluation and Other Services.....~~186,532,000~~ *187,803,000*

(d) 60.01-Administration..... 35,635,000

(e) 60.02-Distributed Administration ...−35,635,000

(ex) 65-Disaster Relief..... 10,421,000

(f) Reimbursements .....−12,792,000

Item	Amount
(g) Amount payable from Foster Family Home and Small Family Home Insurance Fund (Item 5180-001-0131)	−1,503,000
(h) Amount payable from the Federal Trust Fund (Item 5180-001-0890)	~~−291,043,000~~ *−296,203,000*

Provisions:

1. The Department of Finance may authorize the transfer of funds from Schedule (b) of this item to Schedule (c), Program 25.45, of Item 5180-151-0001, Community Care 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 (b) of this item to Schedule (a)(2), Program 25.25.020, of Item 5180-151-0001, Adoptions, in order to allow counties to perform the adoption programs function.
3. Nonfederal funds appropriated by 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) may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.
~~4. The $4,000,000 appropriated in this item for the Emergency Food Assistance Program (EFAP) shall be allocated as follows: (a) 80 percent for purchase of nonperishable food staples and (b) 20 percent for storage and distribution of EFAP food, out of which 80 percent shall be allocated for local program operations and 20 percent shall be allocated for state-level statewide and regional operations.~~
4. Of the amount appropriated by this item, $3,430,000 shall be available for local food bank programs to purchase food, expand refrigeration space, purchase vehicles or other equipment that will be directly used for the purchase, delivery, or distribution of food products or for other uses that will allow food banks to increase the amount of food they can receive and distribute. A request for

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allocation shall be developed by the Department of Social Services in consultation with the Emergency Food Assistance Advisory Board. Further, $2,260,000 shall be distributed to local food distribution programs and $260,000 shall be distributed to regional programs for the purchase of food or to aid in the collection of donated food. The sum of $50,000 shall be available for the purposes of convening Emergency Food Assistance Technical Assistance and Training sessions.

5. The State Department of Social Services shall report to the chairpersons of the fiscal committees of each house of the Legislature no later than February 1, 1999, and annually thereafter, on the increase in productivity by the Disability Evaluation Division as a result of the augmentation provided in this item.

6. Positions for the Disability Evaluation Division that are supported by federal funds shall be eliminated if the State Department of Social Services determines that sufficient federal funds will not be available to fund those positions.

7. Positions for the federal Title IV-E Child Welfare Waiver Demonstration Project that are supported by federal funds shall be eliminated if the State Department of Social Services determines that sufficient federal funds will not be available to fund those positions.

8. The State Department of Social Services shall provide information on the implementation of the California Food Assistance Program (CFAP) to the appropriate Senate and Assembly budget subcommittees during the spring 1999 budget subcommittee hearings. This information shall include, but not be limited to, the estimated number of persons receiving CFAP benefits, the number of CFAP recipients also participating in CalWORKS, the number of CFAP recipients in nonsubsidized and subsidized employment, and the range of hours required by each county for program administration.

5180-001-0131—For support of Department of Social Services, for payment to Item 5180-001-0001, for claims payments and the operation and maintenance of the Foster Family Home and Small Family Home Insurance Fund 1,503,000

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Provisions:

1. The Department of Finance is authorized to approve expenditures from the unexpended balance available from prior years' appropriations in the Foster Family Home and Small Family Home Insurance Fund during the 1998–99 fiscal year, in those amounts made necessary by increases in either the payment of claims or the costs of operating and maintaining the Foster Family Home and Small Family Home Insurance Fund, which are within or in excess of amounts appropriated in this act for that year.

   If the Department of Finance determines that the estimate of expenditures will exceed the expenditures authorized for the 1998–99 fiscal year, the department shall notify the Legislature. Upon notification the amount of the limitation for the 1998–99 fiscal year shall be increased by the amount of such excess from the unexpended balance available from prior years' appropriations in the Foster Family Home and Small Family Home Insurance Fund.

5180-001-0270—For support of Department of Social Services, payable from the Technical Assistance Fund ..... ~~1,347,000~~ *1,474,000*

5180-001-0271—For support of Department of Social Services, payable from the Certification Fund ..... ~~665,000~~ *1,372,000*

5180-001-0279—For support of Department of Social Services, payable from the Child Health and Safety Fund 331,000

5180-001-0890—For support of Department of Social Services, for payment to Item 5180-001-0001, payable from the Federal Trust Fund ..... ~~291,043,000~~ *296,203,000*

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 adoptions program functions, and the facilities evaluation function in Community Care Licensing in the Department of Social Services.
2. *Provisions 6 and 7 of Item 5180-001-0001 shall also apply to this item.*

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5180-002-0001—For support of Department of Social Services ..... ~~18,495,000~~ *18,500,000*

Schedule:

(a) 16-Welfare Programs ..... ~~65,233,000~~ *65,577,000*

(b) Reimbursements ..... −122,000

(c) Amount payable from the Federal Trust Fund (Item 5180-002-0890) ..... ~~−46,616,000~~ *−46,955,000*

Provisions:

1. Funds in this item shall be used for contracts and interagency agreements in the child support program, unless otherwise authorized by the Department of Finance no sooner than 30 days after providing notification in writing to the chairperson of the fiscal committee of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee, or no sooner than such lesser time as the chairperson of the committee, or his or her designee, may in each instance determine.

5180-002-0890—For support of Department of Social Services, for payment to Item 5180-002-0001, payable from the Federal Trust Fund ..... ~~46,616,000~~ *46,955,000*

Provisions:

1. Provision 1 of Item 5180-002-0001 also applies to this item.

5180-011-0001—For support of Department of Social Services, for transfer to the Foster Family Home and Small Family Home Insurance Fund 1,019,000

Provisions:

1. Provision 1 of Item 5180-001-0131 also applies to this item.

5180-011-0890—For support of Department of Social Services, for transfer to the Foster Family Home and Small Family Home Insurance Fund 484,000

Provisions:

1. Provision 1 of Item 5180-001-0131 also applies to this item.

5180-101-0001—For local assistance, Department of Social Services ..... ~~2,471,503,000~~ *2,518,667,000*

Schedule:

(a) 16.30-CalWORKs ..... ~~5,575,184,000~~ *5,568,477,000*

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(1) 16.30.010-Assistance Payments .....~~3,368,430,000~~
3,367,043,000

(2) 16.30.020-Services.....~~1,049,034,000~~
1,115,933,000

(3) 16.30.030-Administration ..... ~~458,433,000~~
459,778,000

(4) 16.30.040-Child Care ..... ~~497,874,000~~
424,310,000

(5) 16.30.050-County Probation Facilities 201,413,000

(b) 16.40-Foster Care ..... ~~945,295,000~~
999,530,000

(c) 16.45-Non-Assistance Child Support Incentives..... 139,496,000

(d) 16.50-Adoption Assistance Program 172,630,000

(e) 16.55-Refugee Cash Assistance..... 4,878,000

(f) 16.60-Food Stamps .....~~130,755,000~~
87,389,000

(g) Reimbursements..... −8,735,000

(h) Amount payable from the Federal Trust Fund (Item 5180-101-0890) ..... ~~−4,488,000,000~~
−4,444,998,000

Provisions:

1. No funds appropriated by this item shall be encumbered unless every rule or regulation adopted and every all-county letter issued by the Department of Social Services that adds to the cost of any welfare 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 welfare 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

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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.

Notwithstanding Control Sections 27.00, 28.00 and 28.50 of this act, the availability of funds contained in this item for welfare 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 (a) specifically required as a result of the enactment of a federal or state law, or (b) 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 of the necessity therefor to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or such lesser time as the chairperson of the committee, or his or her designee, may in each instance determine.

Funds appropriated in this item are for welfare programs consisting of state and federal statutory law, regulations, and court decisions, if funds necessary to carry out those decisions are specifically appropriated in this act.

For purposes of this provision, ''welfare'' means those program elements under Welfare Programs as identified in the Governor's Budget.

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 cover the federal share of costs of a program(s) when the federal funds have not been received by this state prior to the usual time for transmitting that federal share to the counties of this state. This loan from the General Fund shall be repaid when the federal share of costs for the program or programs becomes available.

3. The Department of Finance may authorize the transfer of amounts from this item to Item 5180-

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001-0001 in order to fund the cost of the administrative hearing process associated with changes in aid payments in the CalWORKs program.

4. The Department of Finance is authorized to approve expenditures in those amounts made necessary by changes in either caseload or 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 the following of a court decision, during the 1998–99 fiscal year that are within or in excess of amounts appropriated in this act for that year.

   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 as the report is made, the amount of the limitation shall be increased by the amount of the excess unless and until otherwise provided by law.

5. The Department of Finance may authorize the transfer of amounts among the subschedules in Schedule (a) and from Schedule (b) to Item 5180-141-0001 (a), Program 16.80, County Administration to reimburse counties for overpayment recovery activities pursuant to Section 11487.5 of Welfare and Institutions Code.

6. The Department of Finance may authorize the transfer of funds, in an amount not to exceed $26,619,000, from this item to Schedule (a)(1) of Item 5180-151-0001, Child Welfare Services, in order to advance funds to participating counties to conduct a program of family reunification and family maintenance services pursuant to Sections 16500.5 and 16500.55 of the Welfare and Institutions Code.

7. Notwithstanding Section 26.00 of this act, the CalWORKs funding for counties under Schedule (a)(2), 16.30.020—Services; Schedule (a)(3), 16.30.030—Administration; and Schedule (a)(4), 16.30.040—Child Care shall be made as a single allocation pursuant to Section 15204.2 of the Welfare and Institutions Code, except as otherwise provided by Sections 10553.2 and 15204.8. During fiscal year 1998–99, the Department of Social Services may

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retain up to ten percent of the funds to be allocated pursuant to Sections 10553.2, 15204.2 and 10204.8 of the Welfare and Institutions Code for the purpose of augmenting local allocations based upon actual expenditures, but the department shall fully allocate those funds by June 30, 1999.

8. Of the funds appropriated by this item for CalWORKs Services, Administration, and Child Care, any funds that remain unexpended in the 1998–99 fiscal year shall be available for reappropriation by the Legislature for the 1999–2000 fiscal year for the CalWORKs program.

9. The Department of Finance may authorize the establishment of positions and transfer of amounts from this item to Item 5180-001-0001, Program 25.45—Community Care Licensing, as necessary, to fund the cost of increased Trustline Services resulting from the CalWORKs child care program.

10. Non-federal funds appropriated by 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) may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.

11. In the event of 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. Upon recommendation of the Department of Social Services, the Department of Finance may authorize the transfer of funds from Items 5180-101-0001 and 5180-101-0890, to Items 5180-001-0001 and 5180-001-0890, for this purpose.

12. The Department of Finance may authorize the transfer of funds from this item to Item 5180-001-0001 to fulfill the requirements of the settlement reached by the parties after the decision in Beno v. Shalala, 30 F. 3d 1057.

13. The State Department of Social Services and the State Department of Education shall submit a

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proposed family fee schedule for subsidized child care to the chairs of the fiscal committees and policy committees of each house of the Legislature no later than December 15, 1998, for the purpose of adopting authorizing legislation. No family fee schedule may be implemented without subsequent authorizing legislation.

14. Of the amount appropriated in this item, up to $5,000,000 of General Fund moneys for county fiscal incentive payments may be used by counties to match funds made available through the California Conservation Corps (CCC) for CCC employment services.

5180-101-0890—For local assistance, Department of Social Services, for payment to Item 5180-101-0001, payable from the Federal Trust Fund ..... ~~4,488,000,000~~ *4,444,998,000*

Provisions:

1. Provisions 1, 4, 5 and 7 through 9 and 11 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 cost of the administrative hearing process associated with changes in aid payments in the CalWORKs program.
3. The Department of Finance may authorize the transfer of funds, in an amount not to exceed $4,002,000, from this item to Item 5180-151-0890, Child Welfare Services, in order to advance funds to participating counties to conduct a program of family reunification and family maintenance services pursuant to Sections 16500.5 and 16500.55 of the Welfare and Institutions Code.
4. Of the funds appropriated in this item, ~~$3,627,000~~ *$1,878,000* shall be transferred to Item 5100-001-0870 for expenditure by the Employment Development Department for augmentation of the Job Identification System.
5. It is the intent of the Legislature that ~~$20,000,000~~ *$10,000,000* of the funds appropriated by this item for CalWORKs program services shall be used to fund transportation services for CalWORKs participants. County welfare departments shall be required to collaborate with local and regional transportation agencies regarding the use of these funds. *The State Department of Social Services shall allocate these funds to counties*

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based on applications by the counties, taking into consideration the applicant's ability to leverage additional funding, such as the federal Job Access and Reverse Commute grants. Of the $10,000,000, no more than $7,500,000 may be allocated to counties in urban areas and no more than $2,500,000 may be allocated to counties in rural areas. The department shall report to the Legislature by April 15, 1999, on the manner in which the funds have been expended.

6. The Department of Finance may approve expenditures of Temporary Assistance for Needy Families funds up to a total of $166,000,000 not sooner than 30 days after providing notification in writing of the necessity therefor to the chairperson of the committee of each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee. These funds shall only be used for the purposes of augmenting county allocations for the CalWORKs program. The State Department of Social Services shall develop criteria and implement procedures for counties to request additional allocations and to ensure timely receipt of the augmentations upon approval of the Department of Finance.

5180-102-0001—For local assistance, Department of Social Services ..... ~~30,209,000~~ *10,209,000*

Schedule:

(a) 16.30.020-CalWORKs Services ..... ~~30,209,000~~ *10,209,000*

Provisions:

1. This appropriation shall be used to match federal Welfare-to-Work grant funds appropriated to the Employment Development Department. Notwithstanding Section 15204.2 of the Welfare and Institutions Code, these funds shall be separately allocated to the counties and expended in a manner which meets the federal Welfare-to-Work grant matching requirements.

5180-111-0001—For local assistance, Department of Social Services ..... ~~2,748,293,000~~ *2,651,793,000*

Schedule:

(a) 16.70-SSI/SSP ..... ~~2,249,112,000~~ *2,181,812,000*

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(b) 25.15-IHSS..... ~~1,418,786,000~~
1,418,541,000

(1) 25.15.010-Services.....~~1,296,270,000~~
1,296,025,000

(2) 25.15.020-Administration 122,516,000

(c) Reimbursements..... ~~−819,280,000~~
−848,235,000

(d) Amount payable from the Federal Trust Fund (Item 5180-111-0890) ..... −100,325,000

Provisions:

1. Provisions 1 and 4 of Item 5180-101-0001 also apply to this item.
2. The Department of Finance may authorize the transfer of funds from this item to Item 5180-001-0001 in order to fund the cost of the administrative hearing process associated with federal law changes in SSI/SSP. The Department of Finance shall transfer funds pursuant to this provision no sooner than 30 days after providing notification in writing to the chairperson of the fiscal committee of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee, or no sooner than such lesser time as the chairperson of the committee, or his or her designee, may in each instance determine.
3. Notwithstanding Chapter 1 (commencing with Section 18000) of Part 6 of Division 9 of the Welfare and Institutions Code, a loan not to exceed $88,000,000 shall be made available from the General Fund from funds not otherwise appropriated, to cover the federal share of costs of a program(s) when the federal funds have not been received by this state prior to the usual time for transmitting that federal share to the counties of this state. That loan from the General Fund shall be repaid when the federal share of costs for the program(s) becomes available.
4. The Department of Finance may authorize the transfer of amounts between this item and Item 5180-151-0001 in order to reflect modifications in the use of federal Title XX funds. The funds shall not be approved sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house

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that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or such lesser time as the chairpersons of the committees, or their designees, may in each instance jointly determine.

5. The State Department of Health Services shall, by September 30, 1998, submit to the Secretary of Health and Human Services an amendment to the State Medicaid Plan to extend coverage of personal care services to Medi-Cal ''medically needy'' individuals. The department and the State Department of Social Services shall develop as expeditiously as possible the administrative procedures that will allow ''income eligibles'' in the In-Home Supportive Services Program (IHSS), who are not otherwise excluded under Title XIX of the Social Security Act, to receive services under the IHSS Personal Care Services Program.

6. Of the funds appropriated in this item, $7,400,000 shall be to fund the state and local administrative costs associated with implementing the state assistance program for legal immigrants, and the Department of Finance may authorize transfers from that amount to, and in augmentation of, Item 5180-001-0001 to the extent necessary for the state operations portion of those administrative costs. The Department of Finance shall, within 30 days of making a transfer under this provision, notify the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee.

5180-111-0551—For transfer by the Controller from the Temporary Assistance for Needy Families Fund to the Federal Trust Fund ..... ~~(4,299,404,000)~~ *(4,406,217,000)*

Provisions:

1. Transfers made pursuant to this item may be for state operations and local assistance expenses eligible for funding through the federal Temporary Assistance for Needy Families block grant established pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193).
2. No transfer of funds exceeding $1,000,000,000 in any quarter of the fiscal year quarter may be made

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pursuant to this item except with the prior approval of the Director of Finance.

3. Of the funds appropriated for transfer in this item, $183,000,000 is reserved for CalWORKs Child Care. This amount may be transferred to the federal Social Services Block Grant program (Title XX) pursuant to authorization in the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193), upon approval by the Department of Finance, for the purpose of funding child care services pursuant to Chapter 270, Statutes of 1997. Notwithstanding any other provision of this act, the Director of Finance is authorized to approve transfers from the funding reserve in this item for transfer to and in augmentation of the amount appropriated in Item 5180-101-0890, Program 16.30.040, CalWORKs Child Care, for expenditure by the State Department of Social Services and to Item 5180-112-0551 which shall be received by the California Department of Education as an augmentation, to be used for CalWORKs Child Care. The Department of Finance shall provide written notification to the chairperson of the fiscal committee of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee at the time the transfer is approved by the Department of Finance.

4. Provision (6) of Item 5180-101-0890 also applies to this item.

5180-111-0890—For local assistance, Department of Social Services for payment to Item 5180-111-0001, payable from the Federal Trust Fund..... 100,325,000

Provisions:

1. The Department of Finance may authorize the transfer of amounts between this item and Item 5180-151-0890, in order to reflect modifications in the use of federal Title XX funds. The funds shall not be approved sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or such lesser time as the chairpersons of the committees, or their designees, may in each instance jointly determine.

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5180-112-0551—For transfer by the Controller from the federal Temporary Assistance for Needy Families Fund to the Federal Trust Fund..... (0)

Provisions:

1. Pursuant to authorization in the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193), the amount of this item shall be transferred from the federal Temporary Assistance for Needy Families (TANF) Block Grant to the federal Social Services Block Grant (Title XX) and the entire sum shall be received by the State Department of Education as an augmentation to be used for CalWORKs local assistance child care.

5180-113-0551—For transfer by the Controller from the federal Temporary Assistance for Needy Families Fund to the Federal Trust Fund ..... ~~(208,000,000)~~ *(100,000,000)*

Provisions:

1. Pursuant to authorization contained in the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193), the amount in this item shall be transferred from the federal Temporary Assistance for Needy Families (TANF) Block Grant to the federal Child Care and Development Block Grant (CCDBG) administered by the State Department of Education, and this entire sum shall be used for CalWORKs local assistance child care.

5180-141-0001—For local assistance, Department of Social Services ..... ~~302,430,000~~ *304,297,000*

Schedule:

(a) 16.80-County Administration.... ~~1,057,270,000~~ *1,070,398,000*

(b) 16.85-Automation Projects ..... ~~82,256,000~~ *82,784,000*

(c) Reimbursements ..... −9,082,000

(d) Amount payable from the Federal Trust Fund (Item 5180-141-0890) ..... ~~−828,014,000~~ *−839,803,000*

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 $127,000,000 shall be made available from the

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General Fund, from funds not otherwise appropriated, to cover the federal share of costs of a program(s) when the federal funds have not been received by this state prior to the usual time for transmitting that federal share to the counties of this state. This loan from the General Fund shall be repaid when the federal share of costs for the program or programs becomes available.

2. In the event of 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. Upon recommendation of the Director of Social Services, the Department of Finance may authorize the transfer of funds from Items 5180-141-0001 and 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 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 limitation shall be increased by the amount of the excess unless and until otherwise provided by law.

5. The Department of Finance may augment the funds appropriated in this item to make allocations to fund county plans that are approved by the State Department of Social Services under Section 15200.6 of the Welfare and Institutions Code.

6. Notwithstanding any other provision of law, of the funds appropriated by this item in Program 16.85, an amount not to exceed $2,404,000 is available to the counties as a loan in fiscal year 1998–99 for the nonfederal share of the operations and maintenance cost of the Statewide Automated Child Support System (SACSS) not eligible for enhanced federal funding. The total

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outstanding loan amount, inclusive of loans made pursuant to Provision 1 of Item 5180-141-0001 of Section 2.00 of the Budget Act of 1996, and Provision 17 of Item 5180-141-0001 of Section 2.00 of the Budget Act of 1997 may not exceed $6,644,028 over three fiscal years. This loan does not constitute a shift in financial responsibility for any portion of the Child Support Enforcement program as defined by Chapter 4.1 (commencing with Section 10815) of Part 2, and Chapter 9 (commencing with Section 15200) of Part 3 of Division 9 of the Welfare and Institutions Code. Loan repayment may begin at the time as agreed upon between the state and each individual county, but in any case no later than upon full statewide implementation of a statewide automated child support system and shall be repaid as a deduction from respective counties' incentive payments for a period not to exceed 24 months. If the loan is repaid within the 24 months, the state shall forgive 29.4 percent of the funds loaned.

7. Nonfederal funds appropriated by 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) may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.

8. Of the amount appropriated by this item, $3,996,000 shall be allocated only upon the direction of the Director of Finance to offset losses of federal funds resulting from a reduction in federal funding for food stamps administration pursuant to Public Law 105-185.

5180-141-0890—For local assistance, Department of Social Services, for payment to Item 5180-141-0001, payable from the Federal Trust Fund..... ~~828,014,000~~ *839,803,000*

Provisions:

1. Provisions 1 to 5, inclusive, of Item 5180-141-0001 also apply to this item.

5180-151-0001—For local assistance, Department of Social Services..... ~~710,632,000~~ *690,969,000*

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Schedule:			
(a) 25.25-Children's Services.....			~~1,263,145,000~~ *1,301,308,000*
(1) 25.25.010-Child Welfare Services.....	~~1,173,237,000~~ *1,211,400,000*		
(2) 25.25.020-Adoptions.....	60,282,000		
(3) 25.25.030-Child Abuse Prevention...	29,626,000		
(b) 25.35-Special Programs.....			~~143,254,000~~ *164,511,000*
(1) 25.35.010-Specialized Services	8,851,000		
(2) 25.35.020-Access Assistance for the Deaf.....	~~5,304,000~~ *5,804,000*		
(3) 25.35.030-Maternity Care	600,000		
(4) 20.35.040-Refugee Assistance Services.....	27,000,000		
(5) 20.35.050-County Services Block Grant	~~101,499,000~~ *122,256,000*		
(c) 25.45-Community Care Licensing			~~14,879,000~~ *15,158,000*
(d) Reimbursements			~~−42,368,000~~ *−80,725,000*
(e) Amount payable from the Child Health and Safety Fund (Item 5180-151-0279).....			−151,000
(f) Amount payable from the Federal Trust Fund (Item 5180-151-0890).....			~~−668,127,000~~ *−709,132,000*

Provisions:

1. The funds appropriated by this item are for social services programs, for the cost of special social services programs for which federal grants in aid are made to the state; for grants or services to local agencies for the extension of child welfare services as provided by Chapter 5 (commencing with

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Section 16500) of Part 4 of Division 9 of the Welfare and Institutions Code; for the cost of the adoption programs and care of children, to be expended in accordance with Chapter 2 (commencing with Section 16100) of Part 4 of Division 9 of the Welfare and Institutions Code; for the costs incurred by counties, including, but not limited to, the required county funds for prevention of child abuse and neglect as provided by Chapter 11 (commencing with Section 18950) of Part 6 of Division 9 of the Welfare and Institutions Code.

2. Provision 1 of Item 5180-101-0001 also applies to this item.

3. Notwithstanding Chapter 1 (commencing with Section 18000) of Part 6 of Division 9 of the Welfare and Institutions 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 of costs of a program(s) when the federal funds have not been received by this state prior to the usual time for transmitting that federal share to the counties of this state. That loan from the General Fund shall be repaid when the federal share of costs for the program(s) becomes available.

4. 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 Community Care Licensing in the event the counties fail to perform that function.

5. The Department of Finance may authorize the transfer of amounts between this item and Item 5180-111-0001 in order to reflect modifications in the use of Title XX funds. The funds shall not be approved sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or such lesser time as the chairpersons of the committees, or their designees, may in each instance jointly determine.

6. Nonfederal funds appropriated by 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 Opportu-

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nity Reconciliation Act of 1996 (P.L. 104-193) may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.

7. Of the funds appropriated in this item for the Deaf Access Program, ~~$1,000,000~~ *$1,250,000* shall be used to augment existing offices and an additional ~~$1,000,000~~ *$1,250,000* shall be used to establish new ~~offices in the Cities of Santa Rosa, San Francisco, and Watsonville and the Counties of El Dorado and Placer.~~ *offices.*

8. The Department of Social Services shall determine the feasibility of including information on probation foster care placements within the Child Welfare Services Case Management System (CWS/CMS), and shall amend the state's federal Title IV-E plan to permit the use of federal matching funds for staff training of private nonprofit agency employees.

9. The Director of Finance may authorize the establishment of positions for, and may transfer up to $59,000 from this item to Item 5180-001-0001 to fund the cost of, state administration of the adoption program for drug or alcohol exposed children.

10. Of the amount appropriated in this item, $67,797,000 shall be provided to counties to fund additional emergency response services and shall be allocated based on child welfare services caseload and county unit costs. However no county shall receive less than $75,000. These funds shall be expressly targeted for emergency response services solely for the protection of children and shall be used to supplement, and shall not be used to supplant, child welfare services funds. A county is not required to provide a match of the funds received pursuant to this provision if the county appropriates the required full match for the county's child welfare services program exclusive of the funds received pursuant to this provision. The State Department of Social Services shall reallocate any funds that counties choose not to accept under this provision, to other counties based on the allocation formula specified in this provision. Not later than April 1, 1999, the department shall report to the chairpersons of the appropriate policy

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committees and to the fiscal committees of each house of the Legislature that consider the state budget on the use of these funds by counties based on a survey of counties.

5180-151-0279—For local assistance, Department of Social Services, for payment to 5180-151-0001, payable from the Child Health and Safety Fund..... 151,000

5180-151-0890—For local assistance, Department of Social Services, for payment to Item 5180-151-0001, payable from the Federal Trust Fund..... ~~668,127,000~~ *709,132,000*

Provisions:

1. Provisions 1, 2, 4, 5, ~~and 8~~ *8, 9, and 10* of Item 5180-151-0001 also apply to this item.
2. *Of the funds appropriated by this item for the requirements of the Child Abuse Prevention and Treatment Act, $350,000 shall be used to fund the Family Maintenance Healthcare Pilot Project in the County of Los Angeles.*

5180-490—Reappropriation, Department of Social Services. Notwithstanding any other provision of law, the ~~unencumbered~~ balances of the appropriations provided for in the following citations are reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in those appropriations, and shall be available for expenditure until June 30, 1999:

0001—General Fund

(1) The balance of the $350,000 appropriation to develop a Risk Assessment Tool (Structured Decision Making) in Program 20.43, Child Welfare Services, Item 5180-001-0001, Budget Act of 1997, is reappropriated for transfer to and in augmentation of Item 5180-001-0001 Program 25 of this act to support the continuing development of the Structured Decision Making tool under Child Welfare Services.

(2) The balances of the appropriations for Welfare-to-Work, county administration, services, and child care in Items 5180-141-0001, 5180-151-0001, and 5180-196-0001 of the Budget Act of 1997 are reappropriated for transfer to and in augmentation of Subschedules (a)(2), (a)(3), or (a)(4) of Item 5180-101-0001 of this act and administered pursuant to Provision 7 of Item 5180-101-0001.

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~~(3) The balance of the appropriation for child care capacity building in Program 20.15, Item 5180-196-0001, Budget Act of 1997 (Ch. 282, Stats. 1997) is reappropriated for transfer to and in augmentation of Subschedule (a)(4) of Item 5180-101-0001 of this act for purposes of Stage One Child Care.~~

(4) The balance of the $2,744,000 appropriation for CalWORKs-related application modifications for Interim SAWS and LEADER in Program 10.25, Automation Projects, Item 5180-141-0001, Budget Act of 1997 (Ch. 282, Stats. 1997), is reappropriated for transfer to, and in augmentation of Program 16.85, Item 5180-141-0001, of this act.

0890—Federal Fund

(1) The balance of the $350,000 appropriation to develop a Risk Assessment Tool (Structured Decision Making) in Program 20.43, Child Welfare Services, Item 5180-001-0890, Budget Act of 1997, is reappropriated for transfer to and in augmentation of Item 5180-001-0890 Program 25 of this act to support the continuing development of the Structured Decision Making tool under Child Welfare Services.

(2) The balances of the appropriations for Welfare-to-Work, County Administration, Services, and Child Care in Items 5180-141-0890, 5180-151-0890 and 5180-196-0890 of the Budget Act of 1997 are reappropriated for transfer to and in augmentation of Item 5180-101-0890, Programs 16.30.020 or 16.30.030 or 16.30.040 of this act.

(3) The balance of the appropriation for County Probation Facilities in Item 5180-101-0890 of the Budget Act of 1997 (Ch. 282, Stats. 1997) is reappropriated for transfer to and in augmentation of Program 16.30.050, Item 5180-101-0890, of this act.

(4) The balance of the $2,744,000 appropriation for CalWORKs-related application modifications for Interim SAWS and LEADER in Program 10.25, Automation Projects, Item 5180-141-0890, Budget Act of 1997 (Ch. 282, Stats. 1997), is reappropriated for transfer to, and in augmentation of Program 16.85, Item 5180-141-0890, of this act.

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YOUTH AND ADULT CORRECTIONAL AGENCY

5240-001-0001—For support of the Department of Corrections..... ~~3,546,620,000~~
3,550,781,000

Schedule:

(a) 21-Institution Program ..... ~~2,749,151,491~~
2,749,755,715

(b) 22-Health Care Services Program ..... ~~477,909,637~~
472,737,555

(c) 31-Community Correctional Program ..... ~~425,861,872~~
432,467,730

(d) 41.01-Administration ..... ~~137,612,890~~
127,767,000

(e) 41.02-Distributed Administration ..... ~~−137,612,890~~
−127,767,000

(f) Reimbursements..... ~~−63,448,000~~
−61,448,000

(g) Amount payable from the Federal Trust Fund (Item 5240-001-0890). −217,000

(i) Amount payable from the Inmate Welfare Fund (Item 5240-001-0917) ..... ~~−42,638,000~~
−42,515,000

Provisions:

1. Funds appropriated to accommodate projected institutional population levels in excess of those that actually materialize, if any, shall revert to the General Fund.
2. Funds appropriated to accommodate projected parole population levels in excess of those that actually materialize, if any, shall revert to the General Fund.
3. Any funds recovered as a result of audits of locally operated return-to-custody centers shall revert to the General Fund.
4. When contracting with counties for vacant jail beds for any inmate under the jurisdiction of the Director of the Department of Corrections, the department shall not reimburse counties more than the average amount it costs the state to provide the same services in comparable state institutions. This restriction shall not apply to any existing contract, but shall apply to the extension or re-

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newal of that contract. In addition, the total operational cost of incarcerating state inmates in lease county jail beds (which includes state costs, but is exclusive of one-time and capital outlay costs), shall not exceed the department's average cost for operating comparable institutions.

5. Notwithstanding any other provision of law, funds appropriated in Schedule (a) for McGee Training Facility rent payments may be transferred to Item 5240-003-0001 by the Controller, upon order of the Director of Finance, as necessary to provide rental payments on lease revenue bonds for the McGee Training Facility if a bond sale occurs.

6. Notwithstanding any other provision of law, but subject to providing 30 days' prior notification to the Joint Legislative Budget Committee, funds appropriated in Schedule (a) or (b), or both, of this item may be transferred to Item 5240-101-0001, Schedule (b), upon order of the Director of Finance, to provide funds for the reimbursement of counties for the cost of holding parole violators in local jail.

7. Of the funds appropriated by this item, ~~$2,000,000~~ *$325,000* shall be expended for ~~Interferon~~ treatment, and related tests, for inmates infected with hepatitis B and C. Any funds not used for these purposes shall revert to the General Fund.

8. Notwithstanding any other provision of law, upon approval of the Department of Finance, the Department of Corrections may transfer, between Schedules (a), (b), and (c) of this item, up to 5 percent of the amounts appropriated in these schedules. Any transfer of funds appropriated in Schedules (a), (b), and (c) of this item exceeding 5 percent may occur not sooner than 30 days after notification thereof to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the fiscal committees of the Legislature.

~~9. The Department of Corrections shall have the authority to contract for 5,000 Community Correctional Facility beds.~~

~~10.~~

9. Of the funds appropriated in this item, ~~$2,000,000~~ *$6,503,000* shall be expended for new drug therapies approved by the Food and Drug Administration (FDA) for HIV, AIDS, and other chronic dis-

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eases. Any funds not used for these purposes shall revert to the General Fund.

~~11.~~

10. No more than 5 percent of the combined overall amount of funding provided in this item for the Preventing Parolee Failure Program and for casework services for parolees in the 1998–99 fiscal year shall be transferred by the Department of Corrections to other purposes unless the department notifies the Joint Legislative Budget Committee and the fiscal committees of both houses of the Legislature of proposed reductions at least 30 days prior to implementation, except that a lesser period of advance notification may be provided in the event of an emergency situation as determined by the Director of Corrections.

~~12. If pending litigation between the prior Correctional Management Information System (CMIS) vendor and the state is settled, or if a final judgment is issued in the case, the Department of Finance, in consultation with the Department of Corrections, shall review, within 60 days of the signing of any settlement agreement or the issuance of judgment by a court, the expenditures for staff and other expenses for CMIS litigation activity that have occurred in the 1998–99 fiscal year. In the event that there is no settlement or final judgment in the case, the Department of Finance shall review expenditures for CMIS litigation at the conclusion of the 1998–99 fiscal year. Upon the completion of the review, any surplus funding appropriated in this item for CMIS litigation activity, as determined by the Department of Finance, shall revert to the General Fund. The Department of Finance shall report its determination in regard to surplus CMIS litigation funding to the Joint Legislative Budget Committee and the fiscal committees of each house of the Legislature.~~

~~13.~~

11. Of the reimbursements in Schedule (f), $250,000 shall be from funds received from the Prison Industry Authority to provide a match to the General Fund for the purpose of funding a two-year

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study of inmate work incentive programs as described in the Supplemental Report of the 1998 Budget Act.

~~14.~~

12. The number of Department of Corrections positions assigned, or proposed to be assigned, to Patton State Hospital shall not be reduced, transferred, or redirected to any other institution of the Department of Corrections, without prior 30-day notification to the Joint Legislative Budget Committee.

13. The Department of Finance, in consultation with the Prison Industry Authority (PIA) and the Legislative Analyst's Office, shall develop a display in the 1999−2000 Governor's Budget of projected expenditures and revenues for the PIA, the Prison Industry Board, and the Prison Industries Revolving Fund.

14. Of the amount appropriated in this item, up to $100,000 shall be available for the removal of tattoos from inmates who are nearing successful completion of the Transitional Housing Unit at Pelican Bay State Prison. These funds may be used for the purchase of no more than one tattoo removal machine with the remaining balance only available to contract for in-prison tattoo removal services with an appropriately licensed or certified dermatologist.

15. The Department of Corrections shall redirect $257,000 of the moneys appropriated by this item for the purpose of ensuring departmental compliance with Title 1 of the Americans with Disabilities Act of 1990 (42 U.S.C., Ch. 126, Subch. I).

16. Of the amount appropriated by this item, $5,000,000 shall be available only for (1) an additional 1,000 beds of therapeutic drug treatment programming, including availability of aftercare treatment of not less than 120 days for 50 percent of the in-prison program graduates from the new beds, and (2) support for a minimum of 120 days of aftercare treatment for 50 percent of the in-prison program graduates from existing drug treatment beds. The additional therapeutic drug treatment programming authorized by this provision shall be in accordance with protocols established by the Department of Corrections.

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17. Any funds identified by the Department of Corrections (CDC), in this or any other item in Section 2.00 of this act, for expenditure for the development of a Corrections Management Information System (CMIS) project may not be expended until a feasibility study report, prepared in accordance with existing provisions of law and the State Administrative Manual, has been completed and approved by the Department of Finance and the Department of Information Technology, and only if the final approved feasibility study report does not significantly change the scope of the project from the feasibility study report submitted to the two agencies by CDC.

18. Of the amount appropriated by this item, $2,500,000 shall be available only for additional work or educational slots, including vocational and academic education, to reduce inmate idleness and to provide work or vocational and academic training for up to 2,500 inmates.

19. Of the funds appropriated in this item, the sum of $1,500,000 shall be available to develop, implement, and evaluate up to a total of two pilot projects for a new parole model in parole Regions III and IV. These funds shall be available for expenditure, not sooner than 30 days after a report is submitted to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the fiscal committees of the Legislature, that provides a specific plan to phase in operation, funding, staffing, and evaluation of the pilot projects.

20. Of the amount appropriated in this item, $11,759,000 is provided for merit salary adjustments and associated staff benefit increases for the department's growth positions pursuant to the Department of Corrections' 1998–99 Budget Change Proposal as approved by the Legislature, hereafter referred to in this provision as: 1998−99, BCP Statewide #01. If it is determined that merit salary adjustment and associated staff benefit increase expenditures realized by the department for its growth positions as set forth in 1998−99, BCP Statewide #01, exceed the aforementioned funding authorized by the Legislature relative to 1998−99, BCP Statewide #01, then

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the Director of Finance may propose a deficiency appropriation pursuant to Section 27.00 of this act.		
5240-001-0890—For support of the Department of Corrections, for payment to Item 5240-001-0001, payable from the Federal Trust Fund		217,000
5240-001-0917—For support of the Department of Corrections, for payment to Item 5240-001-0001, payable from the Inmate Welfare Fund		~~42,638,000~~ *42,515,000*
5240-003-0001—For support of the Department of Corrections for rental payments on lease revenue bonds		252,178,000
Schedule:		
(a) Southern Maximum Security Complex	12,178,000	
(b) Mule Creek State Prison	15,488,000	
(c) California State Prison Corcoran	32,414,000	
(d) Pelican Bay State Prison	27,180,000	
(e) Central California Women's Facility	15,388,000	
(f) Calipatria State Prison	18,412,000	
(g) Centinella State Prison	19,376,000	
(h) Pleasant Valley State Prison	18,940,000	
(i) High Desert State Prison	24,148,000	
(j) Valley State Prison	14,640,000	
(k) Salinas Valley State Prison	24,144,000	
(*l*) CSATF & SP at Corcoran II	34,986,000	
(m) Emergency Bed Program	8,833,000	
(n) Insurance	1,551,000	
(o) Reimbursements	−15,500,000	
5240-011-0678—For transfer by the Controller from the Prison Industries Revolving Fund to the General Fund		*(8,000,000)*
5240-101-0001—For local assistance, Department of Corrections		56,528,000
Schedule:		
(a) 21-Institution Program	9,439,000	
(b) 31-Community Correctional Program	47,089,000	
Provisions:		
1. The amount appropriated by this item is provided for the following purposes:		
a. To pay the transportation costs of prisoners to and between state prisons, including the return of parole violators to prison and for the conveying of persons under provisions of Division 3 (commencing with Section 3000) of the Welfare and Institutions Code and the Western In-		

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terstate Corrections Compact (Section 11190 of the Penal Code), in accordance with Section 26749 of the Government Code. Claims filed by local jurisdictions shall be filed within six months after the end of the month in which those transportation costs are incurred. Expenditures shall be charged to either the fiscal year in which the claim is received by the Controller or the fiscal year in which the warrant is issued by the Controller.

Claims filed by local jurisdictions directly with the Controller may be paid by the Controller.

b. To pay the expenses of returning fugitives from justice from outside the state, in accordance with Sections 1389, 1549, and 1557 of the Penal Code. Claims filed by local jurisdictions shall be filed within six months after the end of the month in which expenses are incurred, expenditures shall be charged to either the fiscal year in which the claim is received by the Controller or the fiscal year in which the warrant is issued by the Controller, and any restitution received by the state for those expenses shall be credited to the appropriation of the year in which the Controller's receipt is issued.

Claims filed by local jurisdictions directly with the Controller may be paid by the Controller.

c. To pay court costs and county charges, payable under Sections 4700.1, 4750 to 4755, inclusive, and 6005 of the Penal Code. Claims shall be filed by local jurisdictions within six months after the end of the month in which a service is performed by the coroner, a hearing is held on the return of a writ of habeas corpus, the district attorney declines to prosecute a case referred by the Department of Corrections, a judgment is rendered for a court hearing or trial, an appeal ruling is rendered for the trial judgment, or an activity is performed as permitted by these sections. Expenditures shall be charged to either the fiscal year in which the claim is received by the Controller or the fiscal year in which the warrant is issued by the Controller.

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Claims filed by local jurisdictions directly with the Controller may be paid by the Controller.

d. To reimburse counties for the cost of detaining state parolees pursuant to Section 4016.5 of the Penal Code. Claims shall be filed by local jurisdictions within six months after the end of the month in which the costs are incurred. Claims filed by local jurisdictions may not include booking fees, may not recover detention costs in excess of $59 per day, and shall be limited to the detention costs for those days on which parolees are held subject only to a Department of Corrections request pursuant to subdivision (b) of Section 4016.5 of the Penal Code. Expenditures shall be charged to either the fiscal year in which the claim is received by the Department of Corrections or the fiscal year in which the warrant is issued.

2. Notwithstanding any other provision of law, upon 30-day prior notification to the Chairperson of the Joint Legislative Budget Committee, funds appropriated in Schedule (b) of this item may be transferred to Schedules (a) or (b), or both, of Item 5240-001-0001, upon order of the Director of Finance, to provide funds for the reimbursement of counties for the cost of holding parole violators in local jails or for the auditing or monitoring of local assistance costs.

~~5240-101-0797—For local assistance, Department of Corrections, payable from 1998 general obligation bond funds ..... 40,000,000~~

~~Provisions:~~

~~1. Funds appropriated in this item shall be eligible to fund the construction or renovation of afterschool recreation program facilities located in prison-impacted regions of the state. These funds shall be allocated consistent with the formula designed by a consortium of impacted communities designated as the "New Prison Impacted Communities." The City of Orange Cove shall be responsible for the distribution of these funds.~~

~~2. Funds are appropriated by this item from the proceeds of any bonds, issued pursuant to approval by the voters at the November 3, 1998, statewide general election, and from which the facilities described in Provision 1 may be funded.~~

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5240-301-0001—For capital outlay, Department of Corrections		~~27,457,000~~ *27,960,000*
Schedule:		
(1) 61.01.001-Statewide: Budget Packages and Advance Planning	400,000	
(2) 61.01.713-Statewide: Electrified Fencing—Study	1,003,000	
(2.2) 61.04.040- ~~CCI~~ *California Correctional Institution* , Tehachapi: Wastewater Treatment Plant Renovation—Preliminary plans and working drawings	808,000	
(2.3) 61.04.045- ~~CCI~~ *California Correctional Institution* , Tehachapi: New Potable Water Source—Preliminary plans, working drawings, and construction	1,174,000	
(3) 61.06.425-Deuel Vocational Institution, Tracy: Reception Center Screening and Evaluation—Working drawings	97,000	
(4) 61.07.101-Folsom State Prison, Represa: Renovate Dental Clinic—Preliminary plans and working drawings	130,000	
(5) 61.07.102-Folsom State Prison, Represa: Renovate Branch Circuit Wiring, Building 1—Preliminary plans and working drawings	181,000	
(6) 61.07.103-Folsom State Prison, Represa: Renovate Supply Heating and Ventilation, Building 1—Preliminary plans and working drawings	134,000	
(7) 61.07.104-Folsom State Prison, Represa: Renovate Branch Circuit Wiring, Building 2—Preliminary plans and working drawings	110,000	
(8) 61.07.105-Folsom State Prison, Represa: Renovate Branch Circuit Wiring, Building 3—Preliminary plans and working drawings	138,000	
(9) 61.07.106-Folsom State Prison, Represa: Gang Shower Conversion, Building 1—Preliminary plans and working drawings	75,000	

Item	Amount
(10) 61.07.425-California State Prison-Sacramento, Represa: Correctional Clinical Case Management and Enhanced Outpatient Care—Working drawings	371,000
(11) 61.08.020-California Institution for Men, Chino: PCE Contamination Clean-up—Construction	3,128,000
(12) 61.08.024-California Institution for Men, Chino: Replace Locking Devices, RC Central—Working drawings and construction	2,524,000
(13) 61.08.425-California Institution for Men—Central, Chino: Correctional Clinical Case Management and Reception Center Screening and Evaluation—Working drawings	165,000
(14) 61.08.426-California Institution for Men—East, Chino: Reception Center Screening and Evaluation—Working drawings	11,000
(15) 61.08.427-California Institution for Men—Minimum, Chino: Correctional Clinical Case Management—Working drawings	91,000
(15.2) 61.09.050- ~~CMF~~ *California Medical Facility* , Vacaville: Electrified Fence—Preliminary plans	124,000
(16) 61.09.426-California State Prison-Solano, Vacaville: Correctional Clinical Case Management—Working drawings	94,000
(17) 61.09.427-California State Prison-Solano, Vacaville: Correctional Treatment Center, Phase II—Preliminary plans and working drawings	236,000
(17.1) 61.09.428- ~~CMF~~ *California Medical Facility* , Vacaville: Inpatient Care Facility—Preliminary plans, working drawings, and construction	1,308,000

Item	Amount
(18) 61.10.051-California Men's Colony—West, San Luis Obispo: Central Kitchen Replacement—Preliminary plans and working drawings	531,000
(19) 61.11.425-Richard J. Donovan Correctional Facility, San Diego: Correctional Clinical Case Management and Reception Center Screening and Evaluation—Working drawings	152,000
(20) 61.12.426-California State Prison-San Quentin, San Quentin: Correctional Treatment Center, Phase II—Preliminary plans and working drawings	1,279,000
(21) 61.13.426-California Institution for Women, Frontera: Correctional Clinical Case Management and Enhanced Outpatient Care—Working drawings	127,000
(22) 61.13.427-California Institution for Women, Frontera: Reception Center Screening and Evaluation—Working drawings	79,000
(23) 61.13.428-California Institution for Women, Frontera: Correctional Treatment Center, Phase II—Preliminary plans and working drawings	1,103,000
(24) 61.14.030-Minor Projects	5,500,000
(27.1) 61.15.035-California Rehabilitation Center, Norco: Replace Men's Dormitories—Preliminary plans, working drawings, and construction	~~2,036,000~~ *2,539,000*
(27.2) 61.15.040-California Rehabilitation Center, Norco: Patton State Hospital Double Perimeter Fence—Study and preliminary plans	773,000
(28) 61.15.425-California Rehabilitation Center, Norco: Correctional Clinical Case Management—Working drawings	87,000

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(29) 61.16.021-Sierra Conservation Center, Jamestown: Effluent Disposal Pipeline—Preliminary plans.	592,000
(30) 61.17.425-Avenal State Prison, Avenal: Correctional Clinical Case Management—Working drawings .	93,000
(31) 61.18.426-Mule Creek State Prison, Ione: Correctional Clinical Case Management and Enhanced Outpatient Care—Working drawings	321,000
(32) 61.18.427-Mule Creek State Prison, Ione: Correctional Treatment Center, Phase II—Preliminary plans and working drawings.....	223,000
(33) 61.21.425-California State Prison-Los Angeles County, Lancaster: Correctional Clinical Case Management and Enhanced Outpatient Care—Working drawings	336,000
(34) 61.23.425-California State Prison-Corcoran, Corcoran: Correctional Clinical Case Management and Enhanced Outpatient Care—Working drawings.....	343,000
(35) 61.26.425-Central California Women's Facility, Madera: Enhanced Outpatient Care and Reception Center Screening and Evaluation—Working drawings ...	213,000
(36) 61.26.426-Central California Women's Facility, Madera: Correctional Clinical Case Management—Working drawings	109,000
(37) 61.27.425-Wasco State Prison-Reception Center, Wasco: Reception Center Screening and Evaluation—Working drawings ...	144,000
(38) 61.27.426-Wasco State Prison-Reception Center, Wasco: Correctional Clinical Case Management—Working drawings.....	101,000
(39) 61.28.426-North Kern State Prison, Delano: Reception Center Screening and Evaluation—Working drawings	137,000

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(40) 61.28.427-North Kern State Prison, Delano: Correctional Clinical Case Management—Working drawings.....	101,000
(41) 61.28.428-North Kern State Prison, Delano: Correctional Treatment Center, Phase II—Preliminary plans and working drawings.....	223,000
(42) 61.30.426-Centinela State Prison, Imperial: Correctional Treatment Center, Phase II—Preliminary plans and working drawings.....	276,000
(43) 61.34.426-Ironwood State Prison, Blythe: Correctional Treatment Center, Phase II—Preliminary plans and working drawings.....	276,000

Provisions:

1. The funds appropriated in Schedule (1) are to be allocated by the Department of Corrections, upon approval by the Department of Finance, to develop design and cost information for new projects for which funds have not been previously appropriated, but for which preliminary plan funds, working drawings funds, or working drawings and construction funds are expected to be included in the 1999–2000 or 2000–2001 Governor's Budget, and for which cost estimates or preliminary plans can be developed prior to legislative hearings on the 1999–2000 and 2000–2001 Governor's Budgets, respectively. These funds may be used for all of the following: budget package development, architectural programming, engineering assessments, schematic design, and preliminary plans. The amount appropriated in this item for that purpose is not be construed as a commitment by the Legislature as to the amount of capital outlay funds it will appropriate in any future year.
2. As used in this appropriation, studies shall include site studies and suitability reports, environmental studies, master planning, architectural programming and schematics.
3. Notwithstanding Section 13332.11 of the Government Code, for projects funded in Schedules (3), (10), (13), (14), (15), (16), (19), (21), (22), (28), (30), (31), (33), (34), (35), (36), (37), (38), (39),

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and (40), the State Public Works Board shall not approve a recognized deficit exceeding 10 percent of the original construction cost estimate.		
5240-302-0001—For capital outlay, Department of Corrections		3,308,000
Schedule:		
(1) 61.01.760-Humboldt Bay National Wildlife Refuge—Acquisition and construction	577,000	
(2) 61.01.761-Honey Lake Wildlife Area—Acquisition *and construction*	843,000	
(3) 61.01.762-Allensworth Ecological Reserve—Acquisition and construction	538,000	
(4) 61.01.763-Mayacama Mountains Sanctuary—Construction	313,000	
(5) 61.01.764-Kern River Preserve—Acquisition and construction	344,000	
(6) 61.01.765-O'Neal Canyon—Acquisition and construction	91,000	
(7) 61.01.766-California City Desert Tortoise Natural Area—Acquisition	52,000	
(8) 61.01.767-Cowbird Trapping Program	259,000	
(9) 61.01.768-Bald Eagle Breeding Program	50,000	
(10) 61.01.769-Peregrine Falcon Fund	25,000	
(11) 61.01.770-Program management	216,000	

Provisions:

1. The amounts appropriated in this item represent the cost estimates of the Department of Corrections to implement the Habitat Conservation Plan as submitted by the department to the United States Fish and Wildlife Service and the Department of Fish and Game.
2. Funds appropriated in this item shall be available for expenditure only after the United States Fish and Wildlife Service and the Department of Fish and Game have given final approval of the Habitat Conservation Plan of the Department of Corrections.
3. Notwithstanding Section 13332.11 of the Government Code, any changes in the Habitat Conservation Plan of the Department of Corrections may be approved by the State Public Works Board not

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less than 30 days after notification to the Chairperson of the Joint Legislative Budget Committee, the chairpersons of the fiscal committees in each house, and the Chairperson of the Joint Committee on Prison Construction and Operations.

~~(4)~~

4. Funds appropriated in Schedule (1) include $140,000 for the Humboldt Bay National Wildlife Refuge to provide for a restoration supervisor for seven years.

5. Funds appropriated in Schedule (3) include $60,000 to provide for a restoration supervisor for four years.

6. Funds appropriated in Schedule (4) include $225,000 to provide a staff position for the California Audubon Society for five years.

7. Funds appropriated in Schedule (8) shall be provided to existing or new cowbird trapping programs for a minimum of 10 traps.

8. Funds appropriated in Schedule (9) shall be provided to the San Francisco Zoo for purposes of producing and releasing four bald eagles.

9. Funds appropriated in Schedule (10) shall be provided to the Santa Cruz Predatory Bird Group for breeding, release, and monitoring of four peregrine falcons.

~~5240-401—If bonds approved to be issued for projects funded under Item 5240-301-0660 of Section 2.00 of Chapter 282 of the Statutes of 1997 are not sold, the~~ *5240-401—If the bonds authorized for the projects scheduled in Item 5240-301-0660 of Section 2.00 of the Budget Act of 1997 (Ch. 282, Stats. 1997) are not sold, the* Department of Corrections shall commit a sufficient portion of its support appropriation provided for in this act to repay any loans from the Pooled Money Investment Account. It is the intent of the Legislature that this commitment shall be included in future Budget Acts until outstanding loans are repaid either through the sale of bonds or from an appropriation.

5240-490—Reappropriation, Department of Corrections. The balances of the appropriations provided in the following citations are reappropriated for the purposes, and subject to the limitations, unless otherwise specified, provided for in the appropriations:

0001—General Fund

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Item 5240-302-001, Budget Act of 1995

(1) 61.01.350—Statewide: Emergency Bed Projects—Studies, preliminary plans, working drawings, construction, long lead, and equipment

Item 5240-301-0001, Budget Act of 1997

(11) 61.08.020—California Institution for Men, Chino: PCE Contamination Cleanup—Preliminary plans and working drawings

0746—1986 Prison Construction Fund

Item 5240-301-746, Budget Act of 1995

(3) 61.10.200—California Men's Colony, San Luis Obispo: Primary and Secondary Electrical Distribution System—Working drawings and construction

5240-491—Reappropriation, Department of Corrections. Notwithstanding any other provision of law, the balance of the appropriation in Item 5240-001-853 of the Budget Act of 1992 (Ch. 587, Stats. 1992), as reappropriated by Item 5240-490 of the Budget Act of 1994 (Ch. 139, Stats. 1994), by Item 5240-490 of the Budget Act of 1995, as added by Section 2 of Chapter 980 of the Statutes of 1995, and by Item 5240-490 of the Budget Act of 1997 (Ch. 282, Stats. 1997), is reappropriated for the purchase of two buses to transport inmates, and the balance is reappropriated for the same purposes as provided in those reappropriations, and shall be available for expenditure until June 30, 1999.

5430-001-0001—For support of the Board of Corrections 1,484,000

Schedule:

(a) 11-Corrections Standards and Services	2,688,000
(b) 21-Standards and Training for Local Officers	2,333,000
(c) 31.01-Administration	297,000
(d) 31.02-Distributed Administration	−297,000
(e) Reimbursements	−524,000
(f) Amount payable from the Corrections Training Fund (Item 5430-001-0170)	−2,141,000
(g) Amount payable from the 1988 County Correctional Facilities Capital Expenditure and Youth Facility Fund (Item 5430-001-0796)	−500,000

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(h) Amount payable from the Federal Trust Fund (Item 5430-006-0890)..... −372,000

5430-001-0170—For support of the Board of Corrections, for payment to Item 5430-001-0001, payable from Corrections Training Fund 2,141,000

5430-001-0796—For support of the Board of Corrections, for payment to Item 5430-001-0001, payable from the 1988 County Correctional Facilities Capital Expenditure and Youth Facility Fund 500,000

5430-006-0890—For support of the Board of Corrections, for payment to Item 5430-001-0001, payable from the Federal Trust Fund (Federal Crime Bill)... 372,000

Provisions:

1. Notwithstanding any other provision of law, the funds appropriated by this item shall be available for expenditure until June 30, 2002.

5430-101-0170—For local assistance, Board of Corrections, Program 21—Standards and Training for Local Officers, payable from the Corrections Training Fund 14,720,000

5430-102-0001—For local assistance, Board of Corrections..... ~~14,000,000~~ *9,000,000*

Provisions:

1. The Board of Corrections shall allocate funds to the City of Los Angeles on a proportional basis consistent with the prior year allocation for the Community Law Enforcement and Recovery Demonstration Project established by Chapter 506, Statutes of 1997.

5430-103-0001—For local assistance, Board of Corrections..... ~~2,000,000~~ *500,000*

Provisions:

~~1. Demonstration grants shall be awarded by the Board of Corrections on a competitive basis for the At-Risk Youth Early Intervention Program established by Chapter 909, Statutes of 1997.~~

1. Notwithstanding any other provision of law, the funds appropriated by this item shall only be available to the County of San Diego to provide funding for the At-Risk Youth Early Intervention Program established pursuant to Section 601.5 of the Welfare and Institutions Code. These funds shall be used by the County of San Diego to con-

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tinue implementation, and to perform an evaluation, of the program.

5430-104-0001—For local assistance, Board of Corrections..... 1,200,000

Provisions:

1. Funds appropriated by this item shall be available solely for security, housing, and program costs at the Northern California Regional Facility located in Humboldt County. This is a one-time appropriation.

5430-105-0001—For local assistance, Board of Corrections..... 2,000,000

Provisions:

1. The funds appropriated by this item shall be expended for competitive grants to counties statewide for the purpose of planning and developing alternative sanctions for adult mentally ill offenders. To be eligible for a grant, each applicant county shall establish a strategy committee that includes, at a minimum, the sheriff or the director of the county department of corrections, who shall serve as chairperson of the committee; representatives of local law enforcement agencies; the chief probation officer; the county mental health director; and representatives from organizations that provide, or have provided, treatment, services, or stability, including income, housing, and caretaking, for persons with mental illnesses. Counties that are awarded grants shall use the funds to prepare plans to (a) gather data about the current adult mentally ill offender population, including resources available to manage this population, (b) improve and marshal local law enforcement, health and mental health, social services, and educational resources to treat, house, and supervise adult mentally ill offenders who are currently under the custody or supervision of the local or state criminal justice system, and (c) maximize the provision of collaborative and integrated services for these offenders. In no case shall a grant to an individual county exceed $100,000.

2. Of the funds appropriated by this item, up to 5 percent may be transferred to Item 5430-001-0001 for expenditure by the Board of Corrections for the oversight and implementation of the grants.

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3. Grants made with funds appropriated by this item shall be distributed during the 1998–99 fiscal year and the Board of Corrections shall require that the grantees' plans be completed no later than December 31, 1999. The board shall report to the committees of the Legislature that consider fiscal, criminal-justice, mental-health, and local-government issues, by March 1, 1999, on its implementation of this grant program, and shall include with the report copies of the plans developed by the grantees.

5430-106-0890—For local assistance, Board of Corrections Program 11, payable from Federal Trust Fund ~~12,015,000~~ *93,394,000*

Provisions:

~~1. Notwithstanding any other provision of law, the funds appropriated by this item shall be available for expenditure until June 30, 2002.~~

1. Of the amount appropriated by this item, $12,015,000, which constitutes 15 percent of the federal 1998 fiscal year Federal Crime Bill grants, shall be allocated by the Board of Corrections to local governments through competitive grants to build or expand, or both build and expand, adult and juvenile detention facilities, as authorized. Local entities shall be responsible for meeting the 10 percent match requirement.

2. The Legislature hereby declares that exigent circumstances exist regarding the impact of the increasing number of juvenile offenders on public safety in California and that, of the funds allocated to the state pursuant to the Federal Violent Crime Control and Law Enforcement Act and appropriated by this item, an amount not less than $81,379,000 shall be used to address these circumstances through competitive grants to counties. The percentage of juveniles convicted of crimes far exceeds the percentage of adults convicted of similar crimes. The fast-rising number of violent juvenile offenders affects the efforts of law enforcement and threatens public safety throughout the state. The need to enhance public safety is particularly important for local jurisdictions that do not have adequate facilities to confine the increasing number of juvenile offenders. Therefore, the Legislature intends that these funds be used to support the construction or expansion of juvenile

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detention facilities of the appropriate security levels, as defined by the Federal Violent Crime Control and Law Enforcement Act and regulations adopted pursuant thereto, to ensure appropriate custody space for the confinement of the growing number of juvenile offenders.

3. For the grant programs identified in Provisions 1 and 2 of this item, the Board of Corrections shall establish minimum standards, funding schedules, and procedures which shall take into consideration, but not be limited to, all of the following:

(a) Documentation of need for the project or projects.

(b) Adoption of a formal county plan to finance construction of the proposed project or projects.

(c) Submittal of a preliminary staffing plan for the project or projects.

(d) Submittal of architectural drawings, which shall be approved by the board for compliance with minimum adult or juvenile detention facility standards and which shall also be approved by the State Fire Marshal for compliance with fire safety and life safety requirements.

(e) Documentation that the facilities can be safely staffed and operated.

(f) Submittal by the county, or a group of counties acting together, of a plan that identifies the county continuum of care model for prevention, intervention, supervision, treatment, and incarceration of juvenile and adult offenders. The plan shall also identify the manner in which the county will maximize all funding sources (local criminal justice, local social services, federal and state programs, and education) for providing appropriate services for juvenile and adult offenders.

4. Local entities shall match at least 25 percent of the grant. Not more than 15 percent of this minimum match requirement shall be provided with in-kind resources. The greater the percentage of matching funds that a county provides, the higher the priority the county shall be given for allocation of funds.

5. Of the funds allocated pursuant to Provision 2 of this item, up to 3 percent may be transferred, upon

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approval of the Department of Finance, to Item 5430-001-0001 to support the administration, including technical assistance and oversight, of the implementation of grant awards pursuant to Provision 2.

6. Notwithstanding any other provision of law, the funds appropriated by this item are available for expenditure until June 30, 2002.

5430-107-0001—For local assistance, Board of Corrections..... 30,000,000

Provisions:

1. (a) The funds appropriated by this item shall be available to support the Juvenile Crime Enforcement and Accountability Challenge Grant (Challenge Grant) Program, as modified and amended by Assembly Bill 2261 of the 1997–98 Regular Session, and the Juvenile Female Offender Intervention Program as established by Senate Bill 1657 of the 1997–98 Regular Session.

(b) Of the funds appropriated by this item, up to 5 percent may be transferred, upon approval of the Department of Finance, to Item 5430-001-0001 to support the administration, including technical assistance and oversight, and evaluation of the implementation of grant awards pursuant to this provision.

(c) Of the funds appropriated by this item, the Board of Corrections may award up to $2,000,000 statewide, in individual grants not exceeding $50,000, to counties to assist in developing and upgrading local action plans as necessary to compete for the Challenge Grant and Juvenile Female Offender Intervention Program grants, including the development of strategies to address out-of-home placement needs for delinquent youth pursuant to Section 602 of the Welfare and Institutions Code within the county or region where the county is located. The board may also award up to $500,000 statewide, in individual grants not to exceed $100,000, to extend program evaluation followup activities for existing programs which demonstrate promise for program replication.

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(d) Of the funds remaining, the board shall, on a statewide, competitive basis, award grants pursuant to subdivision (a) of this provision.

(e) Of the funds available for grant awards in subdivision (d), the board shall ensure that, on a statewide basis, an amount not less than 50 percent, or $10,000,000, whichever is greater, is awarded to support strategies identified in county local action plans for female juvenile offenders pursuant to the Juvenile Female Offender Intervention Program.

(f) When awarding grants pursuant to this provision, the board shall give priority to those grant applications submitted under subdivision (d) of this provision that support strategies identified in county local action plans for the development and implementation of out-of-home placement options for delinquent youth pursuant to Section 602 of the Welfare and Institutions Code.

(g) Notwithstanding any other provision of law, funds appropriated by this item shall be allocated pursuant to this provision.

2. The Executive Steering Committee responsible for making recommendations to the Board of Corrections for the award of grants under Provision 1 of this item shall include a representative from the State Department of Social Services and the State Department of Mental Health who are knowledgeable in matters affecting the out-of-home placement of youths by the court.

3. Funds appropriated by this item shall be available for allocation by the Board of Corrections until June 30, 2003.

5430-109-0001—For local assistance, Board of Corrections..... ~~15,000,000~~ *4,000,000*

Provisions:

~~1. The appropriation in this item shall be used to support the Eight Percent Solution Program in the Counties of Los Angeles, Riverside, and San Francisco. Each of these counties shall receive $5,000,000 of the amount appropriated in this item.~~

1. The funds appropriated by this item shall be used solely to implement the Repeat Offender Prevention Project established pursuant to Assembly Bill

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2594 of the 1997–98 Regular Session. Funds appropriated by this item shall be available for expenditure only if Assembly Bill 2594 is enacted. Funds appropriated by this item are appropriated on a one-time basis. Notwithstanding any other provision of law, the funds appropriated in this item shall be available for expenditure through June 30, 2001.

5430-110-0001—For local assistance, Board of Corrections..... 325,000

Provisions:

1. Funds appropriated by this item are available for the purpose of constructing a firing range at the San Joaquin County Sheriff's Operations Center and Jail Complex. This is a one-time appropriation.

5430-295-0001—For local assistance, Board of Corrections, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or of Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, State Controller..... 700,000

Schedule:

(1) 98.01.022.193—Mandates: Domestic Violence Treatment Program Approvals (Ch. 221, Stats. 1993).. 700,000

(2) 98.01.033.281—Mandates: Victims' Statements—Minors (Ch. 332, Stats. 1981)..... 0

Provisions:

1. Allocations of funds provided in this item to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated in this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.

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2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the Controller may, upon notifying the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.

3. Pursuant to Section 17581 of the Government Code, mandates identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the 1998–99 fiscal year:

(a) Victim's Statements—Minors (Ch. 332, Stats. 1981)

5430-490—Reappropriation, Board of Corrections. Notwithstanding any other provision of law, the balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in the appropriations and shall be available for expenditure until June 30, 2001.

0001-General Fund

(1) Item 5430-101-0001, Budget Act of 1996 (Juvenile Justice Grants)

(2) 5430-001-0001, Budget Act of 1997:

(a) Repeat Offender Program

(b) Violent Offender Incarceration/Truth-In-Sentencing—state operations match ($173,000)

(3) 5430-105-0001, Budget Act of 1997 (Repeat Offender Program)

0890—Federal Trust Fund

(1) Item 5430-005-0890, Budget Act of 1997 (Violent Offender Incarceration/Truth-In-Sentencing)

5440-001-0001—For support of the Board of Prison Terms, Program 10 14,396,000

5450-001-0001—For support of the Youthful Offender Parole Board, Program 10 3,303,000

5460-001-0001—For support of the Department of the Youth Authority ..... ~~264,320,000~~ *264,062,000*

Item	Amount
Schedule:	
(a) 20-Institutions and Camps	~~278,540,600~~ *278,282,600*
(b) 30-Parole Services	~~43,020,000~~ *43,067,000*
(c) 40-Education Services	~~9,965,400~~ *9,918,400*
(d) 50.01-Administration	~~18,056,000~~ *17,548,000*
(e) 50.02-Distributed Administration	~~−17,954,000~~ *−17,446,000*
(f) Reimbursements	−64,450,000
(g) Amount payable from the 1988 County Correctional Facilities Capital Expenditure and Youth Facility Bond Fund (Item 5460-001-0796)	−154,000
(h) Amount payable from the California State Lottery Education Fund—California Youth Authority (Item 5460-001-0831)	−1,229,000
(i) Amount payable from the Federal Trust Fund (Item 5460-001-0890)	−1,475,000

Provisions:

1. Of the funds appropriated in Schedule (a), $31,000 is provided for payment of energy service contracts in connection with the issuance of Public Works Board Energy Efficiency Revenue Bonds (State Pool Program), Series 1986A.
2. Notwithstanding any other provision of law, the Director of Finance may authorize a loan from the General Fund to the Department of the Youth Authority for the purpose of meeting operational cash-flow obligations for the 1998–99 fiscal year. The loan shall not exceed the estimated amount of reimbursements to be collected, pursuant to Chapter 6 of the Statutes of 1996, for the final quarter of any fiscal year in which the loan is to be provided.
4. Notwithstanding any other provision of law, the Department of the Youth Authority may transfer up to five percent of the amount in Schedule (a), (b), or (c) between Schedules (a), (b), and (c) for adjustments as a result of the creation of Program 40-Education Services, upon approval of the Department of Finance. Any transfers for this pur-

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pose exceeding 5 percent may occur not sooner than 30 days after notification thereof to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the fiscal committees of the Legislature.

~~5. Of the funds appropriated in this item, $209,000 shall be used for voluntary tattoo removal. These funds may be used only to contract with licensed health care providers for the removal of tattoos from the visible hand, face, and neck area of wards, and only upon the determination by institutional treatment staff that removal is warranted and necessary for the success of the ward on parole. The funds specified in this provision may not be used to purchase equipment for voluntary tattoo removal. Any moneys subject to this provision that are not expended for the purposes specified in this provision shall revert to the General Fund. The Department of the Youth Authority shall make its tattoo removal equipment available for use by nonprofit community groups and local governments when not in use by the department. The department shall execute an agreement with these entities for the use of that equipment. It is the intent of the Legislature that the department provide only access to the equipment and that all operational and other costs shall be borne by the entity utilizing the equipment. The department shall report to the Legislature by March 1, 1999, on the number of wards that have received tattoo removals, the average cost of each removed, and the average total cost per ward.~~

5. (a) Of the funds appropriated in this item, $209,000 shall be used for voluntary tattoo removal. These funds may only be used to contract with licensed health care providers for the removal of tattoos from the hands, face, and visible neck areas of wards, and only upon the determination by institutional treatment staff that removal is warranted and necessary for the success of the ward when he or she is paroled. The funds specified in this provision may not be used to purchase equipment for voluntary tattoo removal.

(b) Any funds subject to this provision that are not expended for the purposes specified in this provision shall revert to the General

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Fund. It is the intent of the Legislature that the Department of the Youth Authority expedite delivery of cost-effective, voluntary tattoo removal services to eligible wards and parolees, as provided in this provision.

(c) The Department of the Youth Authority shall make its tattoo removal equipment available for use by nonprofit community groups and local governments when not in use by the department. The department shall execute an agreement with these entities for the use of that equipment. It is the intent of the Legislature that the department provide access only to the equipment and all operational and other costs shall be borne by the entity utilizing the equipment.

(d) The department shall report to the Legislature by March 1, 1999, on the number of wards that have received tattoo removals, the average cost of each removal, and the average total cost per ward.

6. Of the amount included in this item, $250,000 is to provide additional employment services to Department of the Youth Authority parolees. This amount shall be provided on a two-year limited-term basis, and the department may submit a request to continue the funds for the 2000–01 fiscal year. The department shall report to the fiscal committees of each house of the Legislature by January 1, 2000, on the impact of employment services on parolee recidivism.

5460-001-0796—For support of the Department of the Youth Authority, for payment to Item 5460-001-0001, payable from the 1988 County Correctional Facilities Capital Expenditure and Youth Facility Bond Fund 154,000

5460-001-0831—For support of the Department of the Youth Authority, for payment to Item 5460-001-0001, payable from the California State Lottery Education Fund—California Youth Authority 1,229,000

Provisions:

1. All funds received pursuant to Proposition 37 that are allocable to the Department of the Youth Authority pursuant to Section 8880.5 of the Government Code and that are in excess of the amount appropriated in this item, are hereby appropriated in augmentation of this item. Such additional

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funds may be expended only upon written approval of the Department of Finance.	
5460-001-0890—For support of the Department of the Youth Authority, for payment to Item 5460-001-0001, payable from the Federal Trust Fund	1,475,000
5460-003-0001—For support of the Department of the Youth Authority for rental payments and insurance on lease revenue bonds	404,000
5460-011-0001—For support of the Department of the Youth Authority (Proposition 98)	39,391,000
Schedule:	
(a) 40-Education Services 39,391,000	
5460-101-0001—For local assistance, Department of the Youth Authority	3,919,000
Schedule:	
(a) 20-Institutions and Camps 92,000	
(b) 30-Parole Services..... 3,827,000	
Provisions:	
1. The amount appropriated by this item is provided for the following purposes:	
a. To pay the transportation costs of persons committed to the Department of the Youth Authority to or between its facilities, including the return of parole violators, provided that expenditures made under this item shall be charged to either the fiscal year in which the claim is received by the Controller or the fiscal year in which the warrant is issued by the Controller. However, claims shall be filed by local jurisdictions within six months after the end of the month in which the costs are incurred.	
b. To reimburse counties, pursuant to Section 1776 of the Welfare and Institutions Code, for the cost of the detention of Youth Authority parolees who are detained on alleged parole violations, provided that expenditures made under this item shall be charged to either the fiscal year in which the claim is received by the Controller or the fiscal year in which the warrant is issued by the Controller. However, claims shall be filed by local jurisdictions within six months after the end of the month in which the costs are incurred.	
5460-301-0001—For capital outlay, Department of the Youth Authority	14,681,000

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Schedule:	
(1) 60.01.035-Statewide: Budget Packages and Advanced Planning	250,000
(3) 60.02.055-Preston Youth Correctional Facility: Perimeter Security Fencing—Working drawings and construction	1,555,000
(4) 60.02.075-Preston Youth Correctional Facility: Water Line Replacement—Acquisition, preliminary plans, and working drawings	456,000
(4.1) 60.02.085-Preston Youth Correctional Facility: Personal Alarms—Working drawings.....	156,000
(4.5) 60.04.020-Northern Youth Correctional Reception Center/Clinic: Correctional Treatment Center—Preliminary plans and working drawings.....	196,000
(4.6) 60.04.025-Northern Youth Correctional Reception Center/Clinic: Personal Alarms—Working drawings	58,000
(5) 60.26.050-DeWitt Nelson Youth Correctional Facility: Visitor's Security Entrance/Hall—Preliminary plans and working drawings.....	234,000
(5.1) 60.26.085-Dewitt Nelson Youth Correctional Facility: Personal Alarms—Working drawings	69,000
(5.2) 60.26.090-O.H. Close Youth Correctional Facility: Personal Alarms—Working drawings	60,000
(5.3) 60.26.095-Karl Holton Youth Correctional Facility: Personal Alarms—Working drawings	62,000
(5.4) 60.52.100-El Paso de Robles Youth Correctional Facility: Personal Alarms—Working drawings.	118,000
(6) 60.54.080-Fred C. Nelles Youth Correctional Facility: Visitor's Security Entrance/Hall—Preliminary plans and working drawings.....	150,000

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(7) 60.54.090-Fred C. Nelles Youth Correctional Facility: Sewer Line Replacement—Preliminary plans and working drawings.....	229,000
(7.1) 60.54.105-Fred C. Nelles Youth Correctional Facility: Personal Alarms—Working drawings	93,000
(8) 60.56.030-Southern Youth Correctional Reception Center/Clinic: Visiting Facility—Preliminary plans and working drawings.....	123,000
(9) 60.58.070-Ventura Youth Correctional Facility: Special Education Assessment Center—Preliminary plans and working drawings.....	127,000
(10) 60.58.080-Ventura Youth Correctional Facility: Visitor's Security ~~Entrance/Visiting Hall—~~ *Entrance/Visiting Hall*—Preliminary plans and working drawings.....	234,000
(10.5) 60.58.085-Ventura Youth Correctional Facility: Correctional Treatment Center—Preliminary plans and working drawings.....	186,000
(11) 60.58.090-Ventura Youth Correctional Facility: Ward Separation Plan—Preliminary plans, working drawings and construction.....	847,000
(11.1) 60.58.090-Ventura Youth Correctional Facility: Personal Alarms—Working drawings	73,000
(12) 60.67.080-Heman G. Stark Youth Correctional Facility: Living Unit Doors, Units I, III—Working drawings and construction.....	4,381,000
(13) 60.67.110-Heman G. Stark Youth Correctional Facility: Master Key System—Working drawings and construction	1,099,000
(13.5) 60.67.110-Herman G. Stark Youth Correctional Facility: Correctional Treatment Center—Preliminary plans and working drawings.....	276,000
(13.6) 60.67.135-Herman G. Stark Youth Correctional Facility: Personal Alarms—Working drawings.	149,000

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(14) 60.90.010-Minor Projects..... 3,500,000

Provisions:

1. The funds appropriated in Schedule (1) shall be allocated by the Department of the Youth Authority, upon approval of the Department of Finance, to develop design and cost information for new projects for which funds have not been previously appropriated, but for which preliminary plans funds, working drawings funds, or working drawing or construction funds are expected to be included in the Governor's Budget for the 1999–2000 or 2000–2001 fiscal year, and for which cost estimates and/or preliminary plans can be developed prior to legislative hearings on the Governor's Budget for the 1999–2000 or 2000–2001 fiscal year. These funds may be used for the following: budget package development, architectural programming, engineering assessments, schematic design, and preliminary plans. The amount appropriated in this item for these purposes shall not be construed as a commitment by the Legislature as to the amount of capital outlay funds it will appropriate in any future year.
2. As used in this appropriation, studies shall include site studies and suitability reports, environmental studies, master planning, architectural programming and schematics.

5460-401—In the event the bonds authorized for the projects scheduled in Item 5460-301-0660, Budget Act of 1997, are not sold, the Department of the Youth Authority shall commit a sufficient portion of its support appropriation provided for in this Budget Act to repay any loans from the Pooled Money Investment Account. It is the intent of the Legislature that this commitment shall be included in future Budget Acts until outstanding loans are repaid either through the sale of bonds or from an appropriation.

EDUCATION

6110-001-0001—For support of Department of Education ..... ~~33,946,200~~ *35,895,400*

Schedule:

(a) 10-Instruction 41,781,000

(b) 20-Instructional Support ..... ~~50,034,200~~ *52,283,400*

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(c) 30-Special Programs..... 34,922,000

(d) 41.00-Executive Management and Special Services..... 9,595,000

(e) 41.01-State Board of Education 1,211,000

(f) 42.01-Department Management and Special Services..... 25,044,000

(g) 42.02-Distributed Department Management and Special Services.....−25,044,000

(gx) Unallocated..... 950,000

(h) Reimbursements.....−13,957,000

(i) Amount payable from Federal Trust Fund (Item 6110-001-0890).... ~~−89,640,000~~ *−90,890,000*

Provisions:

1. An amount equal to or greater than the amount appropriated in Schedule (e) shall be available for support of the State Board of Education.
2. Notwithstanding Sections 33190 and 51219 of the Education Code, or any other provision of law, the State Department of Education shall expend no funds to prepare (a) a statewide summary of student performance on school district proficiency assessments or (b) a compilation of information on private schools with five or fewer ~~students~~ *pupils* .
3. Of the amount appropriated by this item, $74,000 shall be expended for staff in the ~~department's~~ Program Evaluation and Research Division *of the State Department of Education* to (a) review and approve studies and program evaluations and (b) assist in contract management.
4. Of the funds appropriated in this item, $90,000 shall be available only for Educational Technology support services pursuant to Section 51874 of the Education Code and for the expenses incurred by members of the Education Council for Technology in Learning in carrying out their duties.
5. Notwithstanding any other provision of law, of the funds appropriated in this item, $2,500,000 shall be used to provide technical assistance and administrative support to the Healthy Start Program and $240,000 shall be used to provide technical assistance and administrative support for the Teen Pregnancy Prevention and Intervention Program (Art. 1 (commencing with Sec. 8800), Ch. 5, Part 6, Ed. C.).

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6. Of the funds appropriated by this item, $300,000 and two positions shall be available only for planning and implementation of the focus schools program authorized by Chapter 6.1 (commencing with Section 52050) of Part 28 of the Education Code.

7. Funds appropriated by 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 Personnel Administration 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 State Board of Control.

~~8. Of the funds appropriated by this item, $261,000 shall be used for support of the Single Gender Academies Program (Ch. 3.1 (C/W 58526), Pt. 31, Ed. C.). These funds are to provide one position and $175,000 shall be used for an independent evaluation of the program.~~

9. Of the funds appropriated by this item, $150,000 shall be used for the Gang Risk Intervention Program (Ch. 5 (commencing with Sec. 58700), Pt. 31, Ed. C.).

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10. The funds appropriated in Schedule (e) ~~shall be~~ *are* for the support of the State Board of Education and shall be directed to meet the policy priorities of its members.

11. The funds appropriated by this item may not be expended for any REACH program.

12. The funds apropriated by this item may 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.

13. Of the funds appropriated in this item, $206,000 shall be available as matching funds for the State Department of Rehabilitation and provide coordinated services to disabled pupils. Expenditure of the funds shall be identified in the memorandum of understanding or other written agreement with the Department of Rehabilitation to ensure an appropriate match to federal vocational rehabilitation funds.

14. Of the funds appropriated in this item, no less than $3,142,000 is available for support of Child Care Services (Program 30.10).

15. Pursuant to Provision ~~10~~ *8* of Item 6110-196-0001, the Department of Finance may transfer up to $20,000,000 of federal funds to this item.

16. Of the funds appropriated by this item, $375,000 is available for support of the Class Size Reduction Program (Ch. 6.10 (commencing with Sec. 52120), Pt. 28, Ed. C.).

17. The State Department of Education may not begin the charter school direct funding pilot project until the Director of Finance has approved the department's policy for the fiscal accountability and liability of charter schools selected for the pilot project. The Director of Finance shall provide notification of that approval to the chairperson of the fiscal and appropriate policy committees of each house of the Legislature, and the Chairperson of the Joint Legislative Budget Committee, not less that 30 days prior to the effective date of this approval of the policy.

18. Of the amount appropriated in Schedule (b), $50,000 is for reporting the results of physical performance tests administered by school dis-

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tricts in 1998 pursuant to Chapter 6 (commencing with Section 60800) of Part 33 of the Education Code. The ~~California~~ *State* Department of Education shall ensure that results comparing the performance of pupils in each school and district to national norms are reported to school district governing boards and shall submit a report of statewide results comparing the performance of California pupils to national norms to the Legislature and the Governor prior to January 1, 1999.

19. Of the funds appropriated by this item, $500,000 is available for the costs of administering K–12 education programs created or expanded during the 1997–98 Regular Session for which no other funding has been made available. The State Department of Education shall submit an expenditure plan for these funds to the Department of Finance for review and approval. The funds appropriated by this item shall be available for expenditure not sooner than 30 days after the Department of Finance provides notification of its approval of the plan to the Legislature in accordance with the procedures set forth in Section 28.00 of this act.

20. Notwithstanding any other provision of law, the State Board of Education shall designate for use as part of the STAR Program (Art. 4 (commencing with Sec. 60640), Ch. 5, Pt. 33, Ed. C.) a single primary language test in each language for which a test is available, for grades 2 to 11, inclusive, no later than November 14, 1998.

21. Of the funds appropriated by this item, $700,000 and a one-half position are provided on a one-time basis for two studies regarding pupils residing in licensed children's institutions. The State Department of Education, in conjunction with the Department of Finance and the Legislative Analyst's Office, shall design requests for proposals and contract for two studies related to the following issues:

(a) The availability of various types and sources of data, and the feasibility and cost of collecting that data, and other data that is not readily available, regarding children residing in licensed children's institutions. The purpose of this study shall be to determine

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the availability of various types of data and to perform preliminary data collection to determine if there are problems in current practices and procedures for providing educational services to these pupils. This study shall specifically identify the number of children residing in licensed children's institutions who attend nonpublic schools and who are not eligible for special education programs. Options shall be suggested for further study and for improving current practices and procedures.

(b) The efficacy of current practices and procedures for the transfer of educational and other records and the notification of appropriate public educational and noneducational agencies upon placement of a child in a licensed children's institution. This study shall examine whether current practices and procedures, and any lack of coordination between educational and noneducational agencies, may contribute to inappropriate educational placements and services for children residing in licensed children's institutions.

The first contractor's report shall be completed on or before March 1, 1999. The second contractor's report shall be completed on or before June 30, 2000. Both reports shall be submitted to the fiscal and policy committees of the Legislature, the Office of Child Development and Education, the Department of Finance, and the Legislative Analyst's Office.

22. Of the funds appropriated by this item, $100,000 and one position are provided for administration of the Foster Youth Services Program, $25,000 is provided for operating expenses, and $250,000 is provided for training and evaluation of the program.

23. Of the funds appropriated by this item, $650,000 shall be allocated by the State Department of Education to an independent evaluator to assist school districts and county offices of education in developing data collection and analysis systems, and to perform an evaluation for the High-Risk First-Time Offenders Program pursuant to

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Article 1 (commencing with Section 47760) of Chapter 2 of Part 26.95 of the Education Code.

24. Of the funds appropriated by this item, $450,000 shall be available for the following programs: low performing schools, college preparation programs, and remedial programs.

6110-001-0178—For support of the Department of Education, Program 20.30—Instructional Support, for the purpose of conducting schoolbus driver instructor training as provided in Section 40070 of the Education Code, payable from the Driver Training Penalty Assessment Fund 993,000

6110-001-0231—For support of Department of Education, Program 20.10.045-Instructional Support, Curriculum Services—Health and Physical Education-Drug Free Schools, payable from the Health Education Account, Cigarette and Tobacco Products Surtax Fund..... 969,000

6110-001-0344—For support of Department of Education, Program 20.30 Administrative Services to local educational agencies, payable from the State School Building Lease-Purchase Fund 1,513,000

Provisions:

1. Funds appropriated by this item are for support of the activities of the School Facilities Planning Division and are to be used exclusively for activities related to local school construction, reconstruction, rehabilitation, modernization, maintenance, deferred maintenance, year-round school programs, and schoolsite acquisition.

6110-001-0687—For support of Department of Education, for the California State Agency for Donated Food Distribution, Program 30.50—Donated Food Distribution, payable from the Donated Food Revolving Fund..... 9,111,000

6110-001-0890—For support of Department of Education, for payment to Item 6110-001-0001, payable from the Federal Trust Fund ..... ~~89,640,000~~ *90,890,000*

Provisions:

1. The funds appropriated by this item include Federal Vocational Education Act funds for the 1998–99 fiscal year to be transferred to community colleges by means of interagency agreements. These funds shall be used by community colleges for the administration of vocational education programs.

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2. Of the funds appropriated by this item, $82,000 is available to the Advisory Commission on Special Education for the in-state travel expenses of the Commissioners and the Secretary to the Commission.

3. Of the funds appropriated by this item, $382,000 is available for programs for homeless youth and adults pursuant to the federal Stewart B. McKinney Act. The department shall participate on the Health and Welfare Agency Homeless Task Force and shall consult with the state Departments of Economic Opportunity, Mental Health, Housing and Community Development, and Economic Development in operating this program.

4. Of the funds appropriated by this item, up to $364,000 shall be used to provide in-service training for special and regular educators and related persons, including, but not limited to, parents, administrators, and organizations serving severely disabled children. These funds are also to provide up to four positions for this purpose.

5. Of the funds appropriated by this item, $318,000 shall be used to provide training in culturally nonbiased assessment and specialized language skills to special education teachers through Second Language Immersion Institutes.

6. Of the amount appropriated by this item, $177,000 shall be used for the administration of the federal public charter schools grant program.

7. Of the funds appropriated in this item, ~~$2,600,000~~ *$3,050,000* shall be for the administration of programs funded with federal Goals 2000 *Educate America Act* funds. Funds shall be allocated for the following purposes:

(a) ~~$1,100,000~~ *$1,220,000* for general administration of the federal Goals 2000: Educate America Act funds and administration of local assistance grants and other programs using those federal funds. Of this amount $120,000 shall be for the state operations costs necessary to manage the contract identified in Provision 7(b) for the evaluation of the Class Size Reduction Program established pursuant to Chapter 6.10 (commencing with Sec. 52120) of Part 28 of the Education Code.

(b) $500,000 for a contract for an independent evaluation of the Class Size Reduction Pro-

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gram as required by Section 52128 of the Education Code. Funds shall not be released for this purpose until the State Department of Education has certified to the Department of Finance that matching funds have been secured from third party sources for the class size reduction evaluation activities.

(c) $500,000 shall be for an evaluation of the impact of the California Reading Initiative on the reading achievement of pupils in the public schools. The California Reading Initiative consists of all appropriations in the Budget Act or in any other measure, and all legislation, chaptered in 1996 or 1997 addressing pre-service and in-service training, instructional materials, credential requirements, or any other activities related to reading instruction. The State Department of Education shall develop a plan for the evaluation and shall submit that plan to the State Board of Education for amendments and approval prior to initiating the evaluation.

(d) $500,000 is to support the California State University Center for Teaching Careers, es~~tablished pursuant to Chapter 864 of the Statutes of 1997.~~ *tablished pursuant to Article 4 (commencing with Section 90530) of Chapter 11 of Part 55 of the Education Code.*

(e) $330,000 shall be available for development of standards for an English language development (ELD) test.

8. Of the funds appropriated in this item, $7,895,000 is from the Child Care and Development Block Grant Fund and includes $226,000 for the costs of fingerprint services for the Trustline Registry to the Department of Justice and $158,000 for an Interagency Agreement with the Child Development Programs Advisory Committee.

9. Of the funds appropriated by this item, $1,030,000 shall be used for administration of the Technology Literacy Challenge Grant Program. Of this amount, $580,000 is available only for contracted technical support and evaluation services associated with implementation of the Technology Literacy Challenge Grant Program.

10. Of the funds appropriated by this item, $2,000,000 is for dispute resolution services, in-

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cluding mediation and fair hearing services, provided through contract for the Special Education Program.

~~11. Of the funds appropriated by this item, $650,000 shall be allocated by the State Department of Education to an independent evaluator to assist school districts and county offices of education in developing data collection and analysis systems, and to perform an evaluation for the High-Risk First-Time Offenders Program pursuant to Article 1 (commencing with Section 47760) of Chapter 2 of Part 26.95 of the Education Code.~~

~~12.~~

11. Upon certification by the Superintendent of Public Instruction, and approval by the Department of Finance, the Controller shall augment Program 30 of Item 6110-001-0890, of this act, by the June 30, 1998, unencumbered balance of the $2,000,000 provided in Provision 8 of Item 6110-001-0890 of Section 2.00 of the Budget Act of 1997 (Ch. 282, Stats. 1997), for the development of a feasibility study report for a child care data collection and analysis system and for interim data collection and reporting.

~~13.~~

12. Upon certification by the Superintendent of Public Instruction, and approval by the Department of Finance, the Controller shall augment Program 30 of Item 6110-001-0890 of this act, by the June 30, 1998, unencumbered balance of the $500,000 provided for the development of the Provider Accounting and Reporting Information System (PARIS) from Program 30 of Item 6110-001-0890 of Section 2.00 of the Budget Act of 1997 (Ch. 282, Stats. 1997).

13. Of the funds appropriated by this item, an amount not to exceed $200,000 shall be available on a one-time basis from any supplemental grants of federal funds received by the state pursuant to Part B of the federal Individuals with Disabilities Education Act or from any carryover funds from prior fiscal years from the same source to study and issue a report to the appropriate fiscal and policy committees of the Legislature, the Office of Child Development and Education, the Department of Finance, and the Legislative Analyst's Office regarding current

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practices and procedures for educational advocacy for children residing in licensed children's institutions. This study and report shall examine whether current practices and procedures comply with federal requirements for individuals with exceptional needs, and shall make recommendations for ensuring compliance, if necessary, and for improving the current practices and procedures relating to educational advocacy for children placed in licensed children's institutions. If any portion of the amount is not expended for the completion of the study and report, the State Department of Education, subject to the approval of the Department of Finance, may direct the unexpended amount to implementation of the recommended improvements. The notification requirements of Section 28.00 of this act shall apply to any direction of funds to implementation of improvements.

14. Of the funds appropriated by this item, $450,000, 4 staff positions, and 1.0 clerical position shall be available for increased monitoring, complaint investigation, and training of local educational agency personnel in monitoring educational programs and services in nonpublic schools. This increased monitoring and complaint investigation shall be coordinated with other department monitoring and complaint investigation functions and shall ensure that pupils in nonpublic schools and individuals with exceptional needs residing in licensed children's institutions receive educational services that comply with the requirements of state and federal law. The State Department of Education shall also develop training materials and provide training to local educational agency staff regarding monitoring requirements for nonpublic schools and shall increase interaction with local educational agency staff before, during, and after certification reviews and complaint investigations. Data shall be gathered from these increased monitoring and complaint investigation activities and shall be available for the studies on pupils residing in licensed children's institutions described in Item 6110-001-0001.

15. Of the funds appropriated in this item, $100,000 is available on a one-time basis for the purpose

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of developing the new fiscal procedures required by Chapter 854 of the Statutes of 1997 and Chapter 89 of the Statutes of 1998.

6110-001-0975—For support of Department of Education, Program 20.40.040—Library and Learning Resources, payable from the California Public School Library Protection Fund 15,000

Provisions:

1. Subject to the conditions of Article 6 (commencing with Section 18175) of Chapter 2 of Part 6 of the Education Code, and based on increases in the funds deposited in the California Public School Library Protection Fund, the appropriation made by this item may be increased subject to the approval of the Department of Finance.

6110-003-0001—For support of Department of Education, Program 20.30.020-Instructional Support, Standardized Account Code Structure 927,000

Provisions:

1. The funds appropriated by this item shall be used only for the direct costs to administer the Standardized Account Code Structure program, as established by Chapter 237 of the Statutes of 1993, to assist any school district or county office of education in financial distress or bankruptcy, to make available standard fiscal, demographic, and performance data to policy decision makers, and for indirect costs for those programs at the rate approved by the United States Department of Education.

6110-004-0001—For support of Department of Education, Program 20.60.020-Instructional Support, School Crime Report 1,222,000

Provisions:

1. Of the funds appropriated by this item, ~~$321,000~~ *$371,000* shall be available to the State Department of Education for training and monitoring activities associated with the school crime reporting program pursuant to Chapter 1.2 (commencing with Section 628) of Title 15 of Part 1 of the Penal Code. The funds described in this provision shall be used only for the direct costs to administer that school crime reporting program, and for indirect costs of the program at the rate approved by the United States Department of Education. *The amount specified in this provision includes $50,000 that shall be available for costs associ-*

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ated with the production of the school crime report.

2. Of the funds appropriated by this item, ~~$901,000~~ *$851,000* shall be allocated by the State Department of Education to the Butte County Office of Education pursuant to a contract entered into between the department and the Butte County Office of Education for the performance of other activities associated with the school crime reporting program identified in Provision 1.

6110-005-0001—For support of Department of Education, as allocated by the Department of Education to the State Special Schools, Program 10.60.040 22,639,000

Schedule:

(a) 10.60.040-Instruction 23,226,000

(1) 10.60.040.001-School for the Blind, Fremont 3,351,000

(2) 10.60.040.002-School for the Deaf, Fremont 10,525,000

(3) 10.60.040.003-School for the Deaf, Riverside..... 9,350,000

(b) Reimbursements..... −587,000

Provisions:

1. Of the amount appropriated by this item, $362,000 shall be available for the assessment centers at the State Special Schools.

2. Of the amount appropriated by this item, $358,000 shall be used for the provision of a four-week extended session in the State Special Schools for the Deaf in Fremont and Riverside and the State Special School for the Blind in Fremont.

3. Of the amount appropriated by this item, up to $13,000 is provided for payment of energy service contracts in connection with the issuance of Energy Conservation Efficiency Revenue Bonds.

6110-006-0001—For support of Department of Education (Proposition 98), as allocated by the Department of Education to the State Special Schools..... 27,075,000

Schedule:

(a) 10.60.040-Instruction, State Special Schools..... 31,477,000

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(1) 10.60.040.001-School for the Blind, Fremont 3,913,000

(2) 10.60.040.002-School for the Deaf, Fremont 10,551,000

(3) 10.60.040.003-School for the Deaf, Riverside..... 9,447,000

(7) 10.60.040.007-Diagnostic Centers ... 7,566,000

(b) Reimbursements..... −4,251,000

(c) Amount payable from the California State Lottery Education Fund (Item 6110-006-0814)..... −151,000

Provisions:

1. On or before January 15 of each year, the superintendent of each State Special School shall report to each school district the number of pupils from that district who are attending a State Special School and the estimated payment due on behalf of the district for those pupils pursuant to Section 59300 of the Education Code. The Controller shall withhold from the State School Fund in the first principal apportionment of that fiscal year the amount due from each school district, as reported to the Controller by the Superintendent of Public Instruction. The amount withheld shall be transferred from the State School Fund to this item. The Superintendent of Public Instruction is authorized to adjust the estimated payments required after the close of the fiscal year by reporting to the Controller the information needed to make the adjustment.

2. Of the funds appropriated by this item, $552,000 shall be used for the provision of a four-week extended session in the State Special Schools for the Deaf in Fremont and Riverside and the State Special School for the Blind in Fremont.

6110-006-0814—For support of Department of Education, for payment to Item 6110-006-0001, payable from the California State Lottery Education Fund... 151,000

Provisions:

1. All funds received pursuant to Proposition 37 that are allocable to the State Special Schools pursuant to Section 8880.5 of the Government Code, and that are in excess of the amount appropriated in

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this item, are hereby appropriated in augmentation of this item.

6110-007-0001—For support of Department of Education, Program 20.20.010-Instructional Materials Management and Distribution—Curriculum Frameworks and Instructional Materials..... 100,000

Provisions:

1. Funds appropriated by this item shall be used only for direct costs to conduct biennial state adoptions of basic instructional materials pursuant to Section 60200 of the Education Code and for indirect costs for that purpose at the rate approved by the United States Department of Education.

6110-008-0001—For support of Department of Education, as allocated by the Department of Education to the State Special Schools for student transportation allowances, Program 10.60.040..... 1,064,000

Provisions:

1. Funds appropriated by this item are in lieu of funds that otherwise would be transferred from the General Fund to Section A of the State School Fund in accordance with Sections 14007 and 41301.5 of the Education Code.

6110-009-0001—For support of the Department of Education, Program 20.10-Curriculum Services..... 82,000

Provisions:

1. Funds appropriated by this item shall be used only for direct costs to employ a reading specialist (consultant level) to improve reading in the elementary grade levels and for indirect costs for that purpose at the rate approved by the United States Department of Education.

6110-011-0001—For support of Department of Education, Program 10.10-School Apportionments, Principal Apportionments System..... 1,440,000

Provisions:

1. No funds appropriated by this item may be expended to redesign and rewrite the principal apportionment system unless the Department of Finance and the Department of Information Technology have approved the Request For Proposal (RFP) prepared by the State Department of Education before the RFP is submitted to prospective contractors for this project.

6110-013-0001—For support of Department of Education, Program 10.10-Audit Resources..... 475,000

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Provisions:

1. Notwithstanding any other provision of law, no funds shall be expended from this item without prior approval from the Department of Finance.

6110-015-0001—For support of Department of Education, Program 20.20.020—Instructional Materials Management and Distribution 370,000

Provisions:

1. Funds appropriated by this item are for transfer by the Controller, to the State Instructional Materials Fund, for allocation during the 1998–99 fiscal year pursuant to Article 3 (commencing with Section 60240) of Chapter 2 of Part 33 of the Education Code. These funds shall be transferred to the State Instructional Materials Fund by the Controller in amounts claimed by the Department of Education.
2. Funds appropriated by this item for the Instructional Materials Management and Distribution Program shall be transferred for direct disbursement by the Department of Education from the State Instructional Materials Fund.

6110-021-0001—For support, Department of Education, Program 30.20—Child Nutrition—Nutrition Education Projects 601,000

6110-101-0231—For local assistance, Department of Education, Program 20.10.045-Instructional Support, for county offices of education, payable from the Health Education Account, Cigarette and Tobacco Products Surtax Fund..... 3,800,000

6110-101-0349—For local assistance, Department of Education, Program 20-Instructional Support, for allocation to the Fiscal Crisis and Management Assistance Team for the purpose of administering the California School Information Services program..... 3,000,000

Provisions:

1. Of the amount appropriated by this item, an amount equal to 8 percent or $500,000, whichever is greater, shall be available for purposes of implementing the Student-Friendly Services Through Technology project.
2. In addition to the $3,000,000 appropriated by this item, moneys deposited in the Educational Telecommunications Fund during the 1998–99 fiscal year pursuant to Provision 3 that are in excess of that amount are also hereby appropriated for the purposes specified in this item. However, the ad-

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ditional funds appropriated by this provision from the excess amounts appropriated in Provision 3 may not exceed $7,000,000.

3. Notwithstanding Section 10554 of the Education Code, for the 1998–99 fiscal year, the Controller shall transfer the following amounts from the General Fund into the Educational Telecommunications Fund for allocation pursuant to this item:

(a) The lesser of $10,000,000 or the actual amount certified by the Superintendent of Public Instruction as reductions made to apportionments in the 1998–99 fiscal year for repayments of prior year excess apportionments identified pursuant to:

(1) Audit settlements for the Hacienda La Puente Unified School District.

(2) Repayments made pursuant to Chapter 789 of the Statutes of 1997.

(3) Other audit settlements for excess apportionments identified as a result of audits, investigations, or inquiries.

This amount shall be reflected as an appropriation from the General Fund applying towards satisfaction of the Proposition 98 guarantee in the 1998–99 fiscal year and not in any other fiscal year.

6110-101-0814—For local assistance, Department of Education, Program 10.10, for allocation by the State Controller in accordance with Government Code Section 8880.5, as enacted by the voters in Proposition 37 at the November 1984 general election, payable from the California State Lottery Education Fund 754,986,000

Provisions:

1. All funds received pursuant to Proposition 37 that are allocable to local education agencies that serve pupils in kindergarten or any of grades 1 to 12, inclusive, pursuant to Section 8880.5 of the Government Code, and that are in excess of the amount appropriated in this item, are hereby appropriated in augmentation of this item.

6110-101-0890—For local assistance, Department of Education, Title VI of the Elementary and Secondary Education Act, payable from the Federal Trust Fund 35,461,000

Item	Amount
Schedule:	
(a) 10-Instruction 35,182,000	
(b) 20-Instructional support 279,000	
6110-101-0975—For local assistance, Department of Education, Program 20.40.040—Library and Learning Resources, payable from the California Public School Library Protection Fund	~~345,000~~ *661,000*
Provisions:	
1. Subject to the conditions of Article 6 (commencing with Section 18175) of Chapter 2 of Part 11 of the Education Code, and based on increases in the funds deposited in the California Public School Library Protection Fund, the appropriation made by this item may be increased subject to the approval of the Department of Finance.	
6110-102-0231—For local assistance, Department of Education, Program 20.10.045-Instructional Support, for local assistance, payable from the Health Education Account, Cigarette and Tobacco Products Surtax Fund.....	28,553,000
6110-102-0890—For local assistance, Department of Education, Program 20.60.038-Learn and Serve America Program, payable from the Federal Trust Fund	2,131,000
6110-103-0001—For local assistance, Department of Education (Proposition 98), Program 10.10.001.005—School Apportionments for transfer to Section A of the State School Fund, for the purposes of Section 8152 of the Education Code.....	8,256,000
Provisions:	
1. Notwithstanding Section 8154 of the Education Code, or any other provision of law, the funds appropriated by this item shall be the only funds available for and allocated by the Superintendent of Public Instruction for the apprentice programs operated by school districts and county offices of education.	
2. Notwithstanding Section 8152 of the Education Code, each 60-minute hour of teaching time devoted to each indentured apprentice enrolled in and attending classes of related and supplemental instruction as provided under Section 3074 of the Labor Code shall be reimbursed at the rate of $4.22 per hour. For purposes of this provision, each hour of teaching time may include up to 10 minutes for passing time and breaks.	

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3. No school district or county office of education shall use funds allocated pursuant to this item to offer any new or expanded apprentice program unless the program has been approved by the Superintendent of Public Instruction.

4. The Superintendent of Public Instruction shall report to the Department of Finance and the Legislature not later than October 1, 1998, on the amount of funds expended for and the hours of related and supplemental instruction offered in the apprentice program during the 1997–98 fiscal year, with information to be provided by the school district, county office of education, program sponsor, and trade. Expenditure information shall distinguish between direct and indirect costs, including administrative costs funded for the State Department of Education, school districts, and county offices of education. In addition, the report shall identify the hours of related and supplemental instruction proposed for the 1998–99 and 1999–2000 fiscal years by the school district, county office of education, program sponsor, and trade. As a condition of receiving funds for the apprenticeship program, school districts and county offices of education shall report to the Superintendent of Public Instruction the information necessary for the completion of this report.

5. Notwithstanding Article 8 (commencing with Section 8150) of Chapter 1 of Part 6 of the Education Code, or any other provision of law, the total number of hours eligible for state reimbursement in apprentice programs operated by school districts and county offices of education shall be limited to an amount equal to the amount of the total appropriation made by this item divided by the hourly rate specified in Provision 2. The Superintendent of Public Instruction shall have the authority to determine which apprentice programs, and which hours offered in those programs, are eligible for reimbursement.

6110-103-0890—For local assistance, Department of Education, Program 41.20.030.003—Robert C. Byrd Honors Scholarship Program, payable from the Federal Trust Fund 4,643,000

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6110-104-0001—For local assistance, Department of Education (Proposition 98), Program 10.10.011—School Apportionments, for transfer to Section A of the State School Fund, for summer school programs pursuant to Section 42239 of the Education Code... 176,793,000

Schedule:

(a) Program 10.10.011.003-School apportionments, for remedial summer school programs, for the purposes of Section 42239 of the Education Code..... 65,315,000

(b) Program 10.10.011.004-School apportionments, for core academic summer school programs, for the purposes of Section 42239 of the Education Code..... 111,478,000

Provisions:

1. Notwithstanding paragraph (1) of subdivision (e) of Section 42239 of the Education Code, or any other provision of law, for the 1998–99 fiscal year a school district's maximum entitlement for pupil attendance in summer school programs offered pursuant to paragraph (2) of subdivision (d) of Section 42239 of the Education Code shall be an amount equal to 7 percent of the district's enrollment for the prior fiscal year, times 120 hours, times the hourly rate for the 1998–99 fiscal year.

2. Notwithstanding subdivision (e) of Section 42239 of the Education Code, for the 1998–99 fiscal year the Superintendent of Public Instruction shall allocate a minimum of $6,644 for supplemental summer school programs in each school district for which the prior fiscal year enrollment was less than 500 and that, in the 1998–99 fiscal year, offers at least 1,500 hours of supplemental summer school instruction. A small school district, as described above, that offers less than 1,500 hours of supplemental summer school offerings shall receive a proportionate reduction in its allocation. For the purpose of this provision, supplemental summer school programs shall be defined as programs authorized under paragraph (2) of subdivision (d) of Section 42239 of the Education Code.

3. (a) Notwithstanding paragraph (1) of subdivision (e) of Section 42239 of the Education Code, or any other provision of law, the Superintendent of Public Instruction shall reallocate to

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any school district any unexpended balance of the appropriations made for the 1998–99 fiscal year for reimbursement for actual pupil attendance in summer school programs authorized under paragraph (2) of subdivision (d) of Section 42239 of the Education Code. In no event shall any district receive reimbursement for pupil attendance in summer school programs in excess of 10 percent of the district's enrollment for the prior fiscal year, multiplied by 120 hours, multiplied by the hourly rate for the 1998–99 fiscal year.

(b) After any reallocation is made pursuant to subdivision (a) of this provision, the Superintendent of Public Instruction shall reallocate any unexpended balance of the appropriation specified in Schedule (b) of this item in the following priority:

(1) For the purposes of funding any deficiencies, for the 1998–99 fiscal year, in remedial summer school programs authorized pursuant to paragraph (1) of subdivision (d) of Section 42239 of the Education Code.

(2) For the purposes of funding general vocational work experience education for the 1998–99 fiscal year authorized pursuant to paragraph (3) of subdivision (d) of Section 42239 of the Education Code.

6110-105-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund for the purposes of Article 1 (commencing with Section 52300) of Chapter 9 of Part 28 of the Education Code 302,769,000

Schedule:

(a) 10.10.004-Instruction Program
10.10.004-School Apportionments, Regional Occupational Centers and Programs 303,930,000

(b) Reimbursements ..... −1,161,000

Provisions:

1. Notwithstanding any other provision of law, the funds appropriated by this item are for transfer by the Controller to Section A of the State School Fund, in lieu of the amount that otherwise would be appropriated for transfer from the General Fund in the State Treasury to Section A of the State School Fund for the 1998–99 fiscal year

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pursuant to Sections 14002 and 14004 of the Education Code, in an amount as needed for apportionment pursuant to Article 1 (commencing with Section 52300) of Chapter 9 of Part 28 of the Education Code.

2. Funds appropriated by this item shall be apportioned by the Superintendent of Public Instruction pursuant to Article 1.5 (commencing with Section 52335) of Chapter 9 of Part 28 of the Education Code.

3. Because Chapter 482 of the Statutes of 1984 was chaptered after Chapter 268 of the Statutes of 1984, the Legislature's intent regarding the eligibility of regional occupational centers and programs for incentive funding for a longer instructional year under Section 46200 of the Education Code was not carried out. It is the intent of the Legislature that regional occupational centers and programs not be eligible for that incentive funding.

Notwithstanding any other provision of law, the funds appropriated by this item may not be expended for the purposes of providing or continuing incentive funding for a longer instructional year pursuant to Section 46200 of the Education Code.

4. Notwithstanding any other provision of law, funds appropriated by this item for average daily attendance (ADA) generated by participants in welfare-to-work activities under the CalWORKs program established in Article 3.2 (commencing with Section 11320) of Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions Code may be apportioned on an advance basis to local education agencies based on anticipated units of ADA if a prior application for this additional ADA funding has been approved by the Superintendent of Public Instruction.

5. Of the amount appropriated by this item, $1,161,000 is to fund remedial education services for participants in welfare-to-work activities under the CalWORKs program.

6. Of the amount appropriated for growth in Schedule (a) of this item, $22,300 is for the San Juan School District Regional Occupational Center/Program.

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6110-106-0001—For local assistance, Department of Education (Proposition 98), Program 10.10.011.004—School Apportionments, for transfer to Section A of the State School Fund, for core academic afterschool and summer school programs ..... ~~100,000,000~~ *125,000,000*

Provisions:

~~1. The funds appropriated in this item shall be available to fund afterschool, Saturday, or summer school programs pursuant to legislation enacted during the 1997–98 Regular Session that becomes operative on or before January 1, 1999.~~

1. Of the funds appropriated by this item, $75,000,000 is available to fund summer school instruction pursuant to legislation enacted during the 1997−98 Regular Session that becomes operative on or before January 1, 1999.

2. Of the funds appropriated by this item, $50,000,000 is available to fund afterschool programs pursuant to legislation enacted during the 1997−98 Regular Session that becomes operative on or before January 1, 1999.

6110-107-0001—For local assistance, Department of Education (Proposition 98), Program 10.10—County Offices of Education Fiscal Oversight 3,630,000

Schedule:

(a) 10.10.002-COE Oversight..... 1,500,000
(b) 10.10.005-FCMAT 1,480,000
(c) 10.10.015-Interim Reporting 150,000
(d) 10.10.016-Staff Development..... 500,000

Provisions:

1. The funds appropriated in Schedule (a) of this item are for the purposes provided in paragraph (1) of subdivision (a) of Section 29 of Chapter 1213 of the Statutes of 1991.

2. Of the funds appropriated in Schedule (b) of this item, $1,100,000 shall be allocated by the Controller directly to a county office of education, selected pursuant to subdivision (a) of Section 42127.8 of the Education Code to oversee Fiscal Crisis and Management Assistance Team (FCMAT) responsibilities with respect to these funds, to meet the costs of participation under Section 42127.8 of the Education Code.

The remaining $380,000 appropriated in Schedule (b) shall be allocated to FCMAT for the purpose of providing, through computer technol-

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ogy, financial and demographic information that is interactive and immediately accessible to all local education agencies to assist them in their decisionmaking process. To ensure a completely integrated system, this computer information should be developed in collaboration with the State Department of Education, and should be compatible with the hardware and software of the State Department of Education, so that this information may also assist state level policymakers in making comparable standardized financial information available to the local education agencies and the public.

3. The funds appropriated in Schedule (c) of this item are for the increased responsibility of county offices of education for oversight of school districts with audit exceptions, districts with qualified or negative interim reports, districts that may be unable to meet financial obligations for the current or subsequent two years, or districts with disapproved budgets, as provided under Chapter 924, Statutes of 1993. Allocation of such funds shall be administered by the Fiscal Crisis and Management Assistance Team (FCMAT) on a reimbursement basis and all reimbursements shall be subject to the approval of both the Department of Finance and the Department of Education.

4. The amount appropriated in Schedule (c) shall be available for expenditure for the 1998–99 and 1999–2000 fiscal years. Any unexpended balance as of September 1, 1999 shall be available through July 30, 2000 for staff development purposes, pursuant to Provision 5 of this item.

5. The funds appropriated in Schedule (d) of this item are for the purpose of providing staff development to local education agency school finance and business personnel, as provided in Section 42127.8 of the Education Code. The funds appropriated in Schedule (d) shall be allocated by the Controller directly to a county office of education selected pursuant to subdivision (a) of Section 42127.8 to oversee FCMATs responsibilities with respect to these funds.

6. The funds appropriated by this item shall be allocated in accordance with the above schedule unless a revision to the allocations contained herein has been approved by the Department of Finance.

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The Department of Finance may not authorize any such revision sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the joint committee, or his or her designee, may in each instance determine.

6110-109-0001—For local assistance, Department of Education (Proposition 98), Program 20.60—Gang Risk Intervention Program pursuant to Chapter 5.5 (commencing with Section 58730) of Part 31 of Division 4 of Title 2 of the Education Code..... 3,000,000

6110-111-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, Program 10.10.006-School Apportionment-Transportation..... 2,000,000

Provisions:

1. The funds appropriated by this item are for equalization of home-to-school transportation funding, pursuant to Section 44 of Chapter 928, Statutes of 1997.

6110-111-0890—For local assistance, Department of Education, Elementary and Secondary Education Act, Title I—Program 20.10.056 Character Education Program, payable from the Federal Trust Fund . 175,000

6110-112-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, Program 20.60—Staff Development Day Buyout..... ~~400,000,000~~ *195,000,000*

Provisions:

1. The funds appropriated by this item are available to buy back staff development days, pursuant to legislation enacted during the 1997–98 Regular Session that becomes operative after January 1, 1998, and on or before January 1, 1999.

6110-112-0890—For local assistance, Department of Education, Program 20.60.036—Public Charter Schools, payable from the Federal Trust Fund..... 3,365,000

Provisions:

1. Of the funds appropriated by this item, $200,000 is for transfer by the Controller to the Charter School Revolving Loan Fund.

Item	Amount
6110-113-0001—For local assistance, Department of Education (Proposition 98), for purposes of a pupil testing program	55,969,000
Schedule:	
(a) 20.70.030.001-Golden State Examination	10,882,000
(b) 20.70.030.002-Statewide Assessment	1,002,000
(c) 20.70.030.004-Career Technical Assessment	800,000
(d) 20.70.030.005-Assessment Review and Reporting	3,585,000
(e) 20.70.030.006-STAR Program	39,700,000

Provisions:

1. The funds appropriated in this item shall be for the pupil testing program authorized by Chapter 5 (commencing with Section 60600) and Chapter 6 (commencing with Section 60800) of Part 33 of the Education Code, and Sections 4 and 5 of Chapter 975 of the Statutes of 1995, as amended by Chapters 69 and 920 of the Statutes of 1996, and for the pupil testing program (STAR Program) authorized under Article 4 (commencing with Section 60640) of Chapter 5 of Part 33 of the Education Code , *as amended by Chapter 828 of the Statutes of 1997* .

3. Notwithstanding any other provision of law, any funds appropriated by this item, but not expended for development of a statewide assessment test in the 1998–99 fiscal year, are available for expenditure in the 1999–2000 fiscal year for that purpose.

4. Funds appropriated in Schedule (e) of this item for the STAR Program shall be available for STAR Program costs for the 1998–99 fiscal year. In addition, funds are available in augmentation of Item 6110-113-0001 of Section 2.00 of the Budget Act of 1997, as appropriated pursuant to Section 9 of Chapter 886 of the Statutes of 1997, provided that the State Department of Education certifies in writing to the Department of Finance that additional funds are necessary to cover STAR Program costs for the 1997–98 fiscal year and the Department of Finance determines that additional funds are warranted.

Item		Amount
5. Primary language tests administered pursuant to subdivisions (f) and (g) of Section 60640 of the Education Code shall be subject to the reporting requirements specified in subdivisions (b), (c), (d), and (e) of Section 60641 of the Education Code.		
6110-114-0001—For local assistance, Department of Education, (Proposition 98), for transfer to the Controller, for reimbursement of claims received pursuant to Sections 42243.6 and 42247 of the Education Code, (court-ordered desegregation) Program 10.10.018-School Apportionments		*37,096,000*
Schedule:		
(a) 10.10.018.005-Instruction: School Apportionments (Court Ordered Desegregation)—Bakersfield Unified School District	*410,000*	
(b) 10.10.018.010-Instruction: School apportionments (Court Ordered Desegregation)—Los Angeles Unified School District	*21,204,000*	
(c) 10.10.018.070-Instruction: School Apportionments (Court Ordered Desegregation)—Menlo Park City Elementary School District	*11,000*	
(d) 10.10.018.040-Instruction: School Apportionments (Court Ordered Desegregation)—Palo Alto Unified School District	*209,000*	
(e) 10.10.018.075-Instruction: School Apportionments (Court Ordered Desegregation)—Ravenswood City Elementary School District	*10,000*	
(f) 10.10.018.050-Instruction: School Apportionments (Court Ordered Desegregation)—Redwood City Elementary School District	*13,000*	
(g) 10.10.019.020-Instruction: School Apportionments-voluntary desegregation-San Bernardino City Unified School District	*997,000*	
(h) 10.10.019.022-Instruction: School Apportionments-voluntary desegregation-San Diego City Unified School District	*1,861,000*	

Item	Amount
(i) 10.10.019.024-Instruction: School Apportionments-voluntary desegregation—San Francisco Unified School District	*10,573,000*
(j) 10.10.018.030-Instruction: School Apportionments (Court Ordered Desegregation)—San Jose Unified School District	*63,000*
(k) 10.10.018.055-Instruction: School Apportionments (Court Ordered Desegregation)—San Mateo County Superintendent	*12,000*
(l) 10.10.018.060-Instruction: School Apportionments (Court Ordered Desegregation)—Santa Clara County Office of Education	*4,000*
(m) 10.10.018.065-Instruction: School Apportionments (Court Ordered Desegregation)—Sequoia Unified High School District	*125,000*
(n) 10.10.018.035-Instruction: School Apportionments (Court Ordered Desegregation)—Stockton Unified School District	*1,604,000*

Provisions:

1. Funds appropriated by this item are for reimbursement of amounts necessary to pay costs of integration programs in districts initially mandated by the courts, as defined in Section 2205 of the Revenue and Tax Code pursuant to any final court order issued after January 1, 1978.

2. The Controller shall allocate funds appropriated by this item in accordance with provisions of Sections 42243.6 and 42247 of the Education Code. Pursuant to the provisions of Section 42243.8 of the Education Code, the Controller shall reimburse claims received pursuant to Sections 42243.6 and 42247 of the Education Code only from funds appropriated specifically for that purpose by the Legislature.

3. School districts may contract with the Controller for the performance of those audits. All past year actual claims submitted to the Controller for payment shall be accompanied by any reports issued by the auditing entity, unless the auditing entity was the Controller.

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4. The Controller shall reimburse only those past year actual claims that conform with the requirements of Provision 2 of this item.

5. The Controller shall allocate funds appropriated by this item in accordance with the schedule contained herein, unless revision of that schedule has been approved by the Department of Finance. The Controller shall allocate these funds only for 1998–99 fiscal year expenditures claimed by local education agencies.

6. The Department of Finance may not authorize any revisions to the schedule contained herein sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may, in each instance, determine.

7. Funds appropriated in this item may not be used to reimburse local education agency claims for facilities lease costs, school construction, reconstruction, replacement of facilities, purchase of existing facilities, purchase of land, or the performance of deferred maintenance activities on facilities.

8. As a condition of receiving funding under this item, by March 1, 1999, each school district that received reimbursement for the costs of a desegregation program shall submit to the State Department of Education program outcome data over the preceding three years, or since the inception of its program, whichever period of time is less. The data shall include the ethnic distribution of pupils at schools supported with desegregation funds, and indicators of pupil success at those schools, such as test scores, graduation rates, or dropout rates. School districts may submit evaluation reports that already exist or are otherwise required by a court to comply with this requirement, provided that the reports contain the information specified above. School districts also shall indicate whether their desegregation programs were initiated voluntarily, or as a result of a consent decree.

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6110-115-0001—For local assistance, Department of Education, for transfer to the Controller (Proposition 98), Voluntary Desegregation, for reimbursement of claims received pursuant to Sections 42247 and 42249 of the Education Code..... 19,314,000

Schedule:

(1) 10.10.019.088-Grant High School District 12,390,000

(2) 10.10.019.089-Sausalito Elementary School District 789,000

(3) 10.10.019.090-Lynwood Unified School District 4,392,000

(4) 10.10.019.091-Sacramento City Unified School District..... 1,743,000

Provisions:

1. Funds appropriated by this item are for reimbursement of amounts necessary to pay the costs of desegregation programs, as defined in Section 42249 of the Education Code, initiated voluntarily by local education agencies and for the costs of audits as required by Provision 2 of this item.
2. Before submittal to the Controller for payment, school districts shall subject their past year actual claims to audit, in accordance with standards utilized by the Controller in prior years for the audit of past year actual desegregation claims, to ensure that the claims comply with the requirements of Sections 42247, 42247.1, 42248, 42249, and 44249.2 of the Education Code. School districts may contract with the Controller for the performance of those audits. All past year actual claims submitted to the Controller for payment shall be accompanied by any reports issued by the auditing entity, unless the auditing entity was the Controller.
3. The Controller shall reimburse only those past year actual claims that conform with the requirements of Provision 2 of this item.
4. The Controller shall allocate funds appropriated by this item in accordance with Section 42247 of the Education Code. The Controller shall reimburse these claims only from funds appropriated specifically for that purpose by the Legislature.
5. The Controller shall allocate funds appropriated by this item in accordance with the schedule contained herein, unless a revision of that schedule has been approved by the Department of Finance.

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The Controller shall allocate these funds only for ~~1998–99 fiscal year~~ *the 1997–98 fiscal year and 1998–99 fiscal year* expenditures claimed by local education agencies pursuant to Sections 42247 and 42249 of the Education Code.

6. The Department of Finance may not authorize any revisions to the schedule contained herein sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the joint committee, or his or her designee, may in each instance determine.
7. Funds appropriated by this item may not be used to reimburse local education agency claims for facilities lease costs, school construction, reconstruction, replacement of facilities, purchase of existing facilities, purchase of land, or the performance of deferred maintenance activities on facilities.
8. Effective July 1, 1991, and notwithstanding any other provision of law to the contrary, no school district shall be required to comply with Sections 90 to 101, inclusive, of Title 5 of the California Code of Regulations. Any costs incurred after that date in compliance with those regulations shall be deemed to be incurred voluntarily and shall not be reimbursable as a state-mandated local program. Nothing in this provision shall be interpreted to deny reimbursement of claims for court-ordered or voluntary desegregation pursuant to Sections 42243.6, 42247, and 42249 of the Education Code.
9. As a condition of receiving funding under this item, by March 1, 1999, each school district that receives reimbursement for the costs of a desegregation program shall submit to the State Department of Education program outcome data over the preceding three years, or since the inception of its program, whichever period of time is less. The data shall include the ethnic distribution of pupils at schools supported with desegregation funds, and indicators of pupil success at those schools, such as test scores, graduation rates, or dropout rates. Districts may submit evaluation reports that already exist or are otherwise required by a court

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to comply with this requirement, provided that the reports contain the information specified above. Districts also shall indicate whether their desegregation programs were initiated voluntarily ~~,~~ or as a result of a consent decree.

6110-116-0001—For local assistance, Department of Education, (Proposition 98), for transfer to the Controller, for reimbursement of claims received pursuant to Sections 42243.6 and 42247 of the Education Code, (court-ordered desegregation) Program 10.10.018-School Apportionments 14,000

Provisions:

1. Funds appropriated in this item are for reimbursement of amounts necessary to pay costs of integration programs in districts initially mandated by the courts, as defined in Section 2205 of the Revenue and Tax Code pursuant to any final court order issued after January 1, 1978.
2. The Controller shall allocate funds appropriated in this item in accordance with provisions of Sections 42243.6 and 42247 of the Education Code. Pursuant to the provisions of Section 42243.8 of the Education Code, the Controller shall reimburse claims received pursuant to Section 42243.6 and 42247 of the Education Code only from funds appropriated specifically for that purpose by the Legislature.
3. School districts may contract with the Controller for the performance of those audits. All past year actual claims submitted to the Controller for payment shall be accompanied by any reports issued by the auditing entity, unless the auditing entity was the Controller.
4. The Controller shall reimburse only those past year actual claims that conform with the requirements of Provision 2 of this item.
5. The Controller shall allocate funds appropriated by this item in accordance with the schedule contained herein, unless a revision of that schedule has been approved by the Department of Finance. The Controller shall allocate these funds only for 1998–99 fiscal year expenditures claimed by local education agencies.
6. The Department of Finance may not authorize any revisions to the schedule contained herein sooner than 30 days after notification in writing of the necessity therefore to the chairperson of the com-

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mittee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may, in each instance, determine.

7. Funds appropriated in this item may not be used to reimburse local education agency claims for facilities lease costs, school construction, reconstruction, replacement of facilities, purchase of existing facilities, purchase of land, or the performance of deferred maintenance activities on facilities.

8. As a condition of receiving funding under this item, by March 1, 1999, each school district that receives reimbursement for the costs of a desegregation program shall submit to the State Department of Education program outcome data over the preceding three years, or since the inception of its program, whichever period of time is less. The data shall include the ethnic distribution of pupils at schools supported with desegregation funds, and indicators of pupil success at those schools, such as test scores, graduation rates, or dropout rates. School districts may submit evaluation reports that already exist or are otherwise required by a court to comply with this requirement, provided that the reports contain the information specified above. School districts also shall indicate whether their desegregation programs were initiated voluntarily, or as a result of a consent decree.

6110-117-0001—For local assistance, State Department of Education, Program 10.70—Vocational Education, in lieu of the amount that otherwise would be appropriated pursuant to subdivision (b) of Section 19632 of the Business and Professions Code..... 562,000

Provisions:

1. Of the funds appropriated by this item, $50,000 shall be available to contract with the California Association of Student Councils for the purpose of providing leadership development and training to pupils in grades 3 to 12, inclusive.

6110-118-0001—For local assistance, Department of Education (Proposition 98), Program 10.10.001.006—School Apportionments—Various.... 50,000,000

Item	Amount
Provisions:	
1. The funds appropriated by this item are available solely to fund increases in minimum teacher salaries, subject to the establishment of that program by legislation enacted during the 1997–98 Regular Session.	
6110-120-0001—For local assistance, Department of Education (Proposition 98) Program 20.40.100, for the Pupil Dropout Prevention Program	*1,250,000*
6110-121-0001—Foster Youth Programs (Proposition 98)	*3,000,000*
Provisions:	
1. The funds appropriated by this item are provided for half-year costs of expanding the Foster Youth Services program to children residing in licensed children's institutions, pursuant to Chapter 11 (commencing with Section 42920) of Part 24 of the Education Code and guidelines developed by the State Department of Education. These funds shall be allocated on the basis of the number of pupils residing in licensed children's institutions in each county, and shall be used to supplement, and not supplant, services currently provided to pupils residing in licensed children's institutions through this program.	
6110-123-0001—For local assistance, Department of Education (Proposition 98)—Low Performing Schools	50,000,000
Provisions:	
1. The amount appropriated by this item shall fund a program to provide assistance to low performing schools in reaching or exceeding an acceptable level of school achievement, subject to establishment of that program by the enactment of legislation during the 1997–98 Regular Session that becomes operative on or before January 1, 1999.	
6110-128-0890—For local assistance, Department of Education, Program 20.50.030-Eisenhowser Professional Development, payable from the Federal Trust Fund	31,873,000
6110-129-0001—For local assistance, Department of Education, Program 41.00—Community Education-Intergenerational Programs	171,000
6110-130-0001—For local assistance, Department of Education, Program 20.60.100—Advancement via Individual Determination	1,000,000

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6110-131-0001—For local assistance, Department of

~~Education, Program 20.40-College Preparation Grant Program..... 30,000,000~~

~~Provisions:~~

~~1. The funds appropriated by this item are available to fund the College Preparation Grant Program, subject to the establishment of that program by legislation enacted during the 1997–98 Regular~~

Education, Program 20.40—College preparation program 30,000,000

Provisions:

1. The funds appropriated by this item are available to fund one or more college preparation programs subject to the enactment of legislation during the 1997–98 Regular Session that becomes operative on or before January 1, 1999.

6110-136-0890—For local assistance, Department of Education, payable from the Federal Trust Fund..... 860,319,000

Schedule:

(a) 10.30.060—Title I-ESEA.....841,677,000

(b) 10.30.065—Stewart B. McKinney Homeless Children Education..... 2,992,000

(c) 20.60.022-Improve School Effectiveness-Comprehensive School Reform Demonstration Grant Program 15,650,000

Provisions:

1. The State Department of Education, for the purposes of the transitional assessment system required by Title 1 of the federal Improving America's Schools Act of 1994, shall define a ''program improvement school,'' during the 1998–99 fiscal year, as a school that ranks among the lowest in the state on the assessment used in the Standardized Testing and Reporting (STAR) Program (Art. 4 (commencing with Sec. 60640), Ch. 5, Pt. 33, Ed. C.). A school district may also identify a school that does not meet this criterion as a ''program improvement school'' during that fiscal year if 60 percent or more of the school's pupils are performing, as determined by district's assessment system, below the standards adopted by the district.

2. The funds appropriated in Schedule (c) of this item shall be used to fund the costs of the Comprehensive School Reform Demonstration Program. These funds shall be allocated only when

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the State Board of Education has provided notice to the Department of Finance that the board's application on behalf of the state has been approved by the United States Department of Education.

6110-139-0001—For local assistance, Department of Education (Proposition 98), Program 10.10—School Apportionments, Pupil Residency Verification 157,000

Provisions:

1. Funds appropriated by this item are for the purpose of assisting school districts that are adjacent to the international border with their pupil residency verification, consistent with the intent of Chapter 309, Statutes of 1995.

6110-141-0890—For local assistance, Department of Education, Program 10.30.010—Instruction, Title I of the Elementary and Secondary Education Act—Migrant Education, payable from the Federal Trust Fund 107,448,000

6110-142-0890—For local assistance, Department of Education, Goals 2000, payable from the Federal Trust Fund..... 57,692,000

Schedule:

(a) 20.10.003-Reading Improvement.... 36,492,000

(b) 20.60.030-Local Improvement Plans 15,200,000

(c) 20.60.050-Student Academic Partnerships 5,000,000

(d) 20.60.100-Advancement via Individual Determination..... 1,000,000

Provisions:

1. The funds appropriated by this item shall be available for expenditure not sooner than 30 days after an expenditure plan has been submitted to the Department of Finance for review and comment. The department shall review the proposed expenditures to ensure that they are consistent with federal law.

2. Of the funds appropriated in schedule (a), $6,000,000 is available only for inservice training in reading instruction for teachers who are new employees of a school district in 1998–99 who teach pupils in grades kindergarten through three, inclusive, pursuant to Chapter 3.45 (commencing with section 44755) of Part 25 of the Education Code. Notwithstanding paragraphs (b)(1) and (b)(2) of section 44757.4, the maximum grant amount awarded to a school district shall not ex-

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ceed twice the product determined by multiplying (1) $6,000,000 divided by the number of teachers who are new employees of all school districts in the state in 1998–99 who teach pupils in grades kindergarten through three, inclusive, by (2) the number of these teachers employed in the school district.

3. Of the funds appropriated in schedule (a), $30,942,000 is available for the purchase of (1) inservice training in math instruction which is consistent with the Math Program Advisory approved by the State Board of Education, (2) age-level-appropriate reading materials that are connected to phonics-based reading instruction and (3) inservice training in reading instruction for teachers of pupils in grades 4 to 12, inclusive. Funds shall be allocated to school districts pursuant to Section 44759.5 of the Education Code except that ''number of pupils'' in paragraphs (1) and (2) of subdivision (b) shall be deemed to be the number of pupils scoring below the fortieth percentile on the statewide assessment administered in 1998 pursuant to Article 4 (commencing with Section 60640) of Chapter 5 of Part 33 of the Education Code. Notwithstanding any provision of Chapter 3.46 of Part 25 of the Education Code, funds allocated pursuant to this provision may be expended for reading inservice training and reading materials, or just for inservice training. Funds expended for inservice training in reading instruction shall be expended in accordance with the following sections of Chapter 3.46 of Part 25 of the Education Code, except that where these sections read ''4 to 8'' they shall be deemed to read ''4 to 12'': Section 44758 (b), Section 44759 (a), (c), (d), (e) and (f), Section 44759.1, Section 44759.2, Section 44759.3, Section 44759.4, and Section 44759.6. Further, in order to conduct a program funded pursuant to this provision in any particular school in a school district, the governing board must certify that a phonics-based reading instructional program is being conducted in the school for pupils scoring below the twenty-fifth national percentile score on the statewide assessment, or that such a program shall begin in the school as soon as feasible upon completion of the training. The State Board of Education shall establish cri-

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teria governing the purchase by school districts of age-level-appropriate reading materials that are connected to phonics-based reading instruction.

4. The funds appropriated in Schedule (b) shall be used to implement local improvement plans developed from prior years' allocations of Goals 2000 funds.

5. The funds appropriated in Schedule (c) shall be used for competitive grants to local education agencies for preservice training, with highest priority for funding given to those agencies that propose to train and hire college students as academic tutors for pupils in kindergarten or any of grades 1 to 6, inclusive, in the academic areas of English-language arts and mathematics. For the purposes of these training activities, local education agencies shall be responsible for the day-to-day supervision of tutors, but the agencies may contract with higher education institutions to recruit, train and provide general oversight over placement in schools. Higher education institutions may permit tutors to receive academic credit for their related field work experiences in lieu of pay.

6. The funds appropriated in Schedule (d) shall be used for competitive outreach grants to local education agencies for the Advancement Via Individual Determination (AVID) program.

6110-149-0001—For local assistance, Department of ~~Education, (Proposition 98), for library materials and science laboratory materials and equipment~~..... ~~230,000,000~~

~~Provisions:~~

~~1. The amount appropriated in this item shall be allocated to school districts and county offices of education on the basis of an equal amount per unit of average daily attendance, as defined in subdivision (b) of Section 42238.5 of the Education Code, for the purchase of school library materials and school science laboratory materials and equipment.~~

Education (Proposition 98), for school library materials..... *158,500,000*

Provisions:

1. The funds appropriated by this item are available to fund the acquisition of school library materials pursuant to legislation enacted during the 1997−98 Regular Session that becomes operative on or before January 1, 1999.

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6110-150-0001—For local assistance, Department of Education (Proposition 98), for instructional materials for mathematics.....	250,000,000
Provisions:	
1. Funds appropriated by this item shall be allocated to school districts and county offices of education on the basis of an equal amount per unit of average daily attendance, as defined in subdivision (b) of Section 42238.5 of the Education Code, for the purchase of (a) mathematics instructional materials for pupils enrolled in kindergarten and grades 1 to 8, inclusive, that are adopted by the State Board of Education (SBE) and are aligned with the state content standards in mathematics adopted by the SBE, and (b) instructional materials for pupils enrolled in grades 9 to 12, inclusive, that are aligned with the state content standards adopted by the SBE and that are adopted by the district board, as defined in subdivision (d) of Section 60010 of the Education Code.	
2. If the district board, as defined in Section 60100 of the Education Code, has purchased mathematics instructional materials that the State Board of Education (SBE) certifies are consistent with the state content standards, the funds allocated from this item to those school districts and county offices of education may be used for the purchase of other instructional materials approved by the SBE.	
6110-152-0001—For local assistance, Department of Education, Program 10.30.050	376,000
Provisions:	
1. Funds appropriated by this item for Indian Education Centers are to carry out the provisions of Article 6 (commencing with Section 33380) of Chapter 3 of Part 20 of the Education Code.	
6110-156-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, for allocation by the Superintendent of Public Instruction to school districts, county offices of education, and other agencies for the purposes of Proposition 98 educational programs funded by this item, in lieu of the amount that otherwise would be appropriated pursuant to statute....	~~488,517,000~~ *499,667,000*

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Schedule:

(a) 10.50.010.001-Adult Education.....~~479,778,000~~ *478,428,000*

(b) 10.50.010.008-Remedial education services for participants in the CalWORKs..... 17,478,000

(c) Reimbursements-CalWORKs ..... −8,739,000

(d) 10.50.010.009-Local Education Agencies—Education Services for participants in CalWORKs 12,500,000

Provisions:

1. Credit for participating in adult education classes or programs may be generated by a special day class pupil only for days in which the pupil has met the minimum day requirements set forth in Section 46141 of the Education Code.

2. The funds appropriated in Schedule (b) constitute the funding for both remedial education and job training services for participants in the CalWORKs program (Art. 3.2 (commencing with Sec. 11320), Ch. 2, Pt. 3, Div. 9, W.& I.C.). Funds shall be apportioned by the Superintendent of Public Instruction for direct instructional costs only to school districts and Regional Occupational Centers and Programs (ROC/Ps) that certify that they are unable to provide educational services to CalWORKs recipients within their adult education block entitlement or ROC/P block entitlement, or both. However, of the funds appropriated by Schedule (b) of this item, an amount not to exceed $10,000,000, as negotiated through an interagency agreement between the State Department of Education and the State Department of Social Services, shall be provided for Adult Education Programs, and ROC/Ps for the purposes of providing instructional and training supportive services for CalWORKs eligible members. These services shall include any of the following: (a) career and educational guidance and counseling; (b) training related assessment; (c) transportation to the classroom or worksite during training; (d) job readiness training and services; (e) job development and placement; (f) post-employment support and followup to ensure job retention; (g) coordination and referrals to other services provided through the State Department of Social Services, the Employment Devel-

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opment Department, the Private Industry Council, community colleges, the Department of Rehabilitation, the Economic Development Agency, and other community resources; (h) curriculum and instruction development to provide short-term integrated programs leading to employment; (i) staff development costs resulting from policy development and training occurring between instructional staff and county welfare agencies in the coordination of the program; and (j) one-time excess program start up costs. Allocations shall be distributed by the Superintendent of Public Instruction as equal statewide dollar amounts, with no county receiving less than $25,000, based on the number of CalWORKs eligible family members served in the county, and subject to the instructional and training support services needed annually by each agency as identified in the county CalWORKs Instruction and Job Training Plan required by Section 10200 of the Education Code.

3. Providers receiving funds under this item for adult basic education, English as a Second Language, and English as a Second Language-Citizenship for legal permanent residents, shall, to the extent possible, grant priority for services to immigrants facing the loss of federal benefits under the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Citizenship and naturalization preparation services funded by this item shall include, to the extent consistent with applicable federal law, all of the following: (a) outreach services; (b) assessment of skills; (c) instruction and curriculum development; (d) staff development; (e) citizenship testing; (f) naturalization preparation and assistance; and (g) regional and state coordination and program evaluation.

4. Of the federal reimbursements appropriated in Schedule (b), $230,000 shall be available for transfer to Item 6110-001-0001 for state operations upon receipt of a plan to develop a data collection system to obtain information on education and job training services provided to CalWORKs recipients through Adult Education and ROC/Ps. The State Department of Education shall work with the State Department of Social Services to

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ensure the data collection system meets the state's CalWORKs information needs regarding education and job training services provided to CalWORKs recipients. The State Department of Education shall work with the Department of Finance and the Legislative Analyst's Office in determining the specific data elements of the system and shall meet all information technology reporting requirements of the Department of Information Technology and the Department of Finance.

5. The funds appropriated in Schedule (d) of this item shall be allocated on a one-time basis and be subject to the following:

(a) The funds shall be used only for educational activities for CalWORKs-eligible recipients. The educational activities shall be limited to those designed to increase self-sufficiency, job training, and work. These activities shall be carried on in accordance with each local education agency's plan approved and developed pursuant to Chapter 2 (commencing with Section 10200) of Part 7 of the Education Code.

(b) Notwithstanding any other provision of law, each local education agency's individual cap for adult education and regional occupational center and programs (ROC/P's), average daily attendance shall not be increased as a result of the appropriations made by this section.

(c) Funds may be claimed by local education agencies for services provided to CalWORKs-eligible recipients pursuant to this section only if all of the following occur:

(1) Each local education agency has met the terms of the interagency agreement between the State Department of Education and the Department of Social Services pursuant to Provision 2 of this item.

(2) Each local education agency has fully claimed its respective adult education or ROC/P average daily attendance cap for the current year.

(3) Each local education agency has claimed the maximum allowable funds available under the interagency agreement pursuant to Provision 2 of this item.

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(d) Each local education agency shall be reimbursed at the same rate as it would otherwise receive for services provided pursuant to this item or pursuant to Item 6110-105-0001 of Section 2.00 of this act, and shall comply with the program requirements for adult education pursuant to Chapter 10 (commencing with Section 52500) of Part 28 of the Education Code, and ROC/P requirements pursuant to Article 1 (commencing with Section 52300) of, and Article 1.5 (commencing with Section 52335) of, Chapter 9 of, Part 28 of the Education Code, respectively.

(e) Notwithstanding any other provision of law, funds appropriated in this section for average daily attendance (ADA) generated by participants in the CalWORKs program may be apportioned on an advance basis to local education agencies based on anticipated units of ADA if a prior application for this additional ADA funding has been approved by the Superintendent of Public Instruction.

(f) For purposes of making computations required by Section 8 of Article XVI of the California Constitution, the appropriation shall be deemed to be "General Fund revenues appropriated for school districts," as defined in subdivision (c) of Section 41202 of the Education Code, for the 1997–98 fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIIIB," as defined in subdivision (e) of Section 41202 of the Education Code, for the 1997–98 fiscal year.

(g) The Legislature finds the need for good information on the role of local education agencies in providing services to individuals who are eligible for or recipients of CalWORKs assistance. This information includes the extent to which local education programs serve public assistance recipients and the impact these services have on the recipients' ability to find jobs and become self-supporting.

(h) The State Department of Education shall develop a data and accountability system to obtain information on education and job train-

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ing services provided through state-funded adult education programs and regional occupational centers and programs. The system shall collect information on (1) program funding levels and sources; (2) the types and amounts of services provided to program participants; (3) characteristics of participants; and (4) pupil and program outcomes. The State Department of Education shall provide local providers with a list of required data elements by October 15, 1998. The department shall work with the Department of Finance and Legislative Analyst's Office in determining the specific data elements of the system and shall meet all information technology reporting requirements of the Department of Information Technology and the Department of Finance.

(i) As a condition of receiving funds provided in Schedule (b) of this item or any other General Fund appropriation made to the State Department of Education specifically for education and training services to CalWORKs recipients, local adult education programs and regional occupational centers and programs shall collect program and participant data as described in this section and as required by the State Department of Education. Beginning January 1, 1999, local providers shall begin collecting the data elements required by the State Department of Education. The State Department of Education shall require that local providers submit to the state aggregate data for the period January 1, 1999, through June 30, 1999. The State Department of Education shall provide to the local providers by October 15, 1998, a description of the specific reporting requirements for this data.

(j) Beginning July 1, 1999, local providers shall provide data to the State Department of Education that permits a disaggregation of data to permit the identification for subgroups of participants of (1) types and levels of services, and (2) outcomes. The State Department of Education shall provide to local providers by July 1, 1999, a description of the specific re-

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porting requirements needed to permit the disaggregation of data.

(k) The State Department of Education shall report on or before March 1, 1999, to the Department of Finance, the Legislative Analyst's Office, and the budget committees of the Senate and Assembly on its progress in establishing the data system. In addition, the State Department of Education shall describe both of the following:

(1) The department's proposed data collection system needed to implement the disaggregated data system described in subdivision (d).

(2) The department's proposal to consolidate all state data needs for adult education and regional occupational centers and programs into one data system that is integrated with the department's California School Information Services data system.

6110-156-0890—For local assistance, Department of Education, Program 10.50.010.001—Adult Education, payable from the Federal Trust Fund..... 39,869,000

Provisions:

1. Of the funds appropriated by this item, $12,570,000 shall be used for adult basic education for citizenship and naturalization services for legal permanent residents who are eligible for naturalization.

   Citizenship and naturalization services shall include, for this purpose, to the extent consistent with federal law, all of the following: (a) outreach services; (b) assessment of skills; (c) instruction and curriculum development; (d) staff development; (e) citizenship testing; (f) naturalization preparation and assistance; and (g) regional and state coordination and program evaluation. The providers of the citizenship and naturalization services, for the purposes of this provision, shall be those community-based organizations, community colleges, and adult education programs approved for this purpose by the State Department of Education and the federal Immigration and Naturalization Service.

2. Under any grant awarded by the State Department of Education under this item to a qualifying community-based organization to provide adult

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basic education in English as a Second Language and English as a Second Language-Citizenship classes, the department shall make an initial payment to the organization of 25 percent of the amount of the grant. In order to qualify for an advance payment, a community-based organization shall submit an expenditure plan and shall guarantee that appropriate standards of educational quality and fiscal accountability are maintained. In addition, reimbursement of claims shall be distributed on a quarterly basis. The State Department of Education shall withhold 10 percent of the final payment of a grant as described in this provision until all claims for that community-based organization have been submitted for final payment.

3. (a) Notwithstanding any other provision of law, all nonlocal educational agencies (Non-LEA) receiving greater than $300,000 pursuant to this item shall submit an annual organizational audit, as specified, to the State Department of Education, Office of External Audits.

All audits shall be performed by one of the following: (1) a certified public accountant possessing a valid license to practice within California; (2) a member of the State Department of Education's staff of auditors; or (3) in-house auditors, if the entity receiving funds pursuant to this item is a public agency, and if the public agency has internal staff that performs auditing functions and meets the tests of independence found in Standards for Audits of Governmental Organization, Programs, Activities and Functions issued by the Comptroller General of the United States.

The audit shall be in accordance with State Department of Education Audit guidelines and Office of Management and Budget Circular No. A-133, Audits of Institutions of Higher Education and Other Non-Profit Institutions.

Non-LEA entities receiving funds pursuant to this item shall submit the annual audit no later than six months from the end of the agency fiscal year. If, for any reason, the contract is terminated during the contract period, the auditor shall cover the period from the be-

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ginning of the contract through the date of termination.

Non-LEA entities receiving funds pursuant to this item shall be held liable for all State Department of Education costs incurred in obtaining an independent audit if the contractor fails to produce or submit an acceptable audit.

(b) Notwithstanding any other provision of law, the State Department of Education shall annually submit to the Governor, Joint Legislative Budget Committee, and Joint Legislative Audit Committee limited scope audit reports of all sub-recipients it is responsible for monitoring that receive between $25,000 and $300,000 of federal awards, and that do not have an organizational wide audit performed. These limited scope audits shall be conducted in accordance with the State Department of Education Audit guidelines and Office of Management and Budget, Circular No. A-133. The State Department of Education may charge audit costs to applicable federal awards, as authorized by OMB, Circular No. A-133 Section 230(b)(2).

The limited scope audits shall include agreed upon procedures engagements conducted in accordance with either AICPA generally accepted auditing standards or attestation standards, and address one or more of the following types of compliance requirements: allowed or unallowed activities; allowable costs and cost principles; eligibility; matching; level of effort; earmarking; and reporting.

The State Department of Education shall contract for the limited scope audits with a certified public accountant possessing a valid license to practice within the state or with an independent auditor.

6110-158-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund in lieu of the amount that otherwise would be appropriated pursuant to Section 41841.5 of the Education Code, Program 10.50.010.002—Adults in Correctional Facilities 15,557,000

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Provisions:

1. Notwithstanding any other provision of law, the amount appropriated in this item and any amount allocated for this program in this act shall not exceed, in the aggregate, the maximum amount allocated for the purposes of Section 41841.5 of the Education Code.
2. Notwithstanding Section 41841.5 of the Education Code or any other provision of law, the amount appropriated by this item shall be allocated based upon prior-year rather than current-year expenditures.
3. Notwithstanding any other provision of law, funding distributed to each local education agency (LEA) for reimbursement of services provided in the 1998–99 fiscal year for the Adults in Correctional Facilities program shall be limited to the amount received by that agency for services provided in the 1997–98 fiscal year, as increased by $389,000 for growth in services and $347,000 for cost-of-living adjustments, not to exceed a total of $16,293,000 for all programs. Funding shall be reduced or eliminated, as appropriate, for any LEA that reduces or eliminates services provided under this program in the 1998–99 fiscal year, as compared to the level of service provided in the 1997–98 fiscal year. Any funds remaining as a result of those decreased levels of service shall be allocated to provide support for new programs in accordance with Section 41841.8 of the Education Code.
4. Notwithstanding any other provision of law, funding distributed to each LEA for reimbursement of services provided in the 1997–98 fiscal year for the Adults in Correctional Facilities program shall be limited to the amount received by that agency for services provided in the 1996–97 fiscal year, as increased by $370,000 for growth in services and $402,000 for cost-of-living adjustments, not to exceed a total of $15,557,000 for all programs. Funding shall be reduced or eliminated, as appropriate, for any LEA that reduces or eliminates services provided under this program in the 1997–98 fiscal year, as compared to the level of service provided in the 1996–97 fiscal year. Any funds remaining as a result of those decreased levels of service shall be allocated to provide support for

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new programs in accordance with Section 41841.8 of the Education Code.

5. Notwithstanding any other provision of law, funds appropriated by this item for growth in average daily attendance first shall be allocated to programs that are funded for 20 units or less of average daily attendance, up to a maximum of 20 additional units of average daily attendance per program.

6110-159-0001—For local assistance (Proposition 98), Huntington Beach High School swimming pool 100,000

Provisions:

1. The funds appropriated by this item shall be allocated by the State Department of Education to the Huntington Beach High School on a one-time basis.

6110-161-0001—For local assistance, Department of Education (Proposition 98), Program 10.60—Special Education Programs for Exceptional Children..... ~~2,055,384,000~~ *2,062,858,000*

Schedule:

(a) 10.60.050.003-Special education instruction..... ~~2,012,869,000~~ *2,020,343,000*

(b) 10.60.050.080-Early Education Program for Individuals with Exceptional Needs 56,910,000

(c) Reimbursements for Early Education Program, Part H.....−14,395,000

Provisions:

1. Funds appropriated by this item are for transfer by the Controller to Section A of the State School Fund, in lieu of the amount that otherwise would be appropriated for transfer from the General Fund in the State Treasury to Section A of the State School Fund for the 1998–99 fiscal year pursuant to Sections 14002 and 41301 of the Education Code, for apportionment pursuant to Part 30 (commencing with Section 56000) of the Education Code, superseding all prior law.

2. Of the amount appropriated in Schedule (a) of this item, $39,519,000, plus the cost-of-living adjustment (COLA) transferred pursuant to Schedule (7) of Item 6110-187-0001, shall be available for program growth pursuant to Section 56836.15 of the Education Code. The funds allocated pursuant to this provision shall be the only funds available

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in this item for program growth for ages 3 to 21 years, inclusive.

3. Of the funds appropriated in Schedule (a) of this item, $8,974,000, plus the COLA transferred pursuant to Schedule (7) of Item 6110-187-0001, shall be available for the purchase, repair, and inventory maintenance of specialized books, materials, and equipment for pupils with low-incidence disabilities, as defined in Section 56026.5 of the Education Code.

4. Of the funds appropriated in Schedule (a) of this item, $6,729,000, plus the COLA transferred pursuant to Schedule (7) of Item 6110-187-0001, shall be available for the purposes of vocational training and job placement for special education pupils through Project Workability I pursuant to Article 3 (commencing with Section 56470) of Chapter 4.5 of Part 30 of the Education Code. As a condition of receiving these funds, each local educational agency shall certify that the amount of nonfederal resources, exclusive of funds received pursuant to this provision, devoted to the provision of vocational education for special education pupils shall be maintained at or above the level provided in the 1984–85 fiscal year. The Superintendent of Public Instruction may waive this requirement for local educational agencies that demonstrate that the requirement would impose a severe hardship.

5. Of the funds appropriated in Schedule (a) of this item, $3,113,000, plus the COLA transferred pursuant to Schedule (7) of Item 6110-187-0001, shall be available for regional occupational centers and programs that serve pupils having disabilities, and $70,658,000, plus the COLA transferred pursuant to Schedule (7) of Item 6110-187-0001, shall be available for regionalized program specialist services, including $2,000,000 for small special education local plan areas (SELPAs) pursuant to Section 56836.24 of the Education Code.

6. Of the funds appropriated in Schedule (a), ~~$4,100,000 is provided for an adjustment for "excess pupils" with low-incidence disabilities pursuant to Section 56836.155 of the Education Code.~~ *$15,826,000 is provided for an adjustment for low incidence disabilities, based on the results*

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of the study required by Section 67 of Chapter 854 of the Statutes of 1997.

7. Of the funds appropriated in Schedule (a), $1,000,000 is provided for extraordinary costs associated with single placements in nonpublic, nonsectarian schools, pursuant to Section 56836.21 of the Education Code.

8. Of the funds appropriated in Schedule (a), a total of ~~$62,541,035~~ *$50,815,000* is available for equalization fund- ~~ing. Pursuant to Section 67 of Chapter 854 of the Statutes of 1997, up to $11,726,444 may be used for an adjustment for low incidence disabilities, pending the results of the study required by that section. The amount remaining after any such adjustment, or a minimum of $50,814,591, is provided for equalization funding pursuant to Section~~ *ing pursuant to Section* 56836.14 of the Education Code.

9. Of the funds appropriated in Schedule (a), a total of $97,953,000, plus the COLA transferred pursuant to Schedule (7) of Item 6110-187-0001, is available to fully fund the costs of children placed in licensed children's institutions who attend nonpublic schools.

10. Of the amount appropriated in Schedule (b) of this item, $957,600, plus the COLA transferred pursuant to Schedule (7) of Item 6110-187-0001, shall be available for infant program growth units (ages birth–two years). Funds for infant units shall be allocated pursuant to Provision 11 of this item, with the following average number of pupils per unit:
    (a) For special classes and centers—16.
    (b) For resource specialist programs—24.
    (c) For designated instructional services—16.

11. Notwithstanding any other provision of law, early education programs for infants and toddlers shall be offered for 200 days. Notwithstanding Section 56726 of, Section 56731 of, or paragraph (2) of subdivision (e) of Section 56737 of the Education Code, the State Department of Education shall allocate funds for the 1998–99 fiscal year to those programs receiving allocations for instructional units pursuant to Section 56432 of the Education Code for the Early Education Program for Individuals with Exceptional Needs operated pursuant to Chapter

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4.4 (commencing with Section 56425) of Part 30 of the Education Code, based on computing 200-day entitlements. For educational services for children with exceptional needs, birth through two years of age, no funds shall be allocated pursuant to Section 56726 of the Education Code. The 200-day entitlements shall not exceed 111 percent of the current entitlement for each educational agency.

12. Notwithstanding Chapter 7 (commencing with Section 56700) of Part 30 of the Education Code, state funds appropriated in Schedule (b) of this item in excess of the amount necessary to fund the deficited entitlements pursuant to Section 56432 of the Education Code and Provision 11 of this item shall be available for allocation by the State Department of Education to local educational agencies for the operation of programs serving solely low-incidence infants and toddlers pursuant to Title 14 (commencing with Section 95000) of the Government Code. These funds shall be allocated to each local educational agency at a rate of $6,849 per solely low-incidence child through age two, for each child in excess of the number of solely low-incidence children through age two served by the local educational agency during the 1992–93 fiscal year and reported on the April 1993, pupil count. These funds shall only be allocated if the amount of reimbursement received from the State Department of Developmental Services is insufficient to fully fund the costs of operating the Early Intervention Program, as authorized by Title 14 (commencing with Section 95000) of the Government Code.

13. The State Department of Education, through coordination with the SELPAs, shall ensure local interagency coordination and collaboration in the provision of early intervention services, including local training activities, child find activities, public awareness, and the family resource center activities.

6110-161-0890—For local assistance, Department of Education, payable from the Federal Trust Fund, Program 10.60—Special Education Programs for Exceptional Children 398,801,000

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Schedule:	
(a) 10.60.030.910-IDEA, Title VIC, Deaf-Blind Center	878,000
(b) 10.60.050.012-Local Agency Entitlements, IDEA Special Education	342,690,000
(c) 10.60.050.013-State Agency Entitlements, IDEA Special Education	1,635,000
(d) 10.60.050.021-IDEA, Capacity Building, Special Education	17,416,000
(e) 10.60.050.030-PL 99-457, Preschool Grant Program	35,824,000
(f) 10.60.050.40-IDEA, Title VID, Handicapped Personnel Preparation Grant	358,000

Provisions:

1. If the funds for Part B of the federal Individuals with Disabilities Education Act that are actually received by the state exceed $375,373,519, at least 95 percent of the funds received in excess of that amount shall be allocated for local entitlements and to state agencies with approved local plans. Five percent of the amount received in excess of $375,373,519 may be used for state administrative expenses. If the funds for Part B of the federal Individuals with Disabilities Education Act that are actually received by the state are less than $375,373,519, the reduction shall be taken in capacity building.
2. The funds appropriated in Schedule (c) shall be distributed to state-operated programs serving disabled children from 3 to 21 years of age, inclusive. In accordance with federal law, the funds appropriated in Schedules (b) and (c) shall be distributed to local and state agencies on the basis of an equal amount per eligible, identified pupil.
3. Of the funds appropriated in Schedule (d) of this item, up to $1,000,000 may be used to fund licensed children's institution growth units pursuant to Section 56776 of the Education Code. These funds are to be used for instructional units only.
4. Pursuant to Section 56427 of the Education Code, of the funds appropriated in Schedule (d) of this item, up to $2,324,000 may be used to provide funding for infant programs, and may be used for

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those programs that do not qualify for funding pursuant to Section 56432 of the Education Code. Of these funds, $100,000 shall be available, subject to approval of a work plan by the Department of Finance, to conduct followup activities related to the funding studies and funding plan submitted pursuant to Provisions 12 and 13 of Item 6110-161-001 of Section 2.00 of the Budget Act of 1995.

5. Of the funds appropriated in Schedule (d) of this item, $8,475,000 shall be allocated to local education agencies for the purposes of Project Workability I.
6. Of the funds appropriated in Schedule (d) of this item, $1,700,000 shall be used to provide specialized services to pupils with low-incidence disabilities, as defined in Section 56026.5 of the Education Code.
7. Of the funds appropriated in Schedule (d) of this item, up to $3,617,000 shall be used for a personnel development program. This program shall include state-sponsored staff development, local in-service components, bilingual, student study team, and core curriculum components. Of this amount, a minimum of $2,500,000 shall be allocated directly to special education local plan areas. The local in-service programs shall include a parent training component and may include a staff training component. Use of these funds shall be described in the local plans. These funds may be used to provide training in alternative dispute resolution and the local mediation of disputes. All programs are to include evaluation components.
8. Of the funds appropriated in Schedule (d) of this item, up to $200,000 shall be used for research and training in cross-cultural assessments.
9. Of the funds appropriated in Schedule (d) of this item, up to $100,000 shall be used to develop and test procedures, materials, and training for alternative dispute resolution in special education.
10. Of the funds appropriated by Schedule (e) 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 dis-

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putes. This program shall include state-sponsored and local components.

11. Of the funds appropriated in this item, not more than $500,000 shall be available to augment the State Department of Education's contract for the provision of services related to mediation and fair hearings. These funds shall only be available following approval by the Director of Finance and shall be contingent upon the receipt and approval of audit findings and recommendations provided by the State Department of Education to the Department of Finance no later than September 1, 1998.

6110-165-0001—For local assistance, Department of Education 7,022,000

Schedule:

(a) 10.70—Vocational Education 23,897,000

(b) Reimbursements .....−16,875,000

Provisions:

1. $15,846,000 of the funds appropriated in this item are for the purpose of the federal Job Training Partnership Act.

2. Notwithstanding any other provision of law, of the funds appropriated by this item, $7,022,000 are available for the purpose of matching Job Training Partnership Act funds available under Section 1602(b)(1) of Title 29 of the United States Code. The Superintendent of Public Instruction shall allocate these funds for the provision of education in conjunction with occupational skills training pursuant to Section 33117.5 of the Education Code in the following order of priority: (1) to persons participating in welfare-to-work activities under the CalWORKs program as described in Article 3.2 (commencing with Section 11320) of Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions Code; and (2) to persons eligible for Job Training Partnership Act program funds but not receiving assistance under the CalWORKs program.

6110-166-0001—For local assistance, Department of Education (Proposition 98), Program 10.70.070—Vocational Education, for the purpose of Article 5 (commencing with Section 54690) of Chapter 9 of Part 29 of the Education Code, Partnership Academies Program..... 13,964,000

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Provisions:

1. Of the funds appropriated by this item, $300,000 shall be for the purposes of funding 20 Partnership Academy planning grants as described in Article 5 (commencing with Section 54690) of Chapter 9 of Part 29 of the Education Code. These new planning grants shall be targeted to Partnership Academies in high schools in eligible school districts (as specified in Sections 54692 and 54693 of the Education Code) that serve the highest proportions of economically disadvantaged pupils.
2. Of the funds appropriated by this item $1,050,000 shall be for the purposes of funding 25 first operational year Partnership Academies at the level prescribed in Section 54691 of the Education Code. If the State Department of Education is unable to find 25 qualified first year operational academies, then the department may fund additional planning grants as described in Article 5 (commencing with Section 54960) of Chapter 9 of Part 29 of the Education Code, for a total of not more than 200 state-funded Partnership Academies. These new first operational year grants shall be targeted to Partnership Academies in high schools in eligible school districts (as specified in Sections 54692 and 54693 of the Education Code) that serve the highest proportions of economically disadvantaged pupils.
3. If there are any funds in this item that are not allocated for planning or operational grants, the State Department of Education may allocate those remaining funds as one-time grants to state-funded Partnership Academies to be used for one-time purposes.
4. Of the amount appropriated, $239,369 are Supplemental Grant Funds that have been designated by school districts for Partnership Academy Programs and shall be distributed through a separate apportionment process.

6110-166-0890—For local assistance, Department of Education, Program 10.70—Vocational Education, payable from the Federal Trust Fund..... 119,613,000

Provisions:

1. The funds appropriated by this item include Federal Vocational Education Act funds for the 1998–99 fiscal year to be transferred to the com-

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munity colleges by means of interagency agreements for the purpose of funding vocational education programs in community colleges.

2. The State Board of Education and the Board of Governors of the California Community Colleges shall target funds appropriated by this item to provide services to persons participating in welfare-to-work activities under the CalWORKs program.

3. The Superintendent of Public Instruction shall report, not later than February 1 of each year, to the Joint Legislative Budget Committee and the Director of Finance, describing the amount of carryover funds from this item, reasons for the carryover, and plans to reduce the amount of carryover.

6110-176-0890—For local assistance, Department of Education, Program 10.40.030—Emergency Immigrant Education, payable from the Federal Trust Fund 39,174,000

6110-177-0001—For local assistance, Department of Education (Proposition 98), Program 20.10.035—Local Arts Education Partnership Grant Program.. 3,000,000

Provisions:

1. The funds appropriated by this item shall be used for arts education programs conducted by local education agencies pursuant to guidelines developed by the State Department of Education and approved by the State Board of Education.

6110-180-0890—For local assistance, Department of Education, Program 20.10.025— Educational Technology, payable from the Federal Trust Fund..... 45,204,000

Provisions:

1. The funds appropriated by this item are for allocation to school districts that are awarded competitive grants pursuant to the federal Technology Literacy Challenge Grant Program. The State Board of Education shall review and approve any changes to the criteria and procedure used in the application and award of grant funds during the 1997–98 fiscal year prior to the release by the Superintendent of Public Instruction of the application form to school districts.

2. The State Department of Education shall collaborate with the California Research Bureau regarding recent advances in the understanding of early brain development of children enrolled in kindergarten, and grades 1 to 6, inclusive, and shall in-

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corporate the resulting findings for the use of technology into the guidelines for integration of technology into the curriculum.	
6110-181-0001—For local assistance, Department of Education, (Proposition 98), for transfer to the State School Deferred Maintenance Fund.....	~~135,000,000~~ *115,000,000*
Provisions:	
1. The funds appropriated in this item shall be transferred to the State Deferred Maintenance Fund and shall be available for funding applications received by the Office of Public School Construction for the purpose of payments to districts for deferred maintenance projects pursuant to Education Code Sections 39619 through 39619.55.	
2. The funds appropriated by this item shall be available for remediation of problems related to lead in drinking water at public schools. Expenditures for this purpose shall be considered a priority.	
6110-181-0140—For local assistance, Department of Education, Program 20.10.055-Environmental Education, payable from the California Environmental License Plate Fund	800,000
6110-183-0890—For local assistance, Department of Education, Program 20.10.045—Health and Physical Education, Instructional Support—Safe and Drug Free Schools and Communities Act of 1994 (P.L. 103-382)	45,494,000
Provisions:	
1. Local education agencies shall give priority in the expenditure of the funds appropriated by this item to create comprehensive drug and violence prevention programs that promote school safety, reduce the use of drugs, and create learning environments that are free of alcohol and guns and that support academic achievement for all pupils. In addition to preventing drug and alcohol use, prevention programs will respond to the crisis of violence in our schools by addressing the need to prevent serious crime, violence, and discipline problems. The Superintendent of Public Instruction shall (a) notify local education agencies of this policy, and (b) incorporate the policy into the department's compliance review procedures.	

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6110-184-0001—For local assistance, Department of Education (Proposition 98), Program 20.10.025—Educational Technology	~~76,000,000~~ *50,000,000*
Provisions:	
1. The funds appropriated by this item are to fund grants to school districts pursuant to the Digital High School Program, established pursuant to Chapter 326 of the Statutes of 1997.	
6110-185-0001—For local assistance, Department of Education (Proposition 98), Instructional Materials, Grades 9–12	39,001,000
Provisions:	
1. Of the amount appropriated, $8,101,206 is Supplemental Grant Funds that have been designated by school districts for Instructional Materials programs and will be distributed through a separate apportionment process.	
6110-186-0001—For local assistance, Department of Education (Proposition 98)—Instructional Materials, Kindergarten and Grades 1–8	133,099,000
Provisions:	
1. Of the amount appropriated by this item, $10,703,393 are Supplemental Grant funds that have been designated by school districts for instructional materials programs and shall be distributed through a separate apportionment process.	
6110-187-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, for cost-of-living increases to be transferred to, in lieu of the amount that otherwise would be provided pursuant to statute, and in augmentation of, the respective appropriations by the Controller upon enactment in accordance with the following	78,835,000
Schedule:	
(1) 10.10.011.006—School Apportionments, for Community Day Schools, for transfer to Item 6110-190-0001 436,000	
(2) 10.10.004—School Apportionments, for Regional Occupational Centers/Programs, for transfer to Schedule (a) of Item 6110-105-0001 6,600,000	

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(3) 10.10.011.003—School apportionments, for remedial summer school programs, for transfer to Schedule (a) of Item 6110-104-0001	1,424,000
(4) 10.10.011.004—School apportionments, for core academic summer school programs, for transfer to Schedule (b) of Item 6110-104-0001	2,592,000
(5) 10.10.011.005—School apportionments, Continuation Schools (Sec. 42243.7, Ed. C.)	627,000
(6) 10.50.010—Adult Education, for transfer to Schedule (a) of Item 6110-156-0001	10,620,000
(7) ~~10.60.050—Special~~ *10.60.050.003—Special* Education Program for Exceptional Children, for transfer to Schedule (a) of Item 6110-161-0001	55,295,000
(8) 10.60.050.080—Early Education Program for Individuals with Exceptional Needs, for transfer to Schedule (b) of Item 6110-161-0001	1,241,000

Provisions:

1. Notwithstanding any other provision of law, the amount provided in this item for transfer to the Early Education Program for Individuals with Exceptional Needs shall be allocated on a dollar amount basis rather than as a percentage increase. The dollar amount shall be equal to 2.18 percent of the statewide average unit rate.
2. Notwithstanding any other provision of law, the amount provided in this item for transfer to the Special Education Program for Exceptional Children shall be allocated on a dollar amount basis rather than as a percentage increase. The dollar amount shall be equal to 2.18 percent of the statewide target amount per unit of average daily attendance for special education.
3. (a) Notwithstanding any other provision of law, the funds appropriated by Schedule (5) of this item for school apportionments to continuation schools shall be allocated on a dollar amount basis rather than as a percentage increase, and shall be allocated to any school

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district that operated a continuation high school in the 1997–98 fiscal year, without regard to whether that district's program commenced on, after, or prior to July 1, 1978. The amount allocated to each school district shall be equal to the total amount appropriated by Schedule (5) of this item, divided by the total number of units of continuation high school average daily attendance (ADA) for the state at the second principal apportionment for the 1997–98 fiscal year, multiplied by the units of that ADA reported by the district for the second principal apportionment for the 1997–98 fiscal year.

(b) The total amount allocated pursuant to subdivision (a) of this provision shall not exceed the total amount of the funds appropriated in Schedule (5) of this item.

6110-190-0001—For local assistance, Department of Education (Proposition 98), Program 10-School Apportionments, Community Day Schools..... 20,000,000

Provisions:

1. The funds appropriated by this item are for transfer to Section A of the State School Fund to reimburse costs incurred pursuant to Chapter 974 of the Statutes of 1995.
2. Funds appropriated by this item shall not be available for the purposes of Section 41972 of the Education Code.

6110-191-0001—For local assistance, Department of Education (Proposition 98), Program 20.60-Staff Development 49,100,000

Schedule:

(a) 20.60.050.002-Beginning Teacher Support and Assessment..... 49,100,000

Provisions:

1. The funds appropriated by Schedule (a) are for direct disbursement by the State Department of Education for expansion of the Beginning Teacher Support and Assessment Program, as set forth in Article 4.5 (commencing with Section 44279.2) of Chapter 2 of Part 25 of the Education Code. These funds shall be expended only after development of a program and expenditure plan by the State Department of Education, and approval of the plan by the Department of Finance.

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~~6110-192-001—For local assistance, Department of Education (Proposition 98), Program 20.60.140.000-Staff Development-Teacher Improvement..... 5,000,000~~

~~Provisions:~~

~~1. The amounts appropriated by this item are for allocation to school districts for the purpose of awarding a $10,000 one-time salary bonus to each teacher who successfully completes National Board certification, or who has completed this certification on or before June 30, 1998.~~

6110-194-0001—For local assistance, Department of Education—Staff Development ..... ~~2,249,000~~ *3,201,000*

Schedule:

(a) 20.60.010.001-Administrator Training and Evaluation Program 1,593,000

(b) 20.60.080-Exploratorium ..... ~~551,000~~ *1,503,000*

(c) 20.60.125-Geography Education Alliances 105,000

Provisions:

1. The funds appropriated by this item are for transfer by the Controller to Section A of the State School Fund, for direct disbursement by the State Department of Education in lieu of the amount that otherwise would be appropriated for staff development pursuant to subdivision (a) of Section 74 of Chapter 894 of the Statutes of 1977.

2. Notwithstanding any other provision of law, the amount appropriated in Schedule (a) of this item shall be the maximum amount allocated for the 1998–99 fiscal year for the purposes of the administrator training and evaluation program set forth in Article 3 (commencing with Section 44681) of Chapter 3.1 of Part 25 of the Education Code.

6110-196-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, for allocation by the Superintendent of Public Instruction to school districts, county offices of education, and other agencies for the purposes of Proposition 98 educational programs funded in this item, in lieu of the amount that otherwise would be appropriated pursuant to statute.... ~~793,638,000~~ *796,638,000*

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Schedule:

(a) 30.10.010-Special Program, Child Development Preschool Education.....161,982,000

~~(b) 30.10.020-Child Care Services . 1,168,710,000~~

(b) 30.10.020-Child Care Services . 1,063,710,000

(1) 30.10.020.001-Special Program, Child Development, General Child Development Programs.. 434,989,000

(2) 30.10.020.002-Special Program, Child Development, Community College Match-Required Center..... 2,649,000

(3) 30.10.020.003-Special Program, Child Development, High School Parenting and Infant Development.....20,962,000

(4) 30.10.020.004-Special Program, Child Development, Migrant Day Care .....~~16,948,000~~ *21,948,000*

(5) 30.10.020.007-Special Program, Child Development, Alternative Payment Program..... 167,156,000

(5.1) 30.10.020.011-Special Program, Child Development, Alternative Payment Program-Stage 2 ..... ~~324,759,000~~ *216,759,000*

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(5.2) 30.10.020.012-Special Program, Child Development, Alternative Payment Program-Stage 3	110,000,000	
(6) 30.10.020.008-Special Program, Child Development, Resource and Referral	~~14,607,000~~ *17,607,000*	
(7) 30.10.020.009-Special Program, Child Development, Campus Child Care Tax Bailout	5,107,000	
(8) 30.10.020.015-Special Program, Child Development, Extended Day Care	26,544,000	
(9) 30.10.020.096-Special Program, Child Development, Allowance for Handicapped	1,251,000	
(10) 30.10.020.106-Special Program, Child Development, California Child Care Initiative	250,000	
(11) 30.10.020.901-Special Program, Child Development, Quality Improvement	~~43,488,000~~ *38,488,000*	
(c) 30.10.020.907-Special Program, Child Development, Minimum Wage Impact		6,000,000
(d) 30.10.020.908-Special Program, Child Development, Cost of Living Adjustments		20,198,000

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(e) Amount Payable from the Federal Trust Fund (Item 6110-196-0890) ..... ~~−563,252,000~~ *−455,252,000*

Provisions:

1. (a) Of the funds appropriated in Schedule (a) of this item, $15,700,000 is for the purpose of providing half-year expansion of the state ~~preschool program for the Pre-Kindergarten for Low-Income Families Initiative. It is the intention of the Legislature that the Pre-Kindergarten for Low-Income Families Initiative will provide sufficient funds to serve all four-year olds under the federal poverty level in a preschool program by the year 2000. Pursuant to Sections 8236(b)(2) and 8263(b)(2) of the Education Code, first priority for enrollment, after abused and neglected children, shall be given to four-year olds with families with the lowest gross monthly income being admitted first. In allocating funds made available by this provision, the State Department of Education shall make every effort to allocate funding to communities in amounts proportional to the number of four-year olds living under the federal poverty level who are currently estimated to be unserved by subsidized child care programs. In all cases successful applicants must demonstrate the ability to serve four-year olds under the federal poverty level with these funds with priority given to school districts that agree to use Federal Title I funds to purchase additional enrollment slots or to augment existing preschool educational support services for Title I eligible children. The State Department of Education shall work with the Department of Finance in estimating the number of four-year olds within communities living under the federal poverty level.~~ *preschool program. It is the intent of the Legislature to provide sufficient funds to serve all four-year-olds under the federal poverty level in a preschool program by the year 2000. Pursuant to paragraph (2) of subdivision (b) of Section 8236 and paragraph (2) of subdivision (b) of Section 8263 of the Education Code, first priority*

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for enrollment, after abused and neglected children, shall be given to four-year-olds from families with the lowest gross monthly income. In allocating the funds made available by this provision, after complying with Section 8289 of the Education Code, the State Department of Education (SDE) shall seek assistance from local child care planning councils to identify those areas and populations within counties that are most underserved by current state and federal programs for child care, preschool, and HeadStart. The SDE shall develop guidelines for use by local child care planning councils in identifying unserved and underserved areas and populations. These guidelines shall include, but need not be limited to, the utilization of data such as teenage pregnancy rates and unemployment rates. Further, the SDE shall prioritize the expansion funds to be directed to the unserved and underserved areas and populations within counties. In all cases, successful applicants shall demonstrate the ability to serve four-year-olds under the federal poverty level. The SDE shall work with the Department of Finance in estimating the number of four-year-olds within communities living under the federal poverty level and shall provide this information to local child care planning councils.

(b) Of the funds appropriated in Schedule (b)(1) of this item, $10,000,000 is for the purpose of providing half-year funding for the expansion of child care services for infants and toddlers. Notwithstanding Section 8263 of the Education Code, the State Department of Education shall allocate these funds to expand child care and development services to infants and children under three years of age. In allocating funds made available by this provision, the ~~department shall give first priority to those communities, as identified by ZIP Code, that do not currently have subsidized child care services available to serve infants and toddlers.~~ *State Department of Education (SDE) shall, after complying with Section 8289 of the Education Code, seek assistance from lo-*

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cal child care planning councils to identify those areas and populations within counties most underserved by current state and federal programs for infant and toddler childcare and development. The SDE shall develop guidelines for use by local planning councils in identifying unserved and underserved areas and populations. These guidelines shall include, but need not be limited to, the utilization of data such as teenage pregnancy rates and unemployment rates. Further, the SDE shall prioritize the expansion funds to be directed to the unserved and underserved areas and populations within counties.

(c) Of the funds appropriated in Schedule (b)(1) of this item, $23,000,000 is for the purpose of providing full-year funding for the expansion of child care services for infants and toddlers initiated with a $23,000,000 augmentation in the Budget Act of 1997. Funds allocated for annualized expansion shall not be used for a cost-of-living adjustment for existing contracted services. It is the intent of the Legislature that, notwithstanding Section 8263 of the Education Code, the State Department of Education allocate these funds to expand child care and development services to infants and children under three years of age.

(d) Of the amount appropriated in this item, $15,000,000 is for the purpose of providing full-year funding for full-day care services for children enrolled in the State Preschool Program and/or to expand the existing half-day preschool program as initiated with a $15,000,000 augmentation as specified in Provision 1(d) of Item 6110-196-0001 of Section 2.00 of the Budget Act of 1997 (Ch. 282, Stats. 1997). Of this amount, $9,300,000 is appropriated in Schedule (a) to continue the expansion of the half-day Preschool program, and $5,700,000 is appropriated in Schedule (b)(1) to continue the expansion of full-day services for children enrolled in the State Preschool Program.

2. Notwithstanding Section 8278 of the Education Code, funds available for expenditure pursuant to Section 8278 of the Education Code shall be ex-

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pended in the 1998–99 fiscal year pursuant to the following schedule:

(a) The amount necessary for accounts payable pursuant to paragraph (1) of subdivision (b) of Section 8278 of the Education Code.

(b) Of the funds available pursuant to Section 8278 of the Education Code, as scheduled under this item for quality improvement activities, the State Department of Education shall allocate $425,000 to preschool education projects including, but not limited to, those operated by the public television stations in Redding, San Francisco, San Jose, Los Angeles, Fresno, and San Diego. Of this amount, the department shall allocate up to $320,000 to public television stations in Redding, San Francisco, San Jose, and Los Angeles, based upon the satisfaction by the projects operated by the public television stations in each of those cities of all of the following criteria: (1) the 30-percent minimum match; (2) a plan that identifies the providers to be trained; (3) number of trainers to be trained; (4) the quality of the training offered; (5) linkages to the child care community; and (6) cost effectiveness.

The balance of the $425,000 identified in this subdivision shall be made available to support projects in Fresno and San Diego, based upon the determination by the State Department of Education of the satisfaction by the projects operated by the public television station in each of those cities of the criteria set forth above in (1) to (6), inclusive.

As a condition of receiving funds as described in this subdivision in the 1998–99 fiscal year, each grantee that received funds in the 1997–98 fiscal year shall complete and submit to the State Department of Education, no later than March 1, 1999, an evaluation of the effectiveness of the project operated by the grantee in improving the quality of child care provided in the affected community.

(bb) $30,000 shall be made available for a preschool public television project in Eureka.

(c) The State Department of Education shall establish a plan for any remaining unexpended

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balances that sets forth the criteria for determining funding priorities, the funding priorities, and the amount of funding proposed per priority. The remaining funds shall not be allocated sooner than 30 days after the Department of Finance provides notification of its approval of the plan to the Legislature in accordance with the procedures set forth in Section 28.00 of this act.

(d) The Controller shall establish an account entitled Section 8278 Expenditures in 1996 in 6110-196-0001, Program 30.10.060. Any unexpended balances as of June 30, 1998, or subsequent abatements, from those amounts listed in Schedules (a) and (b) of this item, that are available pursuant to Section 8278 of the Education Code, shall be transferred to the account for the purpose of making expenditures pursuant to that section.

3. The State Department of Education shall report to the Joint Legislative Budget Committee, by March 31, 1999, the amount of child development funds, by program, that have been determined after audit to be unearned. The department shall report, by March 31, 1999, the settlement of claims payable by program from unearned contract funds balances.

4. Notwithstanding any other provision of law, alternative payment child care systems shall be subject to the rates established in the Regional Market Rate Survey of California child care and development providers for provider payments. The State Department of Education shall utilize a federal fund contract with the State Child Care Resource and Referral Network to conduct a market rate survey, the results of which shall be provided to the State Department of Education and the State Department of Social Services for utilization by various programs under the jurisdiction of both departments to determine limits of reimbursement to providers.

5. The funds appropriated by this item for campus child care tax bailout shall be allocated by the State Department of Education based on a schedule provided by the Chancellor of the California Community Colleges. The Chancellor shall schedule the allocation of these funds to commu-

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nity college districts that levied child care permissive override taxes in the 1977–78 fiscal year pursuant to Sections 8329 and 8330 of the Education Code in an amount equal to the property tax revenues, tax relief subventions, and state aid required to be made available by the district to its child care and development program for the 1979–80 fiscal year pursuant to Section 30 of Chapter 1035 of the Statutes of 1979, increased by any cost-of-living increases granted in subsequent fiscal years. These funds shall be used only for the purpose of community college child care and development programs.

6. Notwithstanding any provision of law to the contrary, higher educational institutions may establish and maintain child development programs on or near their respective campuses with priority for services given to children of students of that campus. Those higher educational institutions under contract with the State Department of Education for child care and development services shall be subject to the rules and regulations adopted by the Superintendent of Public Instruction except where those rules and regulations differ with respect to the conditions specified for the Community Colleges in Provision 11 of Item 6870-101-0001.

7. Funds in Schedule (b)(11) shall be reserved for activities to improve the quality and availability of child care, pursuant to the following:

(a) $4,592,000 shall be for purposes of continuing programs funded under the Dependent Care Grant. *At least $3,405,000 of this amount shall be used for afterschool startup grants. To the extent possible, applications for these funds shall be considered in conjunction with applications for the new afterschool program authorized by legislation enacted during the 1997–98 Regular Session that becomes operative on or before January 1, 1999.*

(b) $1,000,000 shall be used on a one-time basis for the development of pre-kindergarten learning development guidelines pursuant to legislation enacted during the 1998–99 Regular Session, that becomes effective on or before January 1, 1999. ~~$5,000,000 shall be used for an educational outreach program for~~

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~~the purpose of training licensed and license-exempt family child care home providers to use the learning development guidelines to provide enrichment experiences which will prepare young children for success in school. The State Department of Education and the Department of Social Services shall collaborate on developing this training program to ensure that all training for center based care, as well as for licensed and license-exempt family child care providers, are coordinated.~~ The State Department of Education shall amend its current expenditure plan for quality improvement activities to include the activities noted in this subdivision.

(bb) At least $125,000 shall be allocated for Trustline Registration and at least $2,000,000 shall be allocated for Local Child Care Planning Councils pursuant to Chapter 270 of the Statutes of 1997.

(c) $14,004,000 shall be used to continue the activities specified in the expenditure plan approved for the 1997–98 fiscal year. Should the State Department of Education find it necessary to revise this plan other than for the reason specified in (a) or (b) above, the department shall submit for approval, an amended plan to the Department of Finance prior to the expenditure of funds for activities set forth in the amended plan.

(d) The State Department of Education shall establish expenditure priorities for the 1999–2000 fiscal year that set forth the proposed state and local activities to improve child care, including the reasons therefore, to be undertaken in the 1999–2000 fiscal year. This plan shall be submitted in a format developed in consultation with the Department of Finance and shall be submitted to the Office of Child Development and Education and then to the Department of Finance at least 30 days prior to the commencement of public hearings on the proposed plan and no later than March 31, ~~1998~~ *1999* .

(e) Pursuant to federal grant requirements, $6,267,000 shall be used for increasing the supply of quality child care for infants and

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toddlers. The State Department of Education shall coordinate with the State Department of Social Services and the Office of Child Development and Education in the development of the plan for expenditure of these funds. Notwithstanding any provision of law, expenditure plans and contract provisions for awarding these funds shall ~~be given~~ *give* high, but not exclusive, priority to the development of new family day care home providers, especially those who offer care during nontraditional hours such as weekends, evenings, and nights and who offer care for special needs children.

(f) Up to $10,100,000 of the amount in Schedule (b)(11) shall be available on a one-time basis for activities to increase the capacity of child care, including, but not limited to, planning and collaborating with other local agencies, recruiting and training family home and center-based child care providers, and providing facility renovation and repair funds to increase licensed capacity. The State Department of Education shall coordinate with the State Department of Social Services and the Office of Child Development and Education in development of an expenditure plan that gives priority in funding to the development of new capacity in underserved areas as identified in the planning and implementation process, including, but not limited to, family day care home providers who offer care during nontraditional hours such as weekends, evenings, and nights and who offer care for special needs children.

(g) If the $1,122,000 available pursuant to Schedule (b)(17) of Item 6110-196-0001 of Section 2.00 of the Budget Act of 1997 (Ch. 282, Stats. 1997), for the purpose of school-age start-up grants has not been fully expended by June 30, 1998, the unexpended balance of these funds is available in the 1998–99 fiscal year for the same purposes and subject to the same conditions as otherwise applicable to Schedule (b)(17) of Item 6110-196-0001 of Section 2.00 of the Budget Act of 1997. Upon certification by the Super-

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intendent of Public Instruction, and approval by the Department of Finance, the Controller shall augment Item 6110-196-0001, Schedule (b)(11) of Item 6110-196-0001 of Section 2.00 of this act for that purpose. It is further intended that applications for these funds be conducted in conjunction with a new after school program authorized by Legislation enacted during the 1997–98 Regular Session that becomes operative on or before January 1, 1999.

(h) The State Department of Education shall coordinate with the State Department of Social Services to prepare and present ~~a~~ *an interim report on or before March 31, 1999, and a final* report by December 31, 1999, to the Joint Legislative Budget Committee and Department of Finance. The report shall define the strategies, results and effectiveness of recent expenditures and allocations for building capacity for the state's child care needs, including, but not limited to, the amounts and kinds of capacity increased by those efforts, barriers found in preventing increased capacity, and recommendations for overcoming those barriers. The report shall include recommended best practices for future capacity building activities specific to the types of care in shortest supply, such as infant and toddler care, schoolage care, care in underserved areas, and nontraditional hours care. This report shall also include the results of current pilot studies involving training CalWORKs recipients as licensed family child care providers or licensed-exempt providers, and recommendations on the magnitude and role of both CalWORKs recipient training and license-exempt care in meeting future needs. If additional studies or research are needed by either agency to adequately respond to this requirement, the State Department of Education may expend whatever sums are necessary from the one-time federal funds specified in Provision 7(f) for this purpose or from any other quality funds that may be available.

8. If the federal funds available pursuant to Provision 10 of Item 6110-196-0001 of Section 2.00 of

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the Budget Act of 1997 have not been transferred to ~~6110-001-0001~~ *Item 6110-001-0001 of Section 2.00 of this act* by June 30, 1998, those funds shall be available in the 1998–99 fiscal year for (a) interim data reporting as approved by the Department of Finance, and, (b) for the same purposes and subject to the same conditions and reporting requirements otherwise applicable to Item 6110-196-0001 of the Budget Act of 1997.

10. Of the $6,000,000 appropriated in Schedule (c) for child care and development services minimum wage impact, $4,200,000 is to be added as a general cost-of-living adjustment (COLA) in addition to the statutory (COLA) for all General Fund direct services. $1,800,000 shall be allocated to providers below the standard reimbursement rate only after application of the COLA specified above, to the extent contractors who request increases can document that their increased costs are a direct result of federal or state minimum wage increases. Any funds remaining from the $1,800,000 after the requirements of this provision have been met also shall be distributed as a general cost-of-living adjustment for all General Fund direct services.

11. $60,000,000 of the funds in Schedule (b)(5.2) are intended to be for families who have been receiving child care services pursuant to Section 8351 or 8353 of the Education Code. Alternative payment providers shall continue to replace families receiving child care services through the alternative payment program as set forth in Section 8220.1 of the Education Code until all the federal funds described in this section have been committed to families who have been receiving child care services pursuant to Section 8351 or 8353 of the Education Code. $50,000,000 of the funds in Schedule (b)(5.2) are reserved exclusively for child care for former CalWORKs recipients who have left cash aid, but still meet eligibility requirements for receipt of child care services.

12. Nonfederal funds appropriated by 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

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Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) may not be expended in any way that would cause their disqualification as a federally-allowable maintenance of effort expenditure.

13. In recognition of the extensive services currently provided to CalWORKs recipients, the increased level of services provided to these populations by resource and referral agencies as provided for in this item, and the economies of scale that occur as contract amounts are substantially increased, it is the intent of the Legislature that administrative and support services allowances for alternative payment contractors serving these populations be limited to no more than 25 percent of the direct cost of care payments to child care providers. Therefore, notwithstanding any other provision of law or regulation, the State Department of Education shall ensure that contract provisions conform to this intent for Stages 2 and 3 child care contracts funded through Schedules (b)(5.1) and (b)(5.2) of this item.

14. Notwithstanding Section 26.00 of this act or any other provision of law, the State Department of Education may transfer amounts between the following schedules in this item: Schedule (b)(1) General Child Care, Schedule (b)(2) Campus with Match, Schedule (b)(4) Migrant Day Care, Schedule (b)(8) Extended Day Care, and Schedule (b)(9) Allowance for Handicapped. However, these transfers are authorized only if the need for the transfer results from changes initiated in accordance with the prototype contracting demonstration project approved through the process authorized pursuant to Section 6 of Chapter 204, of the Statutes of 1996. The Controller shall adjust schedules accordingly as detailed on a standard budget revision form when certified to be in accordance with this provision by the Superintendent of Public Instruction or the Deputy Superintendent of Public Instruction responsible for fiscal affairs. Those changes are not to be considered permanent changes to the base authorized levels of the respective programs.

