



# Governor's Budget Summary

## 2019-20

**Gavin Newsom, Governor**  
State of California

To the California Legislature  
Regular Session 2019-20

This page intentionally blank to facilitate double-sided printing.



GOVERNOR  
Gavin Newsom

January 9, 2019

To the members of the Senate and the Assembly of the California Legislature:

Since the first North Americans crossed the Bering land bridge, human beings have come to California for fresh starts and new beginnings. Even for those earliest travelers, this land, rich with sunshine and bounty, must have been the stuff of dreams—a place where a prosperous and fulfilling life seemed within reach.

Generations of Californians have etched their dreams into our state's history. Gold rush miners and wagon-wheeled families struck out for gold. Immigrants from Asia and Europe sought opportunities across a vast sea. Servicemen and women returned from theatres of war and sowed entire communities out of cattle land. Dreamers and doers invented the future, from the Silver Screen to Silicon Valley.

The California Dream—the idea that every person can achieve a better life, regardless of where they start out—is central to who we are as Californians. As elected representatives of the people, it's our job to make the California Dream real once more.

Even in a time of economic growth and record employment, too many Californians are experiencing the squeeze of stagnant wages and the rising price of building-block necessities such as housing costs, health care premiums, higher education and child care.

With this new budget—and at this new beginning—I believe we can and must reanimate the California Dream.

California for All. That is the driving idea behind this budget proposal and my first year in office.

My predecessor, Governor Jerry Brown—in partnership with the Legislature—restored our state's confidence by pulling state government back from the brink of fiscal insolvency. This budget proposal doubles down on that responsible legacy, finally tearing down the remaining wall of budgetary debt, paying down pension obligations and building up the most robust and prudent budget reserve in state history.

At the same time, this budget demonstrates that responsible budgeting and bold investments are not mutually exclusive.

The following pages detail a comprehensive blueprint for making the California Dream more accessible and affordable for all. It does more than any budget in California history to invest in future generations and confront the real drivers of our state's cost crisis—housing, child care, health care, prescription drugs, preschool and higher education.

The California Dream should be available to every Californian, not just a privileged few. This year's budget presents the best opportunity in decades to move our state closer to that important goal.

With respect,

**/s/ Gavin Newsom**

Gavin Newsom

---

# TABLE OF CONTENTS

Introduction . . . . .	1
Summary Charts . . . . .	15
Early Childhood . . . . .	21
K-12 Education . . . . .	31
Higher Education . . . . .	45
Health and Human Services . . . . .	61
Homelessness . . . . .	83
Housing and Local Government . . . . .	89
Emergency Preparedness and Response . . . . .	97
Public Safety . . . . .	107
Judicial Branch . . . . .	119
Environmental Protection . . . . .	123
Statewide Issues and Various Departments . . . . .	129
Demographic Information . . . . .	141
Economic Outlook . . . . .	147
Revenue Estimates . . . . .	155
Staff Assignments . . . . .	177
Appendices and Schedules . . . . .	181

This page intentionally blank to facilitate double-sided printing.

# INTRODUCTION

Today, California's economy is larger than all but four nations. In just eight years, the state budget has gone from perpetual multi-billion dollar annual deficits to being balanced and having a robust Rainy Day Fund. The Budget protects this hard-won recovery, continues to save and to address structural liabilities, prepares for uncertain times ahead, and meets the challenges of today so that all Californians can count on a measure of security and a real shot at opportunity. To achieve these goals, the Budget is centered on making necessary investments for an effective government, promoting affordability and opportunity, and supporting just and dignified treatment for all Californians.

## EFFECTIVE GOVERNMENT

To promote a more effective government that can withstand downturns in the economy, as well as natural and man-made emergencies and disasters, the Budget makes unprecedented investments in budget resiliency. It makes historic payments to reduce the state's unfunded pension liabilities, pays off long-standing budgetary debts, continues to build and strengthen the state's Rainy Day Fund, and makes critical investments to improve California's emergency readiness, response, and recovery capabilities. The Budget also proposes a comprehensive approach to bringing government services into the digital age, and funds critical work to build a longitudinal data system to better track student outcomes and increase the alignment of our educational system to the state's workforce needs.

Maintaining a balanced budget and increasing budget resiliency is non-negotiable and a predicate for expanding programs, especially with growing risks facing the state and national economies, including the recent volatility of the stock market.

### **AFFORDABILITY AND OPPORTUNITY**

While the Budget reflects prudent stewardship of taxpayer dollars, it is the responsibility of government to address the issues that are most trying for all those living in the state and to invest in California's future. The Budget does more than ever to address the fact that far too many Californians simply cannot pay their bills, afford health care, put a roof over their heads, or provide the opportunity for their children to thrive from cradle to career.

To provide immediate relief, the Budget more than doubles the existing Earned Income Tax Credit by investing \$1 billion in a new "Working Families Tax Credit" to help families—particularly those with young children—receive a bump in their income to address the costs of housing, rent, and child care.

To improve affordability and access to health care, the Budget addresses the rising cost of prescription drugs, makes critical investments to uphold and expand the Affordable Care Act by increasing subsidies to ensure that more middle-class Californians can afford health coverage through Covered California, and makes progress in providing universal coverage by expanding Medi-Cal to young adults ages 19 through 25 regardless of immigration status.

The Budget addresses the housing crisis in California head-on with a one-time investment to spur housing development, an expansion of state tax credits to further develop both low- and moderate-income housing, and an innovative proposal to plan for housing development on excess state property.

The Budget prioritizes cradle-to-career opportunities by recognizing the crucial investments needed for young children and their parents: creating a path for California to be the first in the nation to provide newborns with the opportunity to be cared for by a parent or close relative for the first six months of the child's life by expanding California's Paid Family Leave program; providing universal full-day, full-year preschool for all income-eligible 4-year-olds and increased funding so all children in California can attend full-day kindergarten; and making investments in critical child care workforce and facility infrastructure to improve quality, affordable child care.

The Budget builds on these early years by providing an historic level of funding for K-12 schools—with the per-pupil expenditure now nearly \$5,000 higher than just 7 years ago—and greater investments to assist students with the greatest needs. So that colleges and universities remain engines of economic mobility, the Budget provides funding for two free years of community college tuition, and provides significant increases for the California State University and the University of California.

## **JUSTICE AND DIGNITY**

California is simultaneously facing a homelessness epidemic across the state, a humanitarian crisis at the border, a health care system that does not adequately serve individuals with mental illness, and a criminal justice system that can do more to focus on rehabilitation and reentry. The Budget makes critical investments to address these gaps to ensure that all Californians have access to justice and dignity.

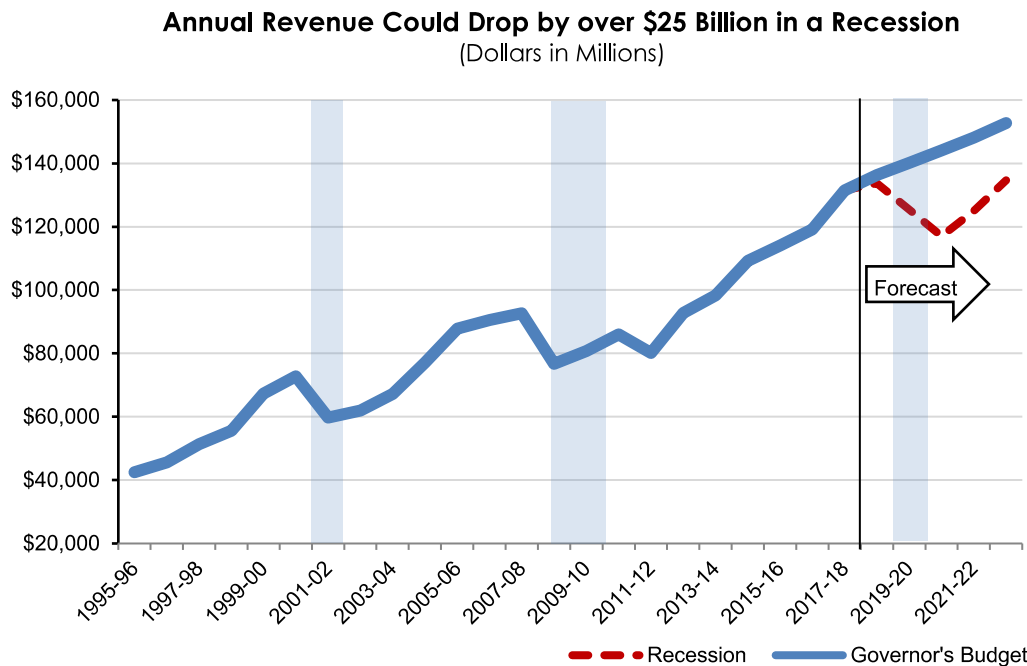
---

## **STRONG FOUNDATION, GROWING RISKS**

The state has a strong fiscal foundation and has made significant progress in paying down debts and liabilities. The state has built up the Rainy Day Fund that will help to manage the effects of an economic downturn. The state is currently experiencing record low unemployment and has added hundreds of thousands of jobs each year since 2012.

While the state currently has a strong foundation, growing uncertainty related to the global political and economic climate, federal policies, rising costs, and the length of the current economic expansion require that the Budget be prudent. A trade war between the U.S. and China has materialized and the stock market ended 2018 with dizzying levels of volatility. Furthermore, relatively low interest rates and a growing federal deficit leave the federal government with fewer policy options to address an economic slowdown. By the time the budget year starts, the nation will have experienced 10 straight years of economic expansion—matching the longest economic expansion in modern history.

The Budget assumes moderate growth over the forecast period, but as shown in the figure below, even a moderate recession could result in significant revenue declines. A one-year recession in 2019-20 that is larger than the 2001 recession, but milder than the 2007 recession, could result in a nearly \$70 billion revenue loss and a \$40 billion budget deficit over three years.



Maintaining a balanced budget under the moderate recession scenario would be a challenge, even with the \$15.3 billion that will be saved in the Rainy Day Fund by 2019-20.

## BUILDING BUDGETARY RESILIENCY AND PAYING DOWN UNFUNDED RETIREMENT LIABILITIES

Given federal uncertainty, the risks to the current economic forecast, and the need for a solid fiscal foundation, the Budget allocates \$13.6 billion (including debt payments and reserve deposits required by Proposition 2) to building budgetary resiliency and paying down the state's unfunded pension liabilities. This includes \$4 billion to eliminate debts and reverse deferrals, \$4.8 billion to build reserves, and an additional \$4.8 billion to pay down unfunded retirement liabilities. These investments will better enable the state to protect funding for schools and other core programs that serve the state's neediest individuals during the next economic slowdown.

### ELIMINATING DEBTS AND REVERSING DEFERRALS

The Budget includes \$4 billion to eliminate budgetary debts and reverse the deferrals of the past decades. Specifically, the Budget proposes:

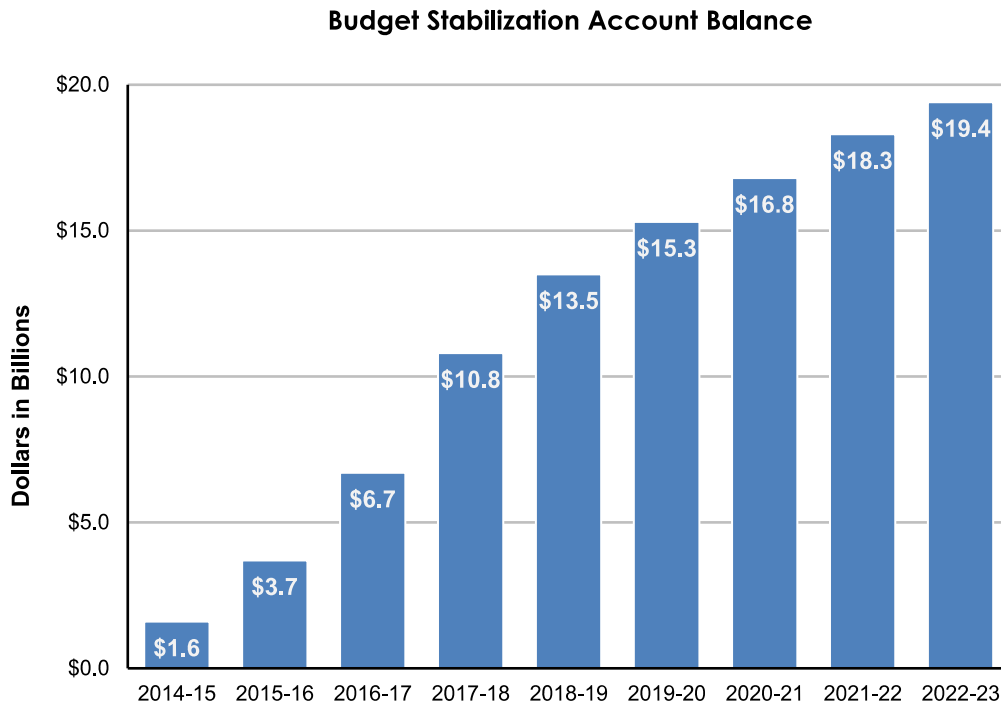
- \$2.4 billion to pay off the state's budgetary debts, including the elimination of all outstanding loans from special funds and transportation accounts. This marks the first time in over a decade that these debts have been completely paid off.
- \$1 billion to eliminate the annual payroll deferral. The one-month deferral of the June payroll provided a one-time budget savings that was used to help balance the budget nine years ago. The state has been deferring this payment ever since; this action eliminates this long-standing practice.
- \$700 million to eliminate the deferral of the fourth-quarter payment to the California Public Employees' Retirement System (CalPERS). Similar to the payroll deferral, this action reverses a one-time budget savings that was used to help balance the budget over a decade ago.

## **BUILDING RESERVES**

The Budget continues to build additional reserves beyond the \$13.5 billion currently set aside in the Budget Stabilization Account (commonly called the Rainy Day Fund). The Budget assumes an additional \$1.8 billion transfer in the budget year and an additional \$4.1 billion over the remainder of the forecast period, bringing the Rainy Day Fund to \$19.4 billion by 2022-23, as shown in the figure below.

A recent opinion by the Legislative Counsel concluded that supplemental payments made in prior years do not count toward calculating the 10 percent of General Fund tax revenues target set in the Constitution. Consistent with this opinion, the Budget continues to make required deposits in the Rainy Day Fund.

The Budget also adds \$700 million to the Safety Net Reserve created in the 2018 Budget Act, bringing the total in this reserve to \$900 million. This reserve sets aside funds specifically to protect safety net services during the next recession.



Finally, the Budget reserves \$2.3 billion in the Special Fund for Economic Uncertainties to address emergencies and unforeseen events.

### **PAYING DOWN UNFUNDED RETIREMENT LIABILITIES**

Building and maintaining the fiscal health of the state's retirement systems is critical to ensuring the long-term security of the state's retirement benefits. Over the past several years, there have been significant strides in curbing the growing costs of the state's major retirement liabilities. These include enacting the California Public Employees' Pension Reform Act of 2013 (PEPRA) that capped benefits, increased the retirement age, and required employees to contribute more toward retirement; a statutory funding strategy to address the unfunded liability of the California State Teachers' Retirement System (CalSTRS); and a strategy to prefund retiree health benefits. Furthermore, both CalPERS and CalSTRS have adopted more realistic assumptions related to future investment earnings, more realistic life expectancy assumptions, and more responsible amortization schedules. Despite these actions, California continues to have considerable state retirement liabilities, as shown in the figure below.

The Budget makes an unprecedented \$3 billion supplemental contribution to pay down the state's share of unfunded liabilities within CalPERS. This investment is estimated to result in savings of \$7.2 billion over the next three decades.

**Retirement Liabilities**

(Dollars in Millions)

	<b>Outstanding Amount at Start of 2019-20 <sup>2/</sup></b>
<b>Retirement Liabilities</b>	
State Retiree Health	\$91,008
State Employee Pensions	58,765
Teachers' Pensions <sup>1/</sup>	103,468
Judges' Pensions	3,277
<b>Total</b>	<b>\$256,518</b>

<sup>1/</sup> The state portion of the unfunded liability for teachers' pensions is \$35.3 billion.

<sup>2/</sup> For retiree health and pensions, the amounts reflect latest actuarial report available.

The Budget makes it a top priority to pay down the state's retirement liabilities and proposes to dedicate all of the Proposition 2 debt payments—\$1.8 billion in 2019-20—toward paying down the state's retiree health and unfunded pension liabilities.

The Budget allocates \$1.1 billion of the aforementioned \$1.8 billion to CalSTRS in the budget year. The Budget will also dedicate an additional \$1.8 billion over the forecast period to pay down the state's share of the CalSTRS unfunded liability. Paying down this liability will result in estimated savings of \$7.4 billion over the next three decades.

---

## **EMERGENCY READINESS, RESPONSE AND RECOVERY**

The state has faced unprecedented natural disasters over the past two years. By the end of 2018, wildfires in California killed over 100 people, destroyed more than 22,700 structures, and burned over 1.8 million acres. Emergencies of this magnitude are becoming a more regular occurrence and the impacts of these disasters are devastating to people and communities. The Budget proposes to bolster the preparedness of individuals and communities, makes additional investments in prevention and critical emergency response systems, builds up the state's firefighting capabilities, and provides critical relief to communities struggling to recover.

The Budget proposes to continue to support local areas devastated by the 2018 wildfires by backfilling wildfire-related property tax losses and waiving the local share of cost for debris removal. Funding for impacted schools is also backfilled.

The state must do more to help local governments and individuals be more prepared for the next emergency. The Budget proposes \$50 million General Fund one-time for local grants and to immediately begin a comprehensive, statewide education campaign on disaster preparedness and safety. The Budget also includes

\$60 million General Fund one-time to jump-start upgrades to the 911 system, including an overhaul to the existing fee that will sustainably fund a modern, reliable system. The Budget includes \$16.3 million General Fund to finish the build-out of the California Earthquake Early Warning System.

To adjust to changing fire conditions, the Budget includes \$200 million General Fund to augment CAL FIRE's firefighting capabilities, adding 13 additional year-round engines, replacing Vietnam War-era helicopters, deploying new large air tankers, and investing in technology and data analytics that will support CAL FIRE's incident command in developing more effective initial fire suppression strategies. The Budget also continues \$25 million General Fund ongoing for pre-positioning local government fire engines to support the state's critical mutual aid system.

The Budget also provides a sizable investment in forest management—\$214 million—to increase fire prevention and complete additional fuel reduction projects, including increased prescribed fire crews.

---

## PROVIDING SUPPORT FROM CRADLE TO CAREER

### EARLY CHILDHOOD

The first five years of a child's life are the foundation for the child's future. The Budget contains a series of proposals to not only address early childhood education, but also focus on supporting parents to reduce child poverty and on improving early childhood health and wellness.

Public health and economic research shows that providing up to six months of paid parental leave—the norm in most developed countries—leads to positive health and educational outcomes for children, greater economic security for parents, and less strain on finding and affording infant child care. To promote affordability and family bonding, the Administration is committed to expanding the Paid Family Leave program with the goal of ensuring that all newborns and newly adopted babies can be cared for by a parent or a close family member for the first six months. The Budget proposes to adjust the reserve requirement for the fund that supports the Paid Family Leave program. This change will enable the state to make a down payment in expanding Paid Family Leave in the upcoming budget year while maintaining an adequate reserve. During the year, the Administration will convene a taskforce to consider different options to increase participation in the program and to phase-in this program expansion. The Administration will also consider other changes—including better

alignment of existing worker protections and establishing non-retaliation protections for all workers—to increase the ability of all workers to access these important benefits.

The Budget includes funding for universal preschool for all income-eligible four-year-old children in the state, phased in over a three-year period. This funding will allow state preschool providers to offer full-day/full-year care to better accommodate working parents. The Budget proposes the development of a plan to achieve universal preschool for all children in California, including new revenue options to support increased enrollment. This plan will also include a framework to implement a comprehensive, high-quality child care system in the state—including simplifying the system, increasing access, and reflecting the principle of shared responsibility among government, businesses, and parents. The Budget includes \$500 million one-time General Fund to build child care infrastructure, including investing in the education of the child care workforce.

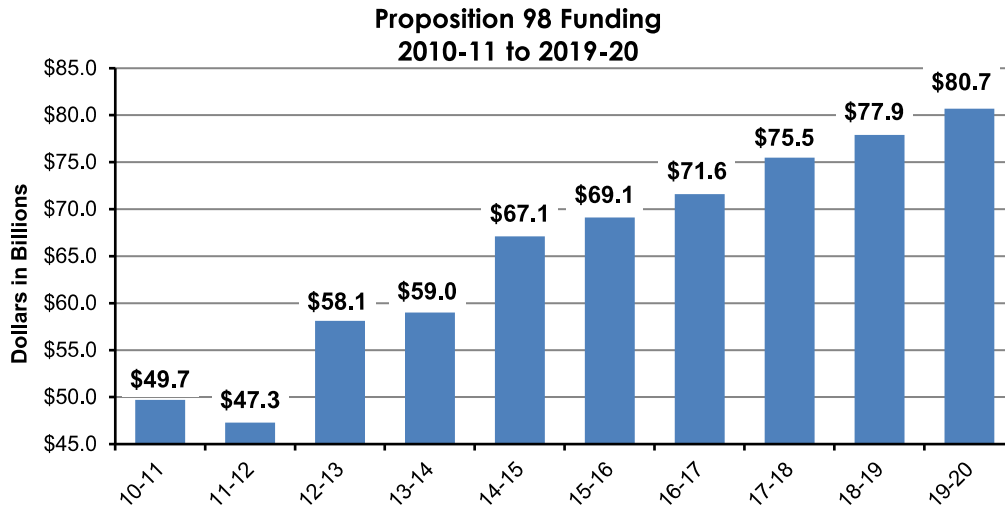
The Budget proposes to reduce health disparities in early childhood. The Budget includes additional funding to improve the detection of adverse childhood experiences and increase developmental screenings provided to children in Medi-Cal. The Budget also includes funding to expand existing home visiting programs with innovative new approaches to reach low-income young mothers, and an augmentation to the Black Infant Health program.

The Budget includes several proposals to directly address child poverty and support families in breaking the cycle of poverty through work and education. The Budget includes funding to raise grants for the lowest income families served by the CalWORKs program to 50 percent of the Federal Poverty level. The Budget also proposes a supplemental Cal Grant award of up to \$6,000 for student-parents with dependent children attending California's public colleges and an increased number of competitive Cal Grant awards to improve access to higher education. The Budget includes additional funding to aid local child support agencies in collecting and remitting millions in additional child support payments to families.

## **K-12 EDUCATION**

Education funding, including K-12 and higher education, is the largest share of the state's budget and the single greatest determinant of a strong workforce. The Budget proposes an historic level of funding for K-12 schools. Per-pupil funding has grown nearly \$5,000 more than 2011-12 levels from \$7,008 to \$12,003. The Budget proposes investing in all students with the greatest increases for the neediest students, including students with disabilities.

As shown in the figure below, the minimum guarantee of funding for K-12 schools and community colleges in 2019-20 is \$80.7 billion, a new all-time high. This is compared to the recessionary low of \$47.3 billion in 2011-12.



The Local Control Funding Formula will grow to \$63 billion with a 3.46-percent cost-of-living adjustment (COLA) proposed in the Budget for 2019-20. School districts are experiencing relatively good fiscal health overall, but many school districts face significant long-term fiscal challenges. Statewide K-12 enrollment is declining and in some urban districts the declines are more significant because of decades of suburban flight and increased charter school enrollment. At the same time, districts have been facing increased costs related to health care and policy changes to address unfunded liabilities in CalSTRS and CalPERS.

To address the rising costs of CalSTRS pensions and provide immediate relief to districts, the Budget proposes a \$3 billion one-time non-Proposition 98 General Fund payment to CalSTRS on behalf of schools (the employers). Overall, this payment is expected to provide immediate relief to school districts and will reduce the out-year contribution rate by half a percentage point.

New statewide data shows that students with disabilities have the greatest need for improvement. The Budget reflects \$576 million in Proposition 98 General Fund (\$186 million is one-time) to support expanded special education services in school districts with a high concentration of special education students.

The Budget also includes \$750 million one-time General Fund to address barriers to full-day kindergarten. About one quarter of students enrolled in kindergarten do not have access to a full-day kindergarten program. This investment will put California on a path for all kindergartners to attend full-day kindergarten.

## HIGHER EDUCATION

If colleges are to remain engines of economic mobility, they must evolve along with the state's changing population and economy. Colleges and training programs must prepare students with the skills needed by employers not only today but into the future. The Budget includes \$1.4 billion (\$942 million ongoing) for higher education to support increased enrollment, improved time to degree and a tuition freeze. Segments serving a higher number of students receive a greater amount of the increased resources. The Budget proposes funding for two free years of community college tuition.

- University of California—\$240 million ongoing General Fund for operational costs; student success, student hunger and housing initiatives; ongoing support for graduate medical education; and mental health resources. The Budget also includes \$138 million one-time General Fund for deferred maintenance.
- California State University—\$300 million ongoing General Fund for operational costs, increased enrollment, and for continued progress toward the equity goals of the Graduation Initiative 2025. The Budget also includes \$247 million in one-time General Fund for the expansion of on-campus child care facilities serving students and deferred maintenance, and \$15 million in one-time General Fund for student hunger and housing initiatives.
- Community Colleges—\$402 million ongoing Proposition 98 General Fund, including a 3.46-percent COLA, enrollment growth, legal services for undocumented students and families, and providing a second year of free tuition.

---

## ADDRESSING AFFORDABILITY

The Budget creates a new "Working Families Tax Credit" by more than doubling the size of the state's Earned Income Tax Credit to \$1 billion. This tax break will support low-income families with young children by providing a \$500 credit for families with children under the age of six. The Administration will explore options to provide the credit on a monthly basis. Also, the credit will be expanded to reach full-time workers earning \$15 per hour—reaching 400,000 additional families. This expanded "Working

Families Tax Credit" will be funded as part of a revenue neutral tax conformity package that will bring components of the state's tax policies in line with the new federal law and remove administrative burdens for small businesses.

California is facing a housing crisis. The median home price in 2017 was \$537,860, and was much higher in coastal areas. Meanwhile, median income is around \$72,000, and just surpassed the pre-recession level in 2017. These dynamics have resulted in many renters spending a relatively large share of their income on housing costs, and far too many cannot become homeowners. The Budget includes \$1.3 billion General Fund one-time and a new approach to spur housing development to address the state's affordability crisis and promote economic growth. The Budget also expands state tax credits to further develop both low- and moderate-income housing. Lastly, it proposes new innovative housing on excess state property.

California is a national leader in health care, but more needs to be done to advance health care affordability and universal access to health care for all Californians. Actions by the federal government threaten the Affordable Care Act and overall affordability of health care. The Budget proposes major steps to rein in the high cost of prescription drugs, provides expanded subsidies to individuals purchasing coverage through Covered California, and invests in more preventative services that will reduce overall health care costs. The Budget also makes progress in providing universal coverage by expanding Medi-Cal to serve approximately 138,000 young adults ages 19 through 25 regardless of immigration status. The cost of this expanded coverage will be offset, in part, by county indigent health savings.

---

## JUSTICE AND DIGNITY

Political strife in Central America combined with inadequate federal immigration policies have created a humanitarian crisis at the state's border with Mexico. The Budget allocates \$25 million General Fund (including \$5 million to be made available in the current year) for an immigration rapid response program to assist qualified community-based organizations and non-profit entities in providing services to address this crisis. The Budget also includes \$75 million General Fund ongoing for immigration-related services, including assisting applicants seeking Deferred Action for Childhood Arrivals; naturalization; and other immigration remedies.

In any given year, one in four families deal with a mental health condition. An estimated one in 20 adults are living with a serious brain illness. Each year, thousands of young Californians will experience their first psychotic break, enduring the terrifying

delusions and hallucinations that are a hallmark of schizophrenia, bipolar disorder and some forms of depression. The Budget focuses on finding ways to improve brain health and improve care by investing in mental health workforce training, early psychosis research and treatment, and a Whole Person Care pilot program to coordinate health, behavioral health and social services, including supportive housing for people with severe mental illness.

A critical component of a well-functioning correctional system is providing offenders greater opportunity for rehabilitation. This starts with the youngest offenders. The Administration proposes to transform its youth correctional facilities to focus on rehabilitation and education. As part of this approach, the Budget proposes to move the Division of Juvenile Justice from the California Department of Corrections and Rehabilitation to a new department under the Health and Human Services Agency. This change will enable the state to better provide youth offenders with the services they need to be successful when released. The Budget also includes a major initiative to improve inmate literacy. To support more effective public safety, the Budget proposes an increase of \$35 million General Fund funding for local law enforcement training on use of force, de-escalation, and engaging with individuals experiencing a mental health crisis.

Homelessness pervades both urban and rural communities across the state and puts stress on local resources, from emergency rooms and mental health and social services programs to jails. The Budget includes \$500 million one-time General Fund for local governments to build emergency shelters and navigation centers, and \$25 million General Fund ongoing to assist homeless disabled individuals in applying for disability benefits.

Access to safe and affordable drinking water is a fundamental right. The Budget includes short-term measures to bring immediate relief to communities without safe drinking water and also proposes an ongoing sustainable funding source to address this problem into the future.

---

## **MAINTAINING BALANCE IS AN ONGOING CHALLENGE**

Maintaining the fiscal health of the state is an ongoing challenge given its volatile revenue base and limited spending flexibility. The Budget demands constant attention to stay in balance. Vigilance is especially needed this year given the length of the current economic expansion and federal uncertainty. The Budget takes a careful approach by allocating \$13.6 billion toward building more budget resiliency through

paying debts and saving. The Budget makes strategic investments, mainly one-time, to address affordability, expand opportunity, and strengthen the state's readiness and emergency response. It is possible that some of these decisions will need to be revisited this spring when more current information about the direction of the U.S. economy and state revenues is available. The Administration will closely monitor key economic and revenue indicators in the coming months and will make adjustments as needed to ensure the Budget plan continues to reflect the economic realities facing the state.

## SUMMARY CHARTS

This section provides various statewide budget charts and tables.

**2019-20 Governor's Budget**  
**General Fund Budget Summary**  
(Dollars in Millions)

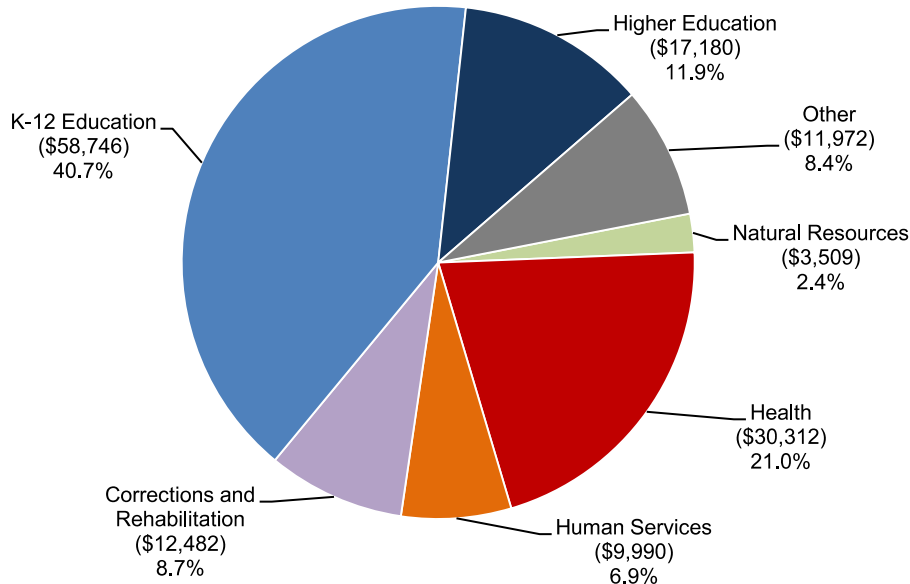
	<b>2018-19</b>	<b>2019-20</b>
<b>Prior Year Balance</b>	\$12,377	\$5,240
Revenues and Transfers	\$136,945	\$142,618
<b>Total Resources Available</b>	<b>\$149,322</b>	<b>\$147,858</b>
Non-Proposition 98 Expenditures	\$90,054	\$88,896
Proposition 98 Expenditures	\$54,028	\$55,295
<b>Total Expenditures</b>	<b>\$144,082</b>	<b>\$144,191</b>
<b>Fund Balance</b>	<b>\$5,240</b>	<b>\$3,667</b>
Reserve for Liquidation of Encumbrances	\$1,385	\$1,385
Special Fund for Economic Uncertainties	\$3,855	\$2,283
<b>Safety Net Reserve</b>	<b>\$900</b>	<b>\$900</b>
<b>Budget Stabilization Account/Rainy Day Fund</b>	<b>\$13,535</b>	<b>\$15,302</b>

**General Fund Expenditures by Agency**  
(Dollars in Millions)

	2018-19	2019-20	Change from 2018-19	
			Dollar Change	Percent Change
Legislative, Judicial, Executive	\$4,643	\$4,559	-\$84	-1.8%
Business, Consumer Services & Housing	449	1,693	1,244	277.1%
Transportation	214	296	82	38.3%
Natural Resources	3,909	3,509	-400	-10.2%
Environmental Protection	358	123	-235	-65.6%
Health and Human Services	37,098	40,302	3,204	8.6%
Corrections and Rehabilitation	12,495	12,482	-13	-0.1%
K-12 Education	57,861	58,746	885	1.5%
Higher Education	16,348	17,180	832	5.1%
Labor and Workforce Development	159	125	-34	-21.4%
Government Operations	4,876	1,253	-3,623	-74.3%
General Government:				
Non-Agency Departments	1,145	821	-324	-28.3%
Tax Relief/Local Government	472	461	-11	-2.3%
Statewide Expenditures	4,055	2,641	-1,414	-34.9%
<b>Total</b>	<b>\$144,082</b>	<b>\$144,191</b>	<b>\$109</b>	<b>0.1%</b>

Note: Numbers may not add due to rounding.

**2019-20**  
**General Fund Expenditures**  
(Dollars in Millions)



### General Fund Revenue Sources

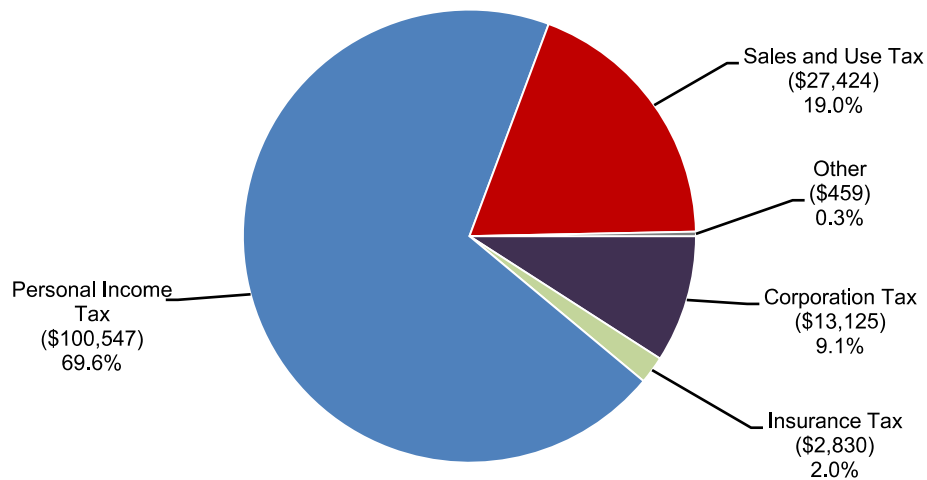
(Dollars in Millions)

	2018-19	2019-20	Change from 2018-19	
			Dollar Change	Percent Change
Personal Income Tax	\$97,720	\$100,547	\$2,827	2.9%
Sales and Use Tax	26,244	27,424	1,180	4.5%
Corporation Tax	12,330	13,125	795	6.4%
Insurance Tax	2,606	2,830	224	8.6%
Alcoholic Beverage Taxes and Fees	382	389	7	1.8%
Cigarette Tax	65	63	-2	-3.1%
Motor Vehicle Fees	31	33	2	6.5%
Other	304	-26	-330	-108.6%
<b>Subtotal</b>	<b>\$139,682</b>	<b>\$144,385</b>	<b>\$4,703</b>	<b>3.4%</b>
Transfer to the Budget Stabilization Account/Rainy Day Fund	-2,737	-1,767	970	-35.4%
<b>Total</b>	<b>\$136,945</b>	<b>\$142,618</b>	<b>\$5,673</b>	<b>4.1%</b>

Note: Numbers may not add due to rounding.

### 2019-20 General Fund Revenues and Transfers<sup>1/</sup>

(Dollars in Millions)



<sup>1/</sup> Excludes \$1,767 million transfer to Rainy Day Fund.

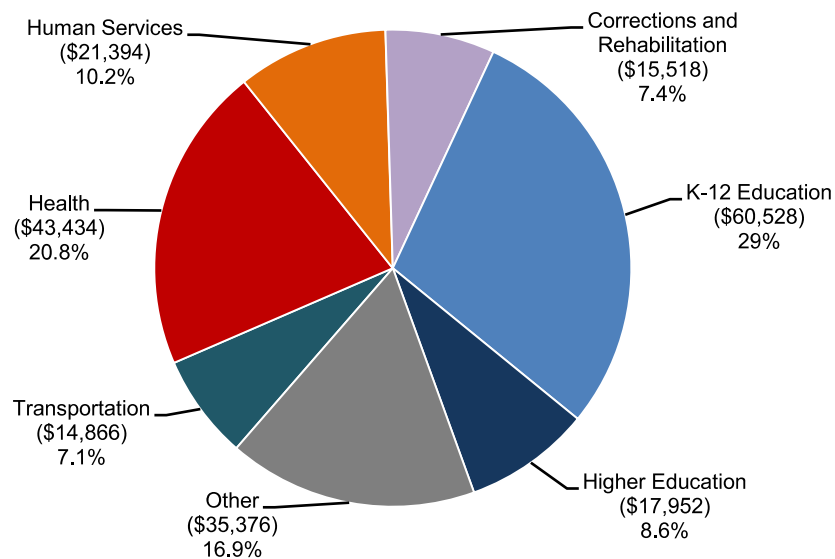
**2019-20 Total State Expenditures by Agency**

(Dollars in Millions)

	<b>General Fund</b>	<b>Special Funds</b>	<b>Bond Funds</b>	<b>Totals</b>
Legislative, Judicial, Executive	\$4,559	\$3,666	\$324	\$8,549
Business, Consumer Services & Housing	1,693	970	1,025	3,688
Transportation	296	14,231	339	14,866
Natural Resources	3,509	1,687	1,004	6,200
Environmental Protection	123	3,697	405	4,225
Health and Human Services	40,302	24,526	-	64,828
Corrections and Rehabilitation	12,482	3,036	-	15,518
K-12 Education	58,746	176	1,606	60,528
Higher Education	17,180	144	628	17,952
Labor and Workforce Development	125	795	-	920
Government Operations	1,253	340	9	1,602
General Government:				
Non-Agency Departments	821	1,771	10	2,602
Tax Relief/Local Government	461	2,866	-	3,327
Statewide Expenditures	2,641	1,617	5	4,263
<b>Total</b>	<b>\$144,191</b>	<b>\$59,522</b>	<b>\$5,355</b>	<b>\$209,068</b>

Note: Numbers may not add due to rounding.

**2019-20**  
**Total State Expenditures**  
**(Including Selected Bond Funds)**  
(Dollars in Millions)



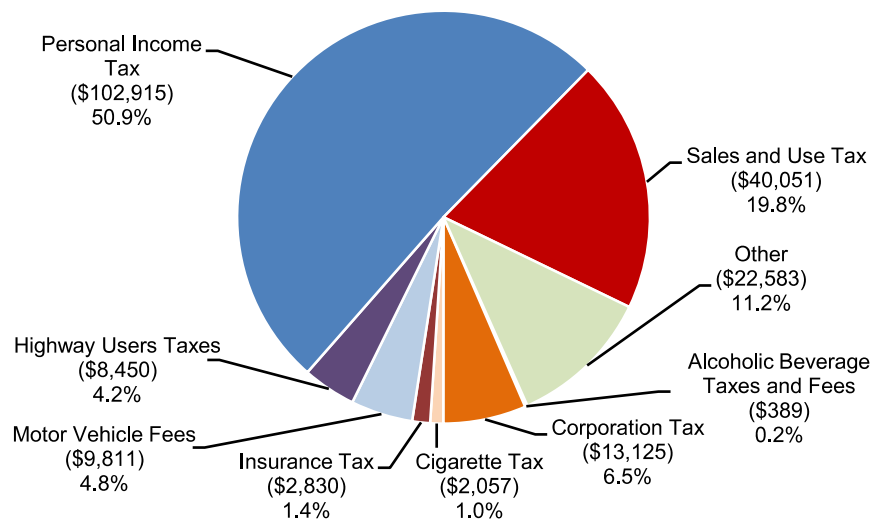
**2019-20 Revenue Sources**

(Dollars in Millions)

	General Fund	Special Funds	Total	Change From 2018-19
Personal Income Tax	\$100,547	\$2,368	\$102,915	\$2,807
Sales and Use Tax	27,424	12,627	40,051	1,822
Corporation Tax	13,125	-	13,125	795
Highway Users Taxes	-	8,450	8,450	795
Insurance Tax	2,830	-	2,830	224
Alcoholic Beverage Taxes and Fees	389	-	389	7
Cigarette Tax	63	1,994	2,057	-44
Motor Vehicle Fees	33	9,778	9,811	339
Other	-26	22,609	22,583	-4,189
<b>Subtotal</b>	<b>\$144,385</b>	<b>\$57,826</b>	<b>\$202,211</b>	<b>\$2,556</b>
Transfer to the Budget Stabilization Account/Rainy Day Fund	-1,767	1,767	-	-
<b>Total</b>	<b>\$142,618</b>	<b>\$59,593</b>	<b>\$202,211</b>	<b>\$2,556</b>

Note: Numbers may not add due to rounding.

**2019-20**  
**Total Revenues and Transfers**  
(Dollars in Millions)



## EARLY CHILDHOOD

Providing children in California with a healthy start is one of the best investments the state can make. A growing body of research points to the link between early childhood interventions and improved outcomes years or even decades into the future: higher education levels, better health, and stronger career opportunities. Investing in early childhood enables these outcomes in the future while strengthening families and reducing child poverty immediately. The framework adopted in this budget promotes a healthy start in three ways: (1) early access for children to educational and health care services, including services for those with adverse childhood experiences, (2) a two-generation approach that invests in parents so they can invest more in their children, and (3) easing financial pressures on parents so they can escape the cycle of poverty and focus on healthy development of their kids in those critical first five years of a child's life.

The Budget proposes a comprehensive package that invests in each of these three areas so that more children get the healthy start that prepares them and their families for the years ahead:

- Improving educational access through substantial investments in preschool, kindergarten and child care, and improving access to health care services through developmental screenings and referrals.
- Supporting parents with expanded paid family leave to promote family bonding, increased home-visiting assistance, medical screenings, and student-parent scholarship awards.

- Easing the financial burden on parents with higher CalWORKs grants for low-income parents and expanding access to child savings accounts for kindergartners so their families can build assets and save for their education.

---

### CHILD CARE AND EARLY LEARNING

Access to high-quality, affordable child care and early learning programs is essential for all families. Parents are more likely to be successful in school and/or career if they know that their children are safe and productively engaged throughout the day. Children who are emotionally, developmentally, and academically supported in a care setting are more likely to start school ready to learn and continue to excel once they are school-aged.

#### UNIVERSAL FULL-DAY KINDERGARTEN

Attendance in kindergarten is beneficial to a child's long-term academic attainment. Unfortunately, many California children—including too many low-income kids and English language learners—do not enroll in kindergarten. A key reason some kids do not enroll in kindergarten is lack of access to a full-day program. A recent Department of Education survey found that 22 percent of school districts, representing more than 1,600 school sites, offer only part-day kindergarten programs. School districts cited a lack of facilities as the main impediment to offering full-day kindergarten.

Building upon the \$100 million General Fund provided in the 2018 Budget Act to eligible school districts to construct new or retrofit existing facilities for full-day kindergarten programs, the Budget proposes \$750 million one-time non-Proposition 98 General Fund for the same purposes or to fund other activities that reduce barriers to providing full-day kindergarten.

#### UNIVERSAL PRESCHOOL

Pre-kindergarten education and experiences are the basis for success in K-12 education and beyond. It is a priority of the Administration that all children have access to a high-quality preschool program before they begin kindergarten. Consistent with this priority, the Budget proposes both near-term investments to increase capacity and access, as well as funding to develop a long-term plan to provide universal preschool in California.

As a first step toward universal preschool, the Budget proposes increasing access to the existing State Preschool program for all low-income four-year-olds.

- To provide full-day, full-year access to State Preschool to all eligible low-income four-year-olds, the Budget proposes \$124.9 million non-Proposition 98 General Fund and additional investments in the two succeeding fiscal years to fund a total of 200,000 slots by 2021-22. Given limited capacity at local education agencies, the additional slots will be provided by not-for-profit providers.
- To ensure that otherwise eligible four-year-old children can access a full-day, full-year State Preschool program, the Budget eliminates the existing requirement that families with four-year-olds provide proof of parent employment or enrollment in higher education to access the full-day program.
- To allow non-local educational agency providers to draw down full-day, full-year reimbursement from a single funding source, and to provide them with flexibility to make better use of their contract funding, the Budget shifts \$297.1 million Proposition 98 General Fund for part-day State Preschool programs at non-local educational agencies to non-Proposition 98 General Fund.

To achieve universal preschool, the Budget proposes funding to develop a long-term plan during the budget year. The plan will outline necessary steps to provide universal preschool in California, including strategies to address facility capacity, to ensure a trained workforce is available, and to identify revenue options to support universal access. The plan may include proposed changes to the transitional kindergarten program given the overlap between that program and universal preschool.

## **IMPROVING ACCESS AND QUALITY OF SUBSIDIZED CHILD CARE IN CALIFORNIA**

To increase the quality and availability of child care, the Budget proposes \$500 million one-time General Fund to both (1) expand subsidized child care facilities in the state and (2) make a significant investment in the education of the child care workforce to improve the quality of care and move child care professionals along the early education/child care professional continuum. As discussed in the Higher Education chapter, the Budget also provides \$247 million in one-time funds to the California State University that can be used for child care infrastructure for students on college campuses.

To implement a more well-aligned, comprehensive child care system in the state, the Budget proposes funding to develop a long-term strategic plan that will:

- Provide a framework, including options to generate needed revenues, to implement a comprehensive, high-quality child care system in California;

- Outline ways to simplify the subsidized child care system, bring greater cohesion and stability to the system, and increase access to subsidies; and
- Reflect the principle of shared responsibility and outline the appropriate role for government, businesses, and parents in meeting child care needs.

The Budget proposes \$10 million General Fund for the State Board of Education, in consultation with the Department of Finance and the Department of Social Services, to contract with a research and analysis entity to develop the road map to provide universal preschool in California, as well as a long-term plan to improve access to and quality of subsidized child care. The plan will be developed during the budget year in consultation with stakeholders and experts.

---

## REDUCING CHILD POVERTY

The Budget takes steps to address the inter-generational cycles of poverty by focusing on the immediate needs of food and housing stability. These include significant investments to reduce child poverty and provide additional supports for low-income parents pursuing employment or higher education.

### INCREASE CALWORKS GRANTS TO 50 PERCENT OF THE FEDERAL POVERTY LEVEL

The Budget proposes to increase CalWORKs grant levels by 13.1 percent, effective October 1, 2019, which will bring monthly grant payments to 50 percent of the projected 2019 federal poverty level. For a three-person assistance unit, the maximum monthly grant level will be \$888, an increase of \$103. The Budget includes \$347.6 million General Fund in 2019-20 (\$455.4 million General Fund annually thereafter) to fund this grant increase.

The Budget maintains prior grant increases that were partially funded by the Child Poverty Subaccount within 1991 Realignment. Based on current projections, this structure will allow for modest grant increases in 2020-21 and 2021-22.

### INCREASED SUPPORT FOR LOCAL CHILD SUPPORT AGENCIES

The Budget proposes an additional \$56 million (\$36.9 million federal funds and \$19.1 million General Fund) for Local Child Support Agency administrative costs. This increase represents the first year of a three-year, phased-in implementation of a new budgeting methodology. These resources create more equitable funding across all local agencies, reducing geographic disparities in funding for child support case

management. The additional funding strengthens supports for families with young children by increasing the ability of local agencies to collect and remit child support payments. Upon full implementation, the additional resources are anticipated to increase annual child support collections by hundreds of millions. The funding will be allocated to 21 counties with relatively lower funding levels, many of which have a high proportion of low-income households.

### **CAL GRANT ACCESS AWARDS FOR STUDENT PARENTS**

Although higher education is a key pathway for individuals to increase their future career options and improve economic status, students with dependent children face increased costs at the same time that their ability to supplement income by working is limited due to the demands of their educational programs. These challenges make it more difficult for student parents to complete degree programs that increase future earnings potential and can end the cycle of multi-generational poverty.

The Budget proposes \$121.6 million General Fund to increase or provide new access awards for students with dependent children attending the University of California, the California State University, or the California Community Colleges. New or renewal Cal Grant A students will receive an access award of up to \$6,000, new or renewal Cal Grant B students will see their access award increase from \$1,648 to \$6,000 while Cal Grant C students will see their book and supply award increase from \$1,094 to \$4,000. These access awards and increased award levels will better enable students with dependent children to meet their families' basic needs and increase their likelihood of degree completion.

---

## **EARLY CHILDHOOD HEALTH AND WELLNESS**

Nearly one-third of the state's population, and approximately 45 percent of new mothers, receive Medi-Cal benefits. In an effort to bolster early childhood supports and reduce health disparities for low-income families, the Budget proposes investments to improve screening for adverse childhood experiences (ACEs) and to link at-risk families to appropriate interventions and services.

Research shows that individuals who experienced ACEs are at greater risk of heart disease, diabetes, and premature death. Identifying cases of ACEs or trauma in children and adults and providing treatment can lower long-term health costs.

Additionally, despite gains experienced in California relative to the rest of the nation, significant disparities faced by African-American mothers remain with regard to rates of

death from pregnancy-related causes. African-American babies are also twice as likely to be born with a low birth weight. Efforts to increase supportive services for African-American mothers are needed.

The Budget includes funding to better identify these problems early on and refer families to appropriate services.

### **ADVERSE CHILDHOOD EXPERIENCES (ACEs) AND DEVELOPMENTAL SCREENINGS**

The Budget proposes \$45 million (\$22.5 million federal funds and \$22.5 million Proposition 56 funds) to the Department of Health Care Services for ACEs screenings for children and adults in the Medi-Cal program. Beginning no sooner than January 1, 2020, this proposal provides ACEs screenings to children and adults under age 65 at least once every three years, and supports increased referrals to appropriate services depending upon screening results. The Department of Health Care Services will work with stakeholders to develop a screening tool for children and will utilize an existing assessment for adults.

The Budget proposes \$60 million (\$30 million federal funds and \$30 million Proposition 56 funds) for the Department of Health Care Services to increase developmental screenings for children. Developmental screenings assess a child's educational, social, and emotional development and are recommended for children at nine months, 18 months, and 30 months of age.

The increased ACEs and developmental screenings are expected to help identify families at risk so that providers can refer them to other services.

### **HOME VISITING AND BLACK INFANT HEALTH PROGRAMS**

Home visiting services for children aged 0-3 that provide interventions to high-risk pregnant and parenting women in California will help improve health outcomes in key areas ranging from low-birth weight and infant mortality to immunizations and language development. Another goal of home visiting programs is to reduce the occurrences of adverse childhood experiences. Therefore, the Budget proposes to expand these services, as described below.

The Budget proposes \$78.9 million in a mix of federal funds and General Fund to provide home visiting services to eligible CalWORKs families in 2019-20. Services will be provided to pregnant women and families with a child under the age of two for up to 24 months, with priority given to first-time parents. The services are intended to help young families reach self-sufficiency by improving family engagement practices, supporting healthy

development of young children living in poverty, and preparing parents for employment. Participating counties will leverage existing, evidence-based program models currently being implemented across the state. Approximately 15,000 cases will be served on an annual basis beginning in 2020-21.

The Budget proposes \$30.5 million General Fund to expand home visiting programs and the Black Infant Health Program in the Department of Public Health. Of this amount, \$23 million is for the expansion of home visiting services with a focus on low-income, young mothers and the use of a wider range of home visiting models based on varying family needs. The remaining \$7.5 million is to increase participation in the Black Infant Health Program to improve African-American infant and maternal health through case management services, including home visiting. This funding will allow more families to be reached with these important services and support development and implementation of more cost-effective models, as well as more culturally appropriate services.

---

## PAID FAMILY LEAVE

California's Paid Family Leave program currently allows workers to take up to six weeks of paid leave annually to care for a seriously ill family member or to bond with a newborn or newly adopted child, with wage replacement of up to 70 percent of salary based on income level. The program, which is a component of the state's Disability Insurance Program, supports child development in the critical first weeks of life while reducing the need for parents to pay for infant care during that time. It helps children, helps parents, and eases financial pressures on families all at once, making a difference immediately and paying dividends far into the future.

The Administration is committed to expanding the Paid Family Leave program with the goal of ensuring that all newborns and newly adopted babies can be cared for by a parent or a close family member for the first six months.

Public health and economic research shows that providing up to six months of paid parental leave—the norm in most developed countries—leads to positive health and educational outcomes for children, greater economic security for parents, and less strain on finding and affording infant child care. Under California's existing Paid Family Leave program, each parent may take up to six weeks of paid family leave and, under California's Disability Insurance Program, a birth mother may take an additional six weeks of leave to recover from childbirth. This allows two-parent birth families to take total leave for their newborn for up to four months. Non-traditional families—single

parents or parents who do not give birth to their children—get less leave. Even with the increase in the wage replacement rate, too many low-income families cannot afford to take leave.

In the short-term, to promote affordability and family bonding, the Administration proposes to adjust the reserve requirement for the fund that supports the Paid Family Leave program. This change will enable the state to make a down payment in expanding Paid Family Leave in the upcoming budget year while maintaining an adequate reserve.

Over the course of the year, the Administration will convene a task force to consider different options to phase-in and expand Paid Family Leave to allow children to be cared for by a parent or a close relative for up to six months. For example, each parent could take up to three months of paid parental leave, and if the child does not have two parents, the parent could designate a close relative to take the second three months of care. In addition to evaluating options to expand the length of leave, the task force will consider options to increase program participation among eligible workers. The taskforce will consider the interactions of any proposed expansion with Chapter 5, Statutes of 2016 (AB 908). AB 908, which took effect on January 1, 2018, increased the disability insurance wage rate from 55 percent to 70 percent for low-income workers, and to 60 percent for all other wage earners up to a specified wage level.

The Administration will take into account the evaluation of the effectiveness of the recent increase in wage replacement in strengthening the ability of low-income families to benefit from the state's Paid Family Leave program. The Administration will also consider other changes—including alignment of existing worker protections and non-retaliation protections—to increase the ability of all workers to access these important benefits.

---

## CHILD SAVINGS ACCOUNTS

Child Savings Accounts are accounts designated for a specific child to build assets over time through contributions from governments, society, family, friends, or the child. The accounts are generally opened with an initial contribution, or seed money, from a sponsoring organization such as a government agency, nonprofit, or philanthropic foundation. Eligible uses of the accounts are for tuition (normally for post-secondary education such as college, vocational, or technical schools), room and board, books, supplies and equipment, and mandatory fees.

To support and encourage families to build assets for their children's post-secondary education, the Administration proposes \$50 million one-time General Fund to support pilot projects and partnerships with First 5 California, local First 5 Commissions, local government, and philanthropy. These pilot programs will support development or strengthening of cost-effective models that can be replicated or expanded to increase access to Child Savings Accounts among incoming kindergartners.

This page intentionally blank to facilitate double-sided printing.

# K-12 EDUCATION

California provides academic instruction and support services to nearly six million students in grades kindergarten through twelve in more than 10,000 schools throughout the state. A system of 58 county offices of education, approximately 1,000 local school districts, and more than 1,200 charter schools provides instruction in English, mathematics, history, science, and other core competencies to provide students with the skills they will need upon graduation to either enter the workforce or pursue higher education.

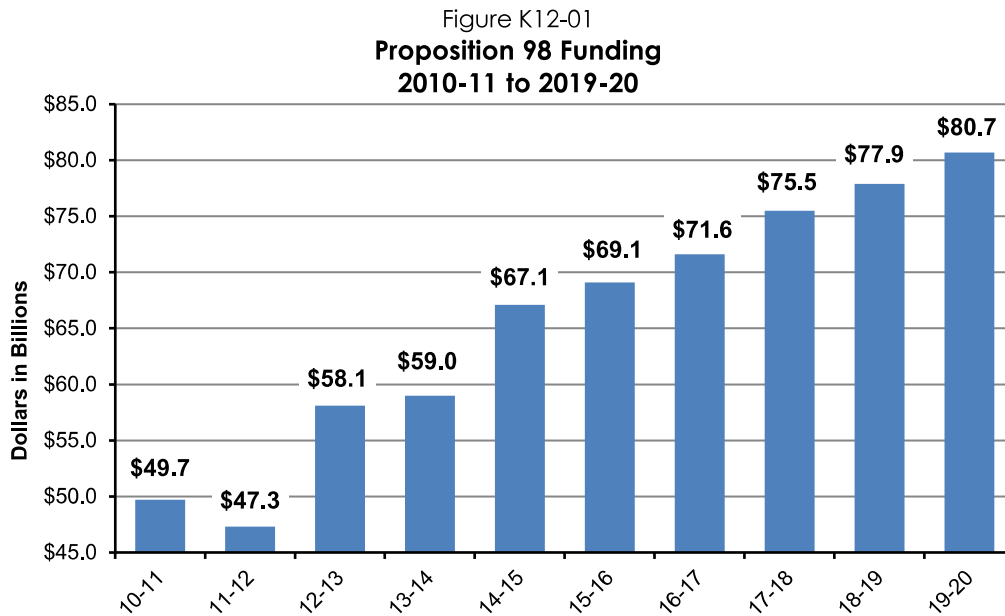
---

## INVESTING IN EDUCATION

The Proposition 98 funding for K-12 schools and community colleges for 2019-20 is \$80.7 billion, a new all-time high (Figure K12-01). When combined with more than \$686 million in settle-up payments for prior fiscal years, the Budget proposes an increased investment of \$2.9 billion in schools and community colleges.

The Budget proposes strategic investments to improve student achievement by significantly increasing special education resources, ensuring that every low-income four-year-old has access to high-quality preschool, improving school district and charter school accountability and transparency, and maximizing funding for local educational agencies. To this end, the Budget proposes a \$2 billion augmentation to the Local Control Funding Formula (LCFF), and more than \$576 million for special education. Additionally, the Budget proposes using \$3 billion one-time non-Proposition 98 General Fund to reduce pension costs for K-12 schools and community colleges, and

\$125 million non-Proposition 98 General Fund to expand State Preschool, with a plan to serve all low-income four-year-olds by 2021-22. The Budget also proposes funding to develop a comprehensive longitudinal, cradle to career data system.



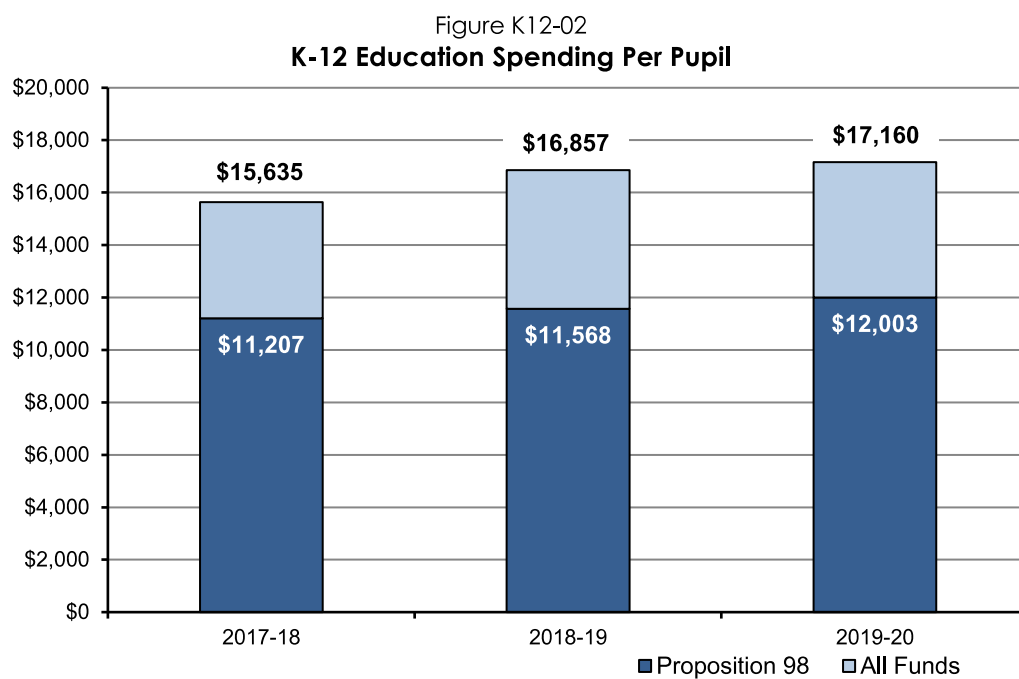
## PROPOSITION 98

The annual funding level for K-12 schools and community colleges is determined by the Proposition 98 formula, a constitutional initiative approved by California voters in 1988 that guarantees K-12 schools and community colleges a minimum level of funding from state and local property taxes. Proposition 98 is designed to increase education funding each year by either: (1) funding K-14 education at its 1986-87 proportion of General Fund (known as Test 1), (2) applying growth in average daily attendance (ADA) and growth in per capita personal income to the prior year Proposition 98 funding level (known as Test 2), or (3) applying growth in ADA and growth in per capita General Fund to the prior year Proposition 98 funding level (known as Test 3). Test 1 is projected to be operative for fiscal years 2017-18 and 2019-20 and Test 3 is projected to be operative for fiscal year 2018-19.

The Proposition 98 funding level for 2019-20 represents an increase of \$2.8 billion over 2018-19. The Proposition 98 funding levels for the 2017-18 and 2018-19 fiscal years declined from 2018 Budget Act levels by \$120.1 million and \$525.7 million, respectively, due largely to lower-than-anticipated ADA and a year-over-year decline in General Fund revenue growth from 2017-18 to 2018-19. The Budget maintains level funding

for K-14 education despite the decline in the Proposition 98 minimum guarantee by: (1) maintaining a \$44 million over-appropriation to the Proposition 98 minimum guarantee in 2017-18, and (2) using settle-up payments to offset otherwise unfunded 2018-19 obligations.

Reflecting the changes to Proposition 98 funding levels noted above, total K-12 per-pupil expenditures from all sources are projected to be \$16,857 in 2018-19 and \$17,160 in 2019-20—the highest level ever (Figure K12-02). Ongoing K-12 per-pupil expenditures of Proposition 98 funds are \$12,003 in 2019-20, an increase of \$435 per pupil over the level provided in 2018-19.

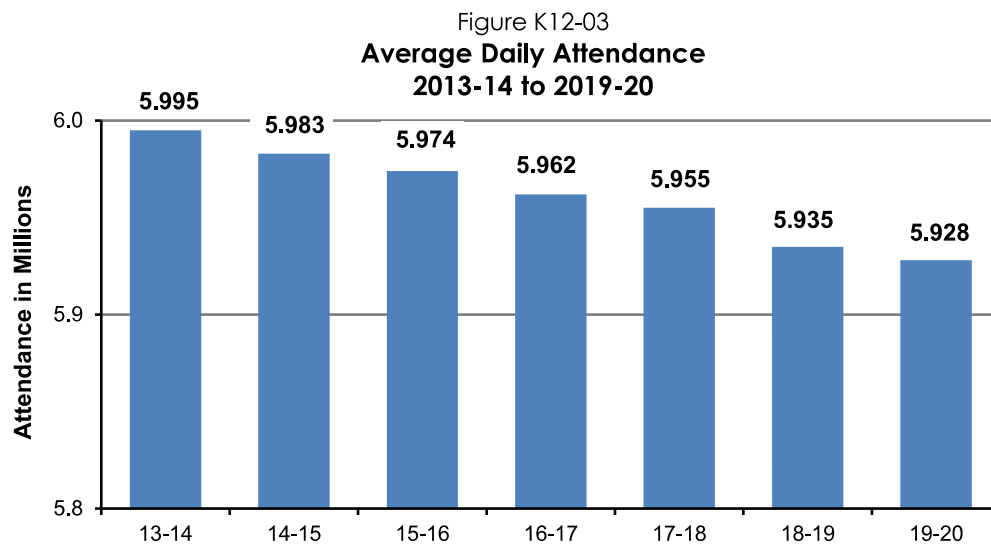


## IMPROVING LONG-TERM FISCAL STABILITY FOR SCHOOLS

According to the Fiscal Crisis Management and Assistance Team, in 2017-18 only 29 school districts had been identified by their county offices of education as being in danger of not meeting their financial obligations in either the current or two subsequent fiscal years, down from a high of 188 school districts in 2011-12. While this level of stability reflects the relative fiscal health of the state's public K-12 education system, significant fiscal challenges lie ahead for many local educational agencies.

Statewide K-12 enrollment continues to decline (Figure K12-03), which has the effect of reducing Proposition 98 funding growth and making it much more sensitive to changes

in General Fund revenue and property taxes. Enrollment changes are not consistent throughout the state and some local educational agencies are experiencing significant year-over-year declines in ADA. In some urban districts the declines are more significant because of decades of suburban flight and increased charter school enrollment.



Additionally, the cost of services for many local educational agencies is increasing. Recent policy changes to address unfunded liabilities in the California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) have increased employer contribution rates, which are scheduled to grow through 2020-21. Salary increases and rising health care costs are also expected to generate cost pressures for many local educational agencies. Further, special education expenditures are growing in many areas of the state, due both to increases in the cost of the services and, for some local educational agencies, a greater concentration of students with exceptional needs.

Local school district boards and county offices of education are responsible for ensuring the long-term fiscal viability of local educational agencies. To support this work at the local level, the Budget includes several statewide investments to help local educational agencies better balance revenues and costs.

### **CALSTRS EMPLOYER CONTRIBUTION RATE**

In response to a large unfunded liability in the system, Chapter 47, Statutes of 2014 (AB 1469) was enacted to put CalSTRS on the path to full funding over a 32-year period. Based on a model of shared responsibility, employers (local educational agencies and community colleges), employees (teachers), and the state are each required to pay

their respective share of the costs of CalSTRS member pensions, and AB 1469 increased the proportional payments for all parties. Specifically, contribution rates for employers are scheduled to increase incrementally each year from 8.25 percent in 2013-14 to 19.1 percent in 2020-21 (the 2018-19 rate for schools is 16.28 percent).

To provide relief to local educational agencies and community colleges for the rising costs of CalSTRS pensions now and in the future, the Budget proposes a \$3 billion one-time non-Proposition 98 General Fund payment to CalSTRS to reduce long-term liabilities for employers. Of this amount, a total of \$700 million would be provided to buy down the employer contribution rates in 2019-20 and 2020-21. Based on current assumptions, employer contributions would decrease from 18.13 percent to 17.1 percent in 2019-20 and from 19.1 percent to 18.1 percent in 2020-21. The remaining \$2.3 billion would be paid toward the employers' long-term unfunded liability. Overall, the payment is expected to save employers \$6.9 billion over the next three decades, with an estimated reduction in the out-year contribution rate of approximately half a percentage point. This investment will free up local dollars for investment in education, or to match the state's commitment to pay down pension liabilities.

---

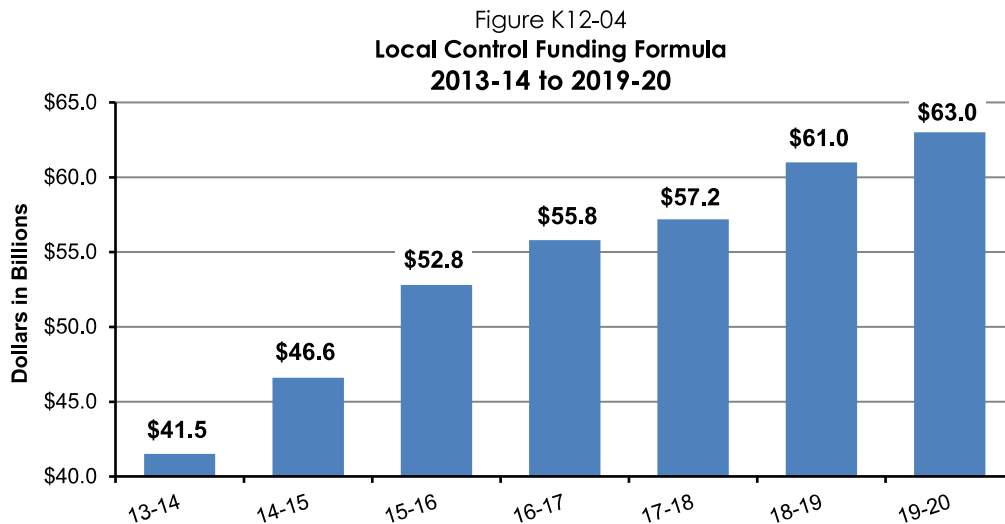
## LOCAL CONTROL FUNDING FORMULA (LCFF)

The Administration is committed to funding public schools through the LCFF to support all students, with greater support for students from low-income families, English language learners, and youth in foster care. The formula responds to research and practical experience that indicates that these students often require supplemental services and support to be successful in school. The formula includes the following major components:

- A base grant for each local educational agency per unit of average daily attendance, including an adjustment of 10.4 percent to the base grant to support lowering class sizes in grades K-3, and an adjustment of 2.6 percent to reflect the cost of operating career technical education programs in high schools.
- A 20-percent supplemental grant for English learners, students from low-income families, and youth in foster care to reflect increased costs associated with educating those students.
- An additional concentration grant of up to 22.5 percent of a local educational agency's base grant, based on the number of English learners, students from low-income families, and youth in foster care served by the local educational agency that comprise more than 55 percent of enrollment.

The county office of education formula includes: (1) a base grant for each county office of education per unit of average daily attendance to support instruction of students who attend community schools and juvenile court schools, and (2) unrestricted funding, inclusive of the resources necessary for administrative and technical support of local educational agencies in developing and approving local accountability plans based on the average daily attendance of all students in the county.

The Budget proposes a \$2 billion Proposition 98 General Fund increase for the LCFF, which reflects a 3.46-percent cost-of-living adjustment (COLA), and brings total LCFF funding to \$63 billion. Since the enactment of LCFF in 2013, the state has allocated over \$23 billion in additional ongoing resources to school districts and charter schools through the formula (Figure K12-04).



## IMPROVING STUDENT OUTCOMES

It is a priority of the Administration to adopt statewide policies and support local efforts to improve the quality of public education in the state. These policies and supports will better ensure that:

- School districts and charter schools are held accountable for the success of all students.
- Parents, teachers, administrators, and policymakers have access to the data needed to make informed decisions.

- Communities are empowered to effectively partner with local school boards to prioritize the allocation of resources.
- Local educational agencies are fiscally stable and resources are targeted to student populations most in need of support.
- State and local educational agencies adopt early education and school readiness as priorities, providing significant investments to yield exponential returns for students and schools.

---

## K-12 ACCOUNTABILITY SYSTEM

In 2013, California adopted a new accountability system, creating a model built upon state, regional, and local partnerships and driven by a more comprehensive set of student performance measures. The foundation for the new system is the local control and accountability plan (LCAP), a multi-year strategic plan created by local educational agencies in collaboration with their communities, to support improved student outcomes. Prior to 2013, K-12 accountability was heavily state and federally controlled, based mostly on standardized test scores, focused on compliance over innovation, and punitive for under-performing schools.

In 2016, the State Board of Education adopted new, multi-dimensional student performance indicators to compare student achievement across the state. The California School Dashboard brings the new measures together in one place, enabling communities to have discussions about targeting services to improve student educational experiences and outcomes. Currently, statewide measures include state test scores, English language acquisition for students with a home language other than English, chronic absenteeism, graduation rates, suspension rates, and a college/career readiness indicator. The Dashboard displays statewide measures for all traditional and alternative public schools, charter schools, school districts, and county offices of education and breaks out data for more than a dozen student subgroups, including youth in foster care, homeless youth, students with disabilities, socioeconomically disadvantaged students, and English language learners, as well as by student race/ethnicity.

The 2018 Dashboard data highlights that work remains to address persistent low achievement for students with disabilities, youth in foster care, homeless youth, English language learners, and students of color. These students are generally less likely to

graduate or score well on state standardized tests, and more likely to be suspended or chronically absent.

The Administration is committed to working with state and local partners to implement policies and strategies to address low student achievement in California. As a reflection of this commitment, the Budget makes several strategic investments, detailed in the sections below. Additionally, the Administration intends to implement statewide policies that hold all school districts, charter schools, and county offices of education accountable for operational transparency and community engagement.

### **STATEWIDE SYSTEM OF SUPPORT**

California has a new structure in place, called the statewide system of support, to address root causes that contribute to persistent low achievement in some student groups and to continuously improve the quality of public education in the state. The system builds upon the community-based LCAP process by tasking county offices of education, which approve school district LCAPs, with providing tailored support to school districts with underperforming student subgroups. County offices of education are responsible for facilitating analyses of the causes of under-performance in collaboration with school districts and connecting those districts with resources and best practices to address the issues identified.

Based on recent Dashboard data, 374 school districts are required to receive targeted county office of education support in 2018-19. The Budget supports county offices of education in this work by providing them with an increase of \$20.2 million Proposition 98 General Fund for school district assistance, consistent with the formula adopted in the 2018 Budget Act.

Additionally, to increase the meaningful engagement between communities and local educational agencies, the Budget proposes \$350,000 one-time Proposition 98 General Fund to merge the Dashboard, the LCAP electronic template, and other school site and school district reporting tools (including the School Accountability Report Card) into a single web-based application to: (1) allow the public to access a single platform for this information, (2) streamline these systems, and (3) eliminate duplicative and outdated information.

---

## SPECIAL EDUCATION

Local educational agencies are required by federal law to provide appropriate and comprehensive educational programs for students with disabilities. However, most struggle to improve academic outcomes for those students. This problem has persisted over time, and in 2017 and 2018 school districts were most likely to be identified as needing support from county offices of education because of poor performance on student outcome indicators for students with disabilities.

Special education finance in California is complex, state-driven, and administratively costly. The funding for special education is a patchwork, each with its own allocation formula and spending restrictions. School funding mechanisms should be equitable, transparent, easy to understand, and focused on the needs of students. However, it has been challenging for the state to align special education financing with these priorities. To address these issues and strengthen accountability for the outcomes of students with disabilities, the Administration intends to pursue statewide policies to improve all of the following:

- Coordination between general education and special education programs.
- Transparency around local planning for regional special education services.
- Transitions between regional centers and local educational agencies for three-year-old children with exceptional needs.

The rising cost of special education services, especially for school districts with high proportions of students with disabilities, can impact school districts' ability to provide a comprehensive program beyond what is required by a student's individualized education program. In 2004, Congress set a goal of 40 percent for the federal share of costs of special education services. In the last several years, however, the federal share of special education costs in California is estimated to have averaged only about 10 percent. Additionally, early intervention services can be cost prohibitive, with the federal government providing only a fraction of the funding necessary to support mandated services for preschool-age children with disabilities. Finally, many school districts cite a lack of resources as a barrier to providing supports for pre-kindergarten and early elementary students who may benefit from services in addition to those identified in an individualized education program, or who may not otherwise qualify for special education services.

In response to these needs, the Budget proposes \$576 million Proposition 98 General Fund (of which \$186 million is one-time) to support expanded special education services and school readiness supports at local educational agencies with high percentages of both students with disabilities and unduplicated students who are low-income, youth in foster care, and English language learners. Eligible local educational agencies may use these grants to fund special education and school readiness services not currently included in an individualized education program. This funding is intended to supplement services for students currently receiving special education services and for preventative services that may reduce the need for additional services in future years. This funding can also be used to adopt strategies to improve special education student outcomes identified through the statewide system of support and/or other activities to build upon or expand local multi-tiered systems of support efforts. Further, the Administration intends to pursue statewide policy changes to improve coordination between the Department of Health Care Services and school districts regarding Medi-Cal billing to better leverage available federal funding for medically related special education costs.

---

### **STATE PRESCHOOL**

Students who enter school developmentally unprepared can face significant challenges catching up to their peers academically, socially, and emotionally. To address this gap, the Budget proposes \$125 million non-Proposition 98 General Fund to increase access to subsidized full-day, full-year State Preschool for four-year-old children in 2019-20 (for a total of approximately 180,000 State Preschool slots), with additional increases proposed in the succeeding fiscal years to provide access for all low-income four-year-olds by 2021-22. This proposal is discussed in more detail in the Early Childhood chapter.

---

### **UNIVERSAL FULL-DAY KINDERGARTEN**

Kindergarten is not compulsory for children in California, but attendance is beneficial to a child's long-term academic attainment. State law requires school districts to provide access to kindergarten for all children for a minimum of three hours per day. Kindergarten programs that are at or around this three-hour minimum are generally referred to as part-day programs; longer day programs are generally referred to as full-day programs. Living in a school district that does not offer full-day kindergarten can be a barrier to attendance for children with working parents or a lack of access to transportation. A recent Department of Education survey found that 22 percent of

school districts, representing more than 1,600 school sites, offered only part-day kindergarten programs. School districts cited a lack of facilities as the main impediment to offering full-day kindergarten.

Research suggests that students attending full-day, high-quality early primary education programs are more school-ready and have better literacy acquisition than students in part-day programs. In California, low-income children are less likely to attend kindergarten than their peers, in part because of the difficulty of accessing a full-day of school, putting them at an academic disadvantage. It is the intent of the Administration to increase participation in kindergarten by addressing barriers to access. Building upon the \$100 million General Fund provided in the 2018 Budget Act to eligible school districts to construct new or retrofit existing facilities for full-day kindergarten programs, the Budget proposes an additional \$750 million one-time non-Proposition 98 General Fund for a similar purpose. In addition to constructing new or retrofitting existing facilities to support full-day kindergarten programs, participating school districts will have the ability to use project savings to fund other activities that reduce barriers to providing full-day kindergarten.

---

## LONGITUDINAL EDUCATION DATA

Although local educational agencies and the public segments of higher education both collect a significant amount of student level data, the systems that house this data are not aligned to provide a clear picture of how students advance from early education programs through K-12 schools to postsecondary education and into the workforce. This is due, in part, to the fact that California's existing educational databases operate under different legal and regulatory requirements, using different data definitions, and with varying levels of user-friendliness.

To improve coordination across educational data systems and better track the impacts of state investments on achieving educational goals, the Budget provides \$10 million one-time non-Proposition 98 General Fund to plan for and develop a longitudinal data system. This system will connect student information from early education providers, K-12 schools, higher education institutions, employers, other workforce entities, and health and human services agencies. A portion of this funding will be used for initial planning purposes. The bulk of the funding will be available for the initial stages of system implementation, once an implementation plan is adopted by the Administration and the Legislature.

Any effort to link public educational data systems must also include steps to improve the quality of the data reported. In addition to developing options for the new data system, the Budget also requires the stakeholder committee to consider data reliability and ways to improve data quality at each education segment.

Finally, in alignment with the new data system, it is the intent of the Administration to develop supplementary K-12 accountability measures (including metrics for conditions of learning and an expanded college and career readiness indicator), improved collaboration between schools and health and human services agencies, and collection of more relevant data on the impact of public education programs on the state's workforce capacity.

---

## **PRIOR YEAR PROPOSITION 98 FUNDING LEVELS AND CERTIFICATION CHANGES**

To increase predictability, the Budget proposes changes in statute to specify that the state may not adjust Proposition 98 funding levels for any non-certified year outside of the fiscal years commonly referred to as “current year” and “budget year” (for the 2019-20 Governor's Budget), this refers to fiscal years 2018-19 and 2019-20). The result of this revised process is that prior year Proposition 98 levels will not change, protecting local educational agencies from unanticipated revenue drops in past fiscal years.

The 2018 Budget Act amended the process for finalizing the Proposition 98 funding level for a given fiscal year, commonly referred to as the Proposition 98 certification process. Specifically, these changes: (1) provided a new mechanism for annual certifications, (2) increased certainty around the payment of future certification settlements, (3) provided the state with additional budgeting flexibility through a new cost allocation schedule, (4) provided a continuous appropriation of LCFF COLA, and (5) certified the guarantee for the prior years of 2009-10 through 2016-17. All these changes may be repealed if recently-filed litigation is ultimately successful.

To provide more certainty, the Budget also includes changes to the Proposition 98 certification process to:

- Eliminate the cost allocation schedule.
- Prohibit the state from adjusting Proposition 98 funding levels for a prior fiscal year.

- Create a cap on increases to LCFF related to the continuous appropriation of LCFF COLA.

---

## SCHOOL FACILITIES BOND FUNDS

Proposition 51, approved by voters in November 2016, authorized a total of \$7 billion in state general obligation bonds for K-12 schools to be allocated through the School Facilities Program in place as of January 1, 2015. Approximately \$600 million in Proposition 51 bond funds have been expended in each of fiscal years 2017-18 and 2018-19. The Budget proposes to release of \$1.5 billion Proposition 51 bond funds, an increase of \$906 million over the prior year, to support school construction projects. These funds will support new construction, modernization, retrofitting, career technical education, and charter school facility projects.

The Budget also includes an additional \$1.2 million ongoing Proposition 51 bond funds and State School Site Utilization Funds, and 10 positions for the Office of Public School Construction to support the increased processing of applications and program workload.

---

## OTHER K-12 BUDGET ADJUSTMENTS

Significant Adjustments:

- **School District Average Daily Attendance**—A decrease of \$388 million Proposition 98 General Fund in 2018-19 for school districts resulting from a decrease in projected average daily attendance from the 2018 Budget Act, and a decrease of \$187 million Proposition 98 General Fund in 2019-20 for school districts resulting from a further projected decline in average daily attendance for 2019-20.
- **Local Property Tax Adjustments**—A decrease of \$283 million Proposition 98 General Fund for school districts and county offices of education in 2018-19 as a result of higher offsetting property tax revenues, and a decrease of \$1.25 billion Proposition 98 General Fund for school districts and county offices of education in 2019-20 as a result of increased offsetting property taxes.
- **Cost-of-Living Adjustments**—An increase of \$187 million Proposition 98 General Fund to support a 3.46 percent cost-of-living adjustment for categorical programs that remain outside of the LCFF, including Special Education, Child Nutrition, State

Preschool, Youth in Foster Care, the Mandates Block Grant, American Indian Education Centers, and the American Indian Early Childhood Education Program.

- CalWORKs Stages 2 and 3 Child Care—A net increase of \$119.4 million non-Proposition 98 General Fund in 2019-20 to reflect increases in the number of CalWORKs child care cases. Total costs for Stage 2 and 3 are \$597 million and \$482.2 million, respectively.
- Full-Year Implementation of Prior Year State Preschool Slots—An increase of \$26.8 million Proposition 98 General Fund to reflect full-year costs of 2,959 full-day State Preschool slots implemented part-way through the 2018-19 fiscal year.
- County Offices of Education—An increase of \$9 million Proposition 98 General Fund to reflect a 3.46-percent cost-of-living adjustment and average daily attendance changes applicable to the LCFF.
- Instructional Quality Commission—An increase of \$279,000 General Fund on a one-time basis for the Instructional Quality Commission to continue its work on the development of model curriculum and frameworks.

# HIGHER EDUCATION

Higher education is central to training and developing the skilled workforce needed for the state to meet its ever-changing workforce needs and is a core pathway for Californians to improve their upward economic mobility. If colleges and universities are to remain engines of economic mobility, they must evolve along with the state's changing student population. They must provide programs that train for the skills needed not only for today, but for the future economy.

Strengthening the relationship between higher education, workforce development programs and employers will be a key focus of the Administration. The Administration will work to promote affordability, access, and efficiency in higher education. It will also work to ensure higher education and training programs better meet the needs of nontraditional students. Higher education segments, employers, the state, faculty, and students must work together to update the current higher education and workforce development model to meet the state's needs for a skilled and educated workforce to match the economic sectors that will provide more opportunities to future Californians in a way that is affordable to families and taxpayers.

The Budget proposes significant investments in all three of the state's higher education segments and in student financial aid to increase access to higher education, improve student success and timely degree completion, and to better ensure that college remains affordable by freezing tuition at current levels. The Budget provides funding for two free years of community college tuition and additional funding for the California State University system given their critical importance in preparing the workforce of California.

## OVERVIEW

The Budget proposes total funding of \$36.4 billion (\$20.5 billion General Fund and local property tax and \$15.9 billion other funds) for higher education. The total reflects growth of \$1.43 billion (\$1.05 billion General Fund and local property taxes and \$0.38 billion other funds) compared to revised 2018-19 expenditures. Figure HED-01 displays additional detail about funding for higher education.

Figure HED-01  
**Higher Education Expenditures**  
 (Dollars in Millions)

	2017-18	2018-19	2019-20	Change from 2018-19	
				Dollars	Percent
University of California					
Total Funds <sup>1/</sup>	\$8,963.6	\$9,286.2	\$9,560.8	\$274.6	3.0%
Ongoing General Fund	3,393.3	3,475.5	3,715.5	\$240.0	6.9%
One-Time General Fund	176.6	232.7	153.0	-	-
California State University					
Total Funds <sup>1/</sup>	\$7,090.2	\$7,379.8	\$7,835.7	\$455.9	6.2%
Ongoing General Fund	3,713.3	3,960.8	4,279.4	\$318.6	8.0%
One-Time General Fund	46.2	126.6	264.0	-	-
California Community Colleges					
Total Funds	\$14,920.1	\$15,846.4	\$16,257.5	\$411.1	2.6%
General Fund & Property Taxes	9,498.3	10,323.8	10,474.0	\$150.2	1.5%
California Student Aid Commission					
Total Funds	\$2,244.5	\$2,424.2	\$2,712.9	\$288.7	11.9%
General Fund <sup>2/</sup>	1,184.8	1,337.3	1,626.0	\$288.7	21.6%
Other Higher Education <sup>3/</sup>					
Total Funds	\$109.1	\$67.0	\$68.5	\$1.5	2.2%
General Fund	13.7	20.6	\$17.9	-\$2.7	-13.1%
<b>Total Funds</b>	<b>\$33,327.5</b>	<b>\$35,003.6</b>	<b>\$36,435.4</b>	<b>\$1,431.8</b>	<b>4.1%</b>
<b>General Fund</b>	<b>\$18,026.2</b>	<b>\$19,477.3</b>	<b>\$20,529.8</b>	<b>\$1,052.5</b>	<b>5.4%</b>

<sup>1/</sup> These totals include tuition and fee revenues and other funds the universities report as discretionary.  
<sup>2/</sup> General Fund expenditures for the Cal Grant program are offset by reimbursements, including approximately \$1 billion in federal Temporary Assistance for Needy Families (TANF) funds received through an agreement with the Department of Social Services.  
<sup>3/</sup> This category includes expenditures for the Hastings College of the Law.

## UNIVERSITY OF CALIFORNIA

The University of California (UC) offers formal undergraduate and graduate education. The UC is the public segment authorized to independently award doctoral degrees and is designated as the state's primary academic agency for research. Its 10 campuses enroll approximately 270,000 students. In 2017-18, the UC awarded 75,000 degrees. An additional 400,000 students participate in continuing education programs through the UC extension centers.

## **CALIFORNIA STATE UNIVERSITY**

The California State University (CSU) provides undergraduate and graduate instruction generally up to the master's degree. Its 23 campuses enroll approximately 410,000 students. In 2017-18, the CSU awarded 126,000 degrees. The CSU also provides opportunities for residents to enroll in professional and continuing education programs. The CSU has been striving to better fulfill its mission through the Graduation Initiative 2025, which aims to increase four-year graduation rates, increase two-year transfer graduation rates, and eliminate equity gaps.

## **CALIFORNIA COMMUNITY COLLEGES**

The California Community Colleges (CCCs) are the largest system of higher education in the nation, serving roughly one-quarter of the nation's community college students, or approximately 2.2 million students. The CCCs provide basic skills, vocational, and undergraduate transfer education with 73 districts, 115 campuses, and 78 educational centers. In 2017-18, the CCCs awarded over 96,000 certificates and 160,000 degrees and transferred over 103,000 students to four-year institutions.

## **INDEPENDENT AND PRIVATE INSTITUTIONS**

Independent institutions, including private nonprofit colleges and universities, and private for-profit institutions, are an important component of the state's education landscape. There are over 150 independent institutions in the state, serving roughly 15 percent of all students in the state's systems of higher education. Private for-profit institutions include professional schools, such as cosmetology and culinary schools, in addition to larger national chain schools.

## **CALIFORNIA STUDENT AID COMMISSION**

Administered by the California Student Aid Commission, the state's primary financial aid program is the Cal Grant Program. The Cal Grant entitlement program provides financial aid awards to students who meet specified eligibility criteria, and who attend one of the state's qualifying public institutions or independent and private institutions. Students who are ineligible for the Cal Grant entitlement program can compete for financial aid awards available through the Cal Grant competitive program.

Since 2012-13, total funding for the Cal Grant Program has grown by \$890 million, a roughly 58-percent increase. The Budget assumes total financial aid expenditures of just under \$2.7 billion, of which \$2.5 billion supports the Cal Grant Program. In 2017-18, over 145,000 students received new Cal Grant awards, and over 220,000 students received renewal awards.

---

## UNIVERSITY OF CALIFORNIA

---

### SIGNIFICANT INVESTMENTS

The Budget proposes a \$240 million ongoing General Fund augmentation to the UC to fund operating costs, efforts to increase student success, improve student mental health services, and better address student hunger and homelessness.

In addition to this ongoing funding, the Budget proposes \$138 million one-time General Fund for the UC to address its deferred maintenance backlog. Additionally, the Budget proposes \$15 million one-time General Fund to support expanded degree completion and certification programs at UC extension centers.

These investments are provided with the expectation that tuition will remain flat, access will be increased, and time to degree will improve. The significant investments proposed for the UC should begin an in-depth conversation between the Administration and the Regents regarding the short- and long-term goals and expectations of the state and the UC. This conversation should include a discussion of four broad goals and expectations: providing fiscal certainty for students and their families, increasing access to the UC and improving student success, creating a more cost-efficient UC, and improving the link between higher education and skills needed for the economy, now and into the future.

---

## STUDENT ACCESS AND SUCCESS

### ENROLLMENT

The UC has experienced significant enrollment growth over the past decade. In 2010, Fall enrollment at the UC was 229,108. By 2017, Fall enrollment had risen to 273,179, for a total increase of more than 44,000 students, or 19.2 percent over 2010. Notably, the number of California resident undergraduate students climbed from 168,622 in 2010 to 179,530—an increase of nearly 11,000 resident undergraduates. A significant portion of

this increase has been supported by continued, stable state investment in the UC and specific augmentations for enrollment growth. The Budget proposes \$10 million ongoing General Fund to permanently support the enrollment of 1,000 additional resident students previously supported by one-time funds allocated in the 2018 Budget Act.

## **DEGREE ATTAINMENT AND STUDENT SUCCESS**

The Budget proposes \$49.9 million ongoing General Fund to support the UC's proposed effort to improve student success, improve students' timely completion of a degree program, and close the degree attainment gap between students from disadvantaged backgrounds and other students. These efforts are likely to include hiring additional faculty to increase course availability, providing additional academic counseling services to better ensure students can graduate on time, and investing in classrooms, laboratories, and other academic facilities. Improving students' timely degree completion and reducing students' total degree costs as well as closing the degree attainment gap is expected to further improve students' economic and social mobility opportunities.

## **UC EXTENSION OUTREACH AND DEGREE COMPLETION**

Recent studies have shown that millions of Californians have some college credits, but do not have a degree, and are not currently enrolled in a college or university. The Budget proposes \$15 million one-time General Fund for UC extension centers to provide outreach to these Californians, some of whom are former UC students, develop additional course-taking opportunities, and assist students in completing a degree or a professional certificate. This funding will enable the UC to build upon and transform existing programs. It is expected that the extension programs and courses will continue to be supported by student fees. Providing additional options for Californians who have some college credits, but do not have a degree, to complete a degree or a professional certificate is expected to improve the long-term economic and social mobility of students who opt to take courses through an extension center.

---

## **OTHER STUDENT SUPPORT SERVICES**

### **MENTAL HEALTH SERVICES**

The UC provides mental health services to students through its Counseling and Psychological Services program. Each campus has a division of Counseling and Psychological Services staffed with psychologists and psychiatrists to care for students with mental health needs. The Budget proposes \$5.3 million ongoing General Fund to

support efforts to meet recommended staffing ratios and improve student mental health services. This investment will enable campuses to hire additional clinicians to serve students.

### **SUPPORTING STUDENT HUNGER AND HOUSING INITIATIVES**

Surveys by the UC show that over 40 percent of its undergraduate student body is characterized as having “low” or “very low” food security and that 5 percent experienced homelessness in 2016. The Budget proposes \$15 million ongoing General Fund to assist the UC's efforts to address these issues. These funds will augment the UC's existing efforts to address student hunger and housing needs.

### **IMMIGRATION LEGAL SERVICES**

As referenced in the Health and Human Services Chapter, the Budget continues the UC's immigration legal services program. The Budget assumes \$1.3 million ongoing General Fund support for these programs at the UC beginning in 2022-23. One-time funding provided to the UC in the 2018 Budget Act is sufficient to support the UC's legal services program through the 2021-22 fiscal year. Through its Immigrant Legal Services Center, the UC provides the following services to better enable these students to achieve their educational goals:

- Legal advice and representation for undocumented students and their families, and students who are citizens with undocumented family members.
- Informational and know-your-rights sessions on UC campuses.
- Campus clinics and workshops to assist with applications for benefits available under the Deferred Action for Childhood Arrivals, and other immigration-related relief.
- Assistance in filing humanitarian and educational travel applications with immigration authorities for students with Deferred Action for Childhood Arrivals status.
- In-depth consultations and direct representation in immigration court or before immigration agencies.

---

## OTHER BUDGET ADJUSTMENTS

- Ongoing Base Investments—An increase of \$200 million General Fund ongoing to support the following:
  - \$119.8 million to support increased operational costs.
  - \$49.9 million to increase degree attainment and student success.
  - \$15 million to address student hunger and housing needs.
  - \$10 million to continue support of 2018-19 enrollment growth.
  - \$5.3 million to improve student mental health programs.
- Graduate Medical Education—An increase of \$40 million General Fund to end the shift of Proposition 56 funds supporting medical residency programs.
- UC Extension—An increase of \$15 million General Fund one-time for UC Extension to expand and pilot bachelor's degree completion programs, and expand the availability of certificate programs.
- Firearms Violence Research Center—The 2016 Budget Act included \$5 million one-time General Fund to support a center for research into firearm-related violence. The Budget assumes \$1 million ongoing General Fund to support the UC Davis Firearms Violence Research Center beginning in 2021-22. The UC's one-time funding in the 2016 Budget Act was intended to support the Center through the 2020-21 fiscal year.

---

## CALIFORNIA STATE UNIVERSITY

---

### SIGNIFICANT INVESTMENTS

The CSU plays a critical role in preparing the workforce of California. Approximately half of California's teachers and more than half of the state's nurses graduate from CSU. In addition, the CSU helps drive California's economy by graduating students with degrees in business, engineering, information technology, agriculture, communications, health, and public administration. Given this, the Budget proposes a \$300 million ongoing General Fund increase for CSU. This includes \$193 million for operational costs, \$62 million for enrollment growth of two percent, and \$45 million to

continue the efforts of the Graduation Initiative 2025. The Budget also proposes \$247 million one-time General Fund for the CSU to help address its deferred maintenance backlog and to improve and expand on-campus child care centers. Deferred maintenance funding is generally used to improve existing classrooms, science labs, and student support buildings. The CSU's on-campus child care centers are important resources to help student parents complete their education, increase their future earnings potential, and provide additional support to their children. Additionally, the Budget proposes \$15 million one-time General Fund for the CSU to support its Basic Needs Initiative, which is intended to address student food insecurity and homelessness.

These investments are provided with the expectation that tuition will remain flat, access will be increased, and time to degree will improve. The Budget should begin an in-depth conversation between the Administration and the Trustees regarding the short- and long-term goals and expectations of the state and the CSU. This conversation should include a discussion of four broad goals and expectations: providing fiscal certainty for students and their families, increasing access to the CSU and improving student success, creating a more cost-efficient CSU, and improving the link between higher education and skills needed for the economy, now and in the future.

---

## STUDENT ACCESS AND SUCCESS

### ENROLLMENT

The CSU has experienced significant enrollment growth over the past decade. In 2010, Fall enrollment at the CSU was 344,326. By 2017, Fall enrollment had risen to 420,973 for a total increase of more than 76,000 students, or 22.3 percent over 2010. A significant portion of this increase has been supported by continued, stable state investment in the CSU and specific budgetary augmentations for enrollment growth.

Developing an educated workforce is a key aspect of the modern economy and individual degree obtainment is a necessary step to improve Californians' upward mobility. For these reasons, it is important to expand access to the CSU to more California resident students. The Budget proposes \$62 million ongoing to expand enrollment at the CSU by 2 percent, or more than 7,000 students. This funding should also enable campuses that are currently below capacity to expand enrollment.

## **DEGREE ATTAINMENT AND STUDENT SUCCESS**

The 2016 Budget Act called on the CSU to increase each campus's four-year graduation rates and two-year transfer graduation rates, with specific emphasis on closing achievement gaps for low-income students, first-generation students, and students from underrepresented groups. The CSU Graduation Initiative 2025, adopted by the Board of Trustees in 2016, commits the CSU to increasing the four-year graduation rate to at least 40 percent, increasing the two-year transfer graduation rate to at least 45 percent, and closing gaps in outcomes between different groups of students.

The CSU has undertaken significant steps toward meeting these goals, as statewide four-year graduation rates have risen from roughly 19.3 percent in 2015 to 25.5 percent in 2018, and two-year transfer rates have risen from roughly 30.6 percent to 38 percent over the same time frame. The Budget proposes \$45 million ongoing General Fund to continue the work of the Graduation Initiative, which will better improve students' timely degree completion and reduce students' total degree costs.

## **LONG-RANGE PLANNING**

The growing population of high school graduates in San Joaquin County and the need to increase the college attendance of students in the region, make it time to consider the expansion of the CSU system. While the number of jobs in the San Joaquin County region has grown faster than the statewide average, real personal income is lower compared to other areas of the state and unemployment is nearly double the statewide average. The Budget proposes \$2 million one-time General Fund for the Chancellor's Office to undertake a review of a potential CSU campus in San Joaquin County, likely in Stockton.

---

## **OTHER STUDENT SUPPORT SERVICES**

### **SUPPORTING STUDENT HUNGER AND HOUSING INITIATIVES**

The Budget proposes \$15 million one-time General Fund for the CSU to assist each campus's existing efforts to address student hunger and housing needs. Additionally, this funding will assist the CSU in developing an emergency housing pilot program to provide temporary housing to students who are homeless or at risk of becoming homeless.

## **IMMIGRATION LEGAL SERVICES**

As referenced in the Health and Human Services Chapter, the Budget proposes \$7 million ongoing General Fund to provide legal services to undocumented students, staff, and faculty at the CSU. These legal services include:

- Assisting applicants seeking Deferred Action for Childhood Arrivals.
- Assisting applicants seeking naturalization.
- Assisting applicants seeking other immigration remedies.
- Legal training and technical assistance services.
- Education and outreach activities.
- Assisting individuals with removal defense.

---

## **OTHER BUDGET ADJUSTMENTS**

- Ongoing Base Investments—An increase of \$300 million General Fund ongoing to support the following:
  - \$193 million to support increased operational costs.
  - \$62 million to support 2-percent enrollment growth, which is an increase of more than 7,000 students.
  - \$45 million to support continued progress toward achieving the goals of the Graduation Initiative 2025.
- Project Rebound—An increase of \$250,000 General Fund ongoing to support Project Rebound, a CSU program that provides assistance to formerly incarcerated individuals seeking to enroll in participating CSU campuses.

---

## **CALIFORNIA COMMUNITY COLLEGES**

---

### **ESTABLISHING A COLLEGE-GOING CULTURE AND PROMOTING STUDENT SUCCESS**

The California College Promise, established by Chapter 735, Statutes of 2017 (AB 19), represents a critical step toward making college more affordable and accessible to

California students. AB 19 authorizes funding to be used by CCCs to waive fees for first-time full-time students during their first academic year, while creating a framework for CCCs to maximize students' access to available financial aid, adopt evidence-based student success strategies, and implement partnerships with school districts to increase student awareness regarding college opportunities.

## **TWO FREE YEARS OF COMMUNITY COLLEGE**

The Budget provides \$40 million Proposition 98 General Fund to support a second year of free tuition for students. This proposal extends the California College Promise to waive enrollment fees for first-time, full-time students for a second academic year. Based on 2017-18 data, approximately 28,000 first-time, full-time students are projected to be eligible for a second year of free tuition, assuming their CCC meets the participation requirements of the program.

An important component of the California College Promise is to provide students information about financial aid and services available to support their success. To assist CCCs with these efforts, the Budget proposes \$5 million one-time General Fund for the Chancellor's Office to expand outreach around the College Promise. This initiative will focus on developing resources that can be used to promote student access and success, using technology to better reach students as they are making critical decisions, and providing professional development to CCC practitioners.

---

## **FIRST-YEAR IMPLEMENTATION OF THE STUDENT CENTERED FUNDING FORMULA**

To address the shortcomings of a decades-old enrollment-based funding formula for CCC apportionments, the 2018 Budget established the Student Centered Funding Formula to better prioritize access and student success, and advance the systemwide goal to close achievement gaps. Beginning in 2018-19, the Formula allocates general purpose apportionments to CCCs based upon additional factors, including the number of low-income students enrolled and the number of students who meet specified student success metrics, such as completion of a degree or certificate.

The CCC Chancellor's Office has begun implementation of the formula in 2018-19. As part of this work, the Chancellor is reviewing the accuracy of the data districts have submitted for the new supplemental and student success allocations, and has tasked a workgroup with making recommendations on other implementation issues. Further, the legislation establishing the formula created a Funding Formula Oversight Committee to make recommendations on specific elements, including a plan for incorporating a factor representing first-generation college students.

To better ensure that the CCC Chancellor's Office and the Oversight Committee have sufficient time to consider revisions that would further the goals of the formula, address its long-term fiscal stability, and improve the accuracy of the data reported by districts, the Budget proposes the following revised implementation plan:

- **Maintain Current Rates for Student Success Allocation Factors in 2019-20**—The Budget proposes funding the outcomes included in the student success allocation at their current rates, adjusted for inflation in 2019-20, pending further review.
- **Fund Reasonable Growth within the Student Success Allocation**—The Budget proposes establishing reasonable limits on the year-over-year increases in resources a CCC could receive through the Student Success Allocation—capping those year-over-year increases to 10 percent. This proposal will make the formula more sustainable over the long run.
- **Clarify the Definition of Transfer Students**—The Budget clarifies that the transfer outcome measure in the Student Success Allocation reflects an unduplicated count of students.

---

### **OTHER BUDGET ADJUSTMENTS**

- **Staffing for the Student Centered Funding Formula Oversight Committee**—An increase of \$435,000 one-time non-Proposition 98 General Fund for the CCC Chancellor's Office to contract with an external organization to staff the Student Centered Funding Formula Oversight Committee.
- **CCC State Operations Support**—An increase of \$135,000 ongoing non-Proposition 98 General Fund and one new position for an Information Security Officer at the Chancellor's Office, to provide increased security capacity. The Department of Finance will collaborate with the Chancellor's Office to review the short-term and ongoing resources needed for the Chancellor's Office to support CCCs in achieving the goals of the Vision for Success.
- **California State Teachers' Retirement System Employer Contribution Rate**—As referenced in the K-12 Education chapter, the Budget includes a \$3 billion one-time payment to the California State Teachers' Retirement System.
- **Apportionments Cost-of-Living Adjustment**—An increase of \$248.3 million Proposition 98 General Fund for a 3.46-percent cost-of-living adjustment.

- **Apportionments Enrollment Growth**—An increase of \$26 million Proposition 98 available for enrollment growth.
- **Local Property Tax Adjustment**—A decrease of \$211.4 million Proposition 98 General Fund as a result of increased offsetting local property tax revenues.
- **Adult Education Block Grant Program**—An increase of \$18 million Proposition 98 General Fund to fund the cost-of-living adjustment of 3.46 percent.
- **Legal Services**—As referenced in the Health and Human Services chapter, an increase of \$10 million Proposition 98 General Fund to provide legal services to undocumented and immigrant students, faculty, and staff on CCC campuses. These legal services include: assisting applicants seeking Deferred Action for Childhood Arrivals, assisting applicants seeking naturalization, assisting applicants seeking other immigration remedies, legal training and technical assistance services, education and outreach activities, and assisting individuals with removal defense.
- **CCC Facilities**—An increase of \$358.7 million in general obligation bond funding for 12 new and 15 continuing projects. This allocation represents the next installment of the \$2 billion available for the CCCs under Proposition 51, and will address critical fire and other safety issues at campuses statewide.

---

## CALIFORNIA STUDENT AID COMMISSION

---

### IMPROVING COLLEGE AFFORDABILITY

The state's Cal Grant entitlement provides financial aid awards to students who meet specified eligibility criteria. The Budget proposes to improve the affordability of college by providing supplemental awards for student-parents and expanding competitive awards for nontraditional students. This is a down payment, and the Administration will review how the state can do more to make the total cost of attendance more affordable for all students, particularly our lowest income students.

#### CAL GRANT ACCESS AWARDS FOR STUDENT-PARENTS

To expand opportunities for low-income student-parents and increase their graduation rates, and to reduce child poverty, the Budget proposes \$121.6 million to increase or provide access awards for students with dependent children attending the UC, the CSU, or the CCCs. New or renewal Cal Grant A students will receive an access award of up to \$6,000, new or renewal Cal Grant B students will see their access award

increase from \$1,648 to \$6,000, and Cal Grant C students will see their book and supply award increase from \$1,094 to \$4,000. These access awards and increased award levels will better enable students with dependent children to meet their families' basic needs and to increase their likelihood of degree completion. Given that earning a bachelor's degree is a well-established path out of poverty, enabling these students to complete higher education and earn relatively higher wages helps to break the cycle of poverty that many of these students, and subsequently their children, may experience.

### **COMPETITIVE CAL GRANT AWARDS**

Students who demonstrate financial need, but do not meet all of the criteria for entitlement awards, may qualify for a competitive Cal Grant award. Students awarded competitive Cal Grants are often nontraditional students, who tend to be older, from lower-income households, and who face substantial challenges to completing higher education. As such, competitive Cal Grants are an important tool for nontraditional students with financial need to access higher education.

The Budget proposes \$9.6 million to increase the number of Competitive Cal Grant Awards by 4,250, from 25,750 to 30,000. Increasing the number of competitive awards improves college affordability for additional students with financial need who otherwise would not qualify for a Cal Grant award.

---

### **OTHER BUDGET ADJUSTMENTS**

- **Cal Grant Program Costs**—An increase of \$32.5 million in 2018-19 and \$198.6 million in 2019-20 to reflect an increase in the number of new and renewal awardees in 2018-19 and 2019-20.
- **Grant Delivery System**—An increase of \$6.2 million General Fund to fund the second year of project costs for the Grant Delivery System Modernization Project.
- **Tuition Award for Students at Private Nonprofit Institutions**—The Budget assumes that independent institutions, as a sector, will meet the Associate Degrees for Transfer acceptance requirements needed to maintain the maximum Cal Grant tuition award at \$9,084 for students attending these schools. The Association of Independent California Colleges and Universities, which represents most of these institutions, will report on the sector's progress toward the goal in April 2019.

---

## HASTINGS COLLEGE OF THE LAW

Hastings College of the Law is affiliated with the UC system, but is governed by its own Board of Governors. Located in San Francisco, it primarily serves students seeking a Juris Doctor degree, but also has a Master of Laws program and a Master of Studies in Law program. In 2017-18, UC Hastings enrolled 959 full-time equivalent students. Of these, 934 were Juris Doctorate students.

Significant Adjustments:

- Base Growth—An increase of \$1.4 million General Fund, representing a 2.5-percent increase, contingent on the rescission of a 5-percent tuition increase approved for 2019-20.
- Deferred Maintenance—An increase of \$1 million General Fund one-time to support deferred maintenance.

---

## CALIFORNIA STATE LIBRARY

The California State Library collects, preserves, generates, and disseminates information. The Library administers programs funded by state and federal funds to support local public libraries and statewide library programs.

Significant Adjustments:

- Online Service Systems—\$1 million General Fund one-time for online systems for use by public libraries to support efficient access to resources.
- Lunch at the Library—\$1 million General Fund one-time for library districts to develop summer meal programs for students in low-income communities.

---

## OFFICE OF PLANNING AND RESEARCH

The Office of Planning and Research assists the Governor and the Administration in planning, research, policy development, and legislative analysis.

### Significant Adjustments:

- Student Loan Awareness Initiative—The Budget proposes \$5 million General Fund one-time to develop an outreach initiative to educate student loan borrowers about their loans, lending practices, and available repayment options.
- Higher Education Innovation in the San Joaquin and Inland Empire regions—The Budget proposes \$10 million General Fund one-time to support grants to higher education institutions to implement innovative educational strategies in the San Joaquin and Inland Empire regions of the state. These strategies are expected to focus on regional partnerships or other collaborative efforts that increase postsecondary capacity, reduce achievement gaps, and create a multi-generational culture of educational attainment.

# HEALTH AND HUMAN SERVICES

The Health and Human Services Agency oversees departments and other state entities that provide health and social services to California's vulnerable and at-risk residents. The Budget includes \$158.6 billion (\$40.3 billion General Fund and \$118.3 billion other funds) for all health and human services programs. Figure HHS-01 displays expenditures for each major program area and Figure HHS-02 displays program caseload.

---

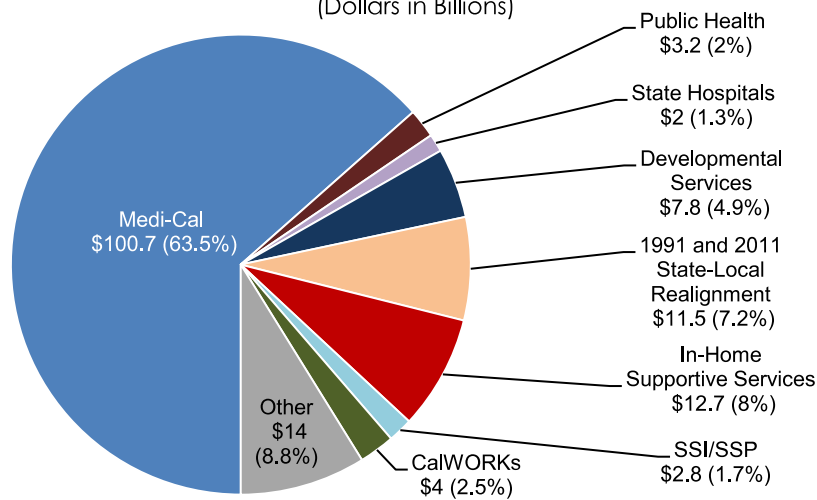
## **MAKING HEALTH CARE MORE AFFORDABLE AND CONTINUING PROGRESS TO ACHIEVE UNIVERSAL COVERAGE**

The Budget proposes a series of changes and investments to make health care more affordable and to continue making progress in achieving universal health care. Specifically, it proposes to leverage the state's purchasing power to maintain access to critical prescription drugs at a lower cost to taxpayers, employers, and consumers; increases subsidies and expands coverage to reduce the number of uninsured; and makes investments to increase prevention efforts, improve access, and reduce costs.

### **ADDRESSING THE RISING COSTS OF PRESCRIPTION DRUGS**

The rising cost of prescription drugs is a national and state problem. All patients are impacted by the high cost of prescription drugs. Some pharmaceutical manufacturers are increasing the prices of necessary drugs, making access increasingly difficult.

Figure HHS-01  
**Health and Human Services Proposed 2019-20 Funding<sup>1/</sup>**  
**All Funds**  
(Dollars in Billions)



<sup>1/</sup> Totals \$158.6 billion for support, local assistance, and capital outlay. This figure includes reimbursements of \$14 billion and excludes \$2.5 million in Proposition 98 funding in the Department of Developmental Services budget and county funds that do not flow through the state budget.  
Note: Numbers may not add due to rounding.

Figure HHS-02  
**Major Health and Human Services Program Caseloads**

	2018-19 Revised	2019-20 Estimate	Change
Medi-Cal	13,168,300	13,220,100	51,800
California Children's Services (CCS) <sup>1/</sup>	15,131	15,131	0
CalWORKs	391,161	371,316	-19,845
CalFresh	1,694,645	1,874,680	180,035
SSI/SSP (support for aged, blind, and disabled)	1,232,984	1,218,328	-14,656
Child Welfare Services <sup>2/</sup>	113,363	111,903	-1,460
Foster Care	41,530	41,530	0
Adoption Assistance	87,073	87,709	636
In-Home Supportive Services	540,078	564,330	24,252
Regional Centers	333,094	349,606	16,512
State Hospitals <sup>3/</sup>	6,508	6,722	214
Developmental Centers <sup>4/</sup>	323	292	-31
Vocational Rehabilitation	26,600	26,600	0

<sup>1/</sup> Represents unduplicated quarterly caseload in the CCS Program. Does not include Medi-Cal CCS beneficiaries.

<sup>2/</sup> Represents Emergency Response, Family Maintenance, Family Reunification, and Permanent Placement service areas on a monthly basis. Due to transfers between each service area, cases may be reflected in more than one service area.

<sup>3/</sup> Represents the year-end population at State Hospitals, county Jail-Based Competency Treatment programs, and Kern Admission, Evaluation and Stabilization center.

<sup>4/</sup> Represents the year-end population.

The Budget proposes steps to use the state's purchasing power to achieve a single-payer system for prescription drugs in California. Absent federal action to address these rising costs, the state must do what is in its power to get better prices from pharmaceutical manufacturers for taxpayers, employers, and consumers.

The Budget proposes to transition all pharmacy services for Medi-Cal managed care to a fee-for-service benefit. A fee-for-service pharmacy program will increase drug rebate savings and help the state secure better prices by allowing California to negotiate with pharmaceutical manufacturers on behalf of a much larger population of Medi-Cal beneficiaries. Such a standardized drug benefit will reduce confusion among beneficiaries without sacrificing quality or outcomes. This proposal is estimated to result in hundreds of millions of dollars in annual savings starting in fiscal year 2021-22.

In addition, to leverage its purchasing power and achieve lower prices for taxpayers, employers, and consumers across the state, the Administration will strengthen the existing California Pharmaceutical Collaborative to obtain lower prices for drugs purchased directly or indirectly by the state, excluding the Medi-Cal program. The Administration will also seek legislative changes to create a bulk purchasing prescription drug program to be accessed by public and private payers alike. Together, these efforts will make the state a single purchaser for prescription drugs and allow Californians to obtain necessary drugs at a much lower cost.

## **INVESTING IN PREVENTION TO IMPROVE HEALTH OUTCOMES AND REDUCE COSTS**

A large share of Medi-Cal spending occurs in the first year or last year of life, or among enrollees with serious mental illness, hypertension, and diabetes. To better meet the needs of Medi-Cal enrollees and reduce costs, the Budget includes investments to increase prevention, better address the social determinants of health, and improve the availability of care.

- To strengthen preventive services and better address the social determinants of health, the Budget includes \$60 million (\$30 million Proposition 56 funds) to provide early developmental screenings for children and \$45 million (\$22.5 million Proposition 56 funds) for adverse childhood experiences (ACEs) screenings for children and adults in the Medi-Cal program. The Budget also includes funding for home visiting programs and for other services to meet the needs of children and their parents. In addition, the Budget increases CalWORKs grants for the state's lowest income families so parents can better meet their children's needs

for safe housing, food and other basic needs. See the Early Childhood chapter for more information.

- To increase the availability of care, including mental health, primary care, family planning services, and dental care, the Budget extends the supplemental payments to Medi-Cal providers and the increased funding for the family PACT program. The Budget also includes an additional \$50 million in Proposition 56 funds for family planning services in the Medi-Cal program.
- According to a 2015 analysis by the Department of Health Care Services, 5 percent of Medi-Cal beneficiaries account for 51 percent of costs, and the top 1 percent account for 27 percent of costs. To reduce costs and better manage the care of these high cost Medi-Cal enrollees, the Budget invests \$360 million (\$180 million in Proposition 56 funds) for a program that encourages Medi-Cal managed care providers to meet goals in critical areas, such as management of chronic disease and behavioral health integration. It also provides \$100 million for supportive housing and other supports through the Whole Person Care Pilot Program.

### **INCREASING SUBSIDIES AND EXPANDING COVERAGE**

California has been a national leader in the implementation of the Affordable Care Act (ACA). As a result, California's uninsured rate for non-elderly Californians dropped from 17.6 percent in 2012 to 10.4 percent in 2016 (a 40-percent reduction). To continue making progress in achieving universal coverage, the Budget proposes the following changes:

- Increase subsidies through Covered California for individuals with incomes between 250 and 400 percent of the federal poverty level, and expand subsidies to individuals with incomes between 400 and 600 percent of the federal poverty level to increase coverage and promote affordability. The increased subsidies will be funded by revenues generated by establishing a state individual mandate, modeled on the federal requirement enacted as part of the ACA, to obtain comprehensive health care coverage or pay a penalty. A recent study conducted by UC Berkeley and UCLA estimates that without state action, the uninsured rate will rise to 12.9 percent by 2023—a 24-percent increase from 2016. The proposed subsidies and state mandate will promote health care affordability, coverage, and use of preventative care, as well as decrease uncompensated care and county indigent health care costs. The Franchise Tax Board will implement the penalty and Covered California will administer the subsidies.

- Building upon the children's Medi-Cal expansion under Chapter 18, Statutes of 2015 (SB 75), the Budget includes \$260 million (\$196.5 million General Fund) to expand full-scope Medi-Cal coverage to eligible young adults aged 19 through 25 regardless of immigration status, starting no sooner than July 1, 2019. About 75 percent of these adults are currently in the Medi-Cal system, and are either receiving restricted-scope benefits or services under SB 75. This expansion will provide full-scope coverage to approximately 138,000 undocumented adults in the first year.

## MENTAL HEALTH

The state's mental health system includes services provided by both the state and counties—with services primarily provided in the community through county-run systems that have significant state and federal funding participation. Emerging challenges to this system include the state's growing homeless population (which has a high prevalence of mental illness); a growing need for mental health practitioners; and the need to continue to seek new, innovative approaches to intervene as early as possible when mental illness is detected, especially in young people.

In response to these issues, the Budget proposes additional funding across a number of program areas that will help address some of the state's most pressing mental health needs.

### MENTAL HEALTH WORKFORCE INVESTMENT

To help address the increasing need for public mental health practitioners, the Budget includes \$50 million General Fund to increase training opportunities for workforce programs. This additional funding for mental health workforce programs, administered by the Office of Statewide Health Planning and Development, will increase the number of providers focused on quality mental health care. To increase the effectiveness of this one-time funding, it is appropriate for universities, health clinics, and philanthropