

LEGISLATIVE, JUDICIAL, AND EXECUTIVE

Governmental entities classified under the Legislative, Judicial, and Executive section of the Governor's Budget are either established as independent entities under the California Constitution or are departments that operate outside the agency structure. Constitutionally established bodies include the Legislature, the Judicial Branch, Governor's Office, and Constitutional Officers.

The Budget includes total funding of \$8.5 billion (\$2.6 billion General Fund and \$5.9 billion other funds) in 2012-13 for all programs included in this area.

JUDICIAL BRANCH

The Judicial Branch consists of the state-level judiciary which includes the Supreme Court, the Courts of Appeal, and the Administrative Office of the Courts. There are also 58 superior courts in the state.

Significant Adjustment:

- The Budget includes an augmentation of \$50 million Trial Court Trust Fund in 2012-13 from proposed civil court fee increases in light of the General Fund budget reductions in recent years. The courts' General Fund budget has been reduced by 21 percent since 2007-08. These funds would be available to offset the ongoing impact of these cuts.

Ballot Trigger Reduction:

- The Judicial Branch would be reduced by \$125 million in 2012-13 if the Governor's tax proposal is not approved in November. While the Branch would determine how to implement this reduction, it is the equivalent of court closures equal to three days per month.

GOVERNOR'S OFFICE OF BUSINESS AND ECONOMIC DEVELOPMENT

Chapter 475, Statutes of 2011, created the Governor's Office of Business and Economic Development (GO-Biz) to serve as the lead state entity for economic strategy and marketing of California on issues relating to business development, private sector investment, and economic growth. The GO-Biz provides a single point of contact for economic development, business assistance and job creation efforts, and works with companies and organizations across the state to market the benefits of doing business in California.

Significant Adjustment:

- The Budget proposes \$4.1 million General Fund to support the annual operations of the GO-Biz. The Governor's reorganization proposal would also consolidate the Infrastructure Bank, the Film and Tourism Commissions, the Small Business Centers, and the Small Business Guarantee Loan Program within the GO-Biz.

CALIFORNIA EMERGENCY MANAGEMENT AGENCY

The principal objective of the California Emergency Management Agency (Cal EMA) is to reduce vulnerability to hazards through emergency management. The Cal EMA coordinates emergency activities to save lives and reduce property loss during disasters and to expedite recovery from the effects of disasters. The Cal EMA provides leadership, assistance, and support to state and local agencies in planning and preparing for the most effective use of federal, state, local, and private sector resources in emergencies.

Significant Adjustment:

- Consistent with the Administration's continued efforts to streamline state government, the Budget proposes to relocate the California Specialized Training

Institute from San Luis Obispo to more populated locations in northern and southern California. The Institute offers specialized training that focuses on emergency management, criminal justice, and hazardous materials. The relocation will result in state savings of \$1.5 million (\$0.2 million General Fund and \$1.3 million other funds) in 2012-13. In addition, local governments will save travel costs since the training will be available in central locations that are more easily accessible.

GOVERNOR'S OFFICE

The Office of the Governor provides the overall direction and executive administration of all state agencies and departments under its purview. The Governor's Office is funded from the General Fund and a special fund that supports centralized state administrative costs. In 2011-12, the Governor's Office reduced its budget by 25 percent, or \$4.5 million. In recognition of the state's fiscal crisis, the budget for the Governor's Office remains at the level budgeted for 2011-12. The Governor is committed to ensuring that his office contains costs through being more efficient and continuing to do more with less.

DEPARTMENT OF JUSTICE

As the chief law officer of the state, the Attorney General has the responsibility to see that the laws of California are uniformly and adequately enforced through the programs administered by the Department of Justice (DOJ).

Proposal to Balance the Budget:

- The Budget proposes to shift support for the Armed Prohibited Persons System from the General Fund to the Dealers' Record of Sale Account. This results in a decrease of \$4.9 million in General Fund expenditures beginning in 2012-13. Chapter 743, Statutes of 2011, expanded the allowable uses of the Dealers' Record of Sale Account to include regulatory and enforcement activities related to possession of firearms, thus permitting the shift in funding source for this program.

Other Significant Adjustment:

- The 2011 Budget Act eliminated \$71.5 million in General Fund support for the Division of Law Enforcement. The Budget partially restores the Division of Law Enforcement and creates the California Bureau of Special Investigations through

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an augmentation of \$11.8 million (\$4.9 million General Fund and \$6.9 million other funds) beginning in 2012-13. Specifically, this funding would allow the DOJ to continue special investigations, prosecute foreign crimes, and address a backlog in entries in the Armed Prohibited Persons System.

Ballot Trigger Reduction:

- The DOJ would be reduced by \$1 million in 2012-13 if the Governor's tax proposal is not approved in November. By 2013-14, this would eliminate the \$4.9 million General Fund resources proposed in the Budget for the Division of Law Enforcement.

BOARD OF EQUALIZATION

The Board of Equalization (BOE) administers the collection of the sales and use tax, property taxes, and various special taxes, and exercises oversight of the property tax assessment practices of county assessors. The BOE also serves as the appellate body for contested property, income, and business tax assessments.

Significant Adjustments:

- State Responsibility Area Fire Prevention Fee—An increase of \$6.4 million State Responsibility Area Fire Prevention Fund and 57 positions in 2012-13 to collect this fee in accordance with Chapter 8, Statutes of 2011. The fee is expected to generate General Fund savings of \$88 million in 2012-13.
- Out-of-State Use Tax Collection—An increase of \$2.1 million General Fund and 28 positions in 2012-13 to implement collection of use tax from out-of-state retailers in accordance with Chapter 313, Statutes of 2011. This is expected to generate \$50 million in General Fund revenue in 2012-13.