~~15. Funds appropriated in Schedule (b)(14) of this item shall not be available for expenditure until~~

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~~enactment of legislation during the 1997–98 Regular Session that provides incentive grants for operation of after school enrichment programs partnering schools and communities, that include academic and literacy support and provide safe, constructive alternatives for youth.~~

15. The State Department of Education (SDE) shall determine the amount of Stage 2 funds that will be distributed to each county, based on its best estimate of the needs of each county for Stage 2 child care. In counties where there is more than one Alternative Payment Program participating in Stage 2, the department shall require the county welfare department and all participating Alternative Payment Programs to jointly determine the amount of funds that will be distributed to each Alternative Payment Program.

16. Any increase in the federal Child Care Development Block Grant that the state receives after July 1, 1998, not to exceed ~~$10.5 million dollars~~ *$5,000,000* , shall be used for the purpose of funding programs to enhance child care provider wages and retention in geographic areas of the state that include underserved populations.

17. Notwithstanding Section 26.00 of the Budget Act, the ~~$20,462,000~~ *$20,198,000* appropriated in Schedule (d) of this item, for Child Development cost-of-living adjustments, is for transfer to the scheduled programs within this item.

18. Of the funds in Schedule (b)(4) of this item, up to $5,000,000 may be used to establish a pilot Migrant Alternative Payment (AP) Network Program for Central Valley counties. The Migrant AP Network Program shall be centrally organized, with a network of at least five satellite locations throughout the Central Valley. The pilot program shall allow the AP childcare services to cross county boundaries to follow migrating migrant families as they move to find work within the Central Valley. The pilot program shall provide childcare certificates and administrative/family services and shall meet the requirements specified in Article 3 (commencing with Section 8220) of Chapter 2 of Part 6 of the Education Code that apply Alternative Payment Programs. The State Department of Education shall submit a detailed proposal by February 1, 1999, to es-

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tablish the scope of the pilot program, including an evaluation plan, to the Department of Finance for concurrence and subject to review by the Joint Legislative Budget Committee, pursuant to the reporting requirements of Section 28.00 of this act.

6110-196-0890—For local assistance, Department of Education, for payment to Item 6110-196-0001 payable from the Federal Trust Fund ..... ~~563,252,000~~ *455,252,000*

Provisions:

1. Notwithstanding any other provision of law, the funds appropriated by this item, to the extent permissible under federal law, are subject to Section 8262 of the Education Code.
2. The funds appropriated in this item constitute the Federal Child Care and Development Block Grant and are contingent upon receipt of the federal grant.
3. Of the funds appropriated by this item, $24,000,000 in Federal Child Care and Development Block Grant funds appropriated by the federal government prior to the 1997 federal fiscal year shall be available to alternative payment programs.
4. Of the funds appropriated by this item, ~~$208,000,000~~ *$100,000,000* is from transfer of funds from the federal Temporary Assistance for Needy Families (TANF) block grant administered by the State Department of Social Services to the Federal Child Care and Development Block Grant for Stage 2 child care.

6110-198-0001—For local assistance, Department of Education, for allocation to the Latino Museum of Art, History and Culture, which was designated as a regional Latino heritage resource center pursuant to Chapter 3.66 (commencing with Section 44777.1) of Part 25 of the Education Code 750,000

Provisions:

1. As a condition to receiving funds, the Latino Museum of Art, History and Culture shall include all of the following in its application for funding that:
   (a) A plan to do all of the following on a regional basis:
      (1) Develop a variety of high-quality permanent and changing exhibits on Latino his-

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tory, art, and culture that encompasses North, Central, and South America.

(2) Provide teacher training activities.

(3) Provide educational services for elementary and secondary school pupils.

(b) A description of how it will attract private and public financial support for the development of its Latino heritage exhibits and educational programs.

(c) A plan for providing educational services previously unavailable to pupils and teachers in the region other than through the Latino Museum of Art, History and Culture, including, but not limited to, the provision of publications and audio-visual materials on Latino history, art, and culture developed by the museum.

(d) A description of how it will improve current efforts as a regional Latino heritage resource center both qualitatively and quantitatively.

(e) A plan for collecting and preserving Latino cultural heritage and artifacts.

2. Funds allocated to the Latino Museum of Art, History and Culture shall be used only for the development costs of exhibits and collections, providing educational programs for pupils and teacher training materials, and capital outlay and other costs associated with the exhibits, collections, and programs presented. These funds shall supplement, and not supplant, current funding for educational services for public school pupils from other funding sources.

3. The Superintendent of Public Instruction shall review the application of the Latino Museum of Art, History and Culture to ensure that funds will be used only for the purposes authorized in this section. The application shall include an expenditure plan for the proposed use of these funds. Funds appropriated in this section shall only be expended for services provided beginning July 1, 1998, through June 30, 2001.

6110-199-0001—For local assistance, Department of Education, for the California Civil Liberties Public Education Program..... 1,000,000

Provisions:

1. The amount appropriated by this item is for a program that provides grants for civil liberties cur-

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riculum development, pursuant to enactment of legislation during the 1997–98 Regular Session that becomes operative on or before January 1, 1999.

6110-200-0001—For local assistance, Department of Education (Proposition 98), Program 20.60.037 Healthy Start Support Services for Children Act..... ~~51,000,000~~ *49,000,000*

Provisions:

1. For purposes of allocating up to ~~$4,400,000~~ *$10,000,000* of the funds appropriated by this item, the State Department of Education shall give priority to those applicants that address the needs of pregnant and parenting teenagers as specified in Chapter 311, Statutes of 1995.

~~2. Of the funds appropriated in this item, $2,000,000 shall be used for a Healthy Start Infant and Toddler Development Parent Outreach Program pursuant to legislation enacted during the 1997–98 Regular Session, effective on or before January 1, 1999.~~

~~3. Of the funds appropriated in this item, $3,000,000 shall be available on a one-time basis for three-year grants, beginning with the 1998–99 fiscal year, for the purpose of funding regional demonstration pilot programs of technical assistance to teach school districts with Healthy Start sites how to develop strategic plans and materials specifically designed to support corporate funding development, with priority given to districts with sites experiencing difficulties raising funds to achieve sustainability.~~

~~4. Of the funds appropriated in this item, $2,600,000 shall be available on a one-time basis, for three-year grants, for allocation to Healthy Start Programs, beginning with the 1998–99 fiscal year, for the purpose of supporting technical assistance and focused group training to teach school districts how to maximize reimbursements of federal funds for Medi-Cal services and case management.~~

6110-201-0001—For local assistance, Department of Education (Proposition 98)..... 1,000,000

Schedule:

(a) 30.20 Child Nutrition 1,800,000

(b) Reimbursements..... −800,000

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Provisions:

1. Notwithstanding any other provision of law, the amount appropriated in this item is for the purpose of providing grants to school districts and county superintendents of schools during the 1998–99 school year pursuant to Section 49550.3 of the Education Code, and for nonrecurring expenses incurred by a school district or county office of education in initiating ~~the~~ *or expanding a* Summer Food Service Program for children pursuant to Section 49547.5 of the Education Code following criteria developed by the State Department of Education.

6110-201-0890—For local assistance, Department of Education, Program 30.20—Child Nutrition, payable from the Federal Trust Fund 1,215,106,000

Schedule:

(a) 30.20.010—Child Nutrition 1,192,806,000

(b) 30.20.040—Summer Food Service Program..... 22,300,000

6110-202-0001—For local assistance, Department of Education 10,882,000

Schedule:

(a) 30.20.010-Child Nutrition 10,876,000

(b) 30.20.020-Pregnant/Lactating Minors 6,000

Provisions:

1. Funds appropriated by this item are for child nutrition programs pursuant to Section 41311 of the Education Code. Claims for reimbursement of meals pursuant to this appropriation shall be submitted not later than September 30, 1999, to be eligible for reimbursement.

2. Notwithstanding any other provision of law, except as provided in this provision, funds appropriated by this item shall be available for allocation in accordance with Section 49536 of the Education Code, except that the allocation shall not be made based on all meals served, but based on the number of meals that are served and that qualify as free or reduced-price meals in accordance with Sections 49501, 49550, and 49552 of the Education Code.

~~6110-203-0001—For local assistance, Department of Education (Proposition 98), Program 20.40-Joint Use Libraries..... 5,000,000~~

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~~Provisions:~~

~~1. The funds appropriated by this item are available to fund joint use library projects pursuant to legislation enacted during the 1997–1998 Regular Session that becomes operative on or before January 1, 1999.~~

6110-204-0001—For local assistance, Department of Education (Proposition 98), for Program 10.80.030 International Baccalaureate Program..... ~~1,200,000~~ *1,270,000*

Provisions:

1. The funds appropriated by this item are available to fund the International Baccalaureate Program, subject to the establishment of that program by legislation enacted during the 1997–98 Regular Session that becomes operative on or before January 1, 1999.

6110-212-0001—For local assistance, Department of Education (Proposition 98), Program 20.60—High-Risk Youth Education and Public Safety Program... 20,000,000

Provisions:

1. The funds appropriated by this item are for transfer to Section A of the State School Fund, for allocation by the State Department of Education to school districts and county offices of education for costs incurred for the High-Risk First-Time Offenders Program and the Transitioning High-Risk Youth Program pursuant to Article 1 (commencing with Section 47760) of Chapter 2 of Part 26.95 of the Education Code.

~~6110-225-0001—For local assistance, Department of Education (Proposition 98) Program 20.60—Instructional Support-Improving School Effectiveness..... 10,000,000~~

~~Provisions:~~

~~1. The funds appropriated by this item are available to fund the Community Policing Program, subject to the establishment of that program by legislation enacted during the 1997–98 Regular Session that becomes operative on or before January 1, 1999.~~

6110-226-0001—For local assistance, Department of Education (Proposition 98), Program 20.60—School/Law Enforcement Partnership Programs..... ~~4,481,000~~ *9,481,000*

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Schedule:

(a) 20.60.020.001-Partnership Minigrants/Safe School Planning.. ~~3,501,000~~ *5,951,000*

(b) 20.60.020.012-Conflict Resolution. ~~280,000~~ *380,000*

(c) 20.60.020.013-School Community Violence Prevention ..... ~~700,000~~ *3,150,000*

Provisions:

1. The amount in Schedule (a) includes $2,873,000 in Supplemental Grant funds that have been designated by school districts for school safety purposes pursuant to Section 17 of Chapter 308, Statutes of 1995.

6110-230-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, for allocation by the Superintendent of Public Instruction to school districts, county offices of education, and other education agencies for the purposes of the Proposition 98 educational programs funded in this item, in lieu of amounts otherwise provided for those programs by statute..... 2,339,486,000

Provisions:

1. The Superintendent of Public Instruction shall take action, in a manner consistent with state policy as expressed in statute and with the purposes of this act, to ensure the orderly administration of state-funded education programs conducted by local agencies. The allocations for the 1998–99 fiscal year of state aid for these programs shall be in the same amounts as the 1997–98 fiscal year allocations, excluding Partnership Academies, instructional materials for kindergarten and grades 1 to 8, inclusive, and instructional materials for grades 9 to 12, inclusive, adjusted as appropriate to reflect changes in other state, federal, and local revenues, and the designation of supplemental grant funds to categorical programs pursuant to Section 17 of Chapter 308 of the Statutes of 1995. The Superintendent of Public Instruction shall apportion funds from the program allocations to each school district, county office of education, or other education agency in a manner consistent with the policies, formulas, regulations, and statutes governing

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those apportionments, including the appropriate program and schedule provisions set forth in Senate Bill 89 of the 1995–96 Regular Session as amended in the Senate May 30, 1995. If the funds appropriated by this item are less than the amount necessary for these programs, the Superintendent shall apportion the deficiency on a proportional basis across all programs. If funding appropriated by this item is greater than the amount necessary for these programs, the Superintendent of Public Instruction shall direct that the excess funds be transferred by the Controller to the State Instructional Materials Fund for the 1998–99 fiscal year for the purchase of instructional materials for kindergarten and grades 1 to 8, inclusive, or grades 9 to 12, inclusive.

2. Notwithstanding any other provision of law, not more than 15 percent of the amount apportioned to any school district, county office of education, or other education agency under this item for any program may be expended by that recipient for the purposes of any other program for which the recipient is eligible for funding under this item, except that the total amount of funding allocated to the recipient under this item that is expended by the recipient for the purposes of any program pursuant to this item shall not exceed 120 percent of the amount of state funding allocated pursuant to Provision 1 to that recipient for that program for the 1998–99 fiscal year.

3. The educational programs that are not eligible for funding under this item are those programs funded by the following items of the Budget Act of 1997 (Ch. 282, Stats. 1997): Items 6110-001-0001, 6110-001-0178, 6110-001-0231, 6110-001-0344, 6110-001-0687, 6110-001-0890, 6110-001-0975, 6110-002-0001, 6110-003-0001, 6110-004-0001, 6110-005-0001, 6110-006-0001, 6110-006-0814, 6110-007-0001, 6110-008-0001, 6110-009-0001, 6110-011-0001, 6110-013-0001, 6110-015-0001, 6110-021-0001, 6110-096-0001, 6110-101-0231, 6110-101-0349, 6110-101-0814, 6110-101-0890, 6110-101-0975, 6110-102-0001, 6110-102-0231, 6110-102-0890, 6110-103-0001, 6110-103-0890, 6110-104-0001, 6110-105-0001, 6110-111-0890, 6110-112-0001, 6110-112-0890, 6110-113-0001, 6110-117-0001, 6110-128-0890, 6110-129-

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0001, 6110-130-0001, 6110-136-0890, 6110-139-0001, 6110-141-0890, 6110-142-0890, 6110-152-0001, 6110-156-0001, 6110-156-0890, 6110-158-0001, 6110-161-0001, 6110-161-0890, 6110-162-0001, 6110-165-0001, 6110-166-0890, 6110-176-0890, 6110-180-0001, 6110-180-0890, 6110-181-0465, 6110-183-0890, 6110-184-0001, 6110-185-0001, 6110-186-0001, 6110-190-0001, 6110-194-0001, 6110-196-0001, 6110-196-0890, 6110-200-0001, 6110-201-0890, 6110-202-0001, 6110-226-0001, 6110-234-0001, and 6110-295-0001.

4. The reduction of the maximum allowable building area for each applicant school district pursuant to Section 17746.8 of the Education Code shall be a permanent reduction to the district's eligibility for funding under Chapter 22 (commencing with Section 17700) of Part 10 of the Education Code. To the extent feasible, the reduction shall be applied to district projects that represent the same grade levels of the pupils for which the district is claiming funding pursuant to Section 42263 of the Education Code.

5. Notwithstanding Provision 3, local education agencies may use the authority granted pursuant to Provision 2 of this item to provide the funds necessary to initiate, to continue support following the three- to five-year state grant period, or to expand, a Healthy Start Program pursuant to Chapter 5 (commencing with Section 8800) of Part 6 of the Education Code.

6. Notwithstanding Provision 3 of this item, local education agencies may use the authority granted pursuant to Provision 2 of this item to provide the funds necessary to initiate a conflict resolution program pursuant to Chapter 2.5 (commencing with Section 32260) or Part 19 of the Education Code.

7. The amount appropriated by this item includes funds for the environmental education program established by Chapter 4 (commencing with Section 8700) of Part 6 of the Education Code and the school-based management program established by Article 12 (commencing with Section 44666) of Chapter 3 of Part 25 of the Education Code.

8. For purposes of Section 42263 of the Education Code, the statewide average cost avoided per pupil for the 1998–99 fiscal year shall be the amount

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determined for that purpose for the 1997–98 fiscal year.

9. As a condition of receiving funding under this item, each school district that receives reimbursement for the costs of a desegregation program or programs shall submit a report to the Legislature on or before March 1, 1999, on the use of those funds. The report shall include, but not be limited to, the following information: (1) how the funds received for a desegregation program or programs have been used to alleviate the harmful effects of racial isolation; and (2) how the funds received for a desegregation program or programs have been used to improve the academic performance of pupils in schools that receive desegregation funds. If the report required by this provision is not received from any school district by March 1, 1999, the Controller may not pay the reimbursement claim for desegregation costs of the district for the 1998–99 school year.

10. As a condition of receiving funds apportioned from this item for general staff development purposes, school districts shall use these funds on a priority basis to ensure that (1) each probationary certificated employee assigned to a school within the district as a new teacher receives appropriate training, assistance, and evaluation and (2) state categorical funding for administrator training is supplemented, as needed, so that personnel assigned to evaluate teachers achieve competence in instructional methodologies and evaluation for teachers they are assigned to evaluate.

6110-231-0001—For local assistance, Department of Education, (Proposition 98), for transfer to Section A of the State School Fund, for allocation by the Superintendent of Public Instruction to school districts and county offices of education for the purpose of the Proposition 98 educational programs funded in Item 6110-230-0001..... 67,831,000

Provisions:

1. Of the funds appropriated by this item $67,831,000 shall be allocated to all school districts and county offices of education in the state on the basis of an equal amount per unit of average daily attendance for the Proposition 98 educational programs funded in Item 6110-230-0001.

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6110-232-0001—For local assistance, Department of Education (Proposition 98), Program 20.40—Class Size Reduction Program: ~~7th and 8th Grade Mathematics and Language Arts~~ ..... ~~112,000,000~~
9th Grade *88,900,000*

Provisions:

1. The funds appropriated by this item are to expand the Morgan/Hart Class Size Reduction Program for grades 9 to 12, inclusive, pursuant to enactment of legislation during the 1997–98 Regular Session that becomes operative on or before January 1, 1999.

6110-233-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, for allocation by the Superintendent of Public Instruction to school districts, county offices of education, and other agencies receiving funding under Item 6110-230-0001 for the purposes of Proposition 98 educational programs funded in Item 6110-230-0001 94,146,000

Provisions:

1. The funds appropriated by this item are for the purpose of providing cost-of-living adjustments and enrollment growth funding, to be distributed to each program that is funded under Item 6100-230-0001 in an amount that is proportionate to the base funding level of the program in the 1997–98 fiscal year, excluding Partnership Academies ~~, K–8 instructional materials, and 9–12 instructional materials.~~ *instructional materials.*

6110-234-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, for allocation by the Superintendent of Public Instruction for the Class Size Reduction Program pursuant to Chapter 6.10 (commencing with Section 52120) of Part 28 of the Education Code 1,545,530,000

Schedule:

(a) 10.25-Class Size Reduction..... 1,545,530,000

Provisions:

1. It is the intent of the Legislature that the first priority for any unused funds appropriated pursuant to Chapter 6.10 (commencing with Section 52120) of Part 28 of the Education Code for the

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1997–98 fiscal year be made available on a one-time basis to assist (1) eligible school districts in implementing their approved Comprehensive Plan to Mitigate the Facilities Impact of Class Size Reduction as specified in Section 52122.7 of the Education Code , *and (2) school districts that fully implemented three grade levels of class size reduction in the 1996–97 fiscal year, so that these school districts may be eligible to receive up to $40,000 for each new teaching station for facilities needed to expand the Class Size Reduction Program in the 1997–98 fiscal year beyond the number of new classes established in the 1996–97 fiscal year* .

6110-235-0001—For local assistance, Department of Education, (Proposition 98), Program 10.10, Instruction, for the Year Round School Grant Program established pursuant to Section 42260 to Section 42268, inclusive, of the Education Code 3,000,000

Provisions:

1. The funds appropriated in this item are for transfer to Section A of the State School Fund, to augment the funding provided for this program in Item 6110-230-0001 of this act.

6110-280-0001—For local assistance, Department of Education (Proposition 98), Program 20.40.100-High Risk Youth..... 600,000

Provisions:

1. The funds appropriated by this item are for allocation by the State Department of Education to the Los Angeles Unified School District for services to at-risk youth that participate in a program that meets the criteria specified in subdivision (a) of Section 41 of Chapter 299 of the Statutes of 1997.

6110-294-0001—For local assistance, Department of Education (Proposition 98)-Legislative Priority Set-Aside..... 10,000,000

Provisions:

1. Funds appropriated by this item are for the purpose of funding legislative priorities pursuant to legislation enacted during the 1997–98 Regular Session.

Item		Amount
6110-295-0001—For local assistance, Department of Education (Proposition 98), for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or of Section 17561 of the Government Code, of the cost of any new program or increased level of service of an existing program mandated by statute or executive order, Controller		146,467,000
Schedule:		
(1) 98.01.003.677-Annual Parent Notification (Ch. 36, Stats. 1977, et al.)	1,855,000	
(2) 98.01.008.786-School Discipline Rules (Ch. 87, Stats. 1986)	1,257,000	
(3) 98.01.016.193-Intradistrict Attendance (Ch. 161, Stats. 1993)	2,220,000	
(4) 98.01.017.201-Interdistrict Attendance (Ch. 172, Stats. 1986)	983,000	
(5) 98.01.017.286-Interdistrict Transfer Parent's Employment (Ch. 172, Stats. 1986)	889,000	
(6) 98.01.030.697-Choice Transfer Appeals (Ch. 306, Stats. 1997)	866,000	
(7) 98.01.048.675-Test Claims and Reimbursement Claims (Ch. 486, Stats. 1975)	6,937,000	
(8) 98.01.049.801-Graduation Requirements (Ch. 498, Stats. 1993)	3,769,000	
(9) 98.01.049.802-Notices of Truancy (Ch. 498, Stats. 1983)	5,613,000	
(10) 98.01.062.492-Schoolbus Safety (Ch. 624, Stats. 1992)	687,000	
(11) 98.01.064.186-Open Meetings Act (Ch. 641, Stats. 1986)	1,964,000	
(12) 98.01.078.192-Charter Schools (Ch. 781, Stats. 1992)	684,000	
(13) 98.01.079.980-PERS Death Benefits (Ch. 799, Stats. 1980)	710,000	
(14) 98.01.081.891-AIDS Prevention Instruction (Ch. 818, Stats. 1991)	3,945,000	
(15) 98.01.096.175-Collective Bargaining (Ch. 961, Stats. 1975)	31,942,000	
(16) 98.01.096.501-Pupil Classroom Suspension (Ch. 965, Stats. 1977)	4,293,000	
(17) 98.01.096.577-Public Health Screenings (Ch. 965, Stats. 1977)	3,211,000	
(18) 98.01.101.184-Juvenile Court Records (Ch. 1011, Stats. 1984)	184,000	

Item	Amount
(19) 98.01.103.670-STRS Rate Increase (Ch. 1036, Stats. 1979).....	52,085,000
(20) 98.01.110.784-Removal of Chemicals (Ch. 1107, Stats. 1984).....	1,476,000
(21) 98.01.117.677-Immunization Records (Ch. 1176, Stats. 1977)...	4,303,000
(22) 98.01.125.375-Expulsion Transcripts (Ch. 1253, Stats. 1975).....	8,000
(23) 98.01.128.488-Pupil Suspensions: Parents Classroom Visits (Ch. 1284, Stats. 1988).....	225,000
(24) 98.01.130.689-Notification to Teachers of Public Expulsion (Ch. 1306, Stats. 1989).....	1,856,000
(25) 98.01.134.780-Scoliosis Screening (Ch. 1347, Stats. 1980).....	2,151,000
(26) 98.01.139.874-PERS Unused Sick Leave Credit (Ch. 1398, Stats. 1974).....	2,938,000
(27) 98.01.160.784-School Crimes Reporting (Ch. 1607, Stats. 1984).....	1,754,000
(28) 98.01.165.984-Emergency Procedures (Ch. 1659, Stats. 1984).....	7,036,000
(29) 98.01.167.584-School Testing-Physical Fitness (Ch. 1675, Stats. 1984).....	626,000

Provisions:

1. Except as provided in Provisions 2 and 4, allocations of funds appropriated by this item shall be made by the Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated by this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.
2. The funds appropriated in Schedule (19) are for transfer to the State Teachers' Retirement Fund for the State Teachers' Retirement System for reimbursement of costs incurred pursuant to Chapter 1036 of the Statutes of 1979.

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3. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the Controller may, upon approval of the Director of Finance, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house of the Legislature that considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.

4. Notwithstanding any other provision of law, the funds appropriated in Schedules (13) and (26) are for transfer to the Public Employees' Retirement System for reimbursement of costs incurred pursuant to Chapter 1398 of the Statutes of 1974 or Chapter 799 of the Statutes of 1980.

6110-401—For maintenance of accounting records by the State Controller's office and the Department of Education or any other agency maintaining such records, appropriations made in this act for agency 6110 (Department of Education) are to be recorded under agency 6100 (Department of Education).

6110-402—Notwithstanding any provision of law to the contrary, no funds appropriated by this act, or by any act enacted prior to the enactment of this act, shall be, in the absence of a court order, deemed appropriated or available for expenditure for purposes of claims for vocational education average daily attendance arising from Section 46140 of the Education Code as it read prior to the enactment of Chapter 1230 of the Statutes of 1977.

6110-403—In the event the bonds authorized for the Capital Area Plan project in Chapter 761, Statutes of 1997 are not sold, the Department of Education shall commit a sufficient portion of its support appropriation, as determined by the Department of Finance, which is provided for in this Budget Act to repay any interim financing. It is the intent of the Legislature that this commitment shall be included in future Budget Acts until all interim financing is repaid either through the proceeds from the sale of bonds or from an appropriation.

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~~6110-485—Reappropriation (Proposition 98), Department of Education. The sum of $44,152,000 is reappropriated from the Proposition 98 Reversion Account, for the following purpose:~~

~~0001—General Fund~~

~~(c) The sum of $30,000,000 is hereby appropriated from the Proposition 98 Reversion Account to the State Department of Education for allocation to school districts and county offices of education for staff development in mathematics pursuant to legislation enacted during the 1997–98 Regular Session.~~

~~(d) $1,053,000 is appropriated from the Proposition 98 Reversion Account for allocation by the State Department of Education for lead testing of drinking water in public schools.~~

6110-490—Reappropriation, Department of Education. Notwithstanding any other provision of law, the unencumbered balances are reappropriated from the following citations, for the purpose specified, and shall be available for encumbrance and expenditure until June 30, 1999:

001—General Fund

~~(1) The unencumbered balance as of June 30, 1998, of funds appropriated in Section 27 of Chapter 204 of the Statutes of 1996, is reappropriated to reimburse districts for second-year costs incurred in operating Single Gender Academies in the 1998–99 fiscal year.~~

~~(3)~~

(1) The ~~unexpended~~ balance as of June 30, 1998, from Schedule (c) of Item ~~6110-107-001~~ *6110-107-0001* of Section 2.00 of the Budget Act of 1995 (Ch. 303, Stats. 1995) to augment Schedule (d) of Item 6110-107-0001 of this act, for the *County Office* Fiscal Crisis and Management Assistance Team for technology costs related to providing staff development in the 1998–99 fiscal year.

~~(4)~~

(2) The ~~unencumbered~~ balance as of June 30, 1998, from Item 6110-184-0001 of Section 2.00 of the Budget Act of 1997 (Ch. 282, Stats. 1997), is reappropriated for the purpose of funding, in the 1998–99 fiscal year, applications for grants that were eligible but not awarded in the 1997–98 fiscal year.

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~~(5)~~

(3) The ~~unencumbered~~ balance as of June 30, 1998, of Item 6110-124-0001 of Section 2.00 of the Budget Act of 1996 (Ch. 162, Stats. 1996), is reappropriated for services to pupils participating in the Gifted and Talented Education (GATE) program to be used for onetime purposes.

(4) The balance, as of June 30, 1998, from Schedules (b)(1) General Child Care, (b)(3) High School Parenting and Infant Development, (b)(4) Migrant Day Care, and (b)(8) Extended Day Care from Item 6110-196-0001 of Section 2.00 of the Budget Act of 1997 (Ch. 282, Stats. 1997), for transfer to the Child Care Facilities Revolving Fund established pursuant to Section 8278.3 of the Education Code.

6110-495—Reversion, Department of Education, Proposition 98. The unencumbered balance as of June 30, 1998, of the appropriation provided for in the following citation shall revert to the Proposition 98 Reversion Account:

1. Chapter 525 of the Statutes of 1995, Section 13, Standardized Account Code Structure.
2. Chapter 204 of the Statutes of 1996, Section 37, California Public School Library Protection Fund.

~~4. Chapter 299, Statutes of 1997, Sections 40.3, 40.4, and 40.5~~

3. Sections 40.3, 40.4, and 40.5 of Chapter 299 of the Statutes of 1997 , for instructional services to CalWORKs recipients through Regional Occupation Centers/Programs and adult education programs. However, the amounts reverted shall be limited to the unexpended balances above $12,500,000, so that no more than $12,500,000 remains available for expenditure. The State Department of Education shall provide a report to the Department of Finance by February 1, 1999, identifying the programs and amounts of expended funds and the amount of funds reverted hereunder.

4. Item 6100-190-0001 of Section 2.00 of the Budget Act of 1997 (Ch. 282, 1997 Stats.), Community Day Schools Program.

5. Item 6100-112-0001 of Section 2.00 of the Budget Act of 1997 (Ch. 282, 1997 Stats.), Staff Development Day Buyout.

Item		Amount
6115-001-0001—For support of the Commission for the Establishment of Academic Content and Performance Standards		704,000
Schedule:		
(a) 10-Standards Development	704,000	
6120-011-0001—For support of California State Library, Division of Libraries, and California Library Services Board		13,407,000
Schedule:		
(a) 10-State Library Services	12,927,000	
(b) 20-Library Development Services	2,828,000	
(c) 30-Information Technology Services	972,000	
(d) 40.01 Administration	1,541,000	
(e) 40.02 Distributed Administration	−1,541,000	
(f) Reimbursements	−462,000	
(g) Amount payable from the Federal Trust Fund (Item 6120-011-0890)	−2,858,000	
6120-011-0020—For support of the California State Library, Program 10—State Library Services, for support of the State Law Library		544,000
Provisions:		
1. The Director of Finance may authorize the augmentation of the total amount available for expenditure under this item in the amount of revenue received by the State Law Library Special Account which is in addition to the revenue appropriated by this item or in the amount of funds unexpended from previous fiscal years, not sooner than 30 days after notification in writing to the chairpersons of the fiscal committees of each house and the Chairperson of the Joint Legislative Budget Committee.		
6120-011-0890—For support of California State Library, for payment to Item 6120-011-0001, payable from the Federal Trust Fund		2,858,000
6120-012-0001—For support of the California State Library, for debt service payments on lease revenue bonds		653,000
Schedule:		
(a) Base Rental and Fees	1,523,000	
(b) Insurance	24,000	
(c) Reimbursements	−894,000	
6120-101-0001—For local assistance, California State Library		*50,000*

Item		Amount
Provisions:		
1. Funds appropriated by this item are for the purpose of funding asbestos removal at the Garden Grove Regional Library. These funds are to be allocated on a one-time basis only.		
6120-211-0001—For local assistance, California State Library, Program 20—Library Development Services		~~16,426,000~~ *17,026,000*
Schedule:		
(a) 20.10—California Literacy Campaign	~~3,490,000~~ *4,090,000*	
(b) 20.20—Families for Literacy Program	876,000	
(c) 20.30—Direct Loan and Interlibrary Loan Programs	8,600,000	
(d) 20.40—Computerized Data Base pursuant to Section 18767 of the Education Code	275,000	
(e) 20.50—California Library Services Act pursuant to Chapter 4 (commencing with Section 18700) of Part 11 of the Education Code	3,185,000	
Provisions:		
1. Should the funds appropriated in Schedule (c) be insufficient to fully cover all transactions under the Direct Loan and Interlibrary Loan programs of the California Library Services Act, funding shall be prorated such that expenditures for the program are within the appropriation made in Schedule (c) of this item.		
6120-211-0890—For local assistance, California State Library, Program 20—Library Development Services, payable from the Federal Trust Fund		11,901,000
6120-221-0001—For local assistance, California State Library Program 20-Library Development Services-Public Library Foundation Program		62,750,000
Provisions:		
1. Notwithstanding any other provision of law, for the 1998–99 fiscal year, the date on or before which the fiscal officer of each public library shall report to the State Librarian the information specified in Section 18023 of the Education Code shall be December 1, 1998.		
2. Notwithstanding any other provision of law, for the 1998–99 fiscal year, the date on or before		

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which the Controller shall distribute funds to the fiscal officer of each public library as specified in Section 18026 of the Education Code shall be February 15, 1999.

3. It is the intent of the Legislature that the funds appropriated by this item be allocated consistent with the provisions of Chapter 167 of the Statutes of 1997.

6120-301-0001—For capital outlay, California State Library 30,000

Schedule:

(1) 10.04.001—Sutro Library; Long Term Needs Assessment—Study... 30,000

6255-001-0001—For support of California State Summer School for the Arts, Program 10..... 725,000

~~6260-001-0001—For support of California State Summer School for Math and Science, Program 10..... 1,000,000~~

6330-001-0890—For support of the California Occupational Information Coordinating Committee, payable from the Federal Trust Fund 284,000

6360-001-0001—For support of the Commission on Teacher Credentialing, for the purpose of administering the Paraprofessional Teacher Training Program ..... ~~150,000~~ *755,000*

Schedule:

(a) 10-Standards for Preparation and Licensing of Teachers ..... ~~150,000~~ *755,000*

Provisions:

1. Of the funds appropriated by this item, $66,000 shall be available for administrative costs related to the Alternative Certification Program pursuant to Article 11 (commencing with Section 44380) of Chapter 2 of Part 25 of the Education Code.

2. Of the funds appropriated by this item, $140,000 shall be available for administrative costs related to the Beginning Teacher Support and Assessment System pursuant to Article 4.5 (commencing with Section 44279.1) of Chapter 2 of Part 25 of the Education Code.

3. Of the funds appropriated by this item, $60,000 shall be available for administrative costs related to the California School Paraprofessional Teacher Training Program pursuant to Article 12 (commencing with Section 44390) of Chapter 2 of Part 12 of the Education Code.

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4. Of the funds appropriated by this item, $49,000 shall be available for administrative costs related to the California Pre-Internship Program pursuant to Article 5.6 (commencing with Section 44305) of Chapter 2 of Part 12 of the Education Code.

5. Of the funds appropriated by this item, $350,000 shall be available for administrative costs related to the development of integrated programs of professional and subject matter preparation. These funds shall be available only if authorizing legislation is enacted during the 1997–98 Regular Session.

6. Of the funds appropriated by this item, $90,000 shall be available for administrative costs related to the review of teacher credential reciprocity. These funds shall be available only if authorizing legislation is enacted during the 1997–98 Regular Session.

6360-001-0407—For support of Commission on Teacher Credentialing, payable from the Teacher Credentials Fund ..... ~~17,865,000~~ *15,635,000*

Schedule:

(a) 10-Standards for Preparation and Licensing of Teachers ..... ~~17,865,000~~ *15,635,000*

(b) 10.40.010-Departmental Administration..... (3,487,000)

(c) 10.40.020-Distributed Departmental Administration..... (−3,487,000)

Provisions:

1. The amount appropriated by 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 and the Chairperson of the Joint Legislative Budget Committee.

2. Notwithstanding Section 44234 of the Education Code, funds that are set aside for pending litigation costs shall not be considered part of the reserve of the Teacher Credentials Fund for pur-

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poses of subdivision (b) of Section 44234 of the Education Code.

3. Of the funds appropriated by this item, ~~$1,500,000~~ *$250,000* is for the design, development, and testing of a performance assessment that will be used statewide with new teachers. These funds shall be available only if authorizing legislation is enacted during the 1997–98 Regular Session.

~~4. Of the funds appropriated by this item, $350,000 for the development of a "fast-track" teacher education program for university undergraduates who decide early in their college years to become teachers. These funds shall be available only if authorizing legislation is enacted during the 1997–98 Regular Session.~~

4. Of the funds appropriated by this item, funds provided for credential processing may also be used for provision of technical assistance to applicants, teacher preparation programs, and school districts.

6360-001-0408—For support of Commission on Teacher Credentialing, payable from the Test Development and Administration Account of the Teacher Credentials Fund ..... ~~8,361,000~~ *9,461,000*

Schedule:

(a) 10-Standards for Preparation and Licensing of Teachers ..... ~~8,361,000~~ *9,461,000*

Provisions:

1. The amount appropriated by this item may be increased for unanticipated costs of litigation, or for costs from increases in the number of examinees, 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 and the Chairperson of the Joint Legislative Budget Committee.

2. Notwithstanding Section 44234 of the Education Code, funds that are set aside for pending litigation costs shall not be considered part of the reserve of the Teacher Credentials Fund for purposes of subdivision (b) of Section 44234 of the Education Code.

3. Of the funds appropriated by this item, $1,100,000 shall be available for the design, de-

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velopment, and testing of a performance assessment that will be used statewide with new teachers. These funds shall be available only if authorizing legislation is enacted during the 1997–98 Regular Session.

6360-001-0890—For support of Commission on Teacher Credentialing, payable from the Federal Trust Fund. 159,000

Schedule:

(a) 10-Standards for Preparation and Licensing of Teachers 159,000

6360-101-0001—For local assistance, Commission on Teacher Credentialing (Proposition 98)..... 34,628,000

Schedule:

(a) 10-Standards for Preparation and Licensing of Teachers 34,628,000

Provisions:

1. Of the funds appropriated by this item, $11,000,000 is for incentive grant funding to school districts and county offices of education participating in the alternative teacher certification program established in Article 11 (commencing with Section 44380) of Chapter 2 of Part 25 of the Education Code.
2. Of the funds appropriated by this item, $11,478,000 shall be available for grants and subventions to school districts and county offices of education participating in the California School Paraprofessional Teacher Training Program pursuant to Article 6.5 (commencing with Section 69619) of Chapter 2 of Part 42 of the Education Code.
3. Of the funds appropriated by this item, $350,000 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. 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. Of the funds appropriated in this item, $11,800,000 is for the Pre-Internship Teaching Program, as set forth in Article 5.6 (commencing with Section 44305) of Chapter 2 of Part 25 of the Education Code.

Item		Amount
6420-001-0001—For support of California Postsecondary Education Commission		~~3,399,000~~ *3,579,000*
Schedule:		
(a) 100000-Personal Services	~~2,632,000~~ *2,576,000*	
(b) 300000-Operating Expenses and Equipment	~~1,107,000~~ *1,343,000*	
(c) Reimbursements	−16,000	
(d) Amount payable from the Federal Trust Fund (Item 6420-001-0890).	−324,000	
6420-001-0890—For support of California Postsecondary Education Commission, for payment to Item 6420-001-0001, payable from the Federal Trust Fund		324,000
6420-101-0001—For local assistance, California Postsecondary Education Commission, for Pipeline Program grants		119,000
6420-101-0890—For local assistance, California Postsecondary Education Commission, payable from the Federal Trust Fund		6,165,000
6440-001-0001—For support of University of California		~~2,384,004,000~~ *2,351,969,000*
Schedule:		
(a) Support	~~2,284,862,000~~ *2,251,827,000*	
~~(b) Charles R. Drew Medical Program.~~	~~8,567,000~~	
(b) Charles R. Drew Medical Program.	*9,567,000*	
(c) Podiatry Program	857,000	
(d) Mathematics, Engineering and Science Achievement (MESA)	3,553,000	
(e) Acquired Immune Deficiency Syndrome (AIDS) Research	8,445,000	
(f) Institute of Global Conflict and Cooperation	550,000	
(g) Student Financial Aid	52,865,000	
(h) Loan Repayments	5,105,000	
(i) San Diego Supercomputer Center	4,000,000	
(j) Mathematics, Science and Arts Outreach Programs	3,000,000	
(k) Subject Matter Projects	12,200,000	
Provisions:		
1. The appropriations made by this item are exempt from Section 31.00 of this act.		

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2. None of the funds appropriated by this item may be expended to initiate major capital outlay projects by contract without prior legislative approval, except for cogeneration and energy conservation projects. Exempted projects shall be reported in a manner consistent with the reporting procedures in subsection (d) of Section 28.00 of this act.

3. The funds appropriated in Schedule (b) are for support of University of California program of clinical health sciences education, research, and public service, conducted in conjunction with the Charles R. Drew Postgraduate Medical School, as provided for in Sections 1, 2, and 3 of Chapter 1140 of the Statutes of 1973. Of the amount appropriated, $500,000 is contingent upon the provision by the University of California of an equal amount of matching funds from its own resources. The University of California shall ensure by adequate controls that funds appropriated by Schedule (b) are expended solely for the support of the program identified in that schedule.

4. The funds appropriated in Schedule (c) are for support of a program of basic and clinical health science education and primary health care delivery research in the field of podiatry, University of California, to be conducted in conjunction with the California College of Podiatric Medicine as provided for in Sections 1 to 4, inclusive, of Chapter 1497 of the Statutes of 1974.

5. Of the amount appropriated in Schedule (a), $2,629,957 shall be available for expenditure only for support of the Northern and Southern Occupational Health Centers as established by a contract entered into with the Department of Industrial Relations pursuant to Section 50.8 of the Labor Code.

6. The funds appropriated in Schedule (g) are for support of Program 45, Student Financial Aid, to provide financial aid to needy students attending the University of California, according to the nationally accepted needs analysis methodology.

7. Of the amount appropriated in Schedule (a), $7,240,800 is for payment of energy service contracts in connection with the issuance of Public Works Board Energy Efficiency Revenue Bonds.

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8. Of the amount appropriated in Schedule (h), $2,700,000 is for repayment of $25,000,000 borrowed by the University of California for deferred maintenance in the 1994–95 fiscal year. It is the intent of the Legislature to annually provide funds for that repayment purpose through the 2009–10 fiscal year.

9. Of the amount appropriated in Schedule (h), $2,405,000 is for repayment of $25,000,000 borrowed by the University of California for deferred maintenance in the 1995–96 fiscal year. It is the intent of the Legislature to annually provide funds for that repayment purpose through the 2010–11 fiscal year.

~~10. It is the intent of the Legislature that of the funds provided in Schedule (a), $33,000,000 is provided for outreach to be used to fund new and existing programs that are aimed at improving the chances for students from a wide diversity of backgrounds to become eligible for the University of California. It is the intent of the Legislature that at least $20,500,000 of these funds be used to expand the Mesa, Puente, and Early Outreach programs so that these programs may increase the number of students who participate and so that these programs may offer services such as college admissions test preparation programs, provide fee waivers for Advanced Placement tests, and increase the number of field trips for high school and middle school participants to visit college campuses. It is further the intent of the Legislature that at least $1,000,000 of these funds be used to expand outreach efforts in the Central Valley, $2,000,000 be used to expand and enhance community college transfer centers, and $2,500,000 be used to expand the outreach efforts at professional schools. The remainder of the funds should be used to expand other university outreach efforts such as K–12 partnership programs, dissemination of information, research and evaluation, and charter schools.~~

10. Of the amount appropriated in schedule (a), $38,500,000 is provided for outreach to be used to fund new and existing programs that are aimed at improving the chances for pupils from a

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wide diversity of backgrounds to become eligible for the University of California, as follows:

(b) The following amounts are for pupil academic development and school partnership programs and shall be matched on a one-to-one basis by the participating schools:

(1) $15,000,000 is to expand pupil academic development programs, including MESA, Puente, and the Early Academic Outreach Program, so that these programs may increase the number of pupils who participate in the programs and may offer services such as college admissions test preparation programs, fee waivers for Advance Placement tests, and an increased number of field trips for high school and middle school participants to visit college campuses.

(2) $15,000,000 is provided for the expansion of K–12 school partnership programs to systemically reform partner schools in order to achieve long-term improvements in student success.

(3) $1,000,000 is provided to expand both pupil academic development programs and K–12 partnership programs in the Central Valley.

(c) $3,500,000 is provided for expansion of services to community college students to promote transfer.

(d) $1,000,000 is provided for informational outreach to pupils, families, and K–12 teachers and counselors.

(e) $1,000,000 is provided for charter schools.

(f) $500,000 is provided for outreach by professional schools to be matched on a one-to-one basis by those professional schools.

(g) $1,500,000 is provided for long-term evaluation of the effectiveness of outreach programs, including college graduation rates for pupils who participated in the K–12 programs, regardless of the college attended.

11. Of the funds appropriated in Schedule (a), $500,000 shall be expended for the Center for Earthquake Engineering Research, contingent upon the center continuing to receive federal

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matching funds from the National Science Foundation.

12. Of the funds appropriated by Schedule (a), $800,000 shall be expended for the International Thermonuclear Experimental Reactor Design Center, contingent upon the center continuing to receive federal matching funds.

13. Of the funds appropriated in Schedule (a), ~~$235,000~~ *$500,000* shall be expended for viticulture and enology research contingent upon the receipt of an equal amount of private sector matching funds.

14. Of the amount appropriated in Schedule (j), $1,500,000 is for Arts Bridge programs that give university students scholarships to work as ''artists in residence'' in public schools. The University of California shall ensure that 75 percent of these efforts are targeted at low-performing schools. The University of California shall provide a report of the expenditures of this program to the California Arts Council by September 30, 1999.

15. Of the amount appropriated in Schedule (j), $1,500,000 is for Community Teaching Internships for Mathematics and Science programs. These programs shall provide stipends to juniors and seniors majoring in math, science, and engineering, who work in local public schools as teaching interns.

~~16. Of the funds appropriated in Schedule (a), $500,000 is for the development of courses for the California Virtual University.~~

~~17.~~

16. Of the funds appropriated in Schedule (a), $16,810,000 is for substance abuse research at the University of California, San Francisco campus in the Neurology Department.

~~18.~~

17. Notwithstanding Section 2.00 of this act, an amount not to exceed $1,000,000 may be used for working drawings and preliminary plans related to the construction of a building to house the physician training and education program conducted by the San Francisco campus in Fresno.

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~~19.~~

18. Of the funds appropriated in Schedule (a), $1,000,000 shall be available for the purpose of conducting the California Work Opportunity and Responsibility to Kids (CalWORKs) program evaluation.

~~20.~~

19. Of the funds appropriated in Schedule (a), $400,000 shall be available for the purpose of continuing the planning and survey design work for the California Health Interview Survey to be conducted by the UCLA Center for Health Policy Research.

20. It is the intent of the Legislature that the University of California incorporate service learning into its curricula and encourage and help students participate in service learning opportunities.

21. It is the intent of the Legislature that the California State University report to the Legislature any grade point adjustment factors concerning an applicant's undergraduate school that are used in the process for admissions to their respective professional schools and graduate programs. This disclosure shall specify the justification for the grade weighting policies and shall describe the specific methodologies used to determine the relative weightings and adjustments made to the grade point average earned by a student at each of the various undergraduate schools.

6440-001-0007—For support of University of California, payable from the Breast Cancer Research Account 16,706,000

Provisions:

1. Notwithstanding subdivision (a) of Section 2.00 of this act, the funds appropriated by this item shall be available for expenditure until June 30, 2001.

6440-001-0046—For support of University of California, Institute of Transportation Studies, payable from the Public Transportation Account, State Transportation Fund 956,000

6440-001-0234—For support of the University of California, payable from the Research Account, Cigarette and Tobacco Products Surtax Fund..... ~~11,661,000~~ *18,661,000*

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Provisions:

1. The funds appropriated by this item are to be allocated for research regarding tobacco use, with an emphasis on youth and young adults, including, but not limited to, the effects of active and passive smoking, the primary prevention of tobacco use, nicotine addiction and its treatment, the effects of secondhand smoke, and public health issues surrounding tobacco use.
2. Notwithstanding subdivision (a) of Section 2.00 of this act, the funds appropriated by this item are available for expenditure until June 30, 2001.

6440-001-0308—For support of the University of California, payable from the Earthquake Risk Reduction Fund of 1996..... 1,500,000

Provisions:

1. The funds appropriated by this item shall be expended for the Center for Earthquake Engineering Research, contingent upon the Center continuing to receive federal matching funds from the National Science Foundation.

6440-001-0321—For support of University of California, payable from the Oil Spill Response Trust Fund..... 1,300,000

Provisions:

1. The funds appropriated by this item shall be available to support the Oiled Wildlife Care Network.

6440-001-0814—For support of University of California, for allocation by the State Controller in accordance with the provisions of Government Code Section 8880.5 as enacted by the voters in Proposition 37 at the November 1984 general election, payable from the California State Lottery Education Fund..... 20,106,000

Provisions:

1. All funds received pursuant to Proposition 37 that are allocable to the University of California pursuant to Section 8880.5 of the Government Code, and that are in excess of the amount appropriated in this item are hereby appropriated in augmentation of this item.

6440-001-0945—For support of the University of California, payable from the California Breast Cancer Research Fund..... 726,000

Provisions:

1. Notwithstanding subdivision (a) of Section 2.00 of this act, the funds appropriated by this item shall be available for expenditure until June 30, 2001.

Item	Amount
6440-002-0001—For support of University of California	(55,000,000)
Provisions:	
1. Notwithstanding Section 2.00 of this act, the funds appropriated by this item are not available for expenditure or encumbrance prior to July 1, 1999. Claims for these funds shall be submitted by the University of California on or after July 1, 1999, and before October 1, 1999.	
2. No reserve may be established by the State Controller for this appropriation before July 1, 1999.	
6440-003-0001—For support of the University of California, for payments on lease-purchase bonds	90,572,000
Schedule:	
(a) Rental, insurance and administrative payments 97,452,000	
(b) Reimbursements ..... −6,880,000	
6440-004-0001—For support of University of California	~~9,900,000~~ *11,400,000*
Provisions:	
1. Funds shall be available for planning and startup costs associated with academic programs to be offered in the San Joaquin Valley and planning, startup costs, and ongoing support for the Merced campus, including the following: (a) site studies, infrastructure planning, community planning and development, long-range development plans, environmental studies, and other physical planning activities; (b) academic planning activities, support of academic program offerings prior to the opening of the new campus, and faculty recruitment; (c) the acquisition of instructional materials and equipment; and (d) ongoing operating support for faculty, staff, and other annual operating expense for the new campus.	
2. *Of the funds appropriated by this item, $1,500,000 shall be used to establish three or four distributed learning centers for on-site and distance learning instruction. Notwithstanding Section 6.00 of this act, these funds may be used for capital outlay costs related to these centers.*	
3. Notwithstanding subdivision (a) of Section 2.00 of this act, funds appropriated by this item plus accumulated interest shall be available for expenditure until June 30, 2001.	

Item	Amount
6440-011-0042—For transfer by the State Controller from the State Highway Account, State Transportation Fund to the Earthquake Risk Reduction Fund of 1996	(1,000,000)
~~6440-301-0001—For capital outlay, University of California~~	~~50,000,000~~
~~Schedule:~~	
~~Merced Campus:~~	
~~(1) 99.12.005-Site development and infrastructure improvements—Preliminary plans, working drawings, and construction ..... 50,000,000~~	
~~Provisions:~~	
~~1. Funds appropriated by this item shall be used for preliminary plans, working drawings, and construction of site development and infrastructure including grading, drainage, roads, and utility systems (including central and distribution systems) as required to support the establishment of the new Merced Campus of the University of California.~~	
~~2. Notwithstanding Section 2.00 of this act, the funds appropriated by this item are available for expenditure until June 30, 2000.~~	
6440-301-0574—For capital outlay, University of California, payable from the 1998 Higher Education Capital Outlay Bond Fund	~~63,837,000~~ *42,475,000*
Schedule:	
Berkeley Campus:	
(1) 99.01.180-Seismic Safety Corrections, Barker Hall—Working drawings 758,000	
Davis Campus:	
(2) 99.03.170-Plant and Environmental ~~Sciences~~ *Science* Replacement Facility—Working drawings and construction 21,028,000	
Los Angeles Campus:	
(5) 99.04.305-Health Sciences Seismic Replacement Building 1—Preliminary plans 922,000	
Riverside Campus:	
(6) 99.05.115-Entomology Buildings Seismic Replacement—Preliminary plans 991,000	

Item	Amount
(7) 99.05.120-Humanities-Olmsted Hall Seismic Upgrade and Renovation—Preliminary plans	469,000
San Diego Campus:	
(8) 99.06.195-Basic Science Building Renovations—Working drawings..	935,000
(9) 99.06.300-Primary Electrical System Improvements—Preliminary Plans and working drawings.....	347,000
~~San Francisco Campus:~~	
~~(10) 99.02.115-UC Hall Seismic Replacement, Mission Bay—Working drawings and construction.....~~	~~21,362,000~~
Santa Barbara Campus:	
(11) 99.08.090-Broida Hall Building Renewal—Working drawings	712,000
Santa Cruz Campus:	
(12) 99.07.095-Mt. Hamilton Infrastructure Improvements—Construction	2,871,000
Agriculture and Natural Resources:	
(14) 99.10.035-Alternative Pest Control Quarantine and Containment Facilities for California—Construction	13,442,000

Provisions:

1. Identified savings in funds encumbered from this general obligation bond fund for construction contracts for capital outlay projects, remaining after completion of a capital outlay project and upon resolution of all change orders and claims, may be used: (a) to begin working drawings for a project for which preliminary plan funds have been appropriated and the plans have been approved by the State Public Works Board consistent with the scope and cost approved by the Legislature as adjusted for inflation only, (b) to proceed further with the underground tank corrections program, (c) to perform engineering evaluations on buildings that have been identified as potentially in need of seismic retrofitting, or (d) to proceed with design and construction of projects to meet requirements under the federal Americans with Disabilities Act of 1990.

   No later than March 1, 1999, the University of California shall provide the Legislative Analyst

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with a progress report showing the identified savings by project, and the purpose for which the identified savings were used.

No later than November 1, 1999, the University of California shall prepare a report showing (a) the identified savings by project and (b) the purpose for which the identified savings were used. This report shall be submitted to the Chair of the Joint Legislative Budget Committee and to the chairs of the fiscal committees in each house.

6440-301-0658—For capital outlay, University of California, payable from the Higher Education Capital Outlay Bond Fund of 1996 ..... ~~4,628,000~~ *8,840,000*

Schedule:

Berkeley Campus:

(.1) 99.01.115-Campus Sewer System Renewal—Working drawings and construction 2,007,000

(.2) 99.01.140-Campus Water Distribution System Expansion, Step 2—Construction..... 1,466,000

(1) 99.01.190-Seismic Safety Corrections, LeConte Hall—Preliminary plans..... 820,000

Riverside Campus:

(1.1) 99.05.105-Boyce Hall Seismic Upgrade—Commission..... 2,376,000

San Diego Campus:

(1.2) 99.06.190-SIO Utilities System Improvements—Construction 1,836,000

Santa Cruz Campus:

(1.5) 99.07.100-Applied Sciences Building Alterations, Phase 1—Equipment 71,000

Irvine Campus:

(2) 99.09.175-Arts Renovation and Seismic Improvements, Phase 1—Preliminary plans 264,000

Provisions:

1. Identified savings in funds encumbered from this general obligation bond fund for construction contracts for capital outlay projects, remaining after completion of a capital outlay project and upon resolution of all change orders and claims, may be used: (a) to begin working drawings for a project for which preliminary plan funds have been ap-

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propriated and the plans have been approved by the State Public Works Board consistent with the scope and cost approved by the Legislature as adjusted for inflation only, (b) to proceed further with the underground tank corrections program, (c) to perform engineering evaluations on buildings that have been identified as potentially in need of seismic retrofitting, or (d) to proceed with design and construction of projects to meet requirements under the federal Americans with Disabilities Act of 1990.

No later than March 1, 1999, the University of California shall provide the Legislative Analyst with a progress report showing the identified savings by project, and the purpose for which the identified savings were used.

No later than November 1, 1999, the University of California shall prepare a report showing (a) the identified savings by project and (b) the purpose for which the identified savings were used. This report shall be submitted to the Chair of the Joint Legislative Budget Committee and to the chairs of the fiscal committees in each house.

6440-301-0705—For capital outlay, University of California, payable from the 1992 Higher Education Capital Outlay Bond Fund 1,919,000

Schedule:

Santa Cruz Campus:

(1) 99.07.100-Applied Sciences Building Alterations, Phase ~~I~~ *1* — Equipment 1,161,000

Irvine Campus:

(1) 99.09.110-Humanities/Fine Arts Facilities—Equipment 210,000

(2) 99.09.230-UCIMC Academic Laboratory Seismic Replacement Facility—Equipment 548,000

Provisions:

1. Identified savings in funds encumbered from this general obligation bond fund for construction contracts for capital outlay projects, remaining after completion of a capital outlay project and upon resolution of all change orders and claims, may be used: (a) to begin working drawings for a project for which preliminary plan funds have been appropriated and the plans have been approved by the State Public Works Board consistent with the

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scope and cost approved by the Legislature as adjusted for inflation only, (b) to proceed further with the underground tank corrections program, (c) to perform engineering evaluations on buildings that have been identified as potentially in need of seismic retrofitting, or (d) to proceed with design and construction of projects to meet requirements under the federal Americans with Disabilities Act.

No later than March 1, 1999, the University of California shall provide the Legislative Analyst with a progress report showing the identified savings by project, and the purpose for which the identified savings were used.

No later than November 1, 1999, the University of California shall prepare a report showing (a) the identified savings by project and (b) the purpose for which the identified savings were used. This report shall be submitted to the ~~chair~~ *Chairperson* of the Joint Legislative Budget Committee and to the chairs of the fiscal committees in each house.

6440-301-0782—For capital outlay, University of California, payable from the Higher Education Capital Outlay Bond Fund of 1986.

Provisions:

1. Identified savings in funds encumbered from this general obligation bond fund for construction contracts for capital outlay projects, remaining after completion of a capital outlay project and upon resolution of all change orders and claims, may be used as follows: (a) to begin working drawings for a project for which preliminary plan funds have been appropriated and the plans have been approved by the State Public Works Board consistent with the scope and cost approved by the Legislature as adjusted for inflation only, (b) to proceed further with the underground tank corrections program, (c) to perform engineering evaluations on buildings that have been identified as potentially in need of seismic retrofitting, or (d) to proceed with design and construction of projects to meet requirements under the federal Americans with Disabilities Act of 1990.

No later than March 1, 1999, the University of California shall provide the Legislative Analyst with a progress report showing the identified sav-

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ings by project, and the purpose for which the identified savings were used.

No later than November 1, 1999, the University of California shall prepare a report showing (a) the identified savings by project and (b) the purpose for which the identified savings were used. This report shall be submitted to the Chair of the Joint Legislative Budget Committee and to the chairs of the fiscal committees in each house.

6440-301-0785—For capital outlay, University of California, payable from the Higher Education Capital Outlay Bond Fund of 1988.

Provisions:

1. Identified savings in funds encumbered from this general obligation bond fund for construction contracts for capital outlay projects, remaining after completion of a capital outlay project and upon resolution of all change orders and claims, may be used: (a) to begin working drawings for a project for which preliminary plan funds have been appropriated and the plans have been approved by the State Public Works Board consistent with the scope and cost approved by the Legislature as adjusted for inflation only, (b) to proceed further with the underground tank corrections program, (c) to perform engineering evaluations on buildings that have been identified as potentially in need of seismic retrofitting, or (d) to proceed with design and construction of projects to meet requirements under the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101, et seq.).

No later than March 1, 1999, the University of California shall provide the Legislative Analyst with a progress report showing the identified savings by project, and the purpose for which the identified savings were used.

No later than November 1, 1999, the University of California shall prepare a report showing (a) the identified savings by project and (b) the purpose for which the identified savings were used. This report shall be submitted to the Chair of the Joint Legislative Budget Committee and to the chairs of the fiscal committees in each house.

6440-301-0791—For capital outlay, University of California, payable from the 1990 Higher Education Capital Outlay Bond Fund 177,000

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Schedule:

Irvine Campus:

(1) 99.09.110-Humanities/Fine Arts Facilities—Equipment 177,000

Provisions:

1. Identified savings in funds encumbered from this general obligation bond fund for construction contracts for capital outlay projects, remaining after completion of a capital outlay project and upon resolution of all change orders and claims, may be used: (a) to begin working drawings for a project for which preliminary plan funds have been appropriated and the plans have been approved by the State Public Works Board consistent with the scope and cost approved by the Legislature as adjusted for inflation only, (b) to proceed further with the underground tank corrections program, (c) to perform engineering evaluations on buildings identified as potentially in need of seismic retrofitting, or (d) to proceed with design and construction of projects to meet requirements under the federal Americans with Disabilities Act of 1990.

No later than March 1, 1999, the University of California shall provide the Legislative Analyst with a progress report showing the identified savings by project, and the purpose for which the identified savings were used.

No later than November 1, 1999, the University of California shall prepare a report showing (a) the identified savings by project and (b) the purpose for which the identified savings were used. This report shall be submitted to the Chair of the Joint Legislative Budget Committee and to the chairs of the fiscal committees in each house.

6440-302-0574—For capital outlay, University of California, payable from the Higher Education Capital Outlay Bond Fund of 1998 ..... ~~80,482,000~~ *97,632,000*

Schedule:

Berkeley Campus:

(3) 99.01.185-Seismic Safety Corrections, Wurster Hall—Working Drawings and Construction 16,625,000

Item	Amount
Irvine Campus:	
(4) 99.09.185-Seismic Improvements, Med Surge I and II—Working Drawings and Construction	2,528,000
Los Angeles Campus:	
(5) 99.04.215-Campus High-Rise Fire Safety—Working Drawings and Construction	4,377,000
Riverside Campus:	
(6) 99.05.100-Rivera Library Seismic Upgrade and Remodel—Construction	16,892,000
~~(7) 99.05.105-Boyce Hall Seismic Upgrade—Construction .....~~	~~2,376,000~~
~~San Diego Campus:~~	
~~(8) 99.06.190-SIO Utilities System Improvements—Construction .....~~	~~1,836,000~~
San Francisco Campus:	
(8.1) 99.02.115-UC Hall Seismic Replacement, Mission Bay—Working drawings and construction	*21,362,000*
Santa Barbara Campus:	
(9) 99.08.060-Environmental Sciences Building—Working Drawings and Construction	21,015,000
Santa Cruz Campus:	
(10) 99.07.105-Interdisciplinary Sciences Building—Working Drawings and Construction	14,833,000

Provisions:

1. Notwithstanding Section 13332.11 of the Government Code or any other provision of law, the University of California may proceed with any phase of any project identified in the above schedule, including preparation of preliminary plans, working drawings, construction, or equipment purchase, without the need for any further approvals.
2. The University of California shall complete each project identified in the above schedule within the total funding amount specified in the schedule for that project. Notwithstanding Section 13332.11 of the Government Code or any other provision of law, the budget for any project to be funded from the Higher Education Capital Outlay Bond Fund of 1998 may be augmented by the University of California within the total appropriation made by this item, in an amount not to exceed 10 percent of

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the amount appropriated for that project. No funds appropriated by this item for equipment may be used for an augmentation under this provision, or be augmented from any other funds appropriated by this item. This condition does not limit the authority of the University of California to use nonstate funds.

3. The University of California shall complete each project identified in the above schedule without any change to its scope. The scope of a project means, in this respect, the intended purpose of the project as determined by reference to the following elements of the budget request for that project submitted by the University to the Department of Finance: (a) the program elements related to project type, and (b) the functional description of spaces required to deliver the academic and supporting programs as approved by the Legislature.

4. Notwithstanding Section 2.00 of this act or any other provision of law, the appropriation made by this item is available for encumbrance until December 31, 2000, except that the funds appropriated for construction only must be bid by December 31, 1999 and will be available for expenditure through December 31, 2000 and that the funds appropriated for equipment purposes are available for encumbrance until December 31, 2001. For the purposes of encumbrance, funds appropriated for construction management and project contingency purposes, as well as any bid savings, shall be deemed to be encumbered at the time a contract is awarded; these funds also may be used to initiate consulting contracts necessary for management of the project during the liquidation period. Any savings identified at the completion of the project also may be used during the liquidation period to fund the purposes described in Provision 2 and Provision 5.

5. Identified savings in a budget for a capital outlay project, as appropriated by this item, remaining after completion of a capital outlay project and upon resolution of all change orders and claims, may be used without further approval: (a) to augment projects consistent with Provision 2, (b) to proceed further with the underground tank corrections program, (c) to perform engineering evaluations on buildings that have been identified as

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potentially in need of seismic retrofitting, (d) to proceed with the design and construction of projects to meet requirements under the federal Americans with Disabilities Act of 1990, or (e) to fund minor capital outlay projects.

6. No later than December 1 of each year, the University of California shall submit a report outlining the expenditure for each project of the funds appropriated by this item to the Chair of the Joint Legislative Budget Committee, the chairs of the fiscal committees of each house, the Legislative Analyst, and the Director of Finance. The report also shall include the following elements: (a) a statement of the identified savings by project, and the purpose for which the identified savings were used; (b) a certification that each project as proceeding or as completed, has remained within its scope and the amount funded for that project under this item; and (c) an evaluation of the outcome of the project measured against performance criteria.

6440-303-0574—For capital outlay, University of California, payable from the 1998 Higher Education Capital Outlay Bond Fund 103,169,000

Schedule:

Berkeley Campus:

(1) 99.01.180-Seismic Safety Corrections, Barker Hall—Construction ... 12,599,000

San Francisco Campus:

(2) 99.02.085-Chilled Water System , Phase 1—Construction 11,785,000

Los Angeles:

(3) 99.04.305-Health Science Seismic Replacement Building 1—Working drawings and construction 22,141,000

Riverside Campus:

(4) 99.05.115-Entomology Buildings Seismic Replacement—Working drawings and construction 22,481,000

San Diego Campus:

(5) 99.06.195-Basic ~~Sciences~~ *Science* Building Renovations—Construction..... 14,949,000

(6) 99.06.300-Primary Electrical System Improvements—Construction .. 4,459,000

Item	Amount
Santa Barbara Campus:	
(7) 99.08.090-Broida Hall Building Renewal—Construction	10,257,000
Irvine Campus:	
(8) 99.09.175-Arts Renovation and Seismic Improvements, Phase 1—Working drawings and construction	4,498,000

Provisions:

~~1. Identified savings in funds encumbered for construction contracts from this general obligation bond fund after completion of a capital outlay project, and upon resolution of all change orders and claims, may be used prior to the appropriation reversion date to accomplish any or all of the following: (a) begin working drawings for a capital outlay project for which preliminary plans funds have been appropriated and the plans have been approved by the State Public Works Board consistent with the scope and cost approved by the Legislature, as adjusted for inflation only, (b) proceed further with the underground tank corrections program, (c) perform engineering evaluations on buildings identified as potentially in need of seismic retrofitting, or (d) proceed with design and construction of projects to meet requirements under the federal Americans with Disabilities Act of 1990.~~

~~No later than March 1, 1999, the California State University shall provide the Legislative Analyst with a progress report showing the identified savings, by project, and the purpose for which the identified savings were used.~~

~~No later than November 1, 1999, the California State University shall prepare a report showing the identified savings, by project, and the purpose for which the identified savings were used. This report shall be submitted to the Chairperson of the Joint Legislative Budget Committee and to the chairpersons of the fiscal committees in each house.~~

~~2.~~

1. Notwithstanding Section 13332.11 of the Government Code or any other provision of law, the University of California may proceed with any phase

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of any project identified in the above schedule, including preparation of preliminary plans, working drawings, construction, or equipment purchase, without the need for any further approvals.

2. The University of California shall complete each project identified in the above schedule within the total funding amount specified in the schedule for that project. Notwithstanding Section 13332.11 of the Government Code or any other provision of law, the budget for any project to be funded from the Higher Education Capital Outlay Bond Fund of 1998 may be augmented by the University of California within the total appropriation made by this item, in an amount not to exceed 10 percent of the amount appropriated for that project. No funds appropriated by this item for equipment may be used for an augmentation under this provision, or be augmented from any other funds appropriated by this item. This condition does not limit the authority of the University of California to use nonstate funds.

3. The University of California shall complete each project identified in the above schedule without any change to its scope. The scope of a project means, in this respect, the intended purpose of the project as determined by reference to the following elements of the budget request for that project submitted by the University of California to the Department of Finance: (a) the program elements related to project type, and (b) the functional description of spaces required to deliver the academic and supporting programs as approved by the Legislature.

4. Notwithstanding Section 2.00 of this act or any other provision of law, the appropriation made by this item is available for encumbrance to December 31, 2000, inclusive, except that the funds appropriated for construction only must be bid on or before December 31, 1999, and will be available for expenditure to December 31, 2000, inclusive, and that the funds appropriated for equipment purposes are available for encumbrance to December 31, 2001, inclusive. For the purposes of encumbrance, funds appropriated for construc-

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tion management and project contingency purposes, as well as any bid savings, shall be deemed to be encumbered at the time a contract is awarded; these funds also may be used to initiate consulting contracts necessary for management of the project during the liquidation period. Any savings identified at the completion of the project also may be used during the liquidation period to fund the purposes described in Provision 2 and Provision 5.

5. Identified savings in a budget for a capital outlay project, as appropriated by this item, remaining after completion of a capital outlay project and upon resolution of all change orders and claims, may be used without further approval: (a) to augment projects consistent with Provision 2, (b) to proceed further with the underground tank corrections program, (c) to perform engineering evaluations on buildings that have been identified as potentially in need of seismic retrofitting, (d) to proceed with the design and construction of projects to meet requirements under the federal Americans with Disabilities Act of 1990, or (e) to fund minor capital outlay projects.

6. No later than December 1 of each year, the University of California shall submit a report outlining the expenditure for each project of the funds appropriated by this item to the Chair of the Joint Legislative Budget Committee, the chairs of the fiscal committees of each house, the Legislative Analyst, and the Director of Finance. The report also shall include the following elements: (a) a statement of the identified savings by project, and the purpose for which the identified savings were used, (b) a certification that each project as proceeding or as completed, has remained within its scope and the amount funded for that project under this item, and (c) an evaluation of the outcome of the project measured against performance criteria.

7. Funding for the projects identified in this item shall be provided only to the extent that the 1998 Higher Education Bond Act is enacted and approved by the voters and provides funding in excess of $900 million.

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6440-490—Reappropriation, University of California. Notwithstanding any other provision of law, the balances as of June 30, 1998, of the appropriations provided in the following citations are reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in the appropriations and shall be available for encumbrance and expenditure until June 30, 1999:

0001—General Fund

(1) Item 6440-001-0001, Budget Act of 1997.

Provisions:

1. Of the funds reappropriated by this item from Item 6440-001-0001, Budget Act of 1997, up to $15,000,000 shall be available for deferred maintenance, special repair projects, and the replacement of instructional equipment. As of June 30, 1998, the balance of the funds from that item in excess of $15,000,000 shall revert to the General Fund.
2. The University of California shall report to the Department of Finance and the Joint Legislative Budget Committee the amount of the balance, on June 30, 1998, of Item 6440-001-0001 of the Budget Act of 1997, by September 30, 1998, and the expenditures made pursuant to this item by September 30, 1999.
3. The University of California shall return to the Controller state general funds appropriated in the Budget Act of 1997 in an amount equal to the General Fund portion of federal contract and grant overhead funds in excess of the 1997–98 year budgeted amount.

6440-491—Reappropriation, University of California. Notwithstanding any other provision of law, the balance of the amount appropriated in the following citation is hereby reappropriated for the purpose and subject to the limitation, unless otherwise specified, provided for in that appropriation from the Higher Education Capital Outlay Fund of 1996:

(1) Item 6440-301-0658, Schedule (25), Budget Act of 1997 (Ch. 282, Stats. 1997), Santa Barbara Campus, 99.08.075—Seawater System Renewal—Construction

6600-001-0001—For support of Hastings College of the Law 13,244,000

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Provisions:

1. The appropriation made by this item is exempt from Section 31.00 of this act.
2. Of the funds appropriated by this item, $774,000 is for support of Program 40, Student Services, to provide financial aid to needy students attending the Hastings College of the Law, according to the nationally accepted needs analysis methodology.

6600-001-0814—For support of Hastings College of the Law, for allocation by the State Controller in accordance with the provisions of Government Code Section 8880.5 as enacted by the voters in Proposition 37 at the November 1984 General Election, payable from the California State Lottery Education Fund... 166,000

Provisions:

1. All funds received pursuant to Proposition 37 that are allocable to the Hastings College of the Law pursuant to Section 8880.5 of the Government Code, and that are in excess of the amount appropriated in this item are hereby appropriated in augmentation of this item.

6600-490—Reappropriation, Hastings College of the Law. Notwithstanding any other provision of law, the balance, as of June 30, 1998, of the appropriation provided in the following citation is reappropriated and shall be available for encumbrance and expenditure until June 30, 1999:

001—General Fund

(1) Item 6600-001-001, Budget Act of 1997.

Provisions:

1. The Hastings College of the Law shall report to the Department of Finance and the Joint Legislative Budget Committee the amount of the balance, on June 30, 1998, of Item 6600-001-0001 of the Budget Act of 1997, by September 30, 1998, and shall also report the expenditures made pursuant to this item by September 30, 1999.

6610-001-0001—For support of the California State University ..... ~~2,161,698,000~~ *2,111,659,000*

Schedule:

(a) Support..... ~~2,860,857,000~~ *2,856,018,000*

(b) Reimbursements ..... −127,884,000

Item	Amount
(c) Amount payable from the Higher Education Fees and Income, CSU Fund (Item 6610-001-0498)....	~~–571,275,000~~ *–616,475,000*

Provisions:

1. The appropriations made by this item are exempt from Section 31.00 of this act, except as otherwise provided by the applicable sections of the Government Code referred to in Section 31.00.
2. Of the amount appropriated by this item, $557,000 is available for transfer to the California State University and Colleges Special Projects Fund pursuant to Section 25008.5 of the Public Resources Code, which allows state agencies to retain 50 percent of the financial benefits realized through energy savings projects.
3. Of the amount appropriated by this item, $7,324,224 is provided for payment of energy service contracts in connection with the issuance of Public Works Board Energy Efficiency Revenue Bonds.
4. Of the amount appropriated by this item, $350,000 is for transfer to the Affordable Student Housing Revolving Fund for the purpose of subsidizing interest costs in connection with bond financing for construction of affordable student housing at the Fullerton and Hayward campuses in accordance with Article 3 (commencing with Section 90085) of Chapter 8 of Part 55 of the Education Code.
5. Of the amount appropriated by this item, $1,878,000 is for repayment of the $17,000,000 financed for the California State University through a third party for deferred maintenance projects in the 1994–95 fiscal year. It is the intent of the Legislature to annually provide funds for that repayment purpose through the 2009–10 fiscal year.
6. Of the amount appropriated by this item, $2,309,000 is for repayment of the $24,000,000 financed for the California State University through a third party for deferred maintenance projects in the 1995–96 fiscal year. It is the intent of the Legislature to annually provide funds for that repayment purpose through the 2010–11 fiscal year.

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7. Of the amount appropriated by this item, $1,700,000 is for conversion of the Stockton Developmental Center into the Regional and Continuing Education Center at CSU, Stanislaus. It is the intent of the Legislature to annually provide funds for this purpose through the 2001–02 fiscal year.

8. Of the amount appropriated by this item, $2,000,000 is provided to support the Bilingual Teacher Recruitment Program.

~~9. Of the amount appropriated by this item, $500,000 is for the development of courses for the California Virtual University.~~

~~10.~~

9. Of the funds appropriated by this item, $5,000,000 is provided on a one-time basis for the development of a stand-alone distance learning teacher preparation program.

~~11.~~

10. Of the funds appropriated by this item, $2,000,000 is *provided on a one-time basis* for a new teacher recruitment program to be operated by the California Center for Teaching Careers.

~~12.~~

11. Of the amount appropriated by Schedule (a) of this item, $9,300,000 shall be used to increase enrollment in teacher preparation programs by 1,800 full-time equivalent students above enrollment for the 1997–98 fiscal year. ~~The California State University shall report to the Legislature by March 15, 1999, on the number of additional full-time equivalent students enrolled in teacher preparation programs during the 1998–99 fiscal year.~~ *Of the amount appropriated by Schedule (a) of this item, an additional $5,000,000 shall be available to subsidize additional teacher preparation enrollment, during summer sessions, on a pilot basis at up to five campuses. The California State University shall study the feasibility of establishing ongoing state-subsidized teacher preparation programs in summer sessions and shall report its findings, appropriate options and estimated costs, and recommendations, to the Joint Legislative Budget Committee and the budget committees of the Senate and the Assembly on or before December 1, 1998. The California State University may include a pro-*

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posal for state-subsidized teacher preparation programs in summer sessions as part of its formal budget request for the 1999–2000 fiscal year.

~~13.~~

12. Of the amount appropriated by Schedule (a) of this item, ~~$2,000,000~~ *$1,000,000* shall be used for the purposes set forth in Assembly Bill 860 or similar legislation that is enacted in the 1997–98 Regular Session.

~~14. It is the intent of the Legislature that, of the funds appropriated in Schedule (a), $4,100,000 shall be used to expand academic outreach efforts. It is the intent of the Legislature that at least $2,600,000 of these funds shall be used to expand the Pre-Collegiate Academic Development Program and $1,500,000 shall be used to expand the Educational Opportunity Program.~~

13. Of the funds appropriated in Schedule (a), $4,000,000 is provided for outreach to be used to fund new and existing programs that are aimed at improving the chances for K–12 students from a wide diversity of backgrounds to become eligible and prepared for the California State University. Of this total, $1,000,000 is for the Precollegiate Academic Development Program at the California State University, $2,000,000 is for the California State University Educational Opportunity Program (Art. 6 (commencing with Sec. 89521), Ch. 2, Pt. 55), and $1,000,000 is for the California Academic Partnership Program (Ch. 11 (commencing with Sec. 11000), Pt. 7, Ed. C.).

14. It is the intent of the Legislature that the California State University incorporate service learning into its curricula and encourage and help pupils participate in service learning opportunities.

15. It is the intent of the Legislature that the University of California report to the Legislature any grade point adjustment factors concerning an applicant's undergraduate school that are used in the process for admissions to their respective professional schools and graduate programs. This disclosure shall specify the justification for the grade weighting policies and shall describe the specific methodologies used to determine the

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relative weightings and adjustments made to the grade point average earned by a student at each of the various undergraduate schools.

6610-001-0498—For support of the California State University, for payment to Item 6610-001-0001, payable from the Higher Education Fees and Income, CSU Fund ..... ~~571,275,000~~ *616,475,000*

Provisions:

1. All funds received in the Higher Education Fees and Income, CSU Fund, that are in excess of the amount appropriated by this item are hereby appropriated in augmentation of this item.

6610-001-0890—For support of the California State University, payable from the Federal Trust Fund..... 15,000,000

Provisions:

1. All funds deposited in the Federal Trust Fund for the California State University for the purposes of this item and that are in excess of the amount appropriated by this item are hereby appropriated in augmentation of this item and are exempt from Section 28.00 of this act, pursuant to subdivision (a) of Section 89753 of the Education Code.

6610-002-0001—For support of the California State University for transfer to and in augmentation of Item 6610-001-0001, for the purpose of providing direct costs and administrative overhead expenses for the Assembly, Senate, Executive and Judicial Fellows programs and the Center for California Studies ..... ~~2,356,000~~ *2,291,000*

Schedule:

(a) Center for California Studies— Fellows Program.....	320,000
(b) Center for California Studies—Other	25,000
(c) Assembly Fellows	~~628,000~~ *606,000*
(d) Senate Fellows.....	~~628,000~~ *606,000*
(e) Executive Fellows	~~548,000~~ *534,000*
(f) Judicial Fellows.....	~~207,000~~ *200,000*

6610-003-0001—For support of the California State University for payments on lease-purchase bonds..... 60,058,000

Item		Amount
Schedule:		
(a) Rental, insurance and administrative payments	62,817,000	
(b) Reimbursements	−2,759,000	
6610-301-0001—For capital outlay, California State University		~~26,051,000~~ *11,678,000*
Schedule:		
(1) 06.56.087-CSU, Fresno: Infrastructure Improvements—Preliminary plans, working drawings, and construction	7,192,000	
~~(1.5) 06.48.315-Systemwide: minor capital outlay program—preliminary plans, working drawing, construction and equipment~~	~~14,173,000~~	
~~(1.6) 06.48.375-Systemwide: seismic studies—preliminary plans~~	~~200,000~~	
(2) 06.98.099-CSU, Pomona: Chilled Water Central Plant—Preliminary plans, working drawings, and construction	4,486,000	
6610-301-0574—For capital outlay, California State University, payable from the Higher Education Capital Outlay Bond Fund of 1998		*14,373,000*
Schedule:		
(1) 06.48.315-Systemwide: Minor Capital Outlay Program—Preliminary plans, working drawings, and construction	*14,173,000*	
(2) 06.48.375-Systemwide: Seismic Studies—Preliminary plans	*200,000*	
Provisions:		

1. Identified savings in funds encumbered from this general obligation bond fund for construction contracts for capital outlay projects, remaining after completion of a capital outlay project and upon resolution of all change orders and claims, may be used prior to the appropriation reversion date: (a) to begin working drawings for a project for which preliminary plans funds have been appropriated and the plans have been approved by the State Public Works Board consistent with the scope and cost approved by the Legislature as adjusted for inflation only, (b) to proceed further with the underground tank corrections program, (c) to perform engineering evaluations on build-

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ings identified as potentially in need of seismic retrofitting, or (d) to proceed with design and construction of projects to meet requirements under the federal Americans with Disabilities Act of 1990.

No later than March 1, 1999, the California State University shall provide the Legislative Analyst with a progress report showing the identified savings, by project, and the purpose for which the identified savings were used.

No later than November 1, 1999, the California State University shall prepare a report showing the identified savings, by project, and the purpose for which the identified savings were used. This report shall be submitted to the Chairperson of the Joint Legislative Budget Committee and to the chairpersons of the fiscal committees in each house.

6610-301-0658—For capital outlay, California State University, payable from the 1996 Higher Education Capital Outlay Bond Fund ..... ~~2,180,000~~ *3,478,000*

Schedule:

(.5) 06.52.103-CSU, Chico: Fire Life Safety—Construction 1,298,000

(1) 06.67.088-Humboldt State University: Wildlife/Fisheries Renovation and Addition—Equipment 588,000

(2) 06.68.116-CSU, San Marcos: Initial Facility—Construction 570,000

(3) 06.78.072-CSU, San Bernardino: Corporation Yard/Administrative Services Addition/Renovation—Equipment 322,000

(4) 06.82.058-CSU, Northridge: Business Administration, Economics and Education Building—Construction 700,000

Provisions:

1. Identified savings in funds encumbered from this general obligation bond fund for construction contracts for capital outlay projects, remaining after completion of a capital outlay project and upon resolution of all change orders and claims, may be used prior to the appropriation reversion date as follows: (a) to begin working drawings for a project for which preliminary plans funds have

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been appropriated and the plans have been approved by the State Public Works Board consistent with the scope and cost approved by the Legislature as adjusted for inflation only, (b) to proceed further with the underground tank corrections program, (c) to perform engineering evaluations on buildings that have been identified as potentially in need of seismic retrofitting, or (d) to proceed with design and construction of projects to meet requirements under the federal Americans with Disabilities Act of 1990.

No later than March 1, 1999, the California State University shall provide the Legislative Analyst with a progress report showing the identified savings, by project, and the purpose for which the identified savings were used.

No later than November 1, 1999, the California State University shall prepare a report showing the identified savings, by project, and the purpose for which the identified savings were used. This report shall be submitted to the Chairperson of the Joint Legislative Budget Committee and to the chairpersons of the fiscal committees in each house.

6610-301-0660—For capital outlay, California State University payable from the Public Building Construction Fund 11,303,000

(1) 06.82.076-CSU, Northridge, Ventura, Off-Campus Center: Renovation for Initial Facility, Phase 1a—Construction and equipment 11,303,000

6610-301-0705—For capital outlay, California State University, payable from the Higher Education Capital Outlay Bond Fund of 1992 1,468,000

Schedule:

(1) 06.56.086-CSU, Fresno: Renovate McLane Hall—Equipment..... 606,000

(2) 06.67.088-Humboldt State University: Wildlife/Fisheries Renovation and Addition—Equipment 365,000

(3) 70.68.004-California Maritime Academy: Laboratory Addition/Library Addition—Equipment 497,000

Provisions:

1. Identified savings in funds encumbered from this general obligation bond fund for construction contracts for capital outlay projects, remaining af-

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ter completion of a capital outlay project and upon resolution of all change orders and claims, may be used prior to the appropriation reversion date: (a) to begin working drawings for a project for which preliminary plans funds have been appropriated and the plans have been approved by the State Public Works Board consistent with the scope and cost approved by the Legislature as adjusted for inflation only, (b) to proceed further with the underground tank corrections program, (c) to perform engineering evaluations on buildings that have been identified as potentially in need of seismic retrofitting, or (d) to proceed with design and construction of projects to meet requirements under the federal Americans with Disabilities Act.

No later than March 1, 1999, the California State University shall provide the Legislative Analyst with a progress report showing the identified savings, by project, and the purpose for which the identified savings were used.

No later than November 1, 1999, the California State University shall prepare a report showing the identified savings, by project, and the purpose for which the identified savings were used. This report shall be submitted to the Chairperson of the Joint Legislative Budget Committee and to the chairpersons of the fiscal committees in each house.

6610-301-0782—For capital outlay, California State University, payable from the Higher Education Capital Outlay Bond Fund of 1986.

Provisions:

1. Identified savings in funds encumbered from this general obligation bond fund for construction contracts for capital outlay projects, remaining after completion of a capital outlay project and upon resolution of all change orders and claims, may be used prior to the appropriation reversion date: (a) to begin working drawings for a project for which preliminary plans funds have been appropriated and the plans have been approved by the State Public Works Board consistent with the scope and cost approved by the Legislature as adjusted for inflation only, (b) to proceed further with the underground tank corrections program, (c) to perform engineering evaluations on buildings that have been identified as potentially in need of seis-

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mic retrofitting, or (d) to proceed with design and construction of projects to meet requirements under the federal Americans with Disabilities Act.

No later than March 1, 1999, the California State University shall provide the Legislative Analyst with a progress report showing the identified savings, by project, and the purpose for which the identified savings were used.

No later than November 1, 1999, the California State University shall prepare a report showing the identified savings, by project, and the purpose for which the identified savings were used. This report shall be submitted to the Chairperson of the Joint Legislative Budget Committee and to the chairpersons of the fiscal committees in each house.

6610-301-0785—For capital outlay, California State University, payable from the 1988 Higher Education Capital Outlay Bond Fund.

Provisions:

1. Identified savings in funds encumbered for construction contracts from this general obligation bond fund after completion of a capital outlay project, and upon resolution of all change orders and claims, may be used prior to the appropriation reversion date: (a) to begin working drawings for a capital outlay project for which preliminary plans funds have been appropriated and the plans have been approved by the State Public Works Board consistent with the scope and cost approved by the Legislature as adjusted for inflation only, (b) to proceed further with the underground tank corrections program, (c) to perform engineering evaluations on buildings that have been identified as potentially in need of seismic retrofitting, or (d) to proceed with design and construction of projects to meet requirements under the federal Americans with Disabilities Act.

No later than March 1, 1999, the California State University shall provide the Legislative Analyst with a progress report showing the identified savings, by project, and the purpose for which the identified savings were used.

No later than November 1, 1999, the California State University shall prepare a report showing the identified savings, by project, and the purpose for which the identified savings were used. This

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report shall be submitted to the Chairperson of the Joint Legislative Budget Committee and to the chairpersons of the fiscal committees in each house.

6610-301-0791—For capital outlay, California State University, payable from the 1990 Higher Education Capital Outlay Bond Fund 196,000

Schedule:

(1) 70.68.004-California Maritime Academy: Laboratory Addition, Library ~~Addition, and equipment~~ *Addition—Equipment* 196,000

Provisions:

1. Identified savings in funds encumbered from this general obligation bond fund for construction contracts for capital outlay projects, remaining after completion of a capital outlay project and upon resolution of all change orders and claims, may be used prior to the appropriation reversion date: (a) to begin working drawings for a project for which preliminary plans funds have been appropriated and the plans have been approved by the State Public Works Board consistent with the scope and cost approved by the Legislature as adjusted for inflation only, (b) to proceed further with the underground tank corrections program, (c) to perform engineering evaluations on buildings identified as potentially in need of seismic retrofitting, or (d) to proceed with design and construction of projects to meet requirements under the federal Americans with Disabilities Act of 1990.

   No later than March 1, 1999, the California State University shall provide the Legislative Analyst with a progress report showing the identified savings, by project, and the purpose for which the identified savings were used.

   No later than November 1, 1999, the California State University shall prepare a report showing the identified savings, by project, and the purpose for which the identified savings were used. This report shall be submitted to the Chairperson of the Joint Legislative Budget Committee and to the chairpersons of the fiscal committees in each house.

6610-302-0001—For capital outlay, California State University..... *4,000,000*

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Provisions:

1. Funds appropriated in this item shall be available for a feasibility study of, an environmental impact report on, and the design of the Events Center on the Fresno Campus.

6610-302-0574—For capital outlay, California State University, payable from the 1998 Higher Education Capital Outlay Bond Fund ..... ~~120,105,000~~ *118,807,000*

Schedule:

(1) 06.51.003-California Maritime Academy: Seismic upgrade, campuswide—Construction 3,743,000

~~(3) 06.52.103-CSU, Chico: Fire Life Safety—Construction ..... 1,298,000~~

(4) 06.54.059-CSU, Dominguez Hills: Technology Center, Health and Administrative Services Building—Working drawings and construction..... 30,915,000

(5) 06.54.073-CSU, Dominguez Hills: Natural Sciences and Mathematics Building HVAC Upgrade—Preliminary plans, working drawings, and construction 3,919,000

(8) 06.62.083-CSU, Fullerton: Seismic Upgrade, Langsdorf Hall—Construction 3,923,000

(10) 06.67.092-Humboldt State University: Infrastructure Improvements—Construction 19,618,000

(11) 06.71.097-CSU, Long Beach: Renovate Fine Arts 1, 2, 3 and 4—Working drawings and construction..... 15,116,000

(12) 06.73.082-CSU, Los Angeles: Remodel Music Building—Working drawings and construction..... 9,895,000

(13) 06.73.084-CSU, Los Angeles: Renovate Engineering and Technology Building—Equipment 4,400,000

(15) 06.98.085-CSPU, Pomona: Science Building Addition and Renovation—Equipment..... 1,703,000

(17) 06.76.088-CSU, Sacramento: Classroom Building II—Working drawings and construction..... 13,910,000

Item	Amount
(19) 06.80.146-San Diego State University: Infrastructure Improvements—Construction.....	6,530,000
(20) 06.86.105-San Jose State University: Business Building Capital Renewal and Seismic—Preliminary plans, working drawings and construction	5,135,000

Provisions:

1. Notwithstanding Section 13332.11 of the Government Code or any other provision of law, the California State University may proceed with any phase of any project identified in the above schedule, including preparation of preliminary plans, working drawings, construction, or equipment purchase, without the need for any further approvals.
2. The California State University shall complete each project identified in the above schedule within the total funding amount specified in the schedule for that project. Notwithstanding Section 13332.11 of the Government Code or any other provision of law, the budget for any project to be funded from the 1998 Higher Education Capital Outlay Bond Fund may be augmented by the California State University within the total appropriation made by this item, in an amount not to exceed 10 percent of the amount appropriated for that project. No funds appropriated by this item for equipment may be used for an augmentation under this provision, or be augmented from any other funds appropriated by this item. This condition does not limit the authority of the California State University to use nonstate funds for these purposes.
3. The California State University shall complete each project identified in the above schedule without any change to its scope. The scope of a project means, in this respect, the intended purpose of the project as determined by reference to the following elements of the budget request for that project submitted by the university to the Department of Finance: (a) the program elements related to project type, and (b) the functional description of spaces required to deliver the academic and supporting programs as approved by the Legislature.

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4. Notwithstanding Section 2.00 of this act or any other provision of law, the appropriation made by this item is available for encumbrance until December 31, 2000, except that the funds appropriated for construction only must be bid by December 31, 1999, and funds appropriated for equipment purposes are available for encumbrance until December 31, 2001. For the purposes of encumbrance, funds appropriated for construction management and project contingencies purposes as well as any bid savings, shall be deemed to be encumbered at the time a contract for that purpose is awarded; these funds also may be used to initiate consulting contracts necessary for management of the project during the liquidation period. Any savings identified at the completion of the projects also may be used during the liquidation period to fund the purposes described in subdivisions (a), (b), (c), and (d) of Provision 5.
5. Identified savings in a budget for a capital outlay project, as appropriated by this item, remaining after completion of a capital outlay project and upon resolution of all change orders and claims, may be used: (a) to proceed further with the underground tank corrections program, (b) to perform engineering evaluations on buildings that have been identified as potentially in need of seismic retrofitting, (c) to proceed with the design and construction of projects to meet requirements under the federal Americans with Disabilities Act of 1990, or (d) to fund minor capital outlay projects.
6. No later than December 1 of each year, the California State University shall submit a report detailing the expenditure for each project of the funds appropriated by this item to the Chair of the Joint Legislative Budget Committee, the chairs of the fiscal committees of each house, the Legislative Analyst, and the Director of Finance. The report also shall include the following elements: (a) a statement of the identified savings by project, and the purpose for which the identified savings were used; (b) a certification that each project as proceeding or as completed, has remained within its scope and the amount funded for that project under this item; and (c) an evaluation of the outcome of the project measured against performance criteria.

Item		Amount
6610-303-0574—For capital outlay, California State University, payable from the 1998 Higher Education Capital Outlay Bond Fund		100,000,000
Schedule:		
(.5) 06.48.315-Systemwide: Minor Capital Outlay Program—Preliminary plans, working drawings, construction, and equipment.	1,078,000	
(1) 06.50.058-CSU, Bakersfield: Business Public Administration Building—Preliminary plans, working drawings, and construction	8,338,000	
(2) 06.52.097-CSU, Chico: Education/Classroom/Faculty Office Addition—Working drawings and construction	12,124,000	
(3) 06.78.081-CSU, San Bernardino: Social and Behavioral Sciences Building—Working drawings and construction	29,365,000	
(4) 06.68.063-CSU, San Marcos: Academic II-Buildings 26/27 and 37—Working drawings and construction	26,879,000	
(5) 06.92.052-CSU, Stanislaus: Educational Services Building—Working drawings and construction	22,216,000	
Provisions:		

~~1. Identified savings in funds encumbered from this general obligation bond fund for construction contracts for capital outlay projects, remaining after completion of a capital outlay project and upon resolution of all change orders and claims, may be used prior to the appropriation reversion date: (a) to begin working drawings for a project for which preliminary plans funds have been appropriated and the plans approved by the State Public Works Board consistent with the scope and cost approved by the Legislature as adjusted for inflation only, (b) to proceed further with the underground tank corrections program, (c) to perform engineering evaluations on buildings identified as potentially in need of seismic retrofitting, or (d) to proceed with design and construction of projects to meet requirements under the federal Americans with Disabilities Act of 1990.~~

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~~No later than March 1, 1999, the California State University shall provide the Legislative Analyst with a progress report showing the identified savings, by project, and the purpose for which the identified savings were used.~~

~~No later than November 1, 1999, the California State University shall prepare a report showing the identified savings, by project, and the purpose for which the identified savings were used. This report shall be submitted to the Chairperson of the Joint Legislative Budget Committee and to the chairpersons of the fiscal committees in each house of the Legislature.~~

1. Notwithstanding Section 13332.11 of the Government Code or any other provision of law, the California State University may proceed with any phase of any project identified in the above schedule, including preparation of preliminary plans, working drawings, construction, or equipment purchase, without the need for any further approvals.

2. The California State University shall complete each project identified in the above schedule within the total funding amount specified in the schedule for that project. Notwithstanding Section 13332.11 of the Government Code or any other provision of law, the budget for any project to be funded from the 1998 Higher Education Capital Outlay Bond Fund may be augmented by the California State University within the total appropriation made by this item, in an amount not to exceed 10 percent of the amount appropriated for that project. No funds appropriated by this item for equipment may be used for an augmentation under this provision, or be augmented from any other funds appropriated by this item. This condition does not limit the authority of the California State University to use nonstate funds for these purposes.

3. The California State University shall complete each project identified in the above schedule without any change to its scope. The scope of a project means, in this respect, the intended purpose of the project as determined by reference to the following elements of the budget request for that project

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submitted by the university to the Department of Finance: (a) the program elements related to project type, and (b) the functional description of spaces required to deliver the academic and supporting programs as approved by the Legislature.

4. Notwithstanding Section 2.00 of this act or any other provision of law, the appropriation made by this item is available for encumbrance until December 31, 2000, except that the funds appropriated for construction only must be bid by December 31, 1999, and funds appropriated for equipment purposes are available for encumbrance until December 31, 2001. For the purposes of encumbrance, funds appropriated for construction management and project contingencies purposes as well as any bid savings, shall be deemed to be encumbered at the time a contract for that purpose is awarded; these funds also may be used to initiate consulting contracts necessary for management of the project during the liquidation period. Any savings identified at the completion of the projects also may be used during the liquidation period to fund the purposes described in subdivisions (a), (b), (c), and (d) of Provision 5.

5. Identified savings in a budget for a capital outlay project, as appropriated by this item, remaining after completion of a capital outlay project and upon resolution of all change orders and claims, may be used: (a) to proceed further with the underground tank corrections program, (b) to perform engineering evaluations on buildings that have been identified as potentially in need of seismic retrofitting, (c) to proceed with the design and construction of projects to meet requirements under the federal Americans with Disabilities Act of 1990, or (d) to fund minor capital outlay projects.

6. No later than December 1 of each year, the California State University shall submit a report detailing the expenditure for each project of the funds appropriated by this item to the Chair of the Joint Legislative Budget Committee, the chairs of the fiscal committees of each house, the Legislative Analyst, and the Director of Finance. The report also shall include the following elements: (a) a statement of the identified savings by project,

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and the purpose for which the identified savings were used, (b) a certification that each project as proceeding or as completed, has remained within its scope and the amount funded for that project under this item, and (c) an evaluation of the outcome of the project measured against performance criteria.

~~2.~~

7. Funding for the projects identified in this item shall be provided only to the extent that the 1998 Higher Education Bond Act is enacted and approved by the voters and provides funding in excess of $900 million.

6610-490—Reappropriation, California State University.

Notwithstanding any other provision of law, the balances of the appropriations provided in the following citations are reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in the appropriations and shall be available for expenditure until June 30, 2000:

0001—General Fund

(1) Item 6610-001-0001, Budget Act of 1997.

Provisions:

1. Of the funds reappropriated by this item from Item 6610-001-0001, Budget Act of 1997, up to $15,000,000 shall be available for the general support of the California State University. This $15,000,000 limitation applies only to reappropriations generated from systemwide allocations. As of June 30, 1998, the balance generated from systemwide allocations in excess of $15,000,000 shall revert to the General Fund.
2. The California State University shall, by September 30, 1998, report to the Department of Finance and the Joint Legislative Budget Committee the amount of the balance as of June 30, 1998, of Item 6610-001-0001 of the Budget Act of 1997, and a proposed expenditure plan for that balance. The California State University shall report by September 30, 1999, and September 30, 2000, on the expenditures made pursuant to this item.

0498—Higher Education Fees and Income, CSU Fund

(1) Item 6610-001-0498, Budget Act of 1997.

6870-001-0001—For support of Board of Governors of the California Community Colleges..... 10,830,000

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Schedule:

(a) 10-Apportionments 1,248,000

(b) 20-Special Services and Operations 16,722,000

(c) 30.01-Administration 4,668,000

(d) 30.02-Administration—Distributed ..... −4,668,000

(e) Reimbursements ..... −7,140,000

Provisions:

1. Funds appropriated by 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 Personnel Administration 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 Department of Personnel Administration.

2. Of the funds appropriated by this item, $115,000 in Schedule (b) is for half-year costs for three positions in the Facilities Planning Unit. The expenditure of these funds is contingent upon passage of a Higher Education Bond in November 1998. Upon passage of the Higher Education Bond in

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November 1998, funds shall not be available prior to January 1, 1999.

6870-001-0705—For support of Board of Governors of the California Community Colleges, Program 20.40.010-Facilities Planning, payable from the Higher Education Capital Outlay Bond Fund of 1992 929,000

6870-001-0925—For support of Board of Governors of the California Community Colleges, payable from the California Business Resources and Assistance Innovation Network Fund 17,000

6870-101-0001—For local assistance, Board of Governors of the California Community Colleges (Proposition 98) ..... ~~2,227,720,000~~ *2,183,845,000*

Schedule:

(a) 10.10.010-Apportionments ..... ~~1,502,461,000~~ *1,482,152,000*

(b) 10.10.020-Basic Skills, CalWORKs, Apprenticeship ..... ~~37,264,000~~ *37,291,000*

(c) 10.10.030-Growth for Apportionment ..... ~~106,944,000~~ *89,644,000*

(d) 10.10.040-Partnership for Excellence 100,000,000

(e) 20.10.005-Student Financial Aid Administration 7,232,000

(f) 20.10.010-Extended Opportunity Programs and Services and Special Services ..... ~~72,240,000~~ *68,316,000*

(g) 20.10.020-Disabled Students ..... ~~62,341,000~~ *62,395,000*

(h) 20.10.040-Fund for Student Success ..... ~~15,418,000~~ *11,418,000*

(i) 20.10.045-Special Services for CalWORKs Recipients 65,000,000

(j) 20.10.060-Foster Care Education Program 1,866,000

(k) 20.10.070-Matriculation ..... ~~63,883,000~~ *63,960,000*

(*l*) 20.20.020-Academic Senate for the Community Colleges 452,000

(m) 20.20.040-Faculty and Staff Diversity 1,859,000

Item	Amount
(n) 20.20.050-Part-Time Faculty Health Insurance	500,000
(o) 20.20.055-Part-Time Faculty Office Hours	2,000,000
(p) 20.30.010-Faculty and Staff Development	5,233,000
(q) 20.30.011.005-Telecommunications and Technology Infrastructure	28,000,000
(r) 20.30.011.010-California Virtual University	2,900,000
(s) 20.30.020-Instructional Improvement, for tsf to 0909-Comm Colleges Fd for Instructional Improvements	1,630,000
(t) 20.30.050-Economic Development	~~39,073,000~~ *33,073,000*
(u) 20.30.070-Transfer Education and Articulation	1,424,000
(v) 20.40.025-Scheduled Maintenance/ Special Repairs	39,000,000
(w) 20.40.035 Instructional Equipment and Library Materials-Replacement	~~48,000,000~~ *54,000,000*
(x) 20.40.040 Hazardous Substances	8,000,000
(y) 20.20.080-Full-Time Faculty	15,000,000
(z) 20.20.090-Copper Mountain Campus	*1,500,000*

Provisions:

1. The funds appropriated in Schedules (a), (b), (c), (d), (e), (f), (g), (i), (j), (k), (m), (n), (o), (p), (q), (r), (t), ~~and (w)~~ *(w), and (y)* are for transfer by the Controller during the ~~1997–98~~ *1998–99* fiscal year to Section B of the State School Fund.
2. Of the funds appropriated in Schedule (a), up to $100,000 is for a maintenance allowance, pursuant to regulations adopted by the board of governors.
3. Notwithstanding any other provision of law, ~~$22,175,000~~ *$22,202,000* of the funds appropriated in Schedule (b) shall be for allocation to community college districts in the 1998–99 fiscal year for the purposes of funding FTES in courses in basic skills, including English-as-a-second-language courses and work force preparation

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courses for newly legalized immigrants, to the extent the total FTES claimed by a district for the 1998–99 fiscal year exceeds the level of total FTES funded for that district in the 1998–99 fiscal year. The Chancellor of the California Community Colleges shall develop criteria for allocating these funds.

4. (a) Of the amount appropriated in Schedule (b), up to $7,089,000 shall be available as necessary upon certification by the Chancellor of the California Community Colleges for the purpose of funding community college-related and supplemental instruction pursuant to Section 3074 of the Labor Code as provided in Section 8152 of the Education Code. No community college district shall use funds available under this provision to offer any new apprenticeship training program or the expansion of any existing program unless the new program or expansion has been approved by the chancellor.

(b) Notwithstanding Section 8152 of the Education Code, each 60-minute hour of teaching time devoted to each indentured apprentice enrolled in and attending classes of related and supplemental instruction as provided under Section 3074 of the Labor Code shall be reimbursed at the rate of four dollars and twenty-two cents ($4.22) per hour. For purposes of this provision, each hour of teaching time may include up to 10 minutes for passing time and breaks.

5. Notwithstanding any other provision of law, the funds appropriated in Schedule (c) shall only be allocated for growth in FTES, on a district-by-district basis, as determined by the Chancellor of the California Community Colleges.

~~6. Funds provided in Schedule (d) are for increasing the allocation for the community college system FTES for the purpose of achieving annual performance goals and improving student learning and success. Funding shall be allocated by the Chancellor to districts on a per FTES basis to invest in infrastructure and program enhancements that will increase performance toward the community college's system outcome measures. The Board of~~

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~~Governors shall develop a community college system plan to include:~~

~~(a) A recognition that this program is dependent on a mutual commitment by the State of California and the California Community College system to achieve statewide goals that reflect the highest priority for the social and economic success of the state. The state will commit to fund the Partnership for Excellence as an investment after the state has fully funded enrollment growth and COLA to ensure student access, expand the college participation rate, and to protect colleges against inflationary erosion through annual cost-of-living adjustments. The California Community Colleges, as a result of the state's investment, will commit to improving and achieving specific outcome measures established by the Board of Governors through the consultation process pursuant to Section 70901 of the Education Code.~~

~~(b) The Board of Governors shall develop, through the consultation process, specific system outcome measures to improve student success that shall include, but not be limited to, the areas of transfer, degrees and certificates, successful course completion, work force development, and basic skills improvement. It is the intent that the number of system goals not exceed 10 outcome measures. These outcome measures shall be submitted to the Department of Finance, the Office of the Legislative Analyst, and the California Postsecondary Education Commission (CPEC) for their review and comments. The community college system's ability to achieve established outcome measures shall be annually reviewed and reported.~~

~~(c) The Chancellor shall allocate funding to districts on a per FTES basis subject to a district minimum allocation and districts shall have broad flexibility in expending the funds. Districts shall report data under the existing Management Information System for each of the outcome measures to the Chancellor's Office, which shall compile and analyze this data for a report to the Legislature, the Governor,~~

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~~CPEC, and other interested parties by April 15 of each year.~~

~~(d) If, by the third year after full funding of enrollment growth, COLA, and the Partnership for Excellence, the system is making progress on the system outcome measures toward the projected goals by the year 2005, the Chancellor shall make a base adjustment to districts' general apportionment for Partnership for Excellence allocations received to date. If the state fulfills its investment commitment and the system makes little or no progress, the Board of Governors shall take action to assure system accountability, such as sharing and distributing accountability among the districts, whose expenditure and programmatic decisions ultimately determine the level of performance, through a contingent funding allocation that creates direct incentives at the district level for achievement of the goals.~~

6. Funds provided in Schedule (d) are for the Partnership for Excellence Program established pursuant to legislation enacted during the 1997–98 Regular Session.

7. Of the funds appropriated in Schedules (b) and (e), the funds not required for the 1998–99 fiscal year to meet the demand for the programs funded under those schedules shall be made available on a one-time basis for general apportionment under Schedule (a), provided that no transfer shall occur prior to May 15, 1999.

8. Of the funds appropriated in Schedule (f), ~~$59,854,000~~ *$56,921,000* is for Extended Opportunity Programs and Services in accordance with Article 8 (commencing with Section 69640) of Chapter 2 of Part 42 of the Education Code; ~~$12,386,000~~ *$11,395,000* is for funding, at all colleges, the Cooperative Agencies Resources for Education (CARE) program in accordance with Article 4 (commencing with Section 79150) of Chapter 9 of Part 48 of the Educa- ~~tion Code. $3,000,000 of the CARE funds is for former Temporary Assistance for Needy Families (TANF) students returning to pursue educational goals.~~ *tion Code.* The board of governors shall allocate funds on a priority basis and to local programs on the basis of need for student services.

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9. (a) The funds appropriated in Schedule (g) are for local assistance for 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.

(b) Of the amount appropriated in Schedule (g) at least ~~$651,579~~ *$652,090* shall be used for support of the High Tech Centers for activities including, but not limited to, training of district employees and students in the use of specialized computer equipment for the disabled. All High Tech Centers shall meet standards developed by the Chancellor's Office. Colleges that receive these augmentations shall not supplant existing resources provided to the centers.

(c) Notwithstanding any other provision of law, of the funds appropriated in Schedule (g), ~~$1,465,216~~ *$1,466,363* shall be for state hospital adult education programs at the hospitals served by the Coast, Kern, and West Valley Community College Districts since the 1986–87 fiscal year. The amount provided includes the level of funding provided for these state hospital programs in the 1986–87 fiscal year, plus subsequent cost-of-living adjustments if provided. If adult education services at any of the three hospitals are not supported by the community colleges in the 1998–99 fiscal year, the associated funds shall, upon order of the Department of Finance, after 30 days' notice to the Chairperson of the Joint Legislative Budget Committee, be transferred to the State Department of Developmental Services (DDS). For any transfer of funds to DDS during the 1998–99 fiscal year, the Proposition 98 base funding levels for community colleges and DDS shall be adjusted accordingly.

10. The funds in Schedule (h), with the exception of the funds identified in subdivisions (c) and (d) of this provision, shall be used for competitive grants to increase student success based on an analysis of student outcomes. The funds used for these grants shall be available for a limited duration, after which colleges shall institutionalize

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the programs within their budgets. The Chancellor shall develop criteria for allocation of the competitive grants. Of the funds appropriated in Schedule ~~(u)~~ *(h)* :

(a) $1,000,000 shall be available for small planning grants of up to one year duration.

(b) $8,985,000 shall be available for the initial year of two or three year projects where the state share shall be no greater than 75% of the costs of the first year and no more than 25% in the last.

(c) Up to ~~$3,944,000~~ *$944,000* is for the Puente Project if these funds are matched by $100,000 of private funds and the participating community colleges and University of California campuses maintain their 1995–96 support level for the Puente Project. These funds are not required to be allocated on a temporary basis and may be allocated on a permanent basis to support a Puente Project that meets the conditions of the Puente Project contract agreement.

(d) Up to ~~$1,489,000~~ *$489,000* is for the Mathematics, Engineering and Science Achievement/Minority Engineering (MESA/MEP) Programs. These funds are not required to be allocated on a temporary basis and may be allocated on a permanent basis provided the conditions for receipt of funds continue to be met.

As a condition of receipt of funds pursuant to Provision 15 (a) and (b), colleges must submit to the Chancellor's Office a yearly report including: an expenditure plan, a progress report detailing number of students served, and the ability of the college to increase student success based on an analysis of student outcomes. It is the intent that the Chancellor's Office submit a report to the Legislature and Department of Finance by November 1, 1998. The report shall include an analysis of the programs funded at each campus, including the effects on student outcomes. The Chancellor shall also identify any colleges which did not continue operation of the program after state funds have ceased and the reasons therefore.

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11. The funds appropriated in Schedule (i) are for the purpose of assisting welfare recipient students and those in transition off of welfare to achieve long-term self-sufficiency through coordinated student services offered at community colleges including: work-study; other educational related work experience; job placement services; child care services; and coordination with county welfare offices to determine eligibility and availability of services. All services funded in this schedule shall be for CalWORKs recipients who may utilize these services until their educational objectives are met but for no longer than three years. These funds shall be used to supplement and not supplant existing funds and services provided for CalWORKs recipients attending community colleges. The Chancellor shall develop an equitable method for allocating funds to all districts and colleges based on the relative numbers of CalWORKs recipients in attendance and shall allocate funds for the following purposes:

(a) Job placement and coordination.
(b) Curriculum development and redesign.
(c) Child care and work study.
(d) Instruction.

Of the amount appropriated in Schedule (i), $49,500,000 shall be allocated for the purpose identified in subdivision (c) above and, of this amount, not less than $15,000,000 shall be for child care. Funds utilized for subsidized child care shall be for children of CalWORKs recipients through campus-based centers or parental choice vouchers at rates and with rules consistent with those applied to related programs operated by the State Department of Education, including parental contribution schedules. Subsidized campus child care for CalWORKs recipients shall be provided during the period they are engaged in qualifying state and federal work activities for up to three months or until the end of the academic year, whichever period of time is greater, for those recipients who are in transition off welfare and enrolled in not less than six units of classes within their educational plan.

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Funds utilized for work study shall be used solely for payments to employers that currently participate in campus-based work-study programs or are providing work experiences that are directly related to and in furtherance of student educational programs, provided that those payments may not exceed 75 percent of the wage for the work-study positions; the employers shall pay at least 25 percent of the wage for the work-study position. These funds may be expended only if the total hours of education, employment, and work-study for the student are sufficient to meet both state and federal minimum requirements for qualifying work-related activities.

Of the funds available for work study, the Chancellor may allocate up to $18,000,000 in the first semester. The balance shall be allocated to provide either instructional services, work study or child care for CalWORKs students. Funds can be used to provide credit or noncredit classes for CalWORKs students if a district has committed all of its funded FTES and is unable to offer the additional instructional services to meet the demand for CalWORKs students. This determination shall be based on fall enrollment information. Districts shall make application to the Chancellor's Office by October 15. The Chancellor's Office shall submit a report to the Joint Legislative Budget Committee by November 15, 1998, that (a) identifies the enrollment of new CalWORKs students, (b) states whether and why additional classes were needed to accommodate the needs of CalWORKs students, and (c) sets forth an expenditure plan for the balance of funds.

As a condition of receipt of the funds appropriated in Schedule (i), by the fourth week following the end of the semester or quarter term commencing in January 1999, each participating community college shall submit to the Chancellor's Office a report, in the format specified by the Chancellor, in consultation with the Department of Social Services, that includes but may

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not be limited to the funded components, the number of hours of child care provided, average monthly enrollment of CalWORKs dependents served in childcare, the number of work/study hours provided, the hourly salaries and type of jobs, the number of students being case managed, the short-term programs available, student participation rates, and other outcome data. It is intended that, to the extent practical, reporting from colleges utilize data gathered for federal reporting requirements at the state and local level. Further, it is intended that the Chancellor's Office compile the information for annual reports to the Legislature, the Governor's Office, the Legislative Analyst, and the Departments of Finance and Social Services by October 30 of each year as specified in the annual Budget Act.

12. Of the funds appropriated in Schedule (b) $8,000,000 is to fund additional fixed, variable, and one-time costs for providing support services and instruction for CalWORKs students which include but are not limited to: job placement and coordination; curriculum development and redesign; child care and work study; and instruction. As a condition for funding, colleges are required to submit a plan to the Chancellor's Office on how the funds will be utilized which shall be based on collaboration with county welfare offices about the services and instruction that is needed for CalWORKs recipients. The funds matched by federal TANF block grant funds and scheduled in Item 6870-111-0001(a) are also subject to all these same conditions.

13. The funds in Schedule (j) shall be allocated to provide foster parent training. Funds shall be allocated in such a manner as to ensure priority for training required by Chapter 1016, Statutes of 1996. Districts shall make services available to foster parents to satisfy the requirements of Chapter 1016, Statutes of 1996 as a first priority. Remaining funds may be used for services to foster child relative caretakers and for additional parenting skills, thereafter.

14. (a) The funds appropriated in Schedule (k) are for the purpose of student matriculation, as specified in Article 1 (commencing with

Item		Amount
	Section 78210) of Chapter 2 of Part 48 of the Education Code.	
(b)	Of the amount appropriated in Schedule (k), $10,000,000 shall be allocated to community college districts on a one-to-one matching fund basis to provide matriculation services to include, but not be limited to, orientation, assessment, and counseling for students enrolled in designated noncredit classes and programs who may benefit most, as determined by the Chancellor of the California Community Colleges pursuant to Sections 78216 to 78218, inclusive, of the Education Code.	
15. (a)	$15,600,000 of the funds provided in Schedule (q) shall be for the purpose of providing allocations to all districts. It is the intent that colleges receiving these funds shall maintain all of the capabilities specified in the 1996–97 and 1997–98 Budget Acts for the Telecommunications and Technology Infrastructure program. The funds appropriated in this item shall be allocated by the Chancellor, shall not supplant existing funds used for technology and networking purposes, and shall be subject to established fiscal controls, annual reporting and accountability requirements specified by the Chancellor. It is the intent that this allocation shall enable further development of networks. Therefore, colleges shall match maintenance and ongoing costs with other funds, after installation, for the following required purposes: (1) maintenance of communication lines, software and other costs associated with connecting to the collaborative California State University/California Community College telecommunications wide area network (C Net); (2) video conference connectivity, transport, maintenance, and training; (3) local planning and development for improving library technology including library automation, connections to college local area networks and connections to external data bases; (4) digital satellite systems and the following optional purposes: (5) the development and expansion of local area networks both within	

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and between buildings: (6) development of districtwide wide area networks for interconnecting multiple campuses and off campus centers within a district; and (7) implementation of local technology applications that are intended to improve student learning and other services.

The Chancellor shall allocate the $15,600,000 by providing $138,645 for each of the 107 colleges and $45,000 for each of the 17 governing sites that are not co-located with the colleges. All provisions related to technology standards and telecommunication plans as specified in Item 6870-101-001, Provision 17 (a) of the 1996–97 Budget Act and Item 6870-101-0001, Provision 14(a) of the 1997–98 Budget Act, shall apply.

(b) $6,400,000 of the funds provided in Schedule (q) shall be for the purpose of supporting technical and application innovations and for coordination of activities that serve to maximize the utility of the technology investments of the community college system toward improving learning outcomes. Allocations shall be made by the Chancellor, based on criteria and guidelines as developed by the Chancellor, on a competitive basis through the RFA/RFP application process as follows:

(1) At least $2,200,000 shall be available for technical and application pilot projects that improve inter-college relationships in the areas of: (a) learning and instructional services; (b) student services; and (c) administrative services, however not more than 25 percent of the amount shall be allocated for this purpose.

(2) All provisions as specified in Item 6870-101-0001, Provision 17 (b) (2) of the 1996–97 Budget Act shall apply to provision (1) above.

(3) Not more than $2,200,000 shall be available for centers to provide regional coordination for technical assistance and planning, cooperative purchase

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agreements, and faculty and staff development. All other provisions as specified in Item 6870-101-0001, Provision 17 (b) (3) of the 1996–97 Budget Act shall apply.

(4) $2,000,000, or as much as necessary, shall be available for a statewide digital uplink for the purpose of delivering statewide satellite services to system colleges and districts related to instruction, student support, and administration.

(c) $6,000,000 of the funds provided in Schedule (q), shall be for allocations to community college districts to fund faculty and staff training in the use of technology to assist learning (including distance education and on-line courses), expand access, and contribute to student success. The Chancellor shall develop an allocation formula that reflects the number of faculty and provides a minimum grant for small sites. The disbursement of funds shall be contingent upon inclusion of a satisfactory staff development component by each district within its telecommunications and technology use plan, as specified by the Chancellor. Districts may not use these funds to supplant existing training and staff development efforts related to technology; the Chancellor shall ensure that these funds are used for additional training and development in the use of technology. The use of technology training allocations shall be included in reports required for this program.

(d) Not later than November 1, 1999, the Chancellor shall submit a report to the Legislative Analyst, the budget fiscal committees, and the Department of Finance on any changes to the standards developed pursuant to the control provisions for this program in the 1996–97 Budget Act. The report shall include a status report on the implementation of the telecommunication and technology infrastructure program to date.

16. The funds provided in Schedule (r) shall be available for grants to districts to fund California

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Virtual University distance education centers, for instructing faculty in teaching courses online, and other expenses for conversion of courses for distance education. The funds appropriated in this item shall not supplant existing funds and shall be subject to established fiscal controls, annual reporting and accountability requirements specified by the Chancellor. The Chancellor shall develop criteria for the allocation of these funds. As a condition of receipt of the funds, colleges are required to submit to the Chancellor's Office reports in a format specified by the Chancellor sufficient to document the value and productivity of this program including but not limited to numbers and nature of courses converted, and the amount of distance education instructional workload services provided as a result of these courses. It is intended that the Chancellor's Office further develop the reporting criteria for participating colleges and submit that for review along with a progress report on program implementation to the Legislative Analyst, the Governor's Office of Child Development and Education, and the Department of Finance no later than November 1, 1998, for review and comment.

17. (a) Of the funds appropriated in Schedule (t), $15,000,000, as augmented by the Budget Act of 1997, is for the purpose of establishing incentives for expanded industry-driven cooperative education and work force training programs and centers that support California's regional economies and are consistent with the needs identified in regional plans pursuant to Sections 15379.25 and 15363.10 of the Government Code.

These funds shall be expended for grants to districts as determined by the Board of Governors on a competitive basis to support economic development program centers and the participation of the California Community Colleges in industry-driven regional collaboratives. This grant funding shall be provided for the following purposes: (a) eligible economic development program activities pursuant to Section 15379.653 of the Government Code, and (b) ongoing devel-

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opment of regional plans, reconfiguration and designation of new regions, and the coordination of services centers.

No more than $5,000,000 of the funds may be expended for purposes of (b) above and subdivisions (a) through (f) of Section 15379.653 of the Government Code above. Funds allocated to districts for purposes of subdivisions (g) and (i) of Section 15379.653 of the Government Code for performance-based training and student internships shall be matched by a minimum of one dollar of private business and industry funding for each one dollar of state funds. Funds allocated for purposes of subdivision (h) of Government Code Section 15379.653 for credit and noncredit instruction may be transferred to Schedules (c) or (a) to facilitate distribution, at the Chancellor's discretion.

(b) Of the remaining funds in Schedule (t), ~~$10,000,000~~ *$4,000,000* shall be exclusively for augmenting the amount of funds allocated in the 1997–98 fiscal year by the Board of Governors for industry-driven regional education and training collaboratives. These funds shall only be available to continue existing programs awarded grants from the Budget Act of 1997, augment programs initiated from the Budget Act of 1997 funds, and award grants for new programs meeting the requirements of the industry-driven regional collaboratives program through a new requests for applications process. These grants shall be made on a competitive basis and the award amounts shall not be restricted to any predetermined limit, but rather shall be funded on their individual merits.

(c) Funds allocated by the Board of Governors under this provision shall not be used by community college districts to supplant existing courses or contract education offerings. The Chancellor shall ensure that funds are spent only for expanded services and shall implement accountability reporting for districts receiving these funds to ensure that

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training, credit, and noncredit programs remain relevant to business needs. Programs that do not demonstrate continued relevance and support by business shall not be eligible for continued funding. The Board of Governors shall consider the level of involvement and financial commitments of business and industry as primary factors in making awards. The Board of Governors shall fully report the allocations and results of this program within the annual report of the Economic Development program pursuant to Section 15379.23 of the Government Code.

This report shall include a separate section to report on the results of the $15 million augmentation from the Budget Act of 1997 which identifies by center/district, region and industry cluster the following: 1) the allocations by category listed in Government Code Section 15379.653; 2) the increment of additional hours of contract, credit and noncredit education added; 3) the number of job placements; and 4) the amount of industry funds leveraged from participating businesses.

(d) Of the total amount included in Schedule (t), any funds which become available within the program due to discontinuance or reduction of amounts allocated to previously funded centers or programs shall first be made available to any industry driven regional education and training collaborative to increase the level of subsidized training otherwise available, without any predetermined limitations imposed through the application announcement by the Chancellor and the Board of Governors.

(e) It is the intent of the Legislature that the expansion of funds provided in Schedule (t) of this item be considered for use to encourage community college districts to work to establish a collaborative or collaboratives between hospitals and community college districts to provide nursing training programs in an effort to meet the demand for specialized nurses.

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18. Of the funds appropriated in Schedule (t), $5,000,000 is available to support activities that are eligible for funding pursuant to Sections 15379.655 through 15379.658 of the Government Code if, as a result of work force improvement services provided to employers within an industry cluster, entry-level positions are created within the industry cluster that are filled by recipients of aid under Division 9 of the Welfare and Institutions Code. Any annual savings from this provision shall only be available for expenditure for one-time activities listed under subsection (j) of Section 15379.653 of the Government Code.

19. Of the funds appropriated in Schedule (u), $589,000 is for Project Assist and $835,000 is for the California Articulation Number (CAN) system.

20. The funds appropriated in Schedule (v) shall be distributed by the Chancellor of the California Community Colleges to community college districts on a project-by-project basis based on priority of need for the project. As a condition of receiving these funds, a district shall certify that it will increase its operations and maintenance spending from 1995–96 fiscal year actual levels by the amount of the allocation plus an amount to be provided from district discretionary funds equivalent to $1 for each $1 of state funds. The Chancellor may waive the matching requirement, case-by-case, based upon a review of a district's financial condition. The question of whether a district has complied with its resolution shall be reviewed under the annual audit of that district.

21. The funds appropriated in Schedule (w) are available for the purpose of providing community college districts with funds to replace high priority instructional equipment, and library materials. The Chancellor of the California Community Colleges shall allocate these funds on the basis that, for every $3 of funds allocated from Schedule (w), the recipient district shall provide $1 in matching funds. These funds shall not be used for personal services costs or operating expense.

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22. Notwithstanding any other provision of law or regulation, if 1998–99 local revenues (property tax and student fees) exceed the estimates included in the Budget Act, an equivalent amount of funds in Schedule (a) shall only be allocated to districts for one-time purposes based on the statewide ratio of actual FTES served for the preceding fiscal year. This amount will be reduced from the apportionment base of districts in subsequent years. Also, if local revenues in excess of the amount estimated for the 1997 Budget Act occurs, funds allocated by the Chancellor from Schedule (a) of Item 6870-101-001 of the 1997 Budget Act, equivalent to the excess local revenue amounts, shall be reduced from district base apportionments for purposes of determining allocations of funds budgeted herein in Schedules (a) and (c).

23. Pursuant to Sections 69648.5, 78216, and 84850 of the Education Code, the Board of Governors of the California Community Colleges may allocate funds appropriated in Schedules (f), (g), and (k) by grant or contract, or through the apportionment process, to one or more districts for the purpose of providing program evaluation, accountability, monitoring, or program development services, as appropriate under the applicable statute.

24. It is the intent of the Legislature that the California Community Colleges incorporate service learning into its curricula and encourage and help students participate in service learning opportunities.

25. Of the amount appropriated in Schedule (a) of this item, up to $11,000,000 shall be available to increase the apportionment rate for noncredit courses, as described in subdivision (a) of Section 8475, of the Education Code.

26. As a condition of receiving funding for ESL/Citizenship noncredit courses, community colleges shall assist any student enrolled in such a course who needs assistance in activities necessary to become a naturalized United States citizen. This assistance shall include, but not be limited to, filling out the required forms, providing information on obtaining the fingerprints and photographs required for the naturalization pro-

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cess, or any other practical assistance necessary for the student to become a naturalized United States citizen.

27. Of the amount appropriated in Schedule (z) of this item, $1,500,000 shall be allocated to the Desert Community College District, of which $500,000 shall be allocated for the Copper Mountain Campus. Allocation of future funds to facilitate the transition of the Copper Mountain Campus to an independent community college district shall be contingent upon enactment of legislation.

6870-101-0814—For local assistance, Board of Governors of the California Community Colleges, for allocation by the State Controller in accordance with the provisions of Government Code Section 8880.5 as enacted by the voters in Proposition 37 at the November 1984 general election, payable from the California State Lottery Education Fund..... 120,437,000

Provisions:

1. All funds received pursuant to Proposition 37 that are allocable to community college districts pursuant to Section 8880.5 of the Government Code, that are in excess of the amount appropriated in this item, are hereby appropriated in augmentation of this item.

6870-101-0909—For local assistance, Board of Governors of the California Community Colleges Program 20.30.020—Instructional Improvement and Innovation, payable from the Community College Fund for Instructional Improvement 1,975,000

Provisions:

1. Of the amount appropriated by this item, not more than $1,630,000 shall be allocated for grants and not more than $345,000 shall be allocated for loans.

6870-101-0925—For local assistance, Board of Governors of the California Community Colleges, payable from California Business Resources and Assistance Innovation Network Fund 128,000

6870-101-0959—For local assistance, Board of Governors of the California Community Colleges, for Program 20.10.060-Student Services-Foster Parent Training Program, payable from the Foster Children and Parent Training Fund pursuant to Section 903.7 of the Welfare and Institutions Code 467,000

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6870-103-0001—For local assistance, Board of Governors of the California Community Colleges (Proposition 98), for transfer to and in augmentation of Item 6870-101-0001, for lease-purchase payments, including base rental and fees, to be allocated upon order of the Department of Finance no sooner than necessary to allow selected community colleges to make the required lease-purchase payments..... 46,624,000

Schedule:

(a) Rental and administration 60,057,000

(b) Reimbursements.....−13,433,000

6870-111-0001—For local assistance, Board of Governors of the California Community Colleges..... 0

Schedule:

(a) 10.20-CalWORKs Services Match . 8,000,000

(b) 20.10.015-AmeriCorps Program..... 1,295,000

(c) 20.10.060-Foster Parent Training ... 2,713,000

(d) 20.30.030-Vocational Education Special Projects 20,031,000

(e) 20.30.031-Vocational Education Allocations 33,057,000

(f) 20.30.060-Job Training Partnership Act 2,337,000

(g) Reimbursements.....−67,433,000

Provisions:

1. The amount appropriated in Schedule ~~(e)~~ *(f)* shall be available for expenditure until June 30, 2000.
2. The amounts appropriated in Schedules (a), (d), and (e) are for transfer by the Controller to Section B of the State School Fund.

6870-295-0001—For local assistance, Board of Governors of the California Community Colleges, (Proposition 98), for reimbursement, in accordance with provisions of Section 6 of Article XIII B of the California Constitution or of Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandate by statute or executive order, Controller ... 1,691,000

Schedule:

(1) 98.01.000.184—Health Fees (Ch. 1, Stats. 1984, 2nd Ex. Sess.)..... 1,691,000

Provisions:

1. Allocation of funds appropriated by this item to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited

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to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated by this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.

6870-301-0574—For capital outlay, Board of Governors of the California Community Colleges, to be allocated by the board of governors to community college districts for expenditure as set forth in the schedule below, payable from the 1998 Higher Education Capital Outlay Bond Fund ..... ~~144,311,000~~ *140,386,000*

Schedule:

Antelope Valley Community College District
Antelope Valley College
(1) 40.03.109-Business Multi-Media, Center—Construction 8,299,000

Coast Community College District
Orange Coast College
(3) 40.11.301-Art Center—Construction 14,443,000

Compton Community College District
Compton College
(4.5) 40.12.109-Child Development Center—Preliminary and working drawings 125,000

Contra Costa Community College District
Diablo Valley College
(7) 40.13.216-Business Language Building—Construction 5,320,000
(8) 40.13.217-Library Building Addition—Construction 4,156,000
~~Los Medanos College~~
~~(9) 40.13.310-Vocational Technology Addition—Construction ..... 1,969,000~~

Desert Community College District
College of the Desert
(10) 40.10.11-Math/Social Science Building—Construction 5,373,000

Gavilan Community College District
Gavilan College
(12) 40.17.106-Health Occupations Building—Construction 2,423,000

Item	Amount
Glendale Community College District	
Glendale Community College	
(13) 40.18.121-Science Building Renovation—Health and Safety—Preliminary plans and working drawings	342,000
Los Rios Community College District	
Folsom Lake Center	
(16) 40.27.500-Onsite Development—Construction	4,997,000
(17) 40.27.501-Instructional Facilities, Phase 1A—Construction	13,390,000
Mt. San Jacinto Community College District	
Mt. San Jacinto College	
(18) 40.34.113-Business and Technology, Secondary Effects—Construction	857,000
Redwoods Community College District	
College of the Redwoods	
(19) 40.42.104-Library and Media Services—Construction	10,872,000
San Diego Community College District	
San Diego City College	
(20) 40.47.101-Learning Resource Center—Construction	16,047,000
San Jose—Evergreen Community College District	
Evergreen Valley College	
(22) 40.50.105-Biology/Nursing Addition—Construction	9,173,000
San Luis Obispo County Community College District	
Cuesta College	
(23) 40.51.108-Art/Music Laboratories Addition—Construction	5,596,000
(24) 40.51.109-Learning Skills Center/Classroom Building—Construction	10,221,000
Sequoias Community College District	
College of the Sequoias	
(26) 40.56.109-Music Building—Construction	3,572,000
Sierra Joint Community College District	
Sierra College	
(27) 40.58.106-Student Services Center, Secondary Effects LRC—Construction	3,076,000

Item	Amount
Sonoma County Community College District	
Criminal Justice Center Santa Rosa	
(28) 40.61.400-Criminal Justice Training Center, Facilities Phase I—Preliminary plans and working drawings	809,000
South Orange County Community College District	
Irvine Valley College	
(29) 40.45.127-Learning Resource Center—Construction	597,000
~~State Center Community College District Fresno City College~~	
~~(30) 40.64.105-Lab/Office Space Reconstruction, Secondary Effects—Construction~~	~~2,081,000~~
Madera College	
(31) 40.64.300-Offsite Development—Construction	1,825,000
(32) 40.64.301-Onsite Development, Phase I Facilities—Construction	11,090,000
West Valley-Mission Community College District	
Mission College	
(33) 40.69.205-Learning Resource Center—Construction	7,783,000
6870-301-0658—For capital outlay, Board of Governors of the California Community Colleges, to be allocated by the board of governors to community college districts for expenditure as set forth in the schedule below, payable from the Higher Education Capital Outlay Bond Fund of 1996	~~9,302,000~~ *13,315,000*
Schedule:	
Cabrillo Community College District	
Cabrillo College	
(1) 40.06.107-Code Compliance: Health and Safety—Equipment	77,000
Citrus Community College District	
Citrus College	
(2) 40.09.119-Cosmetology Addition and Remodel—Equipment	85,000
(3) 40.09.121-Library Addition/Reconstruction—Preliminary plans and working drawings	559,000
Contra Costa Community College District	
Los Medanos College	
(3.5) 40.13.310-Vocational Technology Addition—Construction	*1,932,000*

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Foothill-DeAnza Community College District
Foothill College
(3.2) 40.15.203-Child Care/Development Center (Health and Safety)—Equipment 135,000
Mt. San Antonio Community College District
Mt. San Antonio College
(4) 40.33.109-Learning Technology Center/Telecommunication Structure—Equipment 1,472,000
South Orange County Community College District
Irvine Valley College
(5) 40.45.126-Fire/Safety Emergency Access—Construction 2,119,000
Santa Monica Community College District
Santa Monica College
(6) 40.55.106-Replace Science Building (FEMA)—Equipment 3,107,000
Santa Clarita Community College District
College of the Canyons
(6.1) 40.54.109-Remodel Old Library and Labs, Secondary Effects—Equipment 912,000
Chabot-Las Positas Community College District
Chabot College
(7) 40.62.112-Chemistry/Computer Science Renovation—Equipment .. 349,000
Chabot-Las Positas Community College District
Las Positas College
(7.1) 40.62.213-Math/Design Building Renovation/Addition—Equipment. 357,000
State Center Community College District
Fresno City College
(7.2) 40.64.105-Lab/Office Space Reconstruction, Secondary Effects—Construction 2,081,000
Ventura County Community College District
Moorpark College
(8) 40.65.107-Mathematics/Science Secondary Effects—Equipment 130,000

6870-302-0574—For capital outlay, Board of Governors of the California Community Colleges, to be allocated by the Board of Governors to community college districts for expenditure as set forth in the schedule below, payable from the Higher Education Capital Outlay Bond Fund of 1998 57,536,000

Item	Amount
Schedule:	
Butte-Glenn Community College District	
Butte College	
(1) 40.05.105-Allied Health and Public Service—Preliminary plans and working drawings	1,280,000
Fremont Newark Community College District	
Ohlone College	
(3) 40.16.110-Instructional Computing—Construction	11,035,000
Grossmont-Cuyamaca Community College District	
Cuyamaca College	
(4) 40.19.115-Remodel Vocational Technology N Building—Preliminary plans and working drawings	65,000
Los Angeles Community College District	
Los Angeles Valley College	
(5) 40.26.802-Ventilation System, Phase III—Preliminary plans and working drawings	169,000
Merced Community College District	
Merced College	
(6) 40.30.114-Interdisciplinary Academic Center—Preliminary plans and working drawings	633,000
Palo Verde Community College District	
Palo Verde College	
(7) 40.37.100-Phase I Facilities—Construction	16,454,000
San Jose-Evergreen Community College District	
San Jose City College	
(8) 40.50.201-Learning Resource Center—Preliminary plans and working drawings	974,000
San Mateo Community College District	
San Mateo College	
(9) 40.52.205-Seismic Upgrade—Preliminary plans, working drawings, and construction	3,650,000
Sequoias Community College District	
College of the Sequoias	
(10) 40.56.110-Multimedia Learning Resource Center—Preliminary plans and working drawings	994,000

Item	Amount
Southwestern Community College District	
Southwestern College	
(11) 40.63.103-Learning Resource Center—Preliminary plans and working drawings	2,011,000
Victor Valley Community College District	
Victor Valley College	
(12) 40.66.115-Advanced Technology Building—Preliminary plans and working drawings	1,099,000
Yosemite Community College District	
Modesto Junior College	
(13) 40.70.210-Sierra Hall Instructional Facility—Construction.....	18,856,000
Feather River Community College District	
Feather River College	
(14) 40.73.104-Physical Plant Reconstruction—Preliminary plans, working drawings, and construction	316,000

Provisions:

~~(1) Identified savings in funds encumbered from this general obligation bond fund for construction contracts for capital outlay projects, remaining after completion of a capital outlay project and upon resolution of all change orders and claims, may be used: (a) to begin working drawings for a project for which preliminary plan funds have been appropriated and the plans have approved by the State Public Works Board consistent with the scope and cost approved by the Legislature as adjusted for inflation only, (b) to proceed further with the underground tank corrections program, (c) to perform engineering evaluations on buildings that have been identified as potentially in need of seismic retrofitting, or (d) to proceed with design and construction of projects to meet requirements under the federal Americans with Disabilities Act.~~

~~No later than March 1, 1999, the University of California shall provide the Legislative Analyst with a progress report showing the identified savings by project, and the purpose for which the identified savings were used.~~

~~No later than November 1, 1999, the University of California shall prepare a report showing (a) the identified savings by project and (b) the~~

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~~purpose for which the identified savings were used. This report shall be submitted to the Chair of the Joint Legislative Budget Committee and to the chairs of the fiscal committees in each house.~~

2. Funding for the projects identified in this item shall be provided only to the extent the Higher Education Bond Act of 1998 is enacted and provides funding in excess of $900,000,000.

6870-302-0705—For capital outlay, Board of Governors of the California Community Colleges, to be allocated by the board of governors to community college districts for expenditure as set forth in the schedule below, payable from the ~~1998~~ *1992* Higher Education Capital Outlay Bond Fund ..... ~~4,553,000~~ *4,590,000*

Schedule:

Compton Community College District
Compton College
(1) 40.12.004-Health and Safety—Math/Science—Equipment 2,396,000

Contra Costa Community College District
Diablo Valley College
(2) 40.13.214-Physical Science Building (Health and Safety)—Equipment 412,000
(3) 40.13.215-Music Remodel/Addition—Equipment..... 279,000

Contra Costa Community College District
Los Medanos College
(3.5) 40.13.310-Vocational Technology Addition—Construction 37,000

Long Beach Community College District
Long Beach City College
(4) 40.25.113-Science/Math Building D (Health and Safety)—Equipment 946,000

Los Angeles Community College District
East Los Angeles College
(5) 40.26.103-Child Care/Development Center (Health and Safety)—Equipment 269,000

San Francisco Community College District
San Francisco City College
(6) 40.48.104-Remodel Allied Health—Equipment..... 251,000

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6870-490—Reappropriation, California Community Colleges. The ~~unencumbered~~ balances of the appropriations provided for in the following citations are reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in those appropriations:

0705—1992 Higher Education Capital Outlay Bond Fund

Item 6870-301-705, Sec. 2.00, Budget Act of 1992 (Ch. 587, Stats. 1992)

San Francisco Community College District

San Francisco City College

(89) 40.48.102 Central Shops and Warehouse—Construction

Item 6870-301-705, Budget Act of 1992 as reappropriated by Item 6870-490 of Section 2.00 of the Budget Act of 1997 (Ch. 282, Stats. 1997)

Los Angeles CCD

Los Angeles Mission College

(55.1) 40.26.403-Site Acquisition

Provisions:

1. Notwithstanding Section 2.00 of this act, the balance of the appropriation provided in this item for the project at Los Angeles Community College District, Mission College, is available for ~~expenditure only until June 30, 1999.~~ *encumbrance only until December 31, 1998, and shall revert on January 1, 1999.*

0660—Public Buildings Construction Fund

Item 6870-301-660, Sec. 2.00, Budget Act of 1993 (Ch. 55, Stats. 1993)

Los Rios Community College District

Sacramento City College

(8.1) 40.27.306 Learning Resource Center—Construction

0658—Higher Education Capital Outlay Bond Fund

Item 6870-301-0658, Sec. 2.00, Budget Act of 1996 (Ch. 162, Stats. 1996)

San Mateo Community College District

Districtwide

(62) 40.52.006-Fire Alarm Renovation Phase II—~~Preliminary plans, working drawings, and construction~~ *Construction*

Item 6870-301-0658, Sec. 2.00, Budget Act of 1997 (Ch. 282, Stats. 1997)

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Compton Community College District
Compton College
(14) 40.12.005-Demolition, Phase 1—~~Working drawings and construction~~ *Construction*
Contra Costa Community College District
Diablo Valley College
(18) 40.13.215-Music Remodel/Addition—~~Preliminary plans, working drawings, and construction~~ *Construction*
(20) 40.13.217-Library Building Addition—~~Preliminary plans and working drawings~~ *Working drawings*
Imperial Community College District
Imperial Valley College
(34) 40.21.104-Library Addition—Construction and equipment
Los Angeles Community College District
Los Angeles Valley College
(42) 40.26.801-Ventilation System—Construction
Rio Hondo Community College District
Rio Hondo College
(64) 40.43.105-Science Building Health & Safety—Construction
San Mateo County Community College District
Skyline College
(75) 40.52.305-Learning Resources Center, Secondary Effects—Construction and equipment
Santa Barbara Community College District
Santa Barbara City College
(77) 40.53.118-Life Science/Geology Code corrections—Construction
Ventura County Community College District
Moorpark College
(87) 40.65.107-Math/Science, Secondary Effects—Construction
Yosemite Community College District
Modesto Junior College
(93) 40.70.210-Sierra Hall Instructional Facility—~~Preliminary plans and working drawings~~ *Working drawings*

6870-495—Reversion, California Community Colleges (Proposition 98). The ~~unencumbered~~ balance as of June 30, 1998, of the appropriation provided for in

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the following citation shall revert to the Proposition 98 Reversion Account:

(1) Revert $4,291,000 from Item 6870-103-0001, Budget Act of 1997, based on a reduced estimate of lease purchase payment needs.

7980-001-0001—For support of the Student Aid Commission..... ~~12,149,000~~ *7,498,000*

Schedule:

(a) 15-Financial Aid Grants Program... ~~7,695,000~~ *7,544,000*

(ax) California Loan Program 641,000

(b) 80.01-Administration and Support Services ..... ~~7,107,000~~ *2,607,000*

(c) 80.02-Distributed Administration and Support Services ..... −2,607,000

(d) Reimbursements..... −687,000

Provisions:

~~1. It is the intent of the Legislature that of the funds provided in Schedule (b), $4,500,000 be used to support a college information dissemination campaign targeting middle school pupils and their families.~~

1. No funds may be expended for the salary of the Executive Director of the Student Aid Commission that are in excess of the salary level approved by the Department of Personnel Administration.

7980-001-0564—For support of the Student Aid Commission, payable from the Golden State Scholarshare Program Administration Fund 338,000

Schedule:

(a) 30-Scholarshare Trust 338,000

7980-002-0001—For support of the California Student Aid Commission, Golden State Scholarshare Trust Program 580,000

Schedule:

(a) 30-Scholarshare Trust 580,000

Provisions:

1. The amount appropriated by this item shall be repaid to the General Fund, within five years, at the rate earned by the Pooled Money Investment Account.

7980-101-0001—For local assistance, Student Aid Commission..... ~~375,833,000~~ *368,768,000*

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Schedule:

(a) 15-Financial Aid Grants Program...~~383,855,000~~ *377,671,000*

(b) Reimbursements..... ~~−3,963,000~~ *−4,844,000*

(c) Amount payable from the Federal Trust Fund (Item 7980-101-0890).. −4,059,000

Provisions:

1. Funds appropriated in Schedule (a) are for the purposes of all of the following:

(a) Awards in the Cal Grant Program under Article 3 (commencing with Section 69530) of Chapter 2 of Part 42 of the Education Code.

(b) Graduate fellowship renewal awards under Article 9 (commencing with Section 69670) of Chapter 2 of Part 42 of the Education Code.

(c) Grants under Article 16 (commencing with Section 69900) of Chapter 2 of Part 42 of the Education Code, and for grants under Section 4709 of the Labor Code.

(d) California Student Opportunity and Access Program contract agreements under Article 4 (commencing with Section 69560) of Chapter 2 of Part 42 of the Education Code.

(e) The purchase of loan assumptions under Article 6.5 (commencing with Section 69612) of Chapter 2 of Part 42 of the Education Code. Of the 4,000 warrants issued to California students pursuant to the purchase of loan assumptions, 35 percent shall be made available to program participants who are not yet enrolled in an accredited credential program.

(f) Grants under the California State Work-Study Program, Article 18 (commencing with Section 69950) of Chapter 2 of Part 42 of the Education Code.

(g) New and renewal Cal Grant awards in amounts not to exceed award levels comparable to those in effect for the 1997–98 award year except as otherwise provided by law.

~~2. Notwithstanding any other provision of law, of the 25,569 new grants funded in Schedule (a) for Cal Grant A for the 1998–99 fiscal year, the number of grants awarded to community college students who transfer to a four-year college or uni-~~

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~~versity shall be increased by 1,603 grants above the number awarded in the 1997–98 fiscal year.~~

~~3. Notwithstanding any other provision of law, of the 25,569 new grants funded in Schedule (a) for Cal Grant B for the 1998–99 fiscal year, 2,146 grants shall be awarded to community college students who transfer to a four-year college or university.~~

~~4.~~

2. If federal trust funds for the 1998–99 fiscal year exceed budgeted levels, the funds appropriated shall, to the extent allowable by federal law, be reduced on a dollar-for-dollar basis.

~~5.~~

3. Eligibility for money appropriated by this item is limited to students who demonstrate financial need according to nationally accepted needs analysis methodologies, who meet other Student Aid Commission eligibility criteria, and whose income or family's gross income does not exceed $67,000 for the purposes of determining recipients for the 1998–99 award year.

~~7.~~

4. Of the amount appropriated in Schedule (a), $4,900,000 shall be available to increase the maximum award for new recipients attending private and independent institutions pursuant to the enactment of a statutory change to the formula for determining the maximum award level.

~~8.~~

5. Of the amount appropriated in this item, $10,000,000 is for Cal Grant T awards for prospective teachers enrolled in teacher preparation programs. Up to 3,000 awards may be provided, or other number determined by the Student Aid Commission.

~~9.~~

6. It is the intent of the Legislature that, of the funds provided in Schedule (a), ~~$7,500,000~~ *$1,000,000* be used to expand the Cal-SOAP program and to provide services such as college admissions test preparation programs, fee waivers for Advanced Placement tests, and increase the number of field trips for high school and middle school participants to visit college campuses.

7. Notwithstanding any other provision of law, of the amount appropriated in Schedule (a),

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$41,100,000 shall be used to increase the number of new Cal Grant awards above the number awarded in 1997–98. These funds shall be used to provide approximately 6,440 new Cal Grant A awards and 6,440 new Cal Grant B awards; or a different number of awards as determined by the Student Aid Commission to be consistent with the funding provided in this item for new Cal Grant A and B awards.

7980-101-0890—For local assistance, Student Aid Commission, for payment to Item 7980-101-0001, payable from the Federal Trust Fund 4,059,000

Provisions:

1. Of the amount appropriated by this item, $300,000 is for the federal National Early Intervention Scholarship Program (NEISP), contingent upon the Student Aid Commission reaching an agreement with the United States Department of Education on the establishment of a scholarship component for this program. If the commission can reach agreement on this issue, any portion of the $300,000 not needed to support the NEISP scholarship component shall be used to support NEISP early intervention services as provided through the California Student Opportunity and Access Program. The commission shall report to the budget committees of each house of the Legislature and the Joint Legislative Budget Committee by December 31, 1998, on the status of its efforts to reach agreement with the United States Department of Education.

7980-102-0001—For local assistance, Student Aid Commission (Proposition 98), for the California Student Opportunity and Access Program (Cal-SOAP)..... 990,000

GENERAL GOVERNMENT

8100-001-0001—For support of Office of Criminal Justice Planning ..... ~~7,634,000~~ *3,669,000*

Schedule:

(a) 20.01-Administration 2,357,000
(b) 20.02-Distributed Administration ... −2,357,000
(c) 50-Criminal Justice Projects..... ~~16,852,000~~ *12,887,000*
(d) Reimbursements..... −460,000

Item		Amount
(e) Amount payable from Local Public Prosecutors and Public Defenders Training Fund (Item 8100-001-0241)	−67,000	
(f) Amount payable from Victim Witness Assistance Fund (Item 8100-001-0425)	−1,469,000	
(g) Amount payable from the High Technology Theft Apprehension and Prosecution Trust Fund (Item 8100-001-0597)	−32,000	
(h) Amount payable from the Federal Trust Fund (Item 8100-001-0890).	−7,190,000	
8100-001-0241—For support of Office of Criminal Justice Planning, for payment to Item 8100-001-0001, payable from the Local Public Prosecutors and Public Defenders Training Fund		67,000
Provisions:		
1. Notwithstanding any other provision of law restricting the costs of administering individual programs, the full amount of this appropriation may be used by the Office of Criminal Justice Planning for administrative costs.		
8100-001-0425—For support of Office of Criminal Justice Planning, for payment to Item 8100-001-0001, payable from the Victim-Witness Assistance Fund		1,469,000
8100-001-0597 —For support of Office of Criminal Justice Planning, for payment to Item 8100-001-0001, payable from the High Technology Theft Apprehension and Prosecution Program Trust Fund		32,000
8100-001-0890—For support of Office of Criminal Justice Planning, for payment to Item 8100-001-0001, payable from the Federal Trust Fund		7,190,000
8100-101-0001—For local assistance, Office of Criminal Justice Planning, Program 50, Criminal Justice Projects		~~35,679,000~~ *39,749,000*
Schedule:		
(a) 50.20.102-Victims Legal Resources Center	173,000	
(b) 50.20.103-Joint Venture	166,000	
(c) 50.20.151-Domestic Violence Program	1,460,000	
(d) 50.20.152-Family Violence Prevention	194,000	
(e) 50.20.301-Rape Crisis Program	101,000	
~~(f) 50.20.351-Homeless Youth Project~~	~~989,000~~	

Item	Amount
(f) 50.20.351-Homeless Youth Project	*883,000*
(g) 50.20.352-Youth Emergency Telephone Referral	~~253,000~~ *359,000*
(h) 50.20.353-Child Sexual Abuse and Exploitation Program	3,000
(i) 50.20.354-Child Sexual Abuse Prevention and Training	672,000
(ix) 50.20.358-Child Abuse and Abduction Prevention	495,000
(j) 50.30.501-California Community Crime Resistance Program, to be allocated pursuant to Chapter 5 (commencing with Section 13840) of Title 6 of Part 4 of the Penal Code	923,000
(k) 50.30.511-California Career Criminal Apprehension Program	2,308,000
(*l*) 50.30.512-California Career Criminal Prosecution Program, to be allocated pursuant to Chapter 2.2 (commencing with Section 999b) of Title 6 of Part 2 of the Penal Code	3,987,000
(m) 50.30.513-Major Narcotic Vendors Prosecution Program	2,641,000
(n) 50.30.514-Serious Habitual Offender	547,000
(o) 50.30.515-Vertical Prosecution of Statutory Rape	8,361,000
(p) 50.30.521-Child Sexual Assault Prosecution Program	1,304,000
(q) 50.30.522-Evidentiary Medical Training	1,364,000
(r) 50.30.531-Vertical Defense	692,000
(s) 50.30.541-Public Prosecutors and Public Defenders	29,000
(sx) 50.30.562-High Technology Theft Apprehension and Prosecution Program	*965,000*
(t) 50.30.651-Suppression of Drug Abuse in Schools Program	3,263,000
(u) 50.30.661-California Gang Violence Suppression Program	5,615,000
(v) 50.30.672-Multi-Agency Gang Enforcement Consortium	248,000

Item	Amount
(w) 50.30.700-Special Projects: Public Safety	~~2,756,000~~ *4,941,000*
(wx) 50.30.704-MUNI Video Surveillance Program	*920,000*
(x) Reimbursements	−2,865,000

Provisions:

1. Notwithstanding any other provisions of law, the Office of Criminal Justice Planning may provide advance payment of up to 25 percent of grant funds awarded to community-based, nonprofit organizations, cities, school districts, counties, and other units of local government that have demonstrated cash-flow problems according to the criteria set forth by the office.
2. To maximize the use of program funds and demonstrate the commitment of the grantees to program objectives, the Office of Criminal Justice Planning shall require all grantees for funds from the Gang Violence Suppression-Curfew Enforcement Strategy program to provide local matching funds, of at least 10 percent, for the first year and each subsequent year of operation. This match requirement applies to each agency that is to receive grant funds. An agency may meet its match requirements with an in-kind match, if approved by the Office of Criminal Justice Planning.
3. *The funds appropriated in Schedule (sx) shall be available for the High Technology Theft Apprehension and Prosecution Program, as established by Chapter 5.7 (commencing with Section 13848) of Title 6 of Part 4 of the Penal Code, and as subsequently amended by statute during the 1997–98 Regular Session. The funds shall be deposited in the High Technology Theft Apprehension and Prosecution Program Trust Fund established pursuant to Section 13848.4 of the Penal Code and distributed as follows:*
   (a) Up to 10 percent of the funds shall be used for developing and maintaining a statewide data base on high technology crime for use in developing and distributing intelligence information to participating law enforcement agencies. Any funds not expended for these purposes shall be distributed to regional high technology theft task forces pursuant to subdivision (c) of this provision. Funds set aside

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for the purpose of this subdivision may be expended no sooner than 30 days after notice to the Chair of the Joint Legislative Budget Committee and the chairs of the budget committees of each house of the Legislature of a plan for the expenditure of the funds.

(b) Funds shall be distributed by the Office of Criminal Justice Planning, pursuant to Section 13848.6 of the Penal Code, for no more than two regional high tech crime programs which meet the criteria established in subdivision (b) of Section 13848.6 of the Penal Code.

(c) Grantees are required to provide 50 percent local matching funds from the regional program.

8100-101-0241—For local assistance, Office of Criminal Justice Planning, Program 50, Criminal Justice Projects, payable from the Local Public Prosecutors and Public Defenders Training Fund 727,000

Provisions:

1. Notwithstanding any other provisions of law, the Office of Criminal Justice Planning may provide advance payment of up to 25 percent of grant funds awarded to community-based, nonprofit organizations, cities, school districts, counties, and other units of local government that have demonstrated cash-flow problems according to the criteria set forth by the office.

8100-101-0425—For local assistance, Office of Criminal Justice Planning, Program 50, Criminal Justice Projects, payable from the Victim-Witness Assistance Fund 15,519,000

Schedule:

(a) 50.20.101-Victim-Witness Assistance Program..... 10,871,000

(b) 50.20.301-Rape Crisis Program 3,670,000

(c) 50.20.353-Child Sexual Abuse and Exploitation Program 978,000

Provisions:

1. Notwithstanding any other provisions of law, the Office of Criminal Justice Planning may provide advance payment of up to 25 percent of grant funds awarded to community-based, nonprofit organizations, cities, school districts, counties, and other units of local government that have demon-

Item		Amount
strated cash-flow problems according to the criteria set forth by the office.		
8100-101-0597—For local assistance, Office of Criminal Justice Planning, Program 50, Criminal Justice Projects, payable from the High Technology Theft Apprehension and Prosecution Program Trust Fund.		218,000
Schedule:		
(a) 50.30.562-High Technology Theft Apprehension and Prosecution Program	218,000	
8100-101-0890—For local assistance, Office of Criminal Justice Planning, Program 50, Criminal Justice Projects, payable from the Federal Trust Fund		~~153,284,000~~ *153,784,000*
Schedule:		
(a) 50.20.151-Domestic Violence Program	5,355,000	
(b) 50.20.161-Violence Against Women Act	12,661,000	
(c) 50.20.302-Rape Prevention	5,571,000	
(d) 50.20.451-Victims of Crime Act (VOCA)	38,022,000	
(e) 50.30.525-Child Justice Act	1,045,000	
(f) 50.30.550-Byrne State/Local Law Enforcement Assistance	51,901,000	
(g) 50.30.555-Residential Substance Abuse Treatment	4,205,000	
(gx) 50.30.557-Special Projects—Residential Substance Abuse Treatment	*500,000*	
(h) 50.30.661-Gang Violence Suppression	1,005,000	
(i) 50.30.701-Juvenile Justice and Delinquency Prevention	6,310,000	
(j) 50.30.703-Community Delinquency Prevention Program	2,254,000	
(jx) 50.30.705-Juvenile Accountability Incentive	21,769,000	
(k) 50.30.706-Juvenile Justice—Project Challenge	1,114,000	
(*l*) 50.30.708-Innovative Local Law Enforcement and Community Policing	2,072,000	
Provisions:		
1. Notwithstanding any other provision of law, the Office of Criminal Justice Planning may provide advance payment of up to 25 percent of grant		

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funds awarded to community-based, nonprofit organizations, cities, school districts, counties, and other units of local government that have demonstrated cash-flow problems according to the criteria set forth by the office.

2. Funds appropriated in Schedule (gx) shall be available for substance abuse treatment beds in the Northern California Juvenile Detention Center in Humboldt County. These funds shall be allocated in accordance with the federal Residential Substance Abuse Treatment Program, including any local match requirements. It is the intent of the Legislature that this appropriation represent the first year allocation of a three-year funding program for treatment beds at the Northern California Juvenile Detention Center.

8120-001-0268—For support of Commission on Peace Officer Standards and Training, payable from the Peace Officers' Training Fund 10,394,000

Schedule:

(a) 10-Standards 3,800,000

(b) 20-Training 15,362,000

(c) 30-Peace Officer Training 88,000

(d) 40.01-Administration 4,038,000

(e) 40.02-Distributed Administration ... −4,038,000

(f) Amount payable from the Peace Officers' Training Fund (Item 8120-011-0268) ..... −7,300,000

(g) Amount payable from the Peace Officers' Training Fund (Item 8120-012-0268) ..... −1,556,000

8120-011-0268—For support of Commission on Peace Officer Standards and Training, for payment to Item 8120-001-0268, payable from the Peace Officers' Training Fund 7,300,000

Provisions:

1. Funds appropriated by this item are to be used for contractual services in support of local training programs, pursuant to Section 13503(c) of the Penal Code.

2. Funds may be transferred between this item and Item 8120-101-0268 to meet the needs of local training programs.

8120-012-0268—For support of Commission on Peace Officer Standards and Training, for payment to Item 8120-001-0268, payable from the Peace Officers' Training Fund 1,556,000

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Provisions:

1. The funds appropriated by this item are to be used for the implementation of ''Tools for Tolerance'' training program for law enforcement personnel operated by the Simon Wiesenthal Center-Museum of Tolerance. Eligibility to receive funds appropriated by this item as reimbursements is limited to law enforcement agencies authorized by law to receive training reimbursements from the Peace Officers' Training Fund. Both sworn officers and nonsworn personnel who have contact with the public shall, at the discretion of the head of the law enforcement agency seeking reimbursement under this provision, be eligible for reimbursement, provided that the Museum of Tolerance gives priority to training sworn officers.

8120-101-0268—For local assistance, Commission on Peace Officer Standards and Training, Program 30, for allocation to cities, counties, and cities and counties pursuant to Section 13523 of the Penal Code, payable from the Peace Officers' Training Fund 28,058,000

Provisions:

1. Funds may be transferred between this item and Item 8120-011-0268 to meet the needs of local training programs.
2. The Director of Finance may authorize the augmentation of the total amount available for expenditure under this item in the amount of revenue received by the Peace Officers' Training Fund that is in addition to the revenue appropriated by this item, not sooner than 30 days after notification in writing to the chairpersons of the respective fiscal committees and the Chairperson of the Joint Legislative Budget Committee.

8120-102-0268—For local assistance, Commission on Peace Officer Standards and Training, Program 30, payable from the Peace Officers' Training Fund 444,000

Provisions:

1. Funds appropriated by this item are to be used for the implementation of the ''Tools for Tolerance'' training program for law enforcement personnel operated by the Simon Wiesenthal Center-Museum of Tolerance. Eligibility to receive funds appropriated by this item as reimbursements is limited to law enforcement agencies authorized by law to receive training reimbursements from the Peace Officers' Training Fund. Both sworn of-

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ficers and nonsworn personnel who have contact with the public shall, at the discretion of the head of the law enforcement agency seeking reimbursement under this provision, be eligible for reimbursement, provided that the Museum of Tolerance gives priority to training sworn officers.

8140-001-0001—For support of State Public Defender.. 11,233,000

Schedule:

(a) 10-State Public Defender 11,233,000

Provisions:

1. Any federal funds received by the Office of the State Public Defender as reimbursements for legal services provided for capital cases shall revert to the unappropriated surplus of the General Fund.

8180-101-0001—For local assistance, Payment to Counties for Costs of Homicide Trials, for payment by the State Controller ..... ~~8,000,000~~ *9,541,000*

Provisions:

1. This item is for payment to counties for costs of homicide trials pursuant to Sections 15201 to 15203, inclusive, of the Government Code, provided that expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the Controller.
2. The Controller shall reimburse counties for reasonable and necessary expenses incurred pursuant to Section 15202 of the Government Code except that reimbursements to a county shall not exceed: (a) for attorney services, an hourly rate equal to that county's average hourly cost for public defenders, the hourly rate paid to appointed counsel, or the hourly rate charged state agencies by the Attorney General for attorney services, whichever rate is less; (b) for investigators, an hourly rate equal to that county's average hourly cost for county-employed investigators or the hourly rate charged state agencies by the Attorney General for investigators, whichever rate is less; and (c) for expert witnesses, the hourly rate that the county generally pays for these services.
3. Notwithstanding any other provision of law, funds appropriated by this item shall be available for reimbursement for one hundred percent of any extraordinary costs incurred during the 1997–98 and 1998–99 fiscal years in the County of Mendocino in the homicide trials of People v. Lincoln and

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People v. Diaz, the County of Siskiyou in the homicide trial of People v. Bowcutt, and the County of Yuba in the homicide trial of People v. Petersen.

4. Notwithstanding any other provision of law, funds appropriated by this item shall be available for reimbursement for 100 percent of any extraordinary costs incurred in the County of Lake during the 1996–97, 1997–98, and 1998–99 fiscal years in the homicide trials of People v. Craft, People v. Featherman, People v. Statler, People v. Jensen, People v. Frank Burrows, and People v. Josh Burrows.

8200-001-0001—For support of Commission for Economic Development 250,000

Schedule:

(a) 10-Commission for Economic Development 250,000

Provisions:

1. No funds appropriated by this item shall be expended prior to January 1, 1999.

8260-001-0001—For support of California Arts Council 1,943,000

Schedule:

(a) 10-Artists in Residence 824,000
(b) 20-Organizational Grants 1,111,000
(c) 25-Performing Arts Touring/Presenting Program 326,000
(d) 40-Statewide Projects 510,000
(e) 45-California Challenge Program ... 65,000
(f) 50.01-Administration 965,000
(g) 50.02-Distributed Administration ... −965,000
(h) Reimbursements ..... −70,000
(i) Amount payable from the Graphic Design License Plate Account (Item 8260-001-0078) ..... −206,000
(j) Amount payable from the Federal Trust Fund (Item 8260-001-0890). −617,000

8260-001-0078—For support of California Arts Council, for payment to Item 8260-001-0001, payable from the Graphic Design License Plate Account 206,000

8260-001-0890—For support of California Arts Council, for payment to Item 8260-001-0001, payable from the Federal Trust Fund 617,000

8260-101-0001—For local assistance, California Arts Council, for grants and subventions ..... ~~29,842,000~~ *9,842,000*

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Schedule:

(a) 10-Artists in Residence..... ~~4,045,000~~ *2,045,000*

(b) 20-Organizational Grants..... ~~24,010,000~~ *6,010,000*

(c) 25-Performing Arts Touring/ Presenting Program..... 492,000

(d) 40-Statewide Projects..... 1,761,000

(e) Reimbursements..... −31,000

(f) Amount payable from the Graphic Design License Plate Account (Item 8260-101-0078)..... −435,000

Provisions:

1. Funds appropriated for the Small- and Mid-size Organizations element and the Large Budget Organizations element of the Organizational Grants program shall not be expended unless the grant recipient provides at least a dollar-for-dollar cash match. No matching funds shall be required for grants to individual artists.

~~2. Of the amounts appropriated in Schedule (a), $2,000,000 shall be for the support of the Artists in Residence Program. These funds shall be used to increase the grants and projects that focus on K–12 students, at-risk youth, children in after-school community programs, and disabled children.~~

~~3. Notwithstanding Section 26.00 of this act, the California Arts Council may transfer not more than $18,000,000 from Schedule (b) of this item to Schedule (a), (c), or (d).~~

8260-101-0078—For local assistance, California Arts Council, for payment to Item 8260-101-0001, payable from the Graphic Design License Plate Account 435,000

8260-101-0890—For local assistance, California Arts Council, payable from the Federal Trust Fund..... 170,000

Schedule:

(a) 10-Artists in Residence..... 74,000

(c) 25-Performing Arts Touring/ Presenting Program..... 12,000

(d) 40-Statewide Projects..... 84,000

Provisions:

1. Any organization applying for a grant under the Large Budget Organizations element of the Organizational Grants program may not receive a grant under the Small- and Mid-size Organizations element of the Organizational Grants program.

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2. Any organization applying for a grant under the Small- and Mid-size Organizations element of the Organizational Grants program may not receive a grant under the Large Budget Organizations element of the Organizational Grants program.

3. Funds appropriated for the Small- and Mid-size Organizations element and the Large Budget Organizations element of the Organizational Grants program shall not be expended unless the grant recipient provides at least a dollar-for-dollar cash match. No matching funds shall be required for grants to individual artists.

8260-102-0001—For local assistance, California Arts ~~Council, to be available for allocation by the Controller to various museums~~ *Council* ..... ~~12,400,000~~ *27,580,000*

Provisions:

~~1. As a condition of receiving funds under this item, a museum shall submit a plan on the expenditure of the funds for the 1998–99 budget year and thereafter, to the Chairperson of the Joint Legislative Budget Committee.~~

~~2. In addition, any museum that received Proposition 98 general funds for the 1997–98 fiscal year may only receive the funds appropriated for the 1998–99 budget year once a report is submitted to the Chairperson of the Joint Legislative Budget Committee that outlines the expenditure of the Proposition 98 funds.~~

~~3. Of the amount appropriated in this item the following allocations shall be made: $2,000,000 for the Simon Weisenthal Museum of Tolerance; $2,000,000 for the Hollywood Entertainment Museum; $2,000,000 for the San Diego Natural History Museum; $1,000,000 for the Latino Museum; $1,000,000 for the Skirball Cultural Museum in Santa Monica; $1,000,000 for the Discovery Science Center; $1,000,000 for the Great Central Valley History Museum; $500,000 for the New California Center Museum; $1,500,000 for the Military Museum; $250,000 for the Maritime Museum in San Diego; and $150,000 for the Fender Museum of Music and the Arts in Corona.~~

1. Of the funds appropriated by this item, the following allocations shall be made: $835,000 for the Military Museum; $300,000 for the Chabot Observatory; $750,000 for the Discovery Science

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Center; $120,000 for the Fender Museum in the City of Corona; $750,000 for the Central Valley Learning Center; $2,000,000 for the Hollywood Museum; $500,000 for the National Steinbeck Center; $800,000 for the New California Center; $475,000 for the Orange County Marine Institute; $1,750,000 for the San Diego Natural History Museum; $250,000 for the Maritime Museum of San Diego; $2,000,000 for the Simon Weisenthal Museum; $2,000,000 for the Skirball Museum in the City of Santa Monica; $2,000,000 for the Great Central Valley History Museum; $30,000 for the Children's Museum in the City of La Habra; $500,000 for a Cultural Arts Center in the San Fernando Valley; $100,000 for the Turtle Bay Museum Complex; $500,000 for the Los Angeles Police Museum; $50,000 for the Clarke Memorial Museum; $50,000 for the Napa Valley Museum; $120,000 for the Antelope Valley Indian Museum; $264,000 for the Randall; $75,000 for the San Francisco Art Commission; $100,000 for the Fine Arts Museums of San Francisco; $481,000 for the Asian Art Museum; $150,000 for the Edwards Air Force Base Historical Flight Museum; $5,000,000 for the San Francisco Academy of Sciences; $5,000,000 for the Walt Disney Concert Hall at the Los Angeles Music Center; and $250,000 for the Mexican Museum.

2. The funds appropriated by this item are for one-time grants to museums to provide educational services to public school students and for one-time grants to museums for capital outlay. In making this appropriation, it is the intent of the Legislature to provide a simple system for allocating funds to museums that ensures accountability of public funds. It is not the intent of the Legislature to establish an ongoing system of local assistance for museums.

3. (a) For purposes of this item, educational services may include teacher training, curriculum development, schoolsite presentations or workshops, distance learning, and reduced price or free admissions. No funds appropriated by this item may be expended for hiring of permanent staff, purchase of vehicles, or the general operating expenses of these museums. Funds appropriated by this item shall

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be used to supplement, and not supplant, current funding for educational services for public school students from other funding sources.

(b) On or before October 1, 1998, each museum shall submit to the California Arts Council a detailed expenditure plan on the proposed uses of the funds appropriated to it by this item for educational services. Notwithstanding Section 2.00 of this act, funds appropriated in this item for educational services may be expended only for educational services provided from July 1, 1998, to June 30, 2001, inclusive.

(c) The California Arts Council shall review and approve each expenditure plan to ensure that (1) funds are proposed to be expended for educational purposes consistent with paragraph (a) of this Provision 3 and (2) the expenditure plan proposes a cost-effective use of the funds. The council shall develop a process for reviewing, approving, and paying grantees in a timely fashion. To ensure financial accountability, the council shall develop a reporting process and specify information to be reported by grantees on a regular basis.

(d) The California Arts Council shall report to the Joint Legislative Budget Committee by October 1, 1999, detailing expenditures made and programmatic outcomes achieved by each grant funded pursuant to this item during the 1998–99 fiscal year, and by October 1 for each subsequent fiscal year during which funds are expended, including, but not limited to, the number of students and teachers served, evidence of student achievement, curriculum materials developed, and evidence of professional growth among teachers trained.

4. (a) For purposes of this item, capital outlay includes expenditures for planning, working drawings, and repair, renovation, and construction of museum facilities. No funds appropriated by this item for purposes of capital outlay may be used for hiring of permanent staff, operating expenses, or non-capital-outlay-related expenditures.

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(b) On or before October 1, 1998, each museum shall submit to the California Arts Council a detailed expenditure plan on the proposed uses of the funds appropriated to it by this item for capital outlay. Notwithstanding Section 2.00 of this act, funds appropriated in this item for capital outlay may be expended only for capital outlay purposes from July 1, 1998, to June 30, 2001, inclusive.

(c) The California Arts Council shall review and approve each expenditure plan to ensure that (1) funds are expended for the capital outlay purposes consistent with paragraph (a) of this Provision 4 and (2) the expenditure plan proposes a cost-effective use of the funds. The council shall develop a process for reviewing, approving, and paying grantees in a timely fashion. To ensure financial accountability, the council shall develop a reporting process and specify information for grantees to report on a regular basis.

(d) The California Arts Council shall report to the Joint Legislative Budget Committee by October 1, 1999, detailing expenditures made and the outcome in terms of facilities repaired, renovated, or constructed for the 1998–99 fiscal year, and by October 1 for each subsequent fiscal year during which funds appropriated by this item are expended.

5. Any museum that received a grant from the General Fund subject to Proposition 98 in the 1995–96, 1996–97, or 1997–98 fiscal years shall receive the funds appropriated by this item only after a report is submitted to the California Arts Council that outlines the expenditure of the museum's funds during the fiscal year in which Proposition 98 funds were received.

6. Of the funds appropriated by this item, $300,000 shall be used by the California Arts Council to defray it for support and related expenses for performing its responsibilities under this item. The council may enter into an interagency agreement to obtain personnel services relating to the review and approval of capital outlay expenditure plans.

8260-103-0001—For local assistance, California Arts Council 20,000,000

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Schedule:

(a) 15-California Arts Program..... 20,000,000

Provisions:

1. Of the funds appropriated by this item, $2,000,000 shall be for the support of the Artists in Residence Program. These funds shall be used to increase the grants and projects that focus on K–12 students, at-risk youth, children in after-school community programs, and disabled children.

2. Of the funds appropriated by this item, up to $800,000 shall be used to defray the administrative and related expenses of the California Arts Council in performing its responsibilities under this item.

8260-111-0001—For local assistance, California Arts Council 759,000

Provisions:

1. Funds appropriated for the California Challenge Program shall not be expended unless the grant recipient provides matching funds through new and increased private contributions based on criteria established by the California Arts Council specifically for this program.

8280-001-0001—For support of Native American Heritage Commission, Program 10 309,000

8300-001-0001—For support of Agricultural Labor Relations Board 4,553,000

Schedule:

(a) 10-Board Administration..... 2,134,000

(b) 20-General Counsel Administration..... 2,419,000

(c) 30.01-Administrative Services..... 233,000

(d) 30.02-Distributed Administrative Services..... −233,000

8320-001-0001—For support of Public Employment Relations Board 4,288,000

Schedule:

(a) 11-Public Employment Relations ... 4,295,000

(b) Reimbursements..... −7,000

8350-001-0001—For support of Department of Industrial Relations ..... ~~124,563,000~~ *125,858,000*

Schedule:

(1) 10-Regulation of Workers' Compensation Self-Insurance Plans..... 2,909,000

Item	Amount
(2) 20-Conciliation of Employer-Employee Disputes	~~1,826,000~~ *1,820,000*
(3) 30-Workers' Compensation Administration	~~93,799,000~~ *93,254,000*
(4) 35-Industrial Medical Council	3,771,000
(5) 36-Commission on Health and ~~Safety and Workers' Compensation.~~ *Safety and Workers' Compensation*	~~2,247,000~~ *2,244,000*
(6) 40-Prevention of Industrial Injuries and Deaths of California Workers	~~63,171,000~~ *64,728,000*
(7) 50-Enforcement and Promulgation of Laws Relating to Wages, Hours, and Conditions of Employment, and Licensing and Adjudication	~~27,228,000~~ *27,147,000*
~~(8) 60-Promotion, Development, and Administration of Apprenticeship and Other On-the-Job Training~~	~~3,875,700~~
(8.1) 60.10-California Apprenticeship Council	*0*
(8.2) 60.20-Division of Apprenticeship Standards for promotion, development, and administration of apprenticeship and other on-the-job training	*3,886,000*
(9.1) 70.10-Occupational Injuries and Illness Statistics	~~1,892,000~~ *1,875,000*
(9.2) 70.20-Industrial Relations Research	1,193,000
(10) 80-Payment of Claims, Wages, and Contingencies	23,632,000
(11) 94.01-Administration	17,715,000
(12) 94.02-Distributed Administration	−17,715,000
(13) Reimbursements	−3,287,000
(14) Amount payable from the Farm Labor Contractor's Special Account (Item 8350-001-0023)	−27,000
(15) Amount payable from the Industrial Medicine Fund (Item 8350-001-0079)	−1,685,000

Item	Amount
(16) Amount payable from the Cal-OSHA Targeted Inspection and Consultation Fund (Item 8350-001-0096)	~~−6,239,000~~ *−6,202,000*
~~(17) Amount payable from Workers' Compensation Managed Care Fund (Item 8350-001-0132)~~	~~−222,000~~
(18) Amount payable from the Industrial Relations Construction Industry Enforcement Fund (Item 8350-001-0216)	−50,000
(19) Amount payable from the Workplace Health and Safety Revolving Fund (Item 8350-001-0222)	~~−2,260,000~~ *−2,257,000*
(20) Amount payable from Workers' Compensation Administration Revolving Fund (Item 8350-001-0223)	~~−18,272,000~~ *−18,202,000*
(21) Amount payable from the Loss Control Certification Fund (Item 8350-001-0284)	~~−787,000~~ *−783,000*
(22) Amount payable from Asbestos Consultant Certification Account (Item 8350-001-0368)	−324,000
(23) Amount payable from Asbestos Training Approval Account (Item 8350-001-0369)	−237,000
(24) Amount payable from the Self-Insurance Plans Fund (Item 8350-001-0396)	−2,856,000
(25) Amount payable from the Elevator Safety Inspection Account, General Fund (Item 8350-001-0452)	~~−6,738,000~~ *−6,702,000*
(26) Amount payable from the Pressure Vessel Inspection Account, General Fund (Item 8350-001-0453)	~~−3,294,000~~ *−3,274,000*
(27) Amount payable from the Garment Manufacturer's Special Account (Item 8350-001-0481)	−50,000

Item	Amount
(28) Amount payable from Employment Training Fund (Item 8350-001-0514)	~~−2,795,700~~ *−2,808,000*
(29) Amount payable from the Uninsured Employer's Account, Uninsured Employer's Fund (Item 8350-001-0571)	−23,529,000
(30) Amount payable from the Federal Trust Fund (Item 8350-001-0890)	−26,393,000
(31) Amount payable from the Industrial Relations Unpaid Wage Fund (Item 8350-001-0913)	−946,000
(32) Amount payable from the Workers' Compensation Administration Revolving Fund (Item 8350-015-0223)	−489,000
(33) Amount payable from the Industrial Relations Unpaid Wage Fund (Sec. 96.6, Labor Code)	−500,000

Provisions:

1. It is the intent of the Legislature that legislative authorization be obtained prior to implementing a change from the modal method of calculating prevailing wage rates ~~(ACR 17, Reso. Ch. 34, Stats. 1997). Therefore, no funds are being appropriated in this act for that purpose.~~ *as set forth in Assembly Concurrent Resolution 17 of the 1997–98 Regular Session (Res. Ch. 34, Stats. 1997). Therefore, no funds are being appropriated in this act for the purpose of implementing any other method of calculating the prevailing wage rate.*
2. Notwithstanding any other *provision of* law, no funds from any source shall be transferred or otherwise expended by the Department of Industrial Relations or Department of Finance to circumvent the condition placed on the appropriation by Provision 1 of this item.
3. *No funds appropriated by this item shall be used for the payment of the salaries and wages or the operating expenses of the Managed Care Program for which funds are appropriated in Item 8350-011-0132.*
4. *In addition to the amount otherwise appropriated by this item, the amount of $28,300 is appropriated for support of the California Apprenticeship Council on the condition that no funds shall be*

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used for the costs of rulemaking proceedings to adopt or modify administrative regulations concerning apprenticeship. Notwithstanding any other provision of law, no funds shall be used or transferred by the Department of Industrial Relations or the Department of Finance for rulemaking proceedings concerning apprenticeship.

5. In addition to the amount otherwise appropriated by this item, the amount of $110,000 is appropriated to the Industrial Welfare Commission for staffing for the commission's duties regarding the minimum wage and for recision of the commission's amendments to Section 3 of Wage Order Nos. 1-98, 4-98, 5-98, 7-98, and 9-98, that purported to be effective January 1, 1998. Notwithstanding any other provision of law, no funds shall be used or transferred by the Department of Industrial Relations or the Department of Finance for any other activities of the Industrial Welfare Commission.

8350-001-0023—For support of Department of Industrial Relations, for payment to Item 8350-001-0001, payable from the Farm Labor Contractor's Special Account 27,000

8350-001-0079—For support of Department of Industrial Relations, for payment to Item 8350-001-0001, payable from the Industrial Medicine Fund 1,685,000

8350-001-0096—For support of Department of Industrial Relations, for payment to Item 8350-001-0001, payable from the Cal-OSHA Targeted Inspection and Consultation Fund ..... ~~6,239,000~~ *6,202,000*

Provisions:

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

~~8350-001-0132—For support of Department of Industrial Relations, for payment to Item 8350-001-0001, payable from the Workers' Compensation Managed Care Fund ..... 222,000~~

~~Provisions:~~

~~1. It is the intent of the Legislature that the regulation of workers' compensation health care organizations pursuant to Sections 4600.3 and 4600.5~~

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~~of the Labor Code be fully supported by fees assessed on certified health care organizations and applicants for certification.~~	
8350-001-0216—For support of Department of Industrial Relations, for payment to Item 8350-001-0001, payable from the Industrial Relations Construction Industry Enforcement Fund	50,000
8350-001-0222—For support of Department of Industrial Relations, for payment to Item 8350-001-0001, payable from the Workplace Health and Safety Revolving Fund	~~2,260,000~~ *2,257,000*
Provisions:	
1. Funds appropriated by this item are for the purpose of supporting the activities of the Commission on Health and Safety and Workers' Compensation within the Department of Industrial Relations as established by Chapter 227 of the Statutes of 1993.	
8350-001-0223—For support of Department of Industrial Relations, for Workers' Compensation Administration, for payment to Item 8350-001-0001, payable from the Workers' Compensation Administration Revolving Fund	~~18,272,000~~ *18,202,000*
Provisions:	
1. No funds appropriated by this item shall be used for the payment of the salaries and wages or the operating expenses of the Managed Care Program for which funds are appropriated in Item 8350-011-0132.	
8350-001-0284—For support of Department of Industrial Relations, for payment to Item 8350-001-0001, payable from the Loss Control Certification Fund	~~787,000~~ *783,000*
8350-001-0368—For support of Department of Industrial Relations, for payment to Item 8350-001-0001, payable from the Asbestos Consultant Certification Account	324,000
8350-001-0369—For support of Department of Industrial Relations, for payment to Item 8350-001-0001, payable from the Asbestos Training Approval Account.	237,000
8350-001-0396—For support of Department of Industrial Relations, for payment to Item 8350-001-0001, payable from the Self-Insurance Plans Fund	2,856,000

Item	Amount
8350-001-0452—For support of Department of Industrial Relations, for payment to Item 8350-001-0001, payable from the Elevator Safety Account, General Fund	~~6,738,000~~
able from the Elevator Safety Account, General Fund	*6,702,000*
8350-001-0453—For support of Department of Industrial Relations, for payment to Item 8350-001-0001, payable from the Pressure Vessel Account, General Fund	~~3,294,000~~
able from the Pressure Vessel Account, General Fund	*3,274,000*
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Government Code Section 13332.18.	
8350-001-0481—For support of Department of Industrial Relations, for payment to Item 8350-001-0001, payable from the Garment Manufacturer's Special Account	50,000
8350-001-0514—For support of Department of Industrial Relations, for payment to Item 8350-001-0001, payable from the Employment Training Fund	~~2,795,700~~
	2,808,000
Provisions:	
1. Notwithstanding Section 1611 of, and Chapter 3.5 (commencing with Section 10200) of Part 1 of Division 3 of, the Unemployment Insurance Code, $2,882,000 from the interest earned from money in the Employment Training Fund shall be transferred by the State Controller to the Department of Industrial Relations for the support of the Division of Apprenticeship Standards.	
2. In addition to the amount otherwise appropriated in this item, the sum of $28,300 is appropriated for support of the California Apprenticeship Council on the condition that no funds shall be used for the costs of rulemaking proceedings to adopt or modify administrative regulations concerning apprenticeship. Notwithstanding any other provision of law, no funds shall be used or transferred by the Department of Industrial Relations or Department of Finance for rulemaking proceedings concerning apprenticeship.	
8350-001-0571—For support of Department of Industrial Relations, for payment to Item 8350-001-0001, payable from the Uninsured Employer's Account, Uninsured Employer's Fund	23,529,000

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8350-001-0890—For support of Department of Industrial Relations, for payment to Item 8350-001-0001, payable from the Federal Trust Fund	26,393,000
8350-001-0913—For support of Department of Industrial Relations, for payment to Item 8350-001-0001, payable from the Industrial Relations Unpaid Wage Fund	946,000
Provisions:	
1. Notwithstanding any other provision of law, funds appropriated by this item shall be expended by the Department of Industrial Relations Division of Labor Standards Enforcement to administer the Targeted Industries Partnership Program to increase enforcement and compliance in the agricultural, garment, and restaurant industries.	
2. It is the intent of the Legislature that the Targeted Industries Partnership Program result in increased enforcement of, and compliance by, the agricultural, garment, and restaurant industries regarding wages, hours, conditions of employment, licensing, registration, and child labor laws and regulations.	
8350-011-0001—For support of Department of Industrial Relations, for transfer to the Uninsured Employer's Account	18,603,000
8350-011-0132—For support of Department of Industrial Relations, Program 30, Workers' Compensation Administration, payable from the Workers' Compensation Managed Care Fund	*222,000*
8350-015-0223—For support of Department of Industrial Relations, Industrial Medical Council for payment to Item 8350-001-0001, payable from the Workers' Compensation Administration Revolving Fund	489,000
8350-295-0001—For local assistance, Department of Industrial Relations, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or of Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, State Controller	1,395,000
Schedule:	
(1) 98.01.117.189-Peace Officer's Cancer Presumption (Ch. 1171, Stats. 1989) 711,000	

Item	Amount
(2) 98.01.156.882-Firefighter's Cancer Presumption (Ch. 1568, Stats. 1982).....	684,000
(3) 98.01.999.001-Personal alarm devices (8 Cal. Code Regs. Sec. 3401(c)).....	0
(4) 98.01.999.002-Structural and wildland firefighter safety clothing and equipment (8 Cal. Code Regs. Secs. 3401 to 3410, incl.)	0

Provisions:

1. Allocations of funds appropriated by this item to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated by this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.
2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the State Controller may, upon notifying the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.
3. Pursuant to Section 17581 of the Government Code, mandates identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the 1998–99 fiscal year:
   (a) Personal alarm devices (8 Cal. Code Regs. Sec. 3401(c))

Item		Amount
(b) Structural and wildland firefighter safety clothing and equipment (8 Cal. Code Regs. Secs. 3401 to 3410, incl.)		
8380-001-0001—For support of Department of Personnel Administration		5,444,000
Schedule:		
(a) 20-Labor Relations	1,517,000	
(b) 25-Legal	~~6,127,000~~ *4,386,000*	
(c) 40.01-Administration	4,346,000	
(d) 40.02-Distributed Administration	−3,697,000	
(e) 52-Classification and Compensation	3,257,000	
(f) 54-Benefits Administration	9,973,000	
(g) 56-Training and Development	6,220,000	
(h) 58-Merit Award	341,000	
(i) Reimbursements	~~−15,866,000~~ *−14,125,000*	
(j) Amount payable from the Flexelect Benefit Fund (Item 8380-001-0821)	−739,000	
(k) Amount payable from the Deferred Compensation Plan Fund (Item 8380-001-0915)	−6,035,000	
8380-001-0821—For support of Department of Personnel Administration, for payment to Item 8380-001-0001, payable from the Flexelect Benefit Fund		739,000
8380-001-0915—For support of Department of Personnel Administration, for payment to Item 8380-001-0001, payable from the Deferred Compensation Plan Fund		6,035,000
Provisions:		
1. No funds derived from the float earned on investor contributions shall be expended for Savings Plus Program administration or other purposes without complete disclosure to the investors.		
2. The Department of Personnel Administration shall compare its administrative costs with other private and public entities managing similar programs and report the findings to the Legislature on or before January 1, 1999.		
3. Notwithstanding any other law, the Deferred Compensation Plan Fund shall be exempt from the provisions of Sections 11270 to 11277, inclusive, of the Government Code.		
8385-001-0001—For support of California Citizens' Compensation Commission, Program 10		25,000

Item		Amount
8450-001-0001—For support of Workers' Compensation Benefit Program, for payment of the additional compensation for subsequent injuries provided for by Article 5 (commencing with Section 4750) of Chapter 2 of Part 2 of Division 4 of the Labor Code.....		5,507,000
Schedule:		
(a) Payment of Claims	7,570,000	
(b) Support, State Compensation Insurance Fund.....	379,000	
(c) Prelitigation Expenses	170,000	
(d) Support, Department of Industrial Relations	688,000	
(e) Amount payable from Subsequent Injuries Moneys Account, General Fund (Item 8450-001-0016).....	−3,300,000	
Provisions:		
1. This item shall not be construed as a limitation on funds appropriated by Item 8450-001-0016.		
2. The funds appropriated by this item shall not be available for expenditure at any time that funds appropriated by Item 8450-001-0016 are available for expenditure.		
3. At the end of the 1998–99 fiscal year, any expenditures made from the General Fund against this item shall be reduced by any amounts remaining available from the funds appropriated by Item 8450-001-0016.		
8450-001-0016—For payment of workers' compensation benefits for subsequent injuries, for payment to Item 8450-001-0001, payable from the Subsequent Injuries Moneys Account		3,300,000
Provisions:		
1. The Director of Finance may authorize the augmentation of the total amount available for expenditure under this item in the amount of revenue received by the Subsequent Injuries Moneys Account that is in addition to the amount appropriated by this item, not sooner than 30 days after notification in writing to the chairpersons of the respective fiscal committees and the Chairperson of the Joint Legislative Budget Committee. The director may authorize these augmentations only up to the amount required for payment of the additional compensation for subsequent injuries provided by Article 5 (commencing with Section 4750) of Chapter 2 of Part 2 of Division 4 of the Labor Code.		

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8460-101-0001—For local assistance, Workers' Compensation Benefits for Disaster Service Workers..... 663,000

Provisions:

1. Funds appropriated by the item are for furnishing workers' compensation to disaster service workers and their dependents, in accordance with Division 4 (commencing with Section 3200) of the Labor Code, including the reimbursing of the State Compensation Insurance Fund for the cost of services as adjusting agent, Governor's office, Office of Emergency Services. The State Compensation Insurance Fund may draw from the State Treasury any funds appropriated by this item, without at the time presenting vouchers and itemized statements, to be used as a cash revolving fund. Expenditures made from the revolving fund in payment of claims for workers' compensation and adjusting services are exempted from Section 925.6 of the Government Code. Reimbursement of the revolving fund for those expenditures shall be made upon presentation to the State Controller of an abstract or statement of the expenditures. The abstract or statement shall be in such form as the State Controller requires.

8500-001-0152—For support of Board of Chiropractic Examiners, payable from the State Board of Chiropractic Examiners Fund 1,800,000

Schedule:

(a) 10-Board of Chiropractic Examiners 1,830,000

(b) Reimbursements ..... −30,000

Provisions:

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

8510-001-0264—For support of Osteopathic Medical Board of California payable from the Osteopathic Contingent Fund 898,000

Schedule:

(a) 10-Osteopathic Medical Board of California 914,000

(b) Reimbursements ..... −16,000

Provisions:

1. The amount appropriated in this item may include revenues derived from the assessment of fines and

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penalties imposed as specified in Government Code Section 13332.18.

8530-001-0290—For support of Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun, payable from the Board of Pilot Commissioners' Special Fund 1,180,000

Schedule:

(a) 10.01 Support 541,000

(b) 10.02 Training 639,000

Provisions:

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

8550-001-0191—For support of California Horse Racing Board, payable from the Fair and Exposition Fund ..... ~~6,106,000~~ *7,607,000*

Schedule:

~~(a) 10-California Horse Racing Board . 7,869,000~~

(a) 10-California Horse Racing Board. 7,870,000

~~(b) Amount payable from Satellite Wagering Account (Item 8550-001-0192) ..... −1,500,000~~

(c) Amount payable from the Racetrack Security Account, Special Deposit Fund (Item 8550-001-0942) ..... −263,000

~~8550-001-0192—For support of California Horse Racing Board, for payment to Item 8550-001-0191, payable from the Satellite Wagering Account ..... 1,500,000~~

~~Provisions:~~

~~1. Notwithstanding any other provision of law, funds appropriated by this item are to be expended for drug testing of horses.~~

8550-001-0942—For support of California Horse Racing Board, for payment to Item 8550-001-0191, payable from the Racetrack Security Account, Special Deposit Fund 263,000

8550-011-0942—Notwithstanding paragraph (1) of subdivision (b) of Section 19641 of the Business and Professions Code, there is hereby transferred to the General Fund the unencumbered balance of the Racetrack Security Account, Special Deposit Fund, as of June 30, 1999 ..... (2,000,000)

8570-001-0001—For support of Department of Food and Agriculture ..... ~~53,932,000~~ *52,975,000*

Item	Amount
Schedule:	
(a) 11-Agricultural Plant and Animal, Pest and Disease Prevention	~~59,805,000~~ *58,964,000*
(b) 21-Marketing, Commodities, and Agricultural Services	~~19,070,000~~ *18,954,000*
(c) 31-Assistance to Fairs and County Agricultural Activities	2,707,000
(d) 41.01-Executive, Management, and Administrative Services	9,817,000
(e) 41.02-Distributed Executive, Management, and Administrative Services	−9,367,000
(f) Reimbursements	−8,604,000
(g) Amount payable from the Agriculture Fund (Item 8570-001-0111)	−11,009,000
(h) Amount payable from the Fair and Exposition Fund (Item 8570-001-0191)	−1,675,000
(i) Amount payable from the Harbors and Watercraft Revolving Fund (Item 8570-001-0516)	−935,000
(j) Amount payable from the Agriculture Building Fund (Item 8570-001-0601)	−1,355,000
(k) Amount payable from the Federal Trust Fund (Item 8570-001-0890)	−4,195,000
(*l*) Amount payable from the Agricultural Pest Control Research Account (Item 8570-011-0112)	−5,000
(m) Amount payable from the Satellite Wagering Account (Item 8570-012-0192)	−322,000

Provisions:

1. Funds appropriated to Schedule (a) from Item 8570-001-0111 are in lieu of the appropriation provided by subdivision (b) of Section 224 of the Food and Agricultural Code for emergency detection, eradication, or research of agricultural plant or animal pests or diseases. Any unencumbered balance of these funds shall be available for transfer to local assistance for payment to counties during the 1999–2000 fiscal year, as provided in subdivision (c) of Section 224 of the Food and Agricultural Code. In addition, notwithstanding

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any other provision of law, up to an additional $800,000 of the funds appropriated pursuant to subdivision (c) of Section 224 of the Food and Agricultural Code shall be available for use by the Department of Food and Agriculture for emergency projects to augment Schedule (a) of this item. The Secretary of Food and Agriculture may expend the funds identified in this provision with the approval of the Director of Finance. The funds that are so appropriated are not subject to Section 26.00, 27.00, 28.00, or 28.50 of this act.

2. Funds appropriated from Item 8570-001-0111 are in lieu of the appropriation provided by subdivision (a) of Section 224 of the Food and Agricultural Code. In addition, notwithstanding any other provision of law, of the funds appropriated pursuant to subdivision (c) of Section 224 of the Food and Agricultural Code, $650,000 shall be available for use by the Department of Food and Agriculture for departmental overhead expenses.

3. Notwithstanding any other provision of law, of the funds appropriated pursuant to Business and Professions Code Section 19630, $227,000 shall be available for use by the Department of Food and Agriculture to develop and administer an operational and policy framework for the network of California fairs. The Secretary of Food and Agriculture may augment Schedule (c) of this item with the approval of the Director of Finance. The funds that are so appropriated are not subject to Section 26.00, 27.00, 28.00, or 28.50 of this act.

4. Notwithstanding any other provision of law, of the funds appropriated pursuant to subdivision (c) of Section 224 of the Food and Agricultural Code, $176,000 shall be available for use by the Department of Food and Agriculture for the County/State Liaison Director. The Secretary of Food and Agriculture may augment Schedule (c) of this item with the approval of the Director of Finance. The funds that are so appropriated are not subject to Section 26.00, 27.00, 28.00, or 28.50 of this act.

5. Of the amount appropriated by this item, $250,000 shall be expended for an expedited review by the University of California of the risk assessment prepared by the Department of Food and Agriculture entitled "Development of Risk-

Item	Amount
Based Concentrations for Arsenic, Cadmium, and Lead in Inorganic Commercial Fertilizers" and any other related scientific literature.	
8570-001-0111—For support of Department of Food and Agriculture, for payment to Item 8570-001-0001, payable from the Agriculture Fund	11,009,000
Provisions:	
1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Government Code Section 13332.18.	
8570-001-0191—For support of Department of Food and Agriculture, for payment to Item 8570-001-0001, payable from the Fair and Exposition Fund	1,675,000
8570-001-0516—For support of Department of Food and Agriculture, for payment to Item 8570-001-0001, payable from the Harbors and Watercraft Revolving Fund	935,000
8570-001-0601—For support of Department of Food and Agriculture, for payment to Item 8570-001-0001, payable from the Agriculture Building Fund	1,355,000
Provisions:	
1. Funds appropriated by this item are in lieu of the appropriation made by Section 624 of the Food and Agricultural Code.	
8570-001-0890—For support of Department of Food and Agriculture, for payment to Item 8570-001-0001, payable from the Federal Trust Fund	4,195,000
Provisions:	
1. The Department of Finance may authorize the augmentation of this item in an amount not to exceed a cumulative total of $1,500,000. Any augmentation pursuant to this provision shall be made only if the Department of Food and Agriculture has a valid federal contract or grant. These funds shall not be used for state or federal cooperative fruit fly eradication projects. The augmentations pursuant to this authority are not subject to Section 26.00 or 28.00 of this act.	
8570-002-0001—For support of Department of Food and Agriculture, Program 11, for sterile medfly release program in the Los Angeles Basin	7,427,000
8570-003-0001—For support of Department of Food and Agriculture for rental payments on lease revenue bonds	629,000

Item		Amount
Schedule:		
(a) Base Rental and Fees	1,622,000	
(b) Insurance	7,000	
(c) Reimbursements	−1,000,000	
8570-003-0111—For support of Department of Food and Agriculture, for rental payments on lease revenue bonds, payable from the Agriculture Fund		40,000
8570-003-0601—For support of Department of Food and Agriculture, for rental payments on lease revenue bonds, payable from the Agriculture Building Fund.		230,000
Schedule:		
(a) Base rental and fees	228,000	
(b) Insurance	2,000	
8570-011-0112—For support of Department of Food and Agriculture, for payment to Item 8570-001-0001, payable from the Agricultural Pest Control Research Account		5,000
Provisions:		
1. The amount appropriated in this item includes revenues derived from the assessment of fines and penalties imposed as specified in Government Code Section 13332.18.		
8570-011-0191—For transfer by the State Controller from the Fair and Exposition Fund to the General Fund, for health benefits for retired employees of district agricultural associations		(246,000)
8570-012-0192—For support of Department of Food and Agriculture, for payment to Item 8570-001-0001, payable from the Satellite Wagering Account		322,000
8570-101-0001—For local assistance, Department of Food and Agriculture		10,015,000
Schedule:		
(a) 11-Agricultural Plant and Animal, Pest and Disease Prevention	10,015,000	
(b) 31-Assistance to Fairs and County Agricultural Activities	1,333,000	
(c) Amount payable from the Fair and Exposition Fund (Item 8570-101-0191)	−950,000	
(d) Amount payable from the General Fund (Item 8570-111-0001)	−383,000	
8570-101-0191—For local assistance, Department of Food and Agriculture, for payment to Item 8570-101-0001, payable from the Fair and Exposition Fund		950,000

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Provisions:

1. The funds appropriated by this item are for unemployment insurance at local fairs.

2. The funds appropriated by this item are for the contributions, or the cost of benefits in lieu of contributions, payable from the Fair and Exposition Fund to the Unemployment Fund by all entities conducting fairs, including county, district, combined county and district, and citrus fruit fairs receiving funds pursuant to Chapter 4 (commencing with Section 19400) of Division 8 of the Business and Professions Code, as a result of unemployment insurance coverage pursuant to Section 605 of the Unemployment Insurance Code.

8570-111-0001—For local assistance, Department of Food and Agriculture, for payment to Item 8570-101-0001 383,000

Provisions:

1. The funds appropriated by this item are also available for compensation for services performed for agricultural departments and are to be expended in accordance with the provisions of Sections 2221 to 2224, inclusive, of the Food and Agricultural Code.

8570-301-0001—For capital outlay, Department of Food and Agriculture 676,000

Schedule:

(1) 90.80.010-Relocation: Truckee Agriculture Inspection Station—Acquisition and preliminary plans 676,000

8570-401—For support of the Department of Food and Agriculture: Notwithstanding any other provision of law, $2,900,000 of the funds appropriated pursuant to subdivision (c) of Section 224 of the Food and Agricultural Code shall be allocated to counties in a manner prescribed by the secretary for pest detection/trapping programs. These funds are intended to supplement funds available for pest detection/trapping in Item 8570-101-0001. As a condition of receiving these funds, counties shall not reduce their level of support from any other funds for pest detection/trapping programs. If a county declines to participate in a pest detection/ trapping program, or fails to conduct the program to the state's satisfaction, the secretary shall reduce, by the amount that would otherwise be allocated to the

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county, funds available pursuant to subdivision (c) of Section 224 and other state allocations from Item 8570-101-0001. These funds are hereby appropriated to the Department of Food and Agriculture Item 8570-001-0001 for purposes of operating the pest detection/trapping programs in the counties.

8570-402—For local assistance, Department of Food and Agriculture: The remaining funds available pursuant to subdivision (c) of Section 224 of the Food and Agricultural Code, after allocation in accordance with Item 8570-401 and Provisions 1 and 2 of Item 8570-001-0001, shall be apportioned to the counties as follows: In relation to each county's expenditures to the total amount expended by all counties for the preceding fiscal year for agricultural programs that are supervised by the department and for pesticide use enforcement programs supervised by the Department of Pesticide Regulation. This item shall not be effective if a later enacted statute amends subdivision (c) of Section 224 of the Food and Agricultural Code.

8570-403—For the Department of Food and Agriculture. Notwithstanding any other provision of law, 30 days prior to the Department of Food and Agriculture's entering into interim financing or long-term financing, including bond agreements, pursuant to Article 9 (commencing with Section 19590) of Chapter 4 of Division 8 of the Business and Professions Code, the department shall submit a report to the Chairperson of the Joint Legislative Budget Committee with copies to the Chairpersons of Senate Budget and Fiscal Review Subcommittee Number 2, Assembly Ways and Means Subcommittee Number 3, the Senate Select Committee on Fairs and Rural Issues, and the Subcommittee on Fairs and Expositions of the Assembly Committee on Agriculture. The report shall list: (a) proposed individual satellite wagering expansion projects at fairs, (b) costs for constructing, operating, and maintaining individual satellite wagering projects, (c) net revenue projections for individual satellite wagering projects, and (d) projected effect on net Satellite Wagering Account revenue resulting from individual satellite wagering projects and satellite wagering-related projects. Additional notification is not required for financing proposals unless refinancing will result in the expenditure of additional funds, in which case the report shall in-

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clude the above-requested information relating only to the new debt. Reporting shall be required only for satellite wagering projects that are funded by interim financing or long-term financing, including bond agreements.

8620-001-0001—For support of Fair Political Practices Commission 1,426,000

Schedule:

(a) 10.10-Local enforcement 322,040

(b) 10.20-Legal, technical assistance and state enforcement 1,103,960

Provisions:

1. By December 1, 1998, the Fair Political Practices Commission shall provide the Joint Legislative Budget Committee and the fiscal committees of both houses of the Legislature with a plan to implement the recommendations of the May 28, 1998, Bureau of State Audits (BSA) report on FPPC legal and technical assistance operations. The plan shall be specific in regard to the timetable, method, and approach of the FPPC in implementing each BSA recommendation, and shall specify, where applicable, the additional funding and staffing, if any, necessary to complete the implementation of the BSA recommendations.

8640-001-0001—For support of Political Reform Act of 1974, the following sums are appropriated to, and in augmentation of, the following agencies and officers for the administration, investigation and regulation of political campaigns, officials, and lobbyists..... 2,198,000

Schedule:

(1) 10-Secretary of State..... 713,000

For transfer by the State Controller to Item 0890-001-0001 as follows:

(a) Personal Services ... 487,000

(b) Operating expenses and equipment..... 226,000

(2) 20-Franchise Tax Board..... 1,271,000

For transfer by the State Controller to Item 1730-001-0001 as follows:

(c) 30-Political Reform Audit..... 1,271,000

(3) 30-Department of Justice..... 222,000

For transfer by the State Controller to Item 0820-001-0001 as follows:

(d) 40-Criminal Law ... 80,000

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(e) 50-Law Enforcement..... 142,000

(4) 40-Fair Political Practices Commission ..... (3,297,000)

(5) Reimbursements..... −8,000

For transfer by the State Controller to Item 0890-001-0001(d)

Provisions:

1. The Controller shall transfer funds as specified above, including any allocations made by the Department of Finance, on January 1, 1999.

8660-001-0001—For support of Public Utilities Commission..... 28,000,000

8660-001-0042—For support of Public Utilities Commission, for payment to Item 8660-001-0462, payable from the State Highway Account, State Transportation Fund..... 2,354,000

8660-001-0046—For support of Public Utilities Commission, for payment to Item 8660-001-0462, payable from the Public Transportation Account, State Transportation Fund..... 2,403,000

8660-001-0412—For support of Public Utilities Commission, for payment to Item 8660-001-0462, payable from the Transportation Rate Fund 1,807,000

8660-001-0461—For support of Public Utilities Commission, for payment to Item 8660-001-0462, payable from the Public Utilities Commission Transportation Reimbursement Account, General Fund ..... ~~7,275,000~~ *7,272,000*

8660-001-0462—For support of Public Utilities Commission, payable from the Public Utilities Commission Utilities Reimbursement Account, General Fund ..... ~~51,022,000~~ *51,008,000*

Schedule:

(a) 10-Regulation of Utilities ..... ~~63,813,000~~ *92,499,000*

(b) 20-Regulation of Transportation .... ~~13,839,000~~ *13,836,000*

(c) 30.01-Administration..... 15,031,000

(d) 30.02-Distributed Administration ...−15,031,000

(e) Reimbursements ..... ~~−11,803,000~~ *−12,503,000*

(ex) Amount payable from the General Fund (Item 8660-001-0001).....−28,000,000

Item	Amount
(f) Amount payable from the State Highway Account, State Transportation Fund (Item 8660-001-0042)	−2,354,000
(g) Amount payable from the Public Transportation Account, State Transportation Fund (Item 8660-001-0046)	−2,403,000
(h) Amount payable from the Transportation Rate Fund (Item 8660-001-0412)	−1,807,000
(i) Amount payable from the Public Utilities Commission Transportation Reimbursement Account, General Fund (Item 8660-001-0461)	~~−7,275,000~~ *−7,272,000*
(j) Amount payable from the Federal Trust Fund (Item 8660-001-0890)	−988,000

Provisions:

1. The Public Utilities Commission shall require any public utility requesting a merger to reimburse the commission for those expenses that the commission deems necessary to assist in its consideration of the proposed merger.
2. *Notwithstanding any other provision of law, on or before March 1, 1999, the Public Utilities Commission shall deliver to the Legislature a Memorandum of Understanding between the Public Utilities Commission and the Department of General Services with regard to lease terms and conditions of the San Francisco building.*
3. *The following positions shall be established for support of the California Board for Energy Efficiency (CBEE) and the Low-Income Governing Board (LIGB): 1 Executive Assistant; 2 Associate Governmental Program Analysts; 2 Public Utility Financial Examiner IV's; 3 Public Utility Regulatory Analyst IV's; 1 Senior Utilities Engineer; and 1 Public Utilities Counsel III.*
4. *Of the funds appropriated by Schedule (e) of this item, the Public Utilities Commission is directed to redirect existing or vacant positions prior to the establishment of new positions.*
5. *The costs associated with a payment by an electrical corporation, as defined in Section 380 of*

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the Public Utilities Code, in the amount of $229,000, and a payment by an electrical corporation which is also a gas corporation, as described in Section 397 of the Public Utilities Code, in the amount of $477,000, to San Diego County for general purposes shall be recoverable from all customers on a nonbypassable basis under Section 367 of the Public Utilities Code. Payments of those amounts and the acceptance of those amounts by San Diego County shall constitute a binding settlement resolving all current and future claims by San Diego County relating to the effects on the county of Chapter 854 of the Statutes of 1996.

6. In order to ensure that California's interests are represented clearly and consistently before the Federal Energy Regulatory Commission (FERC), the California Public Utilities Commission (CPUC) and the Electricity Oversight Board (EOB) shall, under the Governor's direction, enter into a Memorandum of Understanding (MOU) that sets forth their respective responsibilities in the electricity area. Until the MOU is completed and implemented, the following shall apply to the relationship between the CPUC and the EOB. These provisions shall be elaborated in the MOU.

In representations before the FERC, the EOB shall have principal authority and shall be considered lead agency for representing the State on electricity matters relating to the Independent System Operator and the Power Exchange and their interests, the operation or reliability of the interconnected transmission system, and generation and bulk energy markets; the CPUC shall have principal authority and shall be considered lead agency for representing the State on all gas matters and electricity matters concerning retail distribution service, retail elements of direct access (not including FERC-approved costs that may be passed through to customers), the regulation of retail providers, the administration of investor-owned utility contracts with qualifying facilities, and for ratesetting matters in investor-owned utility rate cases as described below. The CPUC may participate as a party in investor-owned utility transmission rate cases provided that such participation does not conflict with the

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EOB on matters for which the EOB has the lead role including transmission system operation and reliability, system expansion and ratesetting policy including the rate methodology proposal required of the Independent System Operator pursuant to paragraph (a) of Section 9600 of the Public Utilities Code. In addition, the CPUC will continue to be responsible to represent the State in FERC proceedings involving investor-owned mergers.

In other forums, where both the EOB and the PUC have interests, the two agencies shall meet and confer prior to such forums to coordinate their presentations. Where either the EOB or PUC has an opportunity to take a position representing the State before another body or organization that could take a position in a FERC proceeding or make recommendations to FERC, any positions advocated on behalf of the State shall be authorized by the appropriate lead agency.

To ensure a clear and consistent articulation of State policies, the following procedures shall be adopted in the MOU and shall govern until the MOU is completed: (1) If an agency desires to have a position represented in an area in which it is not lead agency, the agency shall inform the lead agency for that subject of the proposed position, and promptly transmit to the lead agency filings or notices that it may receive for proceedings in which it is not the lead agency. (2) The lead agency shall consider and incorporate as appropriate on a timely basis such positions into its filings on behalf of the State. (3) Additionally, where a lead agency determines it to be in the State's interest, it may authorize another agency to participate in a proceeding for which it has lead authority. (4) The lead agency shall obtain the approval of its Chairman or President prior to submitting substantive filings to the FERC.

7. Of the funds appropriated by Schedule (ex), $15,000,000 shall be expended for the support of the San Diego Unified Port District purchase of the South Bay powerplant from the San Diego Gas and Electric Company, and $13,000,000 shall be expended for the support of the City and County of San Francisco, with $3,000,000 to be used to mitigate community issues and avoid environmen-

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tal impacts arising from the sale of the Potrero powerplant by the Pacific Gas and Electric Company and $10,000,000 to used by the City and County of San Francisco for infrastructure associated with the shut down of the Hunter's Point powerplant or the sale of the Potrero powerplant.

For those bayside fossil fueled electric generation and associated transmission facilities that an electrical corporation has proposed to divest in a public auction and for which the Legislature has appropriated state funds in this act for the 1998–99 fiscal year to assist local governmental entities in acquiring the facilities or to mitigate environmental and community issues, and where the local governmental entity proposes that the closure of the power plant would serve the public interest by mitigating air, water, and other environmental, health and safety, and community impacts associated with the facilities, and where the local governmental entity and electrical corporation have engaged in significant negotiations with the purpose of shutting down the powerplant, and where there is an agreement between the electrical corporation and the local governmental entity for closure of the facilities or for the local governmental entity to acquire the facilities, the commission shall approve the closure of these facilities or the transfer of these electric generation and associated transmission facilities to the local governmental entity and shall consider the utility transactions with the community to be just and reasonable for its ratepayers. For purposes of calculating the Competition Transition Charge, the commission shall not use any inferred market value for the facilities predicated on the continued use of the plant, the construction of successor facilities, or the alternate use of the site, and shall net the costs of the depreciated book value of the powerplant and the unrecovered costs of decommissioning, environmental remediation and site restoration against the net proceeds received from the local governmental entity for the acquisition or closure of the facilities. Thereafter, any net proceeds received from the ultimate disposition by the electrical corporation of the site shall be credited to recovery of Competition Transition Charges.

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8. The Public Utilities Commission may investigate issues associated with the further restructuring of natural gas services beyond decisions made prior to July 1, 1998. If the commission determines that further natural gas industry restructuring for core customers as considered in Rulemaking 98-01-011, including, but not limited to, opening or changing competitive markets, establishing consumer protection standards, or unbundling costs, rates or services, is in the public interest, the commission shall submit its findings and recommendations to the Legislature. Prior to January 1, 2000, the commission shall not enact any such gas industry restructuring decisions. Any commission natural gas restructuring decisions for core customers as considered in Rulemaking 98-01-011 enacted prior to the effective date of this section, but after July 1, 1998, shall not be enforced.		
8660-001-0890—For support of Public Utilities Commission, for payment to Item 8660-001-0462, payable from the Federal Trust Fund		988,000
8660-003-0462—For support of Public Utilities Commission for rental payments on lease revenue bonds		5,065,000
Schedule:		
(a) Base Rental and Fees	5,022,000	
(b) Insurance	43,000	
8660-011-0412—For transfer by the Controller, on June 30, 1998, from the Transportation Rate Fund to the Motor Carrier Permit Fund		(8,249,000)
8700-001-0001—For support of Board of Control		1,137,000
Schedule:		
(a) 11-Citizens Indemnification	49,388,000	
(b) 21-Disaster Relief Claim Program	20,000	
(c) 31-Civil Claims Against the State	1,137,000	
(d) 41-Citizens Benefiting the Public	20,000	
(e) 51.01-Administration	3,299,000	
(f) 51.03-Executive Office	175,000	
(g) 51.04-Revenue Recovery and Compliance Branch	3,754,000	
(h) 51.02-Distributed Administration Executive Office and Revenue Recovery and Compliance Branch	−7,228,000	
(i) Reimbursements	−20,000	
(j) Amount payable from the Restitution Fund (Item 8700-001-0214)	−30,708,000	

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(k) Amount payable from the Federal Trust Fund (Item 8700-001-0890).....−18,680,000

(*l*) Amount payable from the Restitution Fund (Item 8700-002-0214)... −20,000

Provisions:

1. The Board of Control shall not routinely notify all local agencies and school districts regarding its proceedings. However, for each of its meetings, the board shall notify all parties whose claims or proposals are scheduled for consideration and any party requesting notice of the proceedings.

8700-001-0214—For support of Board of Control, for support services pursuant to Chapter 5 (commencing with Section 13959) of Part 4 of Division 3 of Title 2 of the Government Code, for payment to Item 8700-001-0001, payable from the Restitution Fund 30,708,000

8700-001-0890—For support of the Board of Control, for payment to Item 8700-001-0001, payable from the Federal Trust Fund 18,680,000

8700-002-0214—For support of Board of Control for support services pursuant to subdivision (e) of Section 13973 of the Government Code for payment to Item 8700-001-0001, payable from the Restitution Fund 20,000

8700-011-0001—For transfer to the Restitution Fund upon written approval of the Department of Finance to provide operating funds for support of the Victims of Crimes Program on a monthly basis, as needed, for cash-flow purposes, with all money transferred during the 1998–99 fiscal year to be repaid to the General Fund prior to September 30, 1999..... (29,449,000)

Provisions:

1. Notwithstanding Section 16314 of the Government Code, any funds transferred pursuant to this item shall not be subject to the payment of interest charges thereon.

8700-101-0001—For local assistance, Board of Control, for reimbursement of special election costs pursuant to Chapter 1102 of the Statutes of 1996 2,007,000

Provisions:

1. All expenses authorized and necessarily incurred in the preparation for and conduct of elections pursuant to Chapter 1102 of the Statutes of 1996 shall be reimbursed at a maximum rate of up to $1.37 per registered voter or the actual amount

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claimed for nonconsolidated elections, whichever is less, and a maximum rate of up to $0.66 per registered voter or the actual amount claimed for consolidated elections, whichever is less.

2. The Board of Control may approve claims of counties in which fewer than 20,000 registered voters were eligible to participate in a special election in amounts greater than the maximums specified in Provision 1.

8700-295-0001—For local assistance, Board of Control, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or of Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, State Controller 0

Schedule:

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

Provisions:

1. Pursuant to Section 17581 of the Government Code, the mandate identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision is specifically identified by the Legislature for suspension during the 1998–99 fiscal year:

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

8750-001-0001—For support, Commission On Local Governance For the 21st Century, Program 10 222,000

8750-490—Reappropriation, Commission on Local Governance for the 21st Century. Notwithstanding any other provision of law, the balance of the appropriation provided in the following citation is reappropriated and shall be available for expenditure until June 30, 1999:

0001-General Fund

(1) Section 2 of Chapter 943, Statutes of 1997

8760-001-0001—For support of the Commission of the Californias..... 250,000

8770-001-0001—For support of the Electricity Oversight Board..... 0

Schedule:

(a) 30-Administration..... ~~682,000~~ *1,249,000*

~~(b) Reimbursements..... −682,000~~

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~~Provisions:~~

~~1. The Electricity Oversight Board shall be funded through an agreement between the Public Utilities Commission (PUC) and the California Energy Commission (CEC) for one fiscal year. The amount of expenditures specified by this item shall be contributed in equal amounts by the two commissions.~~

(c) Amount payable from Public Utilities Commission Utilities Reimbursement Account, General Fund (Item 8770-001-0462)..... −1,249,000

8770-001-0462—For support of the Electricity Oversight Board, for payment to Item 8770-001-0001, payable from the Public Utilities Commission Utilities Reimbursement Account, General Fund 1,249,000

Provisions:

1. Notwithstanding any other provision of law, the Public Utilities Commission shall continue to directly appropriate funds for the support of the Electricity Oversight Board.

8780-001-0001—For support of Milton Marks ''Little Hoover'' Commission on California State Government Organization and Economy 697,000

Schedule:

(a) 10-Milton Marks Commission on California State Government Organization and Economy..... 699,000

(b) Reimbursements..... −2,000

8800-001-0001—For support of Memberships in Interstate Organizations, to be allocated by the State Controller ..... ~~1,901,000~~ *2,840,567*

Schedule:

(a) 10-Council of State Governments ..... ~~678,000~~ *956,500*

(b) 20-National Conference of State Legislatures..... ~~384,000~~ *637,609*

(c) 30-Western States Legislative Forestry Task Force ..... ~~22,000~~ *33,000*

(d) 35-Pacific Fisheries Legislative Task Force 22,000

(e) 50-State and Local Legal Center.. ~~8,000~~ *12,000*

Item		Amount
(f) 60-National Governors' Association	~~140,000~~ *201,200*	
(g) 70-Council of State Policy and Planning Agencies	~~15,000~~ *22,900*	
(h) 80-Coastal States' Organization	~~13,000~~ *23,000*	
(i) 90-Western Governors' Association	36,000	
(j) 91-National Center for State Courts	~~306,000~~ *518,808*	
(k) 92-Western Interstate Commission for Higher Education	~~83,000~~ *108,000*	
(*l*) 93-Interstate Compact for Education	~~119,000~~ *160,800*	
(m) 94-For the Sake of the Salmon	75,000	
(n) 95-Governmental Standards Accounting Board	*33,750*	
8820-001-0001—For support of Commission on the Status of Women		420,000
Schedule:		
(a) 100000-Personal Services	280,000	
(b) 300000-Operating Expenses and Equipment	143,000	
(c) Reimbursements	−3,000	
8830-001-0001—For support of California Law Revision Commission		597,000
Schedule:		
(a) 10-Law Revision Commission	612,000	
(b) Reimbursements	−15,000	
8840-001-0001—For support of California Commission on Uniform State Laws		126,000
8855-001-0001—For support of Bureau of State Audits, for transfer to the State Audit Fund		~~10,752,000~~ *10,922,000*
Schedule:		
(a) 10-State Auditor	~~10,752,000~~ *11,252,000*	
(b) Reimbursements	*−330,000*	
8860-001-0001—For support of Department of Finance		23,005,000

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Schedule:

(a) 10-Annual Financial Plan 14,098,000

(b) 20-Program and Information System Assessments 5,966,000

(c) 30-Supportive Data..... 9,071,000

(d) 40.01-Administration..... 4,598,000

(e) 40.02-Distributed Administration ... −4,123,000

(f) Reimbursements ..... −6,605,000

Provisions:

1. The funds appropriated by this item for CALSTARS shall be transferred by the Controller, upon order of the Department of Finance, or made available by the Department of Finance as a reimbursement, to other items and departments for CALSTARS-related activities by the Department of Finance.

2. The funds appropriated in this act for purposes of CALSTARS-related data processing costs may be transferred between any items in this act by the Controller upon order of the Director of Finance. Any funds so transferred shall be used only for support of CALSTARS-related data processing costs incurred.

8885-001-0001—For support of Commission on State Mandates, Program 10 ..... ~~1,229,000~~ *1,215,000*

Provisions:

1. The Commission on State Mandates shall provide, in applicable parameters and guidelines, as follows:

(a) If a local agency or school district contracts with an independent contractor for the preparation and submission of reimbursement claims, the costs reimbursable by the state for that purpose shall not exceed the lesser of (1) 10 percent of the amount of the claims prepared and submitted by the independent contractor, or (2) the actual costs that necessarily would have been incurred for that purpose if performed by employees of the local agency or school district.

(b) The maximum amount of reimbursement authorized by subdivision (a) may be exceeded only if the local agency or school district establishes, by appropriate documentation, that the preparation and submission of these claims could not have been accomplished

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without the incurring of the additional costs claimed by the local agency or school district.

2. In the case where the commission receives one or more county applications for a finding of significant financial distress pursuant to Section 17000.6 of the Welfare and Institutions Code, and where the commission files a request under Section 27.00 of the Budget Act in order to carry out its duties with respect to those applications, then, notwithstanding the provisions of Section 17000.6 of the Welfare and Institutions Code, the time limit imposed on the commission to reach its preliminary and final decisions shall be tolled until such time as the commission has received spending authorization.

8910-001-0001–For support of Office of Administrative Law ..... ~~3,541,000~~ *1,006,000*

Schedule:

(a) 10-Regulatory Oversight..... ~~3,681,000~~ *1,076,000*

(b) Reimbursements..... ~~−140,000~~ *−70,000*

Provisions:

1. In addition to the amount that is otherwise appropriated by this item, $538,250 is hereby appropriated from the General Fund on January 1, 1999, contingent upon certification by the Finance Director that 50 percent of the backlog of regulatory determinations existing on July 1, 1998, is eliminated by January 1, 1999.

2. In addition to the amount that is otherwise appropriated by this item, $538,250 is hereby appropriated from the General Fund on April 1, 1999, contingent upon certification by the Finance Director that 75 percent of the backlog of regulatory determinations existing on July 1, 1998, is eliminated by April 1, 1999.

3. The Director of Finance may allocate funds to the Office of Administrative Law from Item 9903-001-0001 for the purchase of services and data processing software, hardware, and related equipment to publish the California Code of Regulations and provide access to the California Code of Regulations by the public at no cost, pursuant to Chapter 501 of the Statutes of 1996, upon at least 30 days written notice to the Chairperson

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of the Joint Legislative Budget Committee and the chairperson of the committee in each house of the Legislature that considers the budget.

8940-001-0001—For support of Military Department .... ~~22,892,000~~ *23,142,000*

Schedule:

(a) 10-Army National Guard 36,129,000

(b) 20-Air National Guard 12,400,000

(c) 30.01-Office of the Adjutant General 8,276,000

(d) 30.02-Distributed Office of the Adjutant General ..... −8,276,000

(e) 35-Military Support to Civil Authority 3,159,000

(f) 40-Military Retirement 2,587,000

(fx) 50-California Cadet Corps Program..... 250,000

(g) 65-California National Guard youth programs..... 5,152,000

(h) Reimbursements ..... −2,232,000

(i) Amount payable from the Armory Discretionary Improvement Fund (Item 8940-001-0485) ..... −150,000

(j) Amount payable from the Federal Trust Fund (Item 8940-001-0890) ..... −34,153,000

Provisions:

1. No expenditures shall be made from the funds appropriated by 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 of the State Military Forces, the California National Guard, or the California National Guard Reserve from the federal government.

2. The funds appropriated in Schedule (f) shall be for military retirements, in accordance with Sections 228 and 256 of the Military and Veterans Code.

8940-001-0485—For support of Military Department, for payment to Item 8940-001-0001, payable from the Armory Discretionary Improvement Fund 150,000

Provisions:

1. No expenditures shall be made from this appropriation until sufficient revenues or income from armories have been deposited into the State Trea-

Item		Amount
sury to the credit of the General Fund pursuant to subdivision (c) of Section 431 of the Military and Veterans Code.		
8940-001-0890—For support of Military Department, for payment to Item 8940-001-0001, payable from the Federal Trust Fund		34,153,000
8940-301-0001—For capital outlay, Military Department		11,550,000
Schedule:		
(1) 70.10.010-Statewide—Project planning, working drawings, and supervision of construction	1,151,000	
(2) 70.12.010-Statewide—Facility Survey and Master Plan, Phase I	485,000	
(2.1) 70.24.030-Sacramento-Meadowview: Security Lighting—Preliminary plans, working drawings, and construction	433,000	
(4) 70.43.030-Long Beach-Redondo: Security Lighting—Preliminary plans, working drawings, and construction	293,000	
(5) 70.44.030-San Diego: Security Lighting—Preliminary plans, working drawings, and construction	1,051,000	
(6) 70.52.010-Los Angeles: Armory—Construction	5,692,000	
(8) 70.59.030-Stockton: Security Lighting—Preliminary plans, working drawings, and construction	278,000	
(8.1) 70.60.030-San Francisco: Security Lighting—Preliminary plans, working drawings, and construction	528,000	
(8.2) 70.61.030-Long Beach-Stearns: Security Lighting—Preliminary plans, working drawings and construction	566,000	
(8.3) 70.62.030-Sacramento-58th Street: Security Lighting—Preliminary plans, working drawings, and construction	252,000	
(8.4) 70.63.030 Gardena: Security Lighting—Preliminary plans, working drawings, and construction	301,000	

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(10) 70.90.030-Statewide: Minor Projects 520,000

8940-301-0890—For capital outlay, Military Department, payable from the Federal Trust Fund 7,366,000

Schedule:

(1) 70.52.010-Los Angeles: Armory—Construction..... 7,330,000

(2) 70.99.020-Advanced Plans and Studies—Construction 36,000

8940-490—Reappropriation, Military Department. The balance of the appropriations provided for working drawings in the following citations are reappropriated for the purposes and subject to the limitations, unless otherwise specified, provided for in the appropriations:

~~0001—General Fund (Item 8940-301-0001), Budget Act of 1996, as reappropriated by Item 8940-490, Budget Act of 1997, Schedule (2) 70.52.010-Los Angeles: Armory-Site Acquisition and Working Drawings.~~

~~0890—Federal Trust Fund (Item 8940-301-0890), Budget Act of 1996, as reappropriated by Item 8940-490, Budget Act of 1997, Schedule (2) 70.52.010-Los Angeles: Armory-Site Acquisition and Working Drawings.~~

0001—General Fund

Item 8940-301-0001, Budget Act of 1996 (Ch. 162, Stats. 1996), as reappropriated by Item 8940-490, Budget Act of 1997 (Ch. 282, Stats. 1997), Schedule (2) 70.52.010-Los Angeles: Armory-Site Acquisition and Working Drawings.

0890—Federal Trust Fund

Item 8940-301-0890, Budget Act of 1996 (Ch. 162, Stats. 1996), as reappropriated by Item 8940-490, Budget Act of 1997 (Ch. 282, Stats. 1997), Schedule (2) 70.52.010-Los Angeles: Armory-Site Acquisition and Working Drawings.

8955-001-0001—For support of Department of Veterans Affairs..... 2,691,000

Schedule:

(a) 10-Farm and Home Loans to Veterans 1,245,000

(b) 20-Veterans Claims and Rights 1,448,000

(c) 30-Care of Sick and Disabled Veterans..... 755,000

(d) 35-Home Startup Costs 832,000

(e) 50.01-General Administration 2,100,000

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(f) 50.02-Distributed General Administration	−2,100,000	
(g) Reimbursements	−319,000	
(h) Amount payable from the Veterans Service Office Fund (Item 8955-001-0083)	−25,000	
(i) Amount payable from the Veterans' Farm and Home Building Fund of 1943 (Item 8955-001-0592)	−1,245,000	

Provisions:

1. The Department of Veterans Affairs shall notify the chairpersons of the fiscal and policy committees of the Legislature of specific outcomes resulting from citations and the results of annual surveys conducted by the State Department of Health Services, as well as the findings of any other agency or entity that pertains to the health, safety, and general well-being of the veterans living at the veterans homes. The Department of Veterans Affairs shall forward the notifications, including a copy of the specific findings, to the chairpersons of the respective committees within 10 working days after receiving these findings.

8955-001-0083—For support of Department of Veterans Affairs, for payment to Item 8955-001-0001, payable from the Veterans Service Office Fund	25,000
8955-001-0592—For support of Department of Veterans Affairs, for payment to Item 8955-001-0001, payable from the Veterans' Farm and Home Building Fund of 1943	1,245,000
8955-101-0001—For local assistance, Department of Veterans Affairs, for contribution to counties toward compensation and expenses of county veteran services offices, to be expended in accordance with Section 972 et seq. of the Military and Veterans Code	~~1,600,000~~ *2,100,000*

Schedule:

(a) 20-Veterans Claims and Rights	~~2,438,000~~ *2,938,000*	
(b) Reimbursements	−838,000	

8955-101-0083—For local assistance, Department of Veterans Affairs, county veteran services offices, payable from the Veterans Service Office Fund	196,000
8960-011-0001—For support of Veterans' Home of California-Yountville	29,801,000

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Schedule:

(a) 30-Care of Sick and Disabled Veterans..... 59,577,000

(b) Reimbursements ..... −19,702,000

(c) Amount payable from the Federal Trust Fund (Item 8960-011-0890) ..... −10,074,000

Provisions:

1. The General Fund shall make a loan available to the Veterans' Home of California to meet cash needs resulting from the delay in receipt of federal funds or reimbursements for medical services provided. The loan is short term, and shall be repaid within six months. Interest charges shall be waived pursuant to subdivision (e) of Section 16314 of the Government Code.

2. Any loan authorized pursuant to this item shall require approval by the Department of Finance. Provisions 2, 3, and 4 of Item 9840-011-0001 shall also apply to any loan authorized pursuant to this item.

3. Notwithstanding Section 1012.3 of the Military and Veterans Code or any other provision of law, the Department of Veterans Affairs may increase the fees and charges to residents of the Veterans' Home of California. The department shall assess the fees on an ability-to-pay basis and under no circumstances shall the fees charged exceed the cost of the level of care provided to the resident. In addition, the department shall determine a reasonable level of monthly income for residents' personal use and shall exempt this income from the monthly fees.

4. Of the funds appropriated in Schedule (a), $500,000 shall be made available for special projects that provide a direct benefit to the members of the Veterans' Home of California at Yountville, including the maintenance of facilities used by members of the public. A budget for expenditure of these funds shall be reviewed and approved by the Allied Council, the Administrator of the Veterans' Home of California at Yountville, and the Secretary of Veterans Affairs.

5. The State Department of Veterans Affairs shall have a comprehensive management operation plan prepared to ensure that the installation of the Veterans Home Information System (VHIS) at the

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Veterans' Home of California at Yountville is implemented successfully. At a minimum, this review shall include an analysis of patient acuity, long-term care policies and procedures, staff knowledge in applying principles applicable to the provision of long-term care services, clinical and operational processes, the current operational environment including manual and automated systems, management tracking and control mechanisms, and other factors necessary to ensure the operation of efficient and effectively provided long-term care services to the veterans residing at the home, and the successful implementation of the VHIS. This plan shall be completed prior to implementation of the clinical modules.

6. The State Department of Veterans Affairs shall provide the Legislative Analyst's Office, for the purpose of review and comment, with an advance copy of the Corrective Action Plan for the Veterans' Home of California at Yountville developed in response to the Internal Audits Division report dated April 29, 1998. The State Department of Veterans Affairs shall also provide the fiscal and policy committees of each house of the Legislature with periodic progress reports on the implementation of the Corrective Action Plan. The progress reports shall address the findings and recommendations made in the Internal Audits Division report and shall be provided within 60 days, six months, and one year from the audit release date.

7. By March 1, 1999, the Department of Finance, in consultation with the Department of Veterans Affairs, shall review whether the Veterans' Home of California at Yountville has succeeded in contracting out for laundry services, and shall estimate the amount of savings in funding and staff positions that will be achieved thereby in the 1998–99 fiscal year. Based upon that determination by the Department of Finance, up to $350,000 of the appropriation in this item shall revert to the General Fund. The Department of Finance shall report its determination to the fiscal committees of each house of the Legislature.

Item		Amount
8960-011-0890—For support of Veterans' Home of California-Yountville, for payment to Item 8960-011-0001, payable from the Federal Trust Fund		10,074,000
8960-301-0001—For capital outlay, Veterans' Home of California-Yountville		4,744,000
Schedule:		
(1) 80.20.270-Yountville: Lincoln Theater HVAC system—Preliminary plans, working drawings, and construction	250,000	
(2) 80.20.275-Yountville: Rector Reservoir—Study	24,000	
(3) 80.20.285-Yountville: Rector Res~~ervoir water treatment plant renovation and upgrade—Preliminary~~ *ervoir Water Treatment Plant Renovation and Upgrade—Preliminary* plans, working drawings, and construction	4,470,000	
8965-001-0001—For support of Veterans' Home of California-Barstow		9,083,000
Schedule:		
(a) 30-Care of Sick and Disabled Veterans	15,536,000	
(b) Reimbursements	−3,359,000	
(c) Amount payable from the Federal Trust Fund (Item 8965-001-0890)	−3,094,000	

Provisions:

1. The General Fund shall make a loan available to the Veterans' Home of California-Barstow to meet cash needs resulting from the delay in receipt of federal funds or reimbursements for medical services provided. The loan is short term, and shall be repaid within six months. Interest charges shall be waived pursuant to subdivision (e) of Section 16314 of the Government Code.
2. Any loan authorized pursuant to this item shall require approval by the Department of Finance. Provisions 2, 3, and 4 of Item 9840-011-0001 shall also apply to any loan authorized pursuant to this item.
3. Notwithstanding Section 1012.3 of the Military and Veterans Code or any other provision of law, the Department of Veterans Affairs may increase the fees and charges to residents of the Veterans'

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Home of California-Barstow. The department shall assess the fees on an ability-to-pay basis, and under no circumstances shall the fees charged exceed the cost of the level of care provided to the resident. In addition, the department shall determine a reasonable level of monthly income for residents' personal use and shall exempt this income from the monthly fees.

8965-001-0890—For support of Veterans' Home of California-Barstow, for payment to Item 8965-001-0001, payable from the Federal Trust Fund..... 3,094,000

8965-003-0001—For Support of the Veterans' Home of California-Barstow for rental payments on lease revenue bonds 987,000

Schedule:

(a) Base rental and fees 1,116,000

(b) Insurance 30,000

(c) Amount payable from Federal Trust Fund (Item 8965-003-0890)..... −159,000

8965-003-0890—For support of the Veterans' Home of California-Barstow for rental payments on lease revenue bonds, for payment to Item 8965-003-0001, payable from the Federal Trust Fund..... 159,000

8966-301-0001—For capital outlay, Veterans' Home of California-Chula Vista 200,000

Schedule:

(1) 80.30.200-Augmentation for Chula Vista Veterans' Home—Construction 200,000

Provisions:

1. The State Public Works Board shall review in a timely manner the need to increase funds for the development of the Chula Vista Veterans' Home due to an unanticipated easement problem which ~~has just been identified.~~ *was identified prior to the start of construction.*

8966-401—In the event bonds authorized for the project as funded through Ch. 335, Statutes of 1996, are not sold, the Department of Veterans Affairs shall commit a sufficient portion of its support appropriation provided for in this Budget Act to repay any loans from the Pooled Money Investment Account. It is the intent of the Legislature that this commitment shall be included in future Budget Acts until outstanding loans are repaid, either through the sale of bonds or from an appropriation.

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9100-101-0001—For local assistance, Tax Relief..... ~~1,003,426,000~~ *464,426,000*

Schedule:

(a) 10-Senior Citizens' Property Tax Assistance..... 2,100,000

(b) 20-Senior Citizens' Property Tax Deferral Program 16,500,000

(c) 30-Senior Citizen Renters' Tax Assistance..... 14,500,000

(d) 50-Homeowners' Property Tax Relief..... 394,812,000

(e) 60-Subventions for Open Space 36,500,000

(f) 90-Substandard Housing 14,000

~~(ex) 80-Renters' Tax Relief.....539,000,000~~

Provisions:

1. Schedule (a) is for property tax assistance to homeowner claimants in accordance with the Senior Citizens Property Tax Assistance and Postponement Law, as set forth in Part 10.5 (commencing with Section 20501) of Division 2 of the Revenue and Taxation Code.

   Any unexpended balance in Schedule (a) may be used to make payments to senior citizen renter claimants under Schedule (c).

2. Schedule (b) is for property tax postponement and assistance to claimants in accordance with the Senior Citizens Property Tax Assistance and Postponement Law, as set forth in Part 10.5 (commencing with Section 20501) of Division 2 of the Revenue and Taxation Code. The appropriation made by this schedule shall be in lieu of the appropriation for the same purpose contained in Section 16100 of the Government Code.

3. Schedule (c) is for property tax assistance to renter claimants in accordance with the Senior Citizens Property Tax Assistance and Postponement Law, as set forth in Part 10.5 (commencing with Section 20501) of Division 2 of the Revenue and Taxation Code.

   Any unexpended balance in Schedule (c) may be used to make payments to senior citizen homeowner claimants under Schedule (a).

4. Schedule (d) is for reimbursement to local taxing authorities for revenue lost by reason of the homeowners' property tax exemption granted

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pursuant to subdivision (k) of Section 3 of Article XIII of the California Constitution. The appropriation made by this schedule shall be in lieu of the appropriation required pursuant to Section 25 of Article XIII of the California Constitution and the appropriation for the same purposes contained in Section 16100 or Section 16120 of the Government Code.

5. Schedule (e) is for providing reimbursement to local taxing authorities for revenue lost by reason of the assessment of open-space lands under Sections 423, 423.3, and 423.5 of the Revenue and Taxation Code, and in accordance with Chapter 3 (commencing with Section 16140) of Part 1 of Division 4 of Title 2 of the Government Code. The appropriation made by this schedule shall be in lieu of the appropriation for the same purpose contained in Section 16100 or Section 16140 of the Government Code.

6. Schedule (f) is for transfer by the Controller to the Local Agency Code Enforcement and Rehabilitation Fund, for the purpose of providing funds to defray costs incurred in the enforcement of local housing code provisions and to fund housing rehabilitation programs for persons and families of low and moderate income, as defined in Section 50093 of the Health and Safety Code, to be allocated to local agencies, prorated on the basis of their share of disallowed deductions that resulted from the agencies' proceedings. Notwithstanding Section 27 of this act, the Director of the Department of Finance, upon notification by the Franchise Tax Board, may revise the estimated appropriation of substandard housing abatement revenues to reflect the actual revenues received in 1997–98 pursuant to Sections 17299 and 24436.5 of the Revenue and Taxation Code.

This amount is in lieu of any statutory requirement.

~~7. Schedule (ex) is for transfer by the State Controller, as needed, to the Tax Relief and Refund Account for the purpose of providing credits and refunds to renters as required by Section 17053.5 of the Revenue and Taxation Code for claims applicable to the 1998 income year.~~

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9100-295-0001—For local assistance, Tax Relief, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or of Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, State Controller		978,000
Schedule:		
(1) 98.01.124.277-Senior Citizens' Property Tax Deferral Program (Ch. 1242, Stats. 1977)	265,000	
(2) 98.01.092.187-Countywide Tax Rates (Ch. 921, Stats. 1987)	360,000	
(3) 98.01.069.792-Allocation of Property Tax Revenue (Ch. 697, Stats. 1992)	353,000	
(4) 98.01.105.183-Senior Citizen's Mobilehome Property Tax Deferral (Ch. 1051, Stats. 1983)	0	
(5) 98.01.004.887-Property Tax-Family Transfers (Ch. 48, Stats. 1987)	0	

Provisions:

1. Except as provided in Provision 2 below, allocations of funds provided in this item to the appropriate local entities shall be made by the State Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated in this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.
2. Pursuant to Section 17581 of the Government Code, mandates identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the 1997–98 fiscal year:
   (a) Senior Citizen's Mobilehome Property Tax Deferral (Ch. 1051, Stats. 1983)
   (b) Property Tax-Family Transfers (Ch. 48, Stats. 1987)

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3. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the State Controller may, upon notifying the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.

9210-101-0001—For local assistance, Local Government Financing 100,000,000

Provisions:

1. The funds appropriated by this item are for allocation by the Controller to local jurisdictions for public safety purposes, as determined by the Director of Finance pursuant to Chapter 6.7 (commencing with Section 30061) of Division 3 of Title 3 of the Government Code.

9210-103-0001—For local assistance, Local Government Financing. For assistance to redevelopment agencies, to be allocated by the State Controller..... 5,000,000

Provisions:

1. The appropriation made by this item shall be in lieu of any appropriation required pursuant to Chapter 1.5 (commencing with Section 16110) of Part 1 of Division 4 of Title 2 of the Government Code.
2. The Controller shall allocate funds appropriated in this item to redevelopment agencies that have pledged, pursuant to bond instruments and supporting documents, special supplemental subventions as security for payment of the principal and interest on bonds, and have demonstrated that gross tax increment revenues allocated to them in the 1997–98 fiscal year (as reported for inclusion in the Controller's ''Annual Report of Financial Transactions Concerning Community Redevelopment Agencies of California, Fiscal Year 1997–98''), less housing set-aside amounts not available for debt service, and less any reserve requirement deficiency existing as of December 31, 1998, would be insufficient to cover their maximum annual debt service requirements on bonds to which special supplemental subventions have

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been pledged. The amount allocated to any redevelopment agency shall not exceed the lesser of: (a) the amount that the redevelopment agency would otherwise be entitled to receive pursuant to paragraph (3) of subdivision (c) of Section 16111 of the Government Code, or (b) the amount required by the redevelopment agency to cover its maximum annual debt service requirements on bonds to which special supplemental subventions have been pledged, plus any reserve requirement deficiency existing as of December 31, 1998, less the amount of gross tax increment revenues allocated to it in the 1997–98 fiscal year, less housing set-aside amounts not available for debt service.

3. If the allocation required pursuant to Provision 2 would exceed the amount of the appropriation in this item, the Controller shall prorate the allocation to those redevelopment agencies that meet the requirements of Provision 2.

4. Notwithstanding Section 2.00, the Controller shall allocate 50 percent of the appropriation in this item on or before December 31, 1998, and 50 percent of the appropriation in this item on July 31, 1999. Expenditure of the amount to be allocated on July 31, 1999, shall be accounted by the Controller as an expenditure of the 1999–00 fiscal year.

5. The Controller shall allocate any funds remaining following the allocation required pursuant to Provision 2 of this item to those redevelopment agencies that met the requirements of Provision 2 of Item 9210-103-001 of Section 2.00 of the Budget Act of 1994 (Ch. 139, Stats. 1994), in an amount sufficient to eliminate any then-remaining shortfall in payment of eligible claims for the 1994–95 fiscal year. If the allocation required by this provision would exceed the amount of the appropriation remaining following the allocation required pursuant to Provision 2 of this item, the Controller shall prorate the allocation required pursuant to this provision. Any allocation required pursuant to this provision shall be made by the Controller on or before September 30, 1998.

9210-104-0001—For Local Assistance, Local Government ~~Financing~~..... ~~40,000,000~~

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ment Financing, for allocation by the Controller to the County of Los Angeles for the construction of three comprehensive outpatient health facilities 40,000,000

9210-105-0001—For local assistance, Local Government Financing, to be allocated by the State Controller 340,000

Provisions:

1. Notwithstanding any other provision of law, the appropriation made by this item is to reimburse the Los Angeles Local Agency Formation Commission for any costs that it incurs pursuant to Part 3 (commencing with Section 56650) of Division 3 of Title 5 of the Government Code, including, but not limited to, the costs of complying with Division 13 (commencing with Section 21000) of the Public Resources Code, with respect to a special reorganization pursuant to Section 56075.5 of the Government Code which includes territory defined in Section 11093 of the Government Code. The preceding sentence shall not be interpreted to provide reimbursements for any proceedings pursuant to Section 56656 of the Government Code.

2. The appropriation made by this item is contingent upon provision of $330,000 from the County of Los Angeles and $330,000 from the City of Los Angeles to the Los Angeles Local Agency Formation Commission for the purposes specified in Provision 1.

9210-107-0001—For local assistance, Local Government Financing. For allocation by the Controller to Orange County for a van-mounted mobile computerized paint system 87,000

9210-108-0001—For local assistance, Local Government Financing 232,000

Provisions:

1. The funds appropriated by this item are for allocation by the Controller to the City of Compton for the purchase of two emergency vehicles.

9210-295-0001—For local assistance, Local Government Financing, for reimbursement, in accordance with the provisions of Section 6 of Article XIII B of the California Constitution or of Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, State Controller 5,800,000

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Schedule:	
(1) 98.01.048.675-Test Claims and Reimbursement Claims (Ch. 486, Stats. 1975)	2,886,000
(2) 98.01.064.186-Open Meetings Act Notices (Ch. 641, Stats. 1986)	2,828,000
(3) 98.01.084.578-Filipino Employee Surveys (Ch. 845, Stats. 1978)	0
(4) 98.01.088.981-Lis Pendens (Ch. 889, Stats. 1981)	0
(5) 98.01.098.084-Proration of Fines and Court Audits (Ch. 980, Stats. 1984)	0
(6) 98.01.099.991-Rape Victim Counseling Ctr. Notices (Ch. 999, Stats. 1991)	86,000
(7) 98.01.128.180-Involuntary Lien Notices (Ch. 1281, Stats. 1980)	0
(8) 98.01.160.984-Domestic Violence Information (Ch. 1609, Stats. 1984)	0
(9) 98.01.133.487-CPR Pocket Masks (Ch. 1334, Stats. 1987)	0

Provisions:

1. Except as provided in Provision 2 below, allocations of funds provided in this item to the appropriate local entities shall be made by the State Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated in this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.
2. Pursuant to Section 17581 of the Government Code, mandates identified in the appropriation schedule of this item with an appropriation of $0 and included in the language of this provision are specifically identified by the Legislature for suspension during the 1998–99 fiscal year:
   (a) Filipino Employee Surveys (Ch. 845, Stats. 1978)

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(b) Lis Pendens (Ch. 889, Stats. 1981)
(c) Proration of Fines and Court Audits (Ch. 980, Stats. 1984)
(d) Involuntary Lien Notices (Ch. 1281, Stats. 1980)
(e) Domestic Violence Information (Ch. 1609, Stats. 1984)
(f) CPR Pocket Masks (Chapter 1334, Stats. 1987)

3. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the State Controller may, upon notifying the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.

9620-001-0001—For Payment of Interest on General Fund loans, upon order of the Director of Finance, for any General Fund loan 20,000,000

Provisions:

1. The Director of Finance, the Controller, and the State Treasurer shall satisfy any need of the General Fund for borrowed funds in a manner consistent with the Legislature's objective of obtaining the lowest possible rate of interest on this borrowing. The state fiscal officers shall use external borrowing rather than borrowing from internal state funds whenever it is economically advantageous to the General Fund.
2. In the event that interest expenses related to internal borrowing exceed the amount appropriated by this item, there is hereby appropriated any amounts necessary to pay the interest. Funds appropriated by this item shall not be expended prior to 30 days after the Department of Finance notifies the Joint Legislative Budget Committee of the amount(s) necessary or not sooner than such lesser time as the Chairperson of the Joint Legislative Budget Committee may determine.

9625-001-0001—For Interest Payments to the Federal Government arising from the federal Cash Management Improvement Act of 1990 1,000

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Provisions:

1. Expenditures from the funds appropriated by this item shall be made by the Controller, subject to the approval of the Department of Finance, and shall be charged to the fiscal year in which the disbursement is issued.
2. In the event that expenditures for interest payments to the federal government arising from the federal Cash Management Improvement Act of 1990 exceed the amount appropriated by this item, the Director of Finance may allocate an additional amount not to exceed $15,000,000 over the amount appropriated by this item. This allocation shall be made no sooner than 30 days after notification to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the fiscal committees in each house.

9625-001-0042—For Interest Payment to the Federal Government arising from the Cash Management Improvement Act of 1990, payable from the State Highway Account, State Transportation Fund..... 500,000

Provisions:

1. Provision 1 of Item 9625-001-0001 also applies to this item.
2. In the event that expenditures for interest payments to the federal government arising from the Cash Management Improvement Act of 1990 exceed the amount appropriated by this item, the Director of Finance may allocate an additional amount not to exceed $1,000,000 over the amount appropriated by this item. This allocation shall be made no sooner than 30 days after notification to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the fiscal committees in each house.

9625-001-0494—For Interest Payments to the Federal Government arising from the Cash Management Improvement Act of 1990, payable from the appropriate special fund..... 1,000

Provisions:

1. Provision 1 of Item 9625-001-0001 and Provision 2 of Item 9625-001-0042 also apply to this item.

9625-001-0988—For interest payments to the Federal Government arising from the Cash Management Improvement Act of 1990, payable from the appropriate nongovernmental cost fund 1,000

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Provisions:

1. Provision 1 of Item 9625-001-0001 and Provision 2 of Item 9625-001-0042 also apply to this item.

9650-001-0001—For support of Health and Dental Benefits for Annuitants. For the state's contribution for the cost of a health benefits plan and dental care premiums, for annuitants and other employees, in accordance with Sections 22825.7, 22828, 22829, and 22952 of the Government Code, which cost is not chargeable to any other appropriation..... 317,685,000

Schedule:

(a) Health benefit premiums.....285,059,000

(b) Dental care premiums 32,626,000

Provisions:

1. The maximum transfer amounts specified in subdivision (b) of Section 26.00 of this act do not apply to this item.

2. Notwithstanding Section 22819 of the Government Code or any other provision of law, annuitants and their family members who were employed by the California State University, and who become eligible for Part A and Part B of Medicare during the 1998–99 fiscal year, shall not be enrolled in a basic health benefits plan during the 1998–99 fiscal year. If the annuitant or family member is enrolled in Part A and Part B of Medicare, he or she may enroll in a supplement to the Medicare plan. This provision does not apply to employees and family members who are specifically excluded from enrollment in a supplement to the Medicare plan by federal law or regulation.

3. The maximum monthly contribution for annu~~itants shall be $181 for a single enrollee, $335 for~~ *itants shall be $180 for a single enrollee, $333 for* an enrollee and one dependent, and ~~$413~~ *$411* for an enrollee and two or more dependents.

9670-001-0001—For equity claims before the State Board of Control and for settlements and judgments in cases in which the state is represented by the Department of Justice for the administration and payment of tort liability claims, settlements, compromises and judgments against the state, its officers, servants and employees of state agencies, departments, boards, bureaus or commissions supported from the General Fund, for expenditure by the Department of Justice, subject to approval of the Department of Finance in its discretion 1,000

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Provisions:

1. In the event that expenditures for purposes of Item 9670-001-0001 exceed the amount appropriated in this item, the Director of Finance may allocate sufficient amounts, not to exceed $1,200,000, from the Special Fund for Economic Uncertainties to this item.
2. There is hereby appropriated from each fund, other than the General Fund, an amount sufficient for payment of tort liability claims, settlements, compromises, and judgments against the state, its officers, servants and employees of state agencies, departments, boards, bureaus, or commissions arising from activities supported from that fund. No expenditure from any appropriation from a fund other than the General Fund for payment of tort liability claims, settlements, compromises, and judgments shall be made unless approved by the Department of Finance in its discretion.
3. Expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller.
4. Payment under this item is limited in amount to claims, settlements, compromises, and judgments which do not exceed $70,000, exclusive of interest, and no payment from this item exceeding that amount shall be approved by the Department of Finance or made by the Department of Justice.
5. No payment shall be approved by the Department of Finance or made by the Department of Justice from this item except in full and final satisfaction of the claim, settlement, compromise, or judgment upon which the payment is based.
6. Funding for the payment of tort liability claims, settlements, compromises, and judgments which require the approval of the Director of Finance shall first be considered from within the affected agency, department, board, bureau, or commission's existing budgeted resources. Payment pursuant to this item (from the General Fund or funds other than the General Fund) shall be made only after the affected agency, department, board, bureau, or commission has demonstrated to the Department of Finance that insufficient funds are available for payment of all or a portion of the claim.

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9670-401—For maintenance of accounting records by the State Controller's office or any other agency maintaining these records, appropriations made in this act for Organization Code 9670 (Equity Claims of Board of Control and Settlements and Judgments by Department of Justice) are to be recorded under Organization Code 9671 (Equity Claims of Board of Control) and Organization Code 9672 (Settlements and Judgments by Department of Justice).

9800-001-0001—For Augmentation for Employee Compensation 356,310,000

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 the General Fund, to be allocated by executive order by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations for support, 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 Personnel Administration.

9800-001-0494—For Augmentation for Employee Compensation, payable from other unallocated special funds 172,673,000

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 special funds, to be allocated by executive order by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations for support, in accor-

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dance with approved memoranda of understanding or, for employees excluded from collective bargaining in accordance with salary and benefit schedules established by the Department of Personnel Administration.

9800-001-0988—For Augmentation for Employee Compensation, payable from other unallocated nongovernmental cost funds 172,673,000

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 executive order by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations for support, 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 Personnel Administration.

9800-002-0001—For Augmentation for Employer's Health Benefit Costs 8,741,000

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 the employer's share of health benefit premium contributions, the cost of which or portion thereof, is chargeable to the General Fund, to be allocated by executive order by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations for support, in accordance with approved memoranda of understanding or, for employees excluded from collective bargaining in accordance with salary and benefit schedules es-

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tablished by the Department of Personnel Administration.

9800-002-0494—For Augmentation for Employer's Health Benefit Costs, payable from other unallocated special funds 4,370,000

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 the employer's share of health benefit premium contributions, the cost of which or portion thereof, is chargeable to special funds, to be allocated by executive order by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations for support, 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 Personnel Administration.

9800-002-0988—For Augmentation for Employer's Health Benefit Costs, payable from other unallocated nongovernmental cost funds..... 4,370,000

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 the employer's share of health benefit premium contributions, the cost of which or portion thereof, is chargeable to nongovernmental cost funds, to be allocated by executive order by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations for support, 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 Personnel Administration.

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9800-011-0001—For Augmentation for Employee Compensation (Proposition 98) 4,169,000

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 the General Fund, to be allocated by executive order by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations for support, 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 Personnel Administration.

9840-001-0001—For Augmentation for Contingencies or Emergencies 2,000,000

Provisions:

1. The funds appropriated for the augmentation for contingencies or emergencies are to be expended only on written authorization of the Department of Finance for contingencies or emergencies.
2. Contingencies, within the meaning of these funds, are defined as proposed expenditures arising from unexpected conditions or losses for which no appropriation, or insufficient appropriation, has been made by law and which, in the judgment of the Director of Finance, constitute cases of actual necessity. Emergencies, within the meaning of this item, are defined as expenditures incurred in response to conditions of disaster or extreme peril which threaten the health or safety of persons or property within the state.
3. Emergency and contingency expenditure authorizations and deficiency expenditure authorizations shall be limited to purposes which have been specifically approved by the Legislature in Budget Acts or other legislation, except that not more than $200,000 of each fund may be expended for purposes for which no such specific prior authorizations exist.

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4. Authorizations for expenditures or deficiency expenditures arising from a contingency shall become effective no sooner than 30 days after notification in writing to the Joint Legislative Budget Committee, or no sooner than such lesser time as the committee, or its designee, may in each instance determine.
5. For expenditure authorizations or deficiency expenditure authorizations arising from an emergency, the Director of Finance shall file with the Joint Legislative Budget Committee, within 10 days after approval, copies of all executive orders for emergency-related encumbrance or expenditure authorizations, stating the reasons for, and the amount of, all such authorizations, except that any emergency augmentation from this item to any program in excess of 10 percent of the amount authorized for expenditure in the 1998–99 fiscal year for such program shall become effective no sooner than 30 days after notification in writing to the Joint Legislative Budget Committee or no sooner than such lesser time as the committee, or its designee, may in each instance determine, except that no such limit shall apply if the Director of Finance states in writing to the Chairperson of the Joint Legislative Budget Committee the necessity and urgency for the allocation which, in the judgment of the director, makes prior approval impractical.
6. For purposes for which the Governor previously vetoed funding, allocation of funds or authorization for deficiency expenditures shall not be made under the emergency provisions.

9840-001-0494—For Augmentation for Contingencies or Emergencies, payable from unallocated special funds..... 1,500,000

Provisions:

1. Provisions 1, 2, 3, 4, 5, and 6 of Item 9840-001-0001 also apply to this item.
2. For the Augmentation for Contingencies or Emergencies, payable from special funds, there are appropriated from each special fund sums necessary to meet contingencies or emergencies, to be expended only on written authorization of the Director of Finance. No deficiencies shall be authorized by the Director of Finance in any appropriation of money from special funds made

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by this act for the 1998–99 fiscal year under the provisions of Section 11006 of the Government Code. Accounts, special accounts, and funds in the General Fund, that are treated as other governmental cost funds for accounting and budgeting purposes in accordance with Section 13303 of the Government Code, shall be considered to be special funds within the meaning of this item.

9840-001-0988—For Augmentation for Contingencies or Emergencies, payable from unallocated nongovernmental cost funds 1,500,000

Provisions:

1. Provisions 1, 2, 3, 4, 5, and 6 of Item 9840-001-0001 also apply to this item.
2. For Reserve for Contingencies or Emergencies, payable from nongovernmental cost funds, there is appropriated from each nongovernmental cost fund that is subject to control or limited by this act, sums necessary to meet contingencies or emergencies, to be expended only on written authorization of the Director of Finance. No deficiencies shall be authorized by the Director of Finance in any appropriation of money from nongovernmental cost funds made by this act for the 1998–99 fiscal year under the provisions of Section 11006 of the Government Code.

9840-011-0001—For Augmentation for Contingencies or Emergencies (Loans) ..... (2,500,000)

Provisions:

1. This appropriation is for loans that may be made to state agencies which derive their support from the General Fund or from sources other than the General Fund, upon terms and conditions for repayment as may be prescribed by the Department of Finance. Any sum so loaned shall, if ordered by the Department of Finance, be transferred by the State Controller to the fund from which the support of the agency is derived.
2. No loan shall be made which requires repayment from a future legislative appropriation.
3. Authorizations for loans shall become effective no sooner than 30 days after notification in writing to the Joint Legislative Budget Committee, or no sooner than a lesser time which the committee, or its designee, may in each instance determine, except that this limit shall not apply if the Director of Finance states in writing to the Chairperson of

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the Joint Legislative Budget Committee the necessity and urgency for the loan which, in the judgment of the director, makes prior approval impractical.

4. Within 10 days after approval, the Director of Finance shall file with the Joint Legislative Budget Committee copies of all executive orders for loans stating the reasons for, and the amount of, all of these authorizations.

9840-490—Reappropriation, Augmentation for Contingencies or Emergencies. As of June 30, 1998, the balances of the appropriations made by Items 9840-001-0001, 9840-001-0494 and 9840-001-0988, Budget Act of 1997, shall revert to the unappropriated surplus of the General Fund, special funds, and nongovernmental cost funds, respectively.

As of July 1, 1998, the amounts reverted as of June 30, 1998, for Items 9840-001-0001, 9840-001-0494 and 9840-001-0988, Budget Act of 1997, are reappropriated and shall be available until June 30, 1999, and may be expended on written authorization of the Department of Finance issued on or before said date, for contingencies and emergencies, within the meaning of those items, occurring during the 1997–98 fiscal year.

9860-301-0001—For unallocated capital outlay (10.10.010) 744,000

Provisions:

1. The funds appropriated by this item are to be allocated by the Department of Finance to state agencies to develop design and cost information for new projects for which funds have not been appropriated previously, but which are anticipated to be included in the 1999–2000 or 2000–2001 Governor's Budget. The amount appropriated in this item shall not be construed as a commitment by the Legislature as to the amount of capital outlay funds it will appropriate in any future fiscal year.

~~9895-001-0001—For transfer by the Controller to the Petroleum Violation Escrow Account ..... 26,000,000~~

9903-001-0001—For allocation by Department of Finance, in support of procurement projects for applicant state agencies, departments, boards, commissions, or other entities of state government 1,831,000

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Provisions:

1. The Department of Finance may make allocations from the funds appropriated by this item for the 1998–99 fiscal year to authorize an applicant state agency to purchase electronic data processing software, hardware, and related equipment and services for an information technology project under the alternative procurement specified in this provision in compliance with all of the following conditions:

(a) The project is authorized under an item of appropriation contained in this act.

(b) The project will result in monetary savings, an increase in revenues, the enhancement of services, or improved efficiency and effectiveness.

(c) The state agency provides, for each project, a concise statement of objectives, documentation of benefits pursuant to subdivision (b) of this Provision, the required timeframes, performance standards, articulated implementation, and independent verification.

(d) The proposal and procurement documents do not identify the technology and process required to achieve the desired outcome.

(e) The technical aspects of the project shall be reviewed by the Department of Information Technology.

(f) The financial aspects of the project shall be reviewed by the Department of Finance.

(g) The procurement is made pursuant to the policies and procedures specified in Section 5215 of the State Administrative Manual.

(h) The allocation of funding for the project is made not sooner than 30 days after written notification thereof is provided to the Chairperson of the Senate Committee on Budget and Fiscal Review, the Chairperson of the Assembly Budget Committee, and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee may determine.

2. The Department of Finance may make allocations from the funds appropriated by this item for the 1998–99 fiscal year to authorize an applicant state agency to purchase services and electronic

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data processing software, hardware, and related equipment in compliance with all of the following conditions:

(a) The project is authorized under an item of appropriation contained in this act.

(b) The project will result in monetary savings, an increase in revenues, the enhancement of services, or improved efficiency and effectiveness.

(c) The state agency provides, for each project, a concise statement of objectives, documentation of benefits pursuant to subdivision (b) of this Provision, the required timeframes, performance standards, articulated implementation, and independent verification.

(d) The proposal and procurement documents do not identify the process required to achieve the desired outcome.

(e) The technical aspects of the project shall be reviewed by the Department of Information Technology.

(f) The financial aspects of the project shall be reviewed by the Department of Finance.

(g) The allocation of funding for the project is made not sooner than 30 days after written notification thereof is provided to the Chairperson of the Senate Committee on Budget and Fiscal Review, the Chairperson of the Assembly Budget Committee, and the Chairperson of the Joint Legislative Budget Committee, or not sooner than any lesser time as the Chairperson of the Joint Legislative Budget Committee may determine.

9903-001-0494—For allocation by Department of Finance in support of alternative procurement projects for applicant state agencies, departments, boards, commissions, or other entities of state government, payable from unallocated special funds 5,000,000

Provisions:

1. The Department of Finance may make allocations from the funds appropriated by this item to authorize an applicant state agency to purchase electronic data processing software, hardware, and related equipment and services for an information technology project under the alternative procure-

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ment method specified in this provision in compliance with all of the following conditions:

(a) The project is authorized under an item of appropriation contained in this act.

(b) The project will result in monetary savings, an increase in revenues, the enhancement of services, or improved efficiency and effectiveness.

(c) The state agency provides, for each project, a concise statement of objectives, documentation of benefits pursuant to subdivision (b) of this provision, the required timeframes, performance standards, articulated implementation, and independent verification.

(d) The proposal and procurement documents do not identify the technology and process required to achieve the desired outcome.

(e) The technical aspects of the project shall be reviewed by the Department of Information Technology.

(f) The financial aspects of the project shall be reviewed by the Department of Finance.

(g) The procurement is made pursuant to the policies and procedures specified in Section 5215 of the State Administrative Manual.

(h) The allocation of funding for the project is made not sooner than 30 days after written notification thereof is provided to the Chairperson of the Senate Committee on Budget and Fiscal Review, the Chairperson of the Assembly Budget Committee, and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee may determine.

9903-001-0988—For allocation by Department of Finance in support of alternative procurement projects for applicant state agencies, departments, boards, commissions, or other entities of state government, payable from unallocated non-governmental cost funds *455,000*

Provisions:

1. The Department of Finance may make allocations from the funds appropriated by this item to authorize an applicant state agency to purchase electronic data processing software, hardware, and related equipment and services for an information

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technology project under the alternative procurement method specified in this provision in compliance with all of the following conditions:

(a) The project is authorized under an item of appropriation contained in this act.

(b) The project will result in monetary savings, an increase in revenues, the enhancement of services, or improved efficiency and effectiveness.

(c) The state agency provides, for each project, a concise statement of objectives, documentation of benefits pursuant to subdivision (b) of this provision, the required time frames, performance standards, articulated implementation, and independent verification.

(d) The proposal and procurement documents do not identify the technology and process required to achieve the desired outcome.

(e) The technical aspects of the project shall be reviewed by the Department of Information Technology.

(f) The financial aspects of the project shall be reviewed by the Department of Finance.

(g) The procurement is made pursuant to the policies and procedures specified in Section 5215 of the State Administrative Manual.

(h) The allocation of funding for the project is made not sooner than 30 days after written notification thereof is provided to the Chairperson of the Senate Committee on Budget and Fiscal Review, the Chairperson of the Assembly Budget Committee, and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee may determine.

9904-001-0001—For allocation by Department of Finance, in support of century change information technology activities for applicant state agencies, departments, boards, commissions, or other entities of state government 10,000,000

Provisions:

1. The Department of Finance shall make allocations from the funds appropriated by this item for the 1998–99 fiscal year for century change infor-

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mation technology activities of applicant state agencies, departments, boards, commissions, or other entities of state government (hereafter "state agency") that comply with the Department of Information Technology's California 2000 Program Guide. The requests must be reviewed and approved by the Department of Information Technology before the Department of Finance allocates the funds.

2. No authorization for expenditure may be granted under this item to the Legislature, the University of California, the California State University, the State Compensation Insurance Fund, or any agency provided for under Article VI of the California Constitution.

3. An allocation approved by the Department of Finance under this item shall be made not sooner than 30 days after written notification thereof is provided to the Chairperson of the Senate Committee on Budget and Fiscal Review, the Chairperson of the Assembly Budget Committee, and the Chairperson of the Joint Legislative Budget Committee or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee may determine. Commencing October 1, 1998, the Department of Finance shall provide quarterly reports to the Chairperson of the Senate Committee on Budget and Fiscal Review, the Chairperson of the Assembly Budget Committee, and the Chairperson of the Joint Legislative Budget Committee, listing the allocations made pursuant ot this item and identifying the department, the project, and the amount for each allocation.

4. The Department of Information Technology shall provide the Legislature by July 15, 1998, and quarterly thereafter, a report as to the status of the state's Year 2000 computer application conversion effort. The report, to be submitted to the fiscal committees in each house and the Joint Legislative Budget Committee, shall indicate the state's progress and level of compliance with the Department's California 2000 Program Guide and specifically include identification of any sys-

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tem and project that the department believes is at risk in terms of completing necessary remediation efforts before the system's failure date, and identification of each essential but non-mission critical system and project the department is planning to remediate. For those systems and projects determined to be at risk, the Department of Information Technology shall identify the factors that create the risk and the steps that are being taken to mitigate the risk.

5. Special consideration shall be made for allocation from this item for remediation of embedded chip and Year 2000 projects within state buildings, provided that the requesting department has made efforts to redirect funds within its existing budget wherever possible.

6. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the purposes of this item in excess of the $10,000,000 appropriated in this item.

9904-001-0494—For allocation by Department of Finance in support of century change information technology activities for applicant state agencies, departments, boards, commissions or other entities of state government 8,000,000

Provisions:

1. Provisions 1, 2, 3, 4, and 5 of Item 9904-001-0001 of this act also apply to allocations authorized by this item.

2. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for purposes of Item 9904-001-0494 in excess of the amount appropriated.

9904-001-0988—For allocation by Department of Finance, in support of century change information technology activities for applicant state agencies, departments, boards, commissions or other entities of state government 2,000,000

Provisions:

1. Provisions 1, 2, 3, 4, and 5 of Item 9904-001-0001 of Section 2.00 of this act shall also apply to allocations authorized by this item.

2. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for purposes of this item in excess of the $2,000,000 appropriated in this item.

GENERAL SECTIONS
STATEWIDE

SEC. 3.00. Whenever herein an appropriation is made for support, it shall include salaries and all other proper expenses, including repairs and equipment, incurred in connection with the institution, department, board, bureau, commission, officer, employee, or other agency for which the appropriation is made.

Each item appropriating funds for salaries and wages includes the additional funds necessary to continue the payment of the amount of salaries in effect on June 30, 1998, for the state officers whose salaries are specified by statute.

Whenever herein an appropriation is made for capital outlay, it shall include acquisition of land or other real property, major construction, improvements, equipment, designs, working plans, specifications, repairs, and equipment necessary in connection with a construction or improvement project.

Whenever herein any item of appropriation contains provisions for acquisition of land or other real property, it shall include all necessary expenses in connection with the acquisition of the property.

Whenever herein an appropriation is made in accordance with a schedule set forth after the appropriation, the expenditures from that item for each category, program, or project included in the schedule shall be limited to the amount specified for that category, program, or project, except as otherwise provided in this act. Each schedule is a restriction or limitation upon the expenditure of the respective appropriation made by this act, does not itself appropriate any money, and is not itself an item of appropriation.

As used in this act in reference to the schedules ‘‘category’’, ‘‘program’’, or ‘‘project’’ means a class of expenditure such as, but not limited to:

(a) ‘‘Personal services,’’ which shall include all expenditures for payment of officers and employees of the state, including: salaries and wages, workers’ compensation, compensation paid to employees on approved leave of absence on account of sickness, unemployment compensation benefits, insurance premiums for workers’ compensation coverage, industrial disability leave and payments, nonindustrial disability benefits and payments, the state’s contributions to the Public Employees’ Retirement Fund, the Teachers’ Retirement Fund, the University of California Retirement Fund to provide for that portion of retirement costs to be provided for Hastings College of the Law in Item 6600-001-0001 of this Budget Act, the Old Age and Survivors’ Insurance Revolving Fund, the Public Employees’ Contingency Reserve Fund, and the state’s cost of health benefits plans; but do not include compensation of independent contractors rendering personal services to the state under contract.

(b) ‘‘Operating expenses and equipment,’’ which shall include all expenditures for purchase of materials, supplies, equipment, services

(other than services of state officers and employees), departmental services (services provided by other organizational units within a department, including indirect distributed costs), and all other proper expenses.

(c) ''Preliminary plans'' are defined as a site plan, architectural floor plans, elevations, outline specifications, and a cost estimate. For each utility, site development, conversion and remodeling project, the drawings shall be sufficiently descriptive to accurately convey the location, scope, cost, and the nature of the improvement being proposed.

(d) ''Working drawings'' are defined as a complete set of plans and specifications showing and describing all phases of a project, architectural, structural, mechanical, electrical, civil engineering, and landscaping systems to the degree necessary for the purposes of accurate bidding by contractors and for the use of artisans in constructing the project. All necessary professional fees and administrative service costs are included in the preparation of these drawings.

(e) ''Construction,'' when used in connection with a capital outlay project, shall include all such related things as fixtures, installed equipment, auxiliary facilities, contingencies, project construction, management, administration and associated costs.

(f) ''Minor projects'' include planning, working drawings, construction, improvements, and equipment projects not specifically set forth in the schedule.

(g) ''Programs'' include all expenditures, regardless of category, required to carry out the objectives of the named activity.

For the purpose of further interpreting the meaning of the words, terms and phrases, and uniform codes used in the schedules, reference is hereby made to those documents entitled, ''State of California Governor's Budget for 1998–99,'' submitted by the Governor to the Legislature at the 1998 portion of the 1997–98 Regular Session, the uniform accounting system prescribed by the Department of Finance under the provisions of Section 13300 and following of the Government Code, the Uniform Codes Manual, and the appropriate portions thereof. The Department of Finance shall establish interpretations necessary to carry out the provisions of this section and shall furnish the same to the State Controller and to every state agency to which appropriations are made under this act.

SEC. 3.50. Whenever herein an appropriation is made for support or other expenses for an institution, department, board, bureau, commission, officer, employee, or other agency, there shall be charged to the appropriation from which salaries and wages are paid: workers' compensation, compensation paid to employees on approved leave of absence on account of sickness, unemployment compensation benefits, industrial disability leave and payments, nonindustrial disability benefits and payments, the administrative costs of the Merit Award Program provided by Section 19823 of the Government Code, the State's contribution to the Public Employees' Retirement Fund as provided by Sections 20822 and 20824 of the Government Code, the State's con-

tribution to the Teachers' Retirement Fund as provided by Sections 22950, 22951, and 23000 of the Education Code, the State's contribution to the Old Age and Survivors Insurance Revolving Fund as provided by Sections 20862 and 20863 of the Government Code, the State's contribution to the Old Age and Survivors Insurance Revolving Fund for payment of hospital insurance taxes imposed by the Internal Revenue Code, the State's contribution to the Public Employees' Contingency Reserve Fund, the State's contribution for the cost of health benefits plans as provided by Sections 22825.1, 22828 and 22829 of the Government Code, and the State's contribution for costs of other employee benefits and the administrative costs associated with the provision of benefits established by any state agency legally authorized to negotiate and set salary and benefit levels.

As of the effective date of this act, the State's contributions as provided by Sections 22825.1, 22828 and 22829 of the Government Code and for costs of any other employee benefits and the administrative costs associated with the provisions of these benefits established by any state agency legally authorized to negotiate and set salary and benefit levels for any month shall be charged to the same appropriations used for payment of salaries and wages from which the employee premium contributions for such month are deducted.

The appropriations made by Sections 20822, 20824, 20862, 20863, 22825.1, 22828, and 22829 of the Government Code and by Sections 22950, 22951, and 23000 of the Education Code, shall continue to be available for expenditure, and shall be charged for any expenditure that is not chargeable to an appropriation for support or other expenses as provided in this section. This transfer may be chargeable to such appropriation for a previous fiscal year if there are no funds available from that fiscal year.

The Controller may transfer to the State Payroll Revolving Fund the contributions required by Sections 20822, 20824, 20862, 20863, 22825.1, 22828, and 22829 of the Government Code, contributions required for payment of the hospital insurance tax, and upon certification by the Board of Administration of the Public Employees' Retirement System as required by Section 20826 of the Government Code, may transfer from the State Payroll Revolving Fund to the Public Employees' Retirement Fund and the Old Age and Survivors Insurance Revolving Fund the amounts of contributions.

SEC. 3.60. (a) Notwithstanding any other provision of law, the employers' retirement contributions for the 1998–99 fiscal year that are chargeable to an appropriation made in this act, with respect to each state officer and employee who is a member of the Public Employees' Retirement System and who is in that employment or office, including university members as provided by Section 20751 of the Government Code, shall be the percentage of salaries and wages by state member category as follows:

Miscellaneous, First Tier.....	8.541%
Miscellaneous, Second Tier.....	6.437%

State Industrial	4.583%
State Safety	9.440%
Highway Patrol	13.541%
Peace Officer/Firefighter	9.591%

The Department of Finance may adjust amounts in any appropriation item, or in any category thereof, in this act as a result of changes from amounts budgeted for employer contribution for 1998–99 fiscal year retirement benefits.

(b) Notwithstanding any other provisions of law, the Department of Finance shall require retirement contributions computed pursuant to subdivision (a) to be offset by the Controller with surplus funds in the Public Employees' Retirement Fund, employer surplus asset accounts.

(c) Notwithstanding any other provision of law, for purposes of calculating the ''appropriations subject to limitation'' as defined in Section 8 of Article XIII B of the California Constitution, the appropriations in this act shall be deemed to be the amounts remaining after the reductions required by subdivisions (a) and (b) are made.

SEC. 4.11. No funds appropriated by this act shall be used by a state or local agency to implement the prohibition contained in Section 411 of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 regarding the eligibility of aliens for state and local public benefits until the state enacts legislation authorizing the implementation of that prohibition.

SEC. 4.20. Notwithstanding any other provision of law, the employer's contributions to the Public Employees' Contingency Reserve Fund, as required by Section 22826 of the Government Code, shall be 0.5 percent of the gross health insurance premiums paid by the employer and employee for administrative expenses.

~~SEC. 5.00. The Department of Finance, in consultation with the Legislative Analyst's Office, shall report by December 1, 1998, and quarterly thereafter, to the Joint Legislative Budget Committee and the fiscal committees of each house of the Legislature regarding payments of claims, settlements, compromises, and judgments arising from actions in courts against the state, its officers, and officers and employees of state agencies, departments, boards, bureaus, or commissions. The report shall identify the number of claims, settlements, compromises, and judgments paid out in the preceding quarter, specifying the type and the dollar amount of each claim, settlement, compromise, and judgment; the total payments categorized by funding source; and unless the payments were specifically budgeted, the budgeted commitment from which the resources were redirected. In addition, the report shall identify the total attorney's fees and other litigation costs related to each claim, settlement, compromise, or judgment.~~

SEC. 5.00. Each state agency shall prepare an itemized schedule listing, by category and funding source, of all claims, judgments, compromises, and settlement payments paid in the 1997–98 fiscal year. This itemized schedule of payments shall include a summary description of payments by category and funding source. The Department of

Finance shall transmit a copy of the schedule along with the other supplemental budget documents that are annually transmitted to the Legislature and the Office of the Legislative Analyst.

SEC. 5.25. (a) Payment of specified attorney's fee claims, settlements, compromises, and judgments arising from actions in state courts against the state, its officers, and officers and employees of state agencies, departments, boards, bureaus, or commissions, shall be paid from items of appropriation in this act that support the state operations of the affected agency, department, board, bureau, or commission.

(b) Expenditures authorized by subdivision (a) shall be made by the State Controller, subject to the approval of the Department of Finance, and shall be charged to the fiscal year in which the disbursement is issued.

(c) Payments authorized by this section shall be made only for (1) state court actions filed pursuant to Section 1021.5 of the Code of Civil Procedure, the ''private attorney general'' doctrine, or the ''substantial benefit'' doctrine, or for (2) writ of mandate actions filed pursuant to Section 10962 of the Welfare and Institutions Code.

(d) No payment shall be made by the State Controller for expenditures pursuant to subdivision (a) except in full and final satisfaction of the claim, settlement, compromise, or judgment for attorney's fees incurred in connection with a single action.

(e) The Director of Finance shall notify the Chairperson of the Joint Legislative Budget Committee, the Chairperson of the Senate Committee on Budget and Fiscal Review, and the Chairperson of the Assembly Budget Committee pursuant to Section 27.00 of this act when there are insufficient funds appropriated in this act in support of the state operations of the affected agency, department, board, bureau, or commission to satisfy the claim completely.

SEC. 6.00. No more than $35,000 of the funds appropriated for support purposes under Section 2.00 or any other sections of this act may be encumbered for preliminary plans, working drawings, or construction of any project for the alteration of a state facility unless the Director of Finance determines that the proposed alteration is critical and that it is necessary to proceed using funds appropriated for support purposes. The maximum cost of any such project shall not exceed $250,000, and any approved critical project costing more than $35,000, but not greater than $250,000, shall be reported to the Chairperson of the Joint Legislative Budget Committee or his or her designee, not less than 30 days prior to requesting bids for the project. The report shall detail those factors that make the project so critical that it must proceed using support funds.

SEC. 8.50. (a) In making appropriations to state agencies that are eligible for federal programs, it is the intent and understanding of the Legislature that applications made by the agencies for federal funds under federal programs shall be for the maximum amount allowable under federal law. Therefore, any amounts received from the federal government are hereby appropriated from federal funds for expenditure or

for transfer to, and disbursement from, the State Treasury fund established for the purpose of receiving the federal assistance subject to any provisions of this act that apply to the expenditure of these funds, including Section 28.00 of this act.

(b) However, if federal funds for block grant programs assumed by the state or for any item receiving federal funds are reduced by more than 5 percent of the amount appropriated in this act, the Director of Finance shall notify the chairperson of the committee in each house which considers appropriations, and the Chairperson of the Joint Legislative Budget Committee, in writing within 30 days after notification by the federal government that federal funds have been reduced, and shall include an estimate of the amount of the available or anticipated federal funds, the 1998–99 fiscal year expenditures of each program affected by the reduction, the effect of reduced funding on service levels authorized by this act, and a plan of reduced expenditures for each program affected by the reduction. The plan shall be operational on an interim basis for up to 45 days pending legislative review, after which time the plan shall become permanent.

SEC. 8.51. Each state agency shall, by certification to the State Controller, identify the account within the Federal Trust Fund when charges are made against any appropriation made herein from the Federal Trust Fund.

SEC. 8.80. There is hereby appropriated from the General Fund, an amount up to one million two hundred thousand dollars ($1,200,000) to be allocated by the Department of Finance to the State Controller's Office and the Department of Personnel Administration for the purpose of establishing the business requirements and preparing and releasing a Request For Proposal for the development of a statewide Human Resource Management System. The allocation of funds from this control section is contingent upon the State Controller's Office and the Department of Personnel Administration each submitting written justification, which has been mutually agreed upon, no later than June 30, 1998. The justification shall include, but is not limited to, an explanation of the need for funds and position(s) and identification of a project schedule and deliverables in fiscal year 1998–99.

The Department of Finance shall review the written justification by July 15, 1998. The allocation of funding for the project shall be made no sooner than 30 days after written notification thereof is provided to the Chairperson of the Senate Committee on Budget and Fiscal Review, the Chairperson of the Assembly Budget Committee, and the Chairperson of the Joint Legislative Budget Committee or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee may determine.

SEC. 9.20. Notwithstanding Section 15860 of the Government Code, the amount of funds expended for administrative costs associated with any appropriation contained in this act for acquisition of property pursuant to the Property Acquisition Law shall be limited to the amount specified for those costs in the Supplemental Report of the

Budget Act of 1998. Amounts for administrative costs may be augmented by no more than 5 percent by the State Public Works Board. Notwithstanding the foregoing, any amounts needed for administrative costs associated with acquisition through the condemnation authority of the State Public Works Board shall be provided through augmentation of the affected appropriations as authorized by existing law.

SEC. 9.30. In the event that federal courts issue writs of execution for the levy of state funds and such writs are executed, the State Controller shall so notify the Department of Finance. The Department of Finance shall then notify the State Controller of the specific appropriation or fund to be charged. Federal writs of execution for the levy of state funds may only be charged against appropriations or funds having a direct programmatic link to the circumstances under which the federal writ was issued. If the appropriate department or agency no longer exists, or no linkage can be identified, the federal writ shall be charged to the unappropriated surplus of the General Fund. In the event that an appropriation in the act is made deficient by such a charge, funding augmentations must follow the regular budget processes including Section 27.00 of the Budget Act. However, the 30-day notification requirement is waived for payments mandated by federal courts.

SEC. 9.50. For minor capital outlay projects for which, pursuant to Sections 10108 and 10108.5 of the Public Contract Code, the services of the Department of General Services are not required and a state agency or department is authorized to carry out its own project, the amount of the unencumbered balance of the project shall be determined in accordance with Section 14959 of the Government Code. Upon receipt of bids for the project, an estimate of any amount necessary for the completion of the project, including supervision, engineering, and other items, if any, shall be deemed a valid encumbrance and shall be included with any other valid encumbrance in determining the amount of an unencumbered balance.

SEC. 11.00. (a) A state agency to which state funds are appropriated by one or more statutes, including this act, for an information technology project may not enter into one or more contracts, or agree to one or more contract amendments, in the 1998–99 fiscal year that result, in the aggregate, in an increase in the budgeted cost of the project exceeding five hundred thousand dollars ($500,000), or 10 percent of the budgeted cost of the project, whichever is less, unless the approval of the Department of Finance is first obtained and written notification of that approval is provided by the department to the Chairperson of the Joint Legislative Budget Committee, and the chairperson of the budget committee of each house of the Legislature, not less than 30 days prior to the effective date of the approval, or not sooner than whatever lesser time the chairperson of the joint committee, or his or her designee, may in each instance determine. Each notification required by this section shall (1) explain the necessity and rationale for the proposed contract or amendment, (2) identify the cost savings, revenue increase, or other

fiscal benefit of the proposed contract or amendment, and (3) identify the funding source for the proposed contract or amendment.

(b) Subdivision (a) does not apply to a resulting increase in the budgeted cost of a project that is less than one hundred thousand dollars ($100,000), or that is funded by an augmentation authorized pursuant to Section 26.00 of this act.

(c) The following definitions apply for the purposes of this section:

(1) ''Budgeted cost of a project'' means the total cost of the project as identified in the most recent feasibility study report, special project report, or equivalent document submitted to the Legislature in connection with its consideration of a bill that appropriated any state funding for that project.

(2) ''State agency'' means each agency of the state that is subject to both Chapter 7 (commencing with Section 11700) of Part 1 of, and Article 2 (commencing with Section 13320) of Chapter 3 of Part 3 of, Division 3 of Title 2 of the Government Code.

SEC. 11.11. In order to protect the privacy of state employees and ensure the security of the payment of public funds, all departments, boards, offices, and other agencies and entities of the state shall distribute pay warrants and direct deposit advice to employees in a manner that ensures that personal and confidential information contained on the warrants and direct deposit advice is protected from unauthorized access. The Department of Personnel Administration shall advise all departments, boards, offices, and other agencies and entities of state government of the requirements contained in this section.

SEC. 11.52. Notwithstanding any other provision of law, the State Controller shall transfer to the General Fund the unencumbered balance, as of June 30, 1998, from the following funds: (a) State Construction Program Fund; (b) Special Account for Capital Outlay; (c) Energy and Resources Fund; and (d) Capital Outlay Fund for Public Higher Education.

SEC. 11.60. Notwithstanding Article 12 (commencing with Section 16429.30) of Chapter 2 of Part 2 of Division 4 of Title 2 of the Government Code, or any other provision of law, all moneys deposited in the California Unitary Fund during the 1998–99 fiscal year and all expenditures, disbursements, and transfers from the California Unitary Fund shall be budgeted and accounted for at the fund level. No expenditure, disbursement, or transfer shall be made from the California Unitary Fund except in accordance with this act.

SEC. 11.61. Notwithstanding Article 12 (commencing with Section 16429.30) of Chapter 2 of Part 2 of Division 4 of Title 2 of the Government Code, or any other provision of law, all moneys deposited in the California Unitary Fund during the 1998–99 fiscal year shall be transferred to the General Fund on a quarterly basis.

SEC. 11.65. Any state agency, including the Judicial Council, that moves into the Elihu M. Harris State Office Building, the San Francisco Civic Center, or the Junipero Serra State Office Building during the 1998–99 fiscal year shall report the following to the Department of

Finance within 30 days of moving all functions into the respective state facility: (1) the actual rental amounts paid for all functions that are moved into those facilities, and (2) the rental amounts for the state facilities for the remaining portion of 1998–99. The Department of Finance shall reduce appropriations to reflect any savings in the amounts budgeted for rental costs associated with these state facilities. The Department of Finance shall report to the Joint Legislative Budget Committee the results of the findings by August 1, 1999.

SEC. 12.00. For the purposes of Article XIII B of the California Constitution, there is hereby established a state ''appropriations limit'' ~~of forty-eight billion one hundred five million dollars ($48,105,000,000)~~ *of forty-seven billion five hundred seventy-three million dollars ($47,573,000,000)* for the 1998–99 fiscal year.

Any judicial action or proceeding to attack, review, set aside, void, or annul the ''appropriations limit'' for the 1998–99 fiscal year shall be commenced within 45 days of the effective date of this act.

SEC. 12.20. (a) The Controller shall transfer from the General Fund to the Special Deposit Fund for the 1998–99 fiscal year the sum of ~~one hundred six million nine hundred one thousand five hundred fifty-one dollars ($106,901,551)~~ *eighty-three million five hundred thousand dollars ($83,500,000)* , which is hereby appropriated to satisfy the state's obligation *for the 1998–99 fiscal year,* as identified in the February 14, 1996, Stipulation For Settlement And Entry of Judgment in the cases of Malibu Video Systems v. Brown and Abramovitz v. Wilson, as consolidated (Case Nos. BC101796, BC103453, BC106884, and BC120571 in the Superior Court of the County of Los Angeles), to make repayments, including interest as specified in the stipulation, to various special funds as identified in Exhibit A of that stipulation. The Controller shall transfer, from those moneys in the Special Deposit Fund to each identified special fund, an amount equal to the repayment obligation for that special fund for the 1998–99 fiscal year, including an adjustment for interest, pursuant to the stipulation.

SEC. 12.30. There is hereby appropriated from the General Fund for transfer to the Special Fund for Economic Uncertainties by the Controller, upon order of the Director of Finance, an amount necessary to bring the balance of this special fund up to the amount stated in the Final Change Book for the 1998–99 fiscal year ending balance in the Special Fund for Economic Uncertainties, as of July 1, 1998. The amount so transferred shall be reduced by the amount of excess revenues subject to Section 2 of Article XIII B of the California Constitution, as determined by the Director of Finance.

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, within 30 days after notification in writing of the proposed designation to the chairperson of the committee in each

house of the Legislature that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or within a lesser time that the chairperson of the joint committee, or his or her designee, determines.

(b) Pursuant to the Proposition 98 funding requirements established in Chapter 2 (commencing with Section 41200) of Part 24 of the Education Code, the total appropriations for Proposition 98 for the 1998–99 ~~fiscal year are twenty-five billion two hundred twenty-seven million four hundred ninety-eight thousand dollars ($25,227,498,000), or 43.8~~ *fiscal year are twenty-four billion eight hundred fifty million eight hundred seventy-one thousand dollars ($24,850,871,000) or 43.2* percent of total General Fund revenues and transfers subject to the state appropriations limit. General Fund revenues appropriated for school ~~districts are twenty-two billion six hundred ten million five hundred sixty-seven thousand dollars ($22,610,567,000), or 39.2 percent of total~~ *districts are twenty-two billion two hundred seventy-seven million eight hundred fifteen thousand dollars ($22,277,815,000), or 38.7 percent of total* General Fund revenues and transfers subject to the state appropriations limit. General Fund revenues appropriated for community college ~~districts are two billion two hundred seventy-six million thirty-five thousand dollars ($2,276,035,000), or 4.0 percent of total General Fund revenues~~ *districts are two billion two hundred thirty-two million one hundred sixty thousand dollars ($2,232,160,000), or 3.9 percent of total General Fund revenues* and transfers subject to the state appropriations limit. General Fund 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 ninety million eight hundred ninety-six thousand dollars ($90,896,000), or 0.2 percent of total General Fund revenues and transfers subject to the state appropriations limit. General Fund revenues appropriated for partial repayment of emergency loans are two hundred fifty million dollars ($250,000,000), or 0.4 percent of total General Fund revenues and transfers subject to the state appropriations limit.

SEC. 13.00. (a) Notwithstanding any other provision of law, expenditures under Item 0160-001-0001 of Section 2.00 of this act or any appropriation in augmentation of that item shall be exempt from Chapter 7 (commencing with Section 11700) of Part 1 of, and Article 2 (commencing with Section 13320) of Chapter 3 of Part 3 of, Division 3 of Title 2 of the Government Code, Division 2 (commencing with Section 1100) of the Public Contract Code, and subdivision (a) of Section 713 of Title 2 of the California Code of Regulations, and may be expended as set forth in the Governor's Budget, or for other purposes, including expenditures for the number of positions in various classifications authorized by the Joint Rules Committee.

(b) Notwithstanding any other provision of law, the unencumbered balances as of June 30, 1998, of the appropriations made by Items 0160-001-0001 and 8840-001-0001 of the Budget Act of 1997 are reappropriated and shall be available for encumbrance until June 30,

1999, for the same programs and purposes for which appropriations for these items have been made by this act.

(c) Notwithstanding any other provision of law, all money that is received as payment for the sale of services or personal property by the agency that has not been taken into consideration in the schedule of Item 0160-001-0001 or is in excess of the amount so taken into consideration is to be credited to that item and is hereby appropriated in augmentation of that item for the same programs and purposes for which appropriations for that item have been made by this act.

(d) Notwithstanding any other provision of law, the Legislative Counsel Bureau may convert or reclassify positions in the bureau, as deemed appropriate by the Legislative Counsel, for inclusion, or redesignation, in the career executive assignment band, to the extent that the total number of positions in the career executive band in the bureau does not exceed 3 percent of the positions in the bureau. Any position that is converted or reclassified shall not be subject to review or approval by the Department of Personnel Administration or State Personnel Board.

SEC. 14.00. (a) Notwithstanding any other provision of law, if the Director of the Department of Consumer Affairs determines in writing that there is insufficient cash in a special fund under the authority of a board, commission, or bureau of the department to make one or more payments currently due and payable, the director may order the transfer of moneys to that special fund, in the amount necessary to make the payment or payments, as a loan from a special fund under the authority of another board, commission, or bureau of the department. That loan shall be subject to all of the following conditions:

(1) No loan from a special fund shall be made that would interfere with the carrying out of the object for which the special fund was created.

(2) The loan shall be repaid as soon as there is sufficient money in the recipient fund to repay the amount loaned, but no later than a date 18 months after the date of the loan. Interest on the loan shall be paid from the recipient fund at the rate accruing during the loan period to moneys in the Pooled Money Investment Account.

(3) The amount loaned shall not exceed the amount that the appropriate board, commission, or bureau is statutorily authorized at the time of the loan to expend during the 1998–99 fiscal year from the recipient fund.

(4) The terms and conditions of the loan are approved, prior to the transfer of funds, by the Department of Finance pursuant to appropriate fiscal standards.

(b) (1) Notwithstanding any other provision of law, the Department of Consumer Affairs, during the 1998–99 fiscal year, may order the release of moneys from the clearing account in the Consumer Affairs Fund in an amount exceeding the amount advanced to the clearing account from a special fund within the department, as a loan to make one or more payments on behalf of that special fund that are currently due

and payable. To the extent that the amount of moneys currently in the clearing account is insufficient to make the payment or payments on behalf of that special fund, the department may transfer additional moneys to the clearing account from any other special fund under the authority of a board, commission, or bureau of the department to include in the loan. A loan made to a special fund under this subdivision shall be subject to all of the following conditions:

(A) The loan shall not be made if it would reduce the amount advanced to the clearing account from another special fund, or the amount contained in that special fund, as applicable, to an extent that would interfere with the carrying out of the object for which that special fund was created.

(B) The loan shall be repaid as soon as there is sufficient money in the recipient fund to repay the amount loaned, but no later than a date 60 days after the date of the loan.

(C) The amount loaned shall not exceed the amount that the appropriate board, commission, or bureau is statutorily authorized at the time of the loan to expend during the 1998–99 fiscal year from the recipient fund.

(2) For purposes of this subdivision, the ''clearing account'' in the Consumer Affairs Fund is the account established in that fund, consisting of moneys advanced from the various special funds within the department, from which the Department of Consumer Affairs pays operating and other expenses of each special fund in an amount ordinarily not exceeding the amount advanced from that special fund.

(c) The Director of the Department of Consumer Affairs shall provide a report by March 1, 1999, on all loans initiated or repayments made pursuant to subdivision (a) or (b) within the preceding 12-month period to the chairperson of the budget committee, and the chairperson of the appropriate legislative oversight committee, of each house of the Legislature.

(d) At least 10 days prior to initiating a loan to be made pursuant to subdivision (a) or (b), the Director of the Department of Consumer Affairs shall provide written notification to the Joint Legislative Budget Committee if either (1) any loan from any one fund exceeds $200,000 or (2) the aggregate amount of loans from any one fund exceeds $200,000.

SEC. 16.01. (a) Upon receipt of written notice from the Medical Board of California, the Osteopathic Medical Board of California or the Board of Dental Examiners (Boards) that a licensee's license is under suspension or revocation due to a disciplinary action, the Department shall not pay any Medi-Cal claim for any service rendered by the licensee to any patient after the effective date of the disciplinary action and for the duration of that action.

(b) Upon receipt of written notice from the Medical Board of California, the Osteopathic Medical Board of California or the Board of Dental Examiners that a licensee's license has been placed on probation

due to a disciplinary action for the performance of any type of surgical service or other invasive procedure on a patient, the Department shall not pay any Medi-Cal claim for that type of service or procedure rendered by the licensee to any patient after the effective date of the disciplinary action, and for the duration of that action, except in any case where the Board makes a determination during its disciplinary process that there exists compelling circumstances that warrant continued Medi-Cal reimbursement during the probationary period.

(c) The Medical Board of California, the Osteopathic Medical Board of California and the Board of Dental Examiners (Boards) shall work with the State Department of Health Services to provide all information necessary to accomplish the purpose of this Section. The Boards and the Department shall report ~~annually to the Legislature by March 1,~~ *to the Legislature upon the conclusion of each calendar quarter of the 1998–99 fiscal year* on the number of licensees placed on probation for the previous calendar year, who are not receiving Medi-Cal reimbursement as a result of this Section, and the number of licensees on probation who continue to be eligible for Medi-Cal reimbursement as a result of a determination of the Boards.

EDUCATION

SEC. 24.00. For the 1998–99 fiscal year, the donations and oil and mineral revenues from federal lands that are deposited in the State School Fund shall be divided between Section A and Section B of the State School Fund, with 85 percent of these revenues to be credited to Section A of the fund exclusively for regular apportionments for school districts serving pupils in kindergarten or any of grades 1 to 12, inclusive, and 15 percent to Section B of the fund exclusively for community college district regular apportionments. The amounts accruing to the State School Fund under this section shall be disbursed fully before any General Fund transfers to Section A or Section B of the State School Fund are disbursed for regular apportionments.

SEC. 24.03. Notwithstanding any other provision of law, funds appropriated by Section 2.00, Section 8.50, Section 28.00, Section 28.50, or any other provision of this act may not be expended for the support of any program, network, or material, with the exception of instruction to pupils who are identified as deaf or hearing impaired pursuant to 34 C.F.R. 300.7(b) paragraphs (3) and (4), that promotes or uses reading instruction methodologies that emphasize contextual clues in lieu of fluent decoding.

SEC. 24.10. (a) Notwithstanding Section 1464 of the Penal Code or Section 41304 of the Education Code, the first nine hundred and ninety-three thousand dollars ($993,000) received by the Driver Training Penalty Assessment Fund for the 1998–99 fiscal year shall be available for the purposes of Item 6110-001-0178 of Section 2.00 of this act. The amount retained by the Driver Training Penalty Assessment Fund

for the purposes of Item 6110-001-0178 may be adjusted by the Department of Finance for actions pursuant to any control section of this act.

(b) After moneys are retained in the Driver Training Penalty Assessment Fund pursuant to subdivision (a), the Controller shall transfer, on a monthly basis, any balance in the fund to the Victim Witness Assistance Fund, the Peace Officers' Training Fund, and the Corrections Training Fund, using ratios of 15.245 percent, 42.685 percent, and 19.574 percent, respectively. Any remaining unallocated moneys in the Driver Training Penalty Assessment Fund shall be transferred to the General Fund.

SEC. 24.60. (a) From the funds appropriated in Items 4300-003-0814, 4440-011-0814, 5460-001-0831, 6110-006-0814, 6110-101-0814, 6440-001-0814, 6600-001-0814, and 6870-101-0814 of this act, the State Department of Developmental Services, the State Department of Mental Health, the Department of the Youth Authority, the State Special Schools, the Regents of the University of California, the Board of Directors of Hastings College of the Law, the Board of Trustees of the California State University, and community college districts through the Chancellor of the California Community Colleges shall report to the Governor and the Legislature no later than January 15, 2000, the amount of lottery funds that each entity received and the purposes for which those funds were expended in the 1998–99 fiscal year, including administrative costs, and proposed expenditures and purposes for expenditure for the 1999–00 fiscal year. If applicable, the amount of lottery funds received on the basis of adult education average daily attendance (ADA) and the amount of lottery funds expended for adult education also shall be reported.

(b) The State Department of Education shall conduct a survey of a representative sample of 100 local education agencies to determine the patterns of use of lottery funds in those agencies. The sample shall be drawn to include all local education agencies having more than 200,000 ADA and representative local education agencies randomly selected by size, range, type, and geographical dispersion. On or before ~~January~~ *May* 15, 1999, the State Department of Education shall report to the Legislature and the Governor the results of the survey for the 1997–98 fiscal year.

SEC. 24.70. From the funds appropriated to the State Department of Education for local assistance, the department shall ensure that the expenditure of funds allocated to a local education agency (LEA), through a contract between the department and the LEA or through a grant from the department to the LEA, shall be subject to the LEA's fiscal accountability policies and procedures. If it is necessary for the LEA to establish a separate entity to complete the work scope of the contract or grant, the fiscal accountability policies and procedures for that entity shall be the same as those of the LEA, or amended only with the approval of both the superintendent of schools of the LEA and a fiscal representative of the department designated by the Superinten-

dent of Public Instruction. Further, the department shall have the authority to provide for an audit of the expenditures under the contract or grant between the department and the LEA to verify conformance with appropriate fiscal accountability policies and procedures. The cost of the audit, if required, shall be charged to the audited contract or grant.

SEC. 26.00. (a) It is the intent of the Legislature, in enacting this section, to provide flexibility for the administrative approval of intraschedule transfers within individual items of appropriation in those instances where the transfers are necessary for the efficient and cost-effective implementation of the programs, projects, and functions funded by this act. No transfer shall be authorized under this section to either eliminate any program, project, or function, except when implementation is found to be no longer feasible in light of changing circumstances or new information, or establish any new program, project, or function.

(b) The Director of Finance may, pursuant to a request by the officer, department, division, bureau, board, commission, or other agency to which an appropriation is made by this act, authorize the augmentation of the amount available for expenditure for personal services or operating expenses and equipment for a program, project, or function, which amount is designated in any schedule set forth for that appropriation, by making a transfer from any of the other designated programs, projects, or functions within the same schedule. No intraschedule transfer may be made under this section to fund any capital outlay purpose. Upon the conclusion of the 1998–99 fiscal year, the Director of Finance shall furnish the chairpersons of the committees in each house of the Legislature that consider appropriations and the budget, and the Chairperson of the Joint Legislative Budget Committee, with a report on all authorizations given pursuant to this section during that fiscal year.

(c) Intraschedule transfers of the amounts available for expenditure for a program, project, or function designated in any line of any schedule set forth for that appropriation by transfer from any of the other designated programs, projects, or functions within the same schedule shall not exceed, during any fiscal year:

(1) 20 percent of the amount so scheduled on that line for those appropriations made by this act that are $2,000,000 or less.

(2) $400,000 of the amount so scheduled on that line for those appropriations made by this act that are more than $2,000,000 but equal to or less than $4,000,000.

(3) 10 percent of the amount so scheduled on that line for those appropriations made by this act that are more than $4,000,000.

(4) The Department of Transportation Highway Program shall be limited to a schedule change of 10 percent.

(d) Any transfer in excess of $200,000 may be authorized pursuant to this section not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairperson of the committee 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 the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may in each instance determine.

SEC. 27.00. (a) Approval by the Department of Finance of the creation of deficiencies pursuant to Section 11006 of the Government Code or approval to expend at rates that, in the opinion of the Director of Finance, will require a deficiency appropriation may be granted only in cases of actual necessity. It is the intent of the Legislature that authorization for deficiency spending under this section should be limited to cases of unanticipated expenses incurred in the operation of existing programs, where it is necessary to incur those expenses during the 1998–99 fiscal year. No deficiency authorization may be made under this section for any expenditure for capital outlay.

(b) The Director of Finance may not approve any deficiency authorization unless the approval is made in writing and filed with the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house that considers appropriations not later than 30 days prior to the effective date of the approval, or not sooner than whatever lesser time the chairperson of the joint committee, or his or her designee, may in each instance determine, except for an approval for an emergency expenditure. ''Emergency expenditure,'' for this purpose, means an expenditure incurred in response to conditions of disaster or extreme peril that threaten the health or safety of persons or property within the state. This notification requirement is not applicable to caseload increases in Medi-Cal, California Work Opportunity and Responsibility to Kids (CalWORKs), and Supplemental Security Income/State Supplementary Program (SSI/SSP). All notifications shall include: (1) the date a deficiency request was received by the Department of Finance, (2) the reason for the proposed deficiency, (3) the approved amount, and (4) the basis of the department's determination that the expenditure for which the deficiency authorization is approved is required by a case of actual necessity.

(c) Approval for any emergency expenditure shall be made in writing and filed with the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house that considers appropriations not later than 10 days after the effective date of the approval. All notices shall state the reason for and the amount of the deficiency, together with the director's determination that the expenditure for which the deficiency authorization is approved satisfies the criteria for emergency expenditures set forth in this section, and the basis for that determination.

(d) Each notification of a deficiency or emergency expenditure shall include a determination by the Director of Finance as to whether the expenditure was proposed previously at any point in the Legislature's consideration of the Budget Bill for the 1998–99 fiscal year and was not approved and, if the expenditure not approved, for what reasons.

(e) The Department of Finance shall provide copies of all requests from agencies to spend at rates that will result in a deficiency appro-

priation, in an aggregate amount for the 1998–99 fiscal year that exceeds five hundred thousand dollars ($500,000), to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house that considers appropriations. The department shall submit these copies within 10 days of receipt. The transmittal of this information to the Legislature shall not be construed by the requesting agency as approval of the deficiency request.

(f) The Department of Finance shall provide deficiency bill updates to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house that considers appropriations if requested by the Legislature or as deemed necessary by the Department of Finance.

SEC. 27.50. (a) Notwithstanding any other provision of this act or any other provision of law, the amount available for expenditure pursuant to each item of appropriation in this act or any other provision of law shall be reduced by the amount of any expenditure, encumbrance, or other transaction made for the purposes of that item from funds allocated by the Department of Finance pursuant to Chapter 213 of the Statutes of 1998.

(b) For the purposes of state budgeting and accounting only, the allocations made by the Department of Finance pursuant to Chapter 213 of the Statutes of 1998 shall be reversed by the Controller and the expenditures, encumbrances, or other transactions made pursuant to those allocations shall be deemed, for that purpose, to be expenditures, encumbrances, or other lawful transactions, respectively, made pursuant to the items of appropriation set forth in this act or any other provision of law. In no event may those allocations be deemed to augment any appropriations made by this act or other provisions of law.

SEC. 28.00. (a) It is the intent of the Legislature in enacting this section to provide flexibility for administrative approval of augmentations for the expenditure of unanticipated federal funds or other nonstate funds in cases that meet the criteria set forth in this section. However, this section is not intended to provide an alternative budget process, and proposals for additional spending ordinarily should be considered in the annual State Budget or other state legislation.

(b) The Director of Finance may authorize the augmentation of the amount available for expenditure for any program, project, or function in the schedule set forth for any appropriation in this act or any additional program, project, or function in the amount of any additional, unanticipated funds that he or she estimates will be received by the state during the 1998–99 fiscal year from any agency of local government or the federal government, or from any other nonstate source, provided that the additional funding meets all of the following requirements:

(1) The funds will be expended for a purpose that is consistent with state law.

(2) The funds are made available to the state under conditions permitting their use only for a specified purpose, and the additional ex-

penditure proposed under this section would apply to that specified funding purpose.

(3) Acceptance of the additional funding does not impose on the state any requirement to commit or expend new state funds for any program or purpose.

(4) The need exists to expend the additional funding during the 1998–99 fiscal year.

(c) The Director of Finance also may reduce any program, project, or function whenever he or she determines that funds to be received will be less than the amount taken into consideration in the schedule.

(d) Any augmentation or reduction that exceeds either (1) two hundred thousand dollars ($200,000) or (2) 10 percent of the amount available for expenditure in the affected program, project, or function may be authorized not sooner than 30 days after 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 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 his or her designee, may in each instance determine. With regard to any proposed augmentation, the notification shall state the basis for the determination by the Director of Finance that the augmentation meets each of the requirements set forth in subdivision (b). This notification requirement does not apply to federal funds related to caseload increases in Medi-Cal and Supplemental Security Income/State Supplementary Program (SSI/SSP).

(e) Any personnel action that is dependent on funds subject to this section shall not be effective until after the provisions of this section have been complied with. Any authorization made pursuant to this section shall remain in effect for the period the Director may determine in each instance, but in no event after June 30, 1999.

SEC. 28.50. Except as otherwise provided by law, an officer, department, division, bureau, or other agency of the state may expend for the 1998–99 fiscal year all money received as reimbursement from another officer, department, division, bureau, or other agency of the state that has not been taken into consideration by this act or any other statute, upon the prior written approval of the Director of Finance. For any expenditure of reimbursements for the 1998–99 fiscal year that exceed two hundred thousand dollars ($200,000), the Director of Finance shall provide notification in writing of any approval granted under this section, not less than 30 days prior to the effective date of that approval, 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 the Chair-

person of the Joint Legislative Budget Committee, or his or her designee, may in each instance determine.

SEC. 29.00. The Department of Finance shall calculate and publish a listing of total personnel-years and estimated salary savings for each department and agency. These listings shall be published by the Department of Finance at the same time as the publication of (a) the Governor's Budget, (b) the May Revision and (c) the Final Change Book.

(a) The listing provided at the time of the publication of the Governor's Budget shall contain estimates of personnel-years for the prior year, current year, and budget year.

(b) The listing provided at the time of publication of the May Revision shall contain estimates of personnel-years proposed for the budget year.

(c) The listing provided at the time of the publication of the Final Change Book shall contain estimates of personnel-years for the budget year just enacted.

SEC. 30.00. Section 13340 of the Government Code is amended to read:

13340. (a) Except as provided in subdivision (b), on and after July 1, 1999, no moneys in that fund that, by any statute other than a Budget Act, is continuously appropriated without regard to fiscal years, may be encumbered unless the Legislature, by statute, specifies that the moneys in the fund are appropriated for encumbrance.

(b) Subdivision (a) does not apply to any of the following:

(1) The scheduled disbursement of any local sales and use tax proceeds to an entity of local government pursuant to Part 1.5 (commencing with Section 7200) of Division 2 of the Revenue and Taxation Code.

(2) The scheduled disbursement of any transactions and use tax proceeds to an entity of local government pursuant to Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code.

(3) The scheduled disbursement of any funds by a state or local agency or department that issues bonds and administers related programs for which funds are continuously appropriated as of June 30, 1999.

(4) Moneys that are deposited in proprietary or fiduciary funds of the California State University and that are continuously appropriated without regard to fiscal years.

SEC. 31.00. (a) The appropriations made by this act shall be subject, unless otherwise provided by law, to Section 13320 of, and Article 2.5 (commencing with Section 13332) of Chapter 3 of Part 3 of Division 3 of Title 2 of, the Government Code, requiring expenditures to be made in accordance with the allotments and other provisions of fiscal year budgets approved by the Department of Finance.

(b) The fiscal year budget shall authorize, in the manner that the Department of Finance shall prescribe, all established positions whose

continuance for the year is approved and all new positions. No new position shall be established unless authorized by the Department of Finance on the basis of work program and organization.

(c) The Director of Finance, or his or her authorized designee, shall notify the Chairperson of the Joint Legislative Budget Committee within 30 days of authorizing any position not authorized for that fiscal year by the Legislature or any reclassification to a position with a minimum step per month of five thousand four hundred forty dollars ($5,440) as of July 1, 1998. He or she also shall report all transfers to blanket authorizations and the establishment of any permanent positions out of a blanket authorization.

(d) All positions administratively established pursuant to this section during the 1998–99 fiscal year shall terminate on June 30, 1999, except for those positions that have been (a) included in the Governor's Budget for the 1999–2000 fiscal year as proposed new positions, or (b) approved by the Department of Finance and reported to the Legislature after the 1999–2000 Governor's Budget submission to the Legislature. The positions identified in (a) and (b) above may be reestablished by the Department of Finance during the 1999–2000 fiscal year, provided these positions are shown in the Governor's Budget for the 2000–01 fiscal year as submitted to the Legislature, or in subsequent Department of Finance letters to the Legislature, and provided that these positions do not result in the establishment of positions deleted by the Legislature through the budget process for the 1999–2000 fiscal year.

(e) No money in any 1998–99 fiscal year appropriation not appropriated for that purpose may be expended for increases in salary ranges or any other employee compensation action unless the Department of Finance certifies to the salary and other compensation-setting authority, prior to the adoption of the action, that funds are available to pay the increased salary or employee compensation resulting from the action. Prior to certification, the Department of Finance shall determine whether the increase in salary range or employee compensation action will require supplemental funding in the 1999–2000 fiscal year. If the Department of Finance determines that supplemental funding will be required, no certification shall be issued unless notification in writing is given by the Department of Finance, at least 30 days before certification is made, to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or a lesser time which the chairperson of the joint committee, or his or her designee, determines.

(f) A certification on a payroll claim that expenditures therein are in accordance with current budgetary provisions as approved by the Department of Finance shall be sufficient evidence to the Controller that these expenditures comply with the provisions of this section.

SEC. 32.00. The officers of the various departments, boards, commissions, and institutions, for whose benefit and support appropriations are made in this act, are expressly forbidden to make any expenditures

in excess of these appropriations unless the consent of the Department of Finance is first obtained, and a certificate in writing is duly signed by the director of the department seeking authority for the expenditure, certifying the unavoidable necessity of the expenditure. Any indebtedness attempted to be created against the state in violation of this section shall be null and void, and shall not be allowed by the Controller nor paid out of any state appropriation. Any member of a department, board, commission, or institution who shall vote for any expenditure, or create any indebtedness against the state in excess of the respective appropriations made by this act, unless the consent of the Department of Finance and the director's signature on the certificate, as required by this section, are first obtained, shall be liable both personally and on his or her official bond for the amount of the indebtedness, to be recovered in any court of competent jurisdiction by the person or persons, firm, or corporation to which the indebtedness is owing.

SEC. 33.00. If any item of appropriation in this act is vetoed, eliminated, or reduced by the Governor under Section 10 of Article IV of the California Constitution, while approving portions of this act, such veto, elimination, or reduction shall not affect the other portions of this act, and these other portions of this act, so approved, shall have the same effect in law as if any vetoed or eliminated items of appropriation had not been present in this act, and as if any reduced item of appropriation had not been reduced.

~~SEC. 35.98. This act provides for a seventy-five million dollar ($75,000,000) reserve in excess of one percent of General Fund appropriations. It is the intent of the Legislature that this seventy-five million dollar ($75,000,000) reserve be allocated to local governments so that they may address high-priority needs and public safety needs.~~

~~SEC. 37.00. Notwithstanding any other provision of this act, the dollar amounts set forth in various items and sections of this act, regardless of the form, are set forth for display purposes only and do not constitute an appropriation.~~

~~Nothing in this act shall be deemed to constitute an appropriation and no funds identified in this act, regardless of the context, shall be available for any purpose until expressly appropriated by another act.~~

SEC. 34.00. If any portion of this act is held unconstitutional, that decision shall not affect the validity of any other portion of this act. The Legislature hereby declares that it would have passed this act, and each portion thereof, irrespective of the fact that any other portion be declared unconstitutional.

SEC. 36.00. This act, inasmuch as it provides for an appropriation for the usual current expenses of the State, shall, under the provisions of Section 8 of Article IV of the California Constitution, take effect immediately.

SEC. 37.00. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the

meaning of Article IV of the California Constitution and shall go into immediate effect. The facts constituting the necessity are:

This act makes appropriations and contains related provisions for support of state and local government for the 1998–99 fiscal year and provides for capital outlay appropriations, in continuation of existing programs and to promote and sustain the economy of the State. It is imperative that these appropriations be available for expenditure commencing not later than July 1, 1998. It is therefore necessary that this act go into immediate effect.

INDEX BY BUDGET TITLE

SEC. 99.00. The following provides an index to the appropriations and related provisions of this act, by organization in alphabetical order, with the code number of the affected organization. The organization code is the first four numbers of any item number in this act. For ease of reference, the appropriation items in this act are organized in numerical order, and all of the appropriation items for any one organization are adjacent to one another.

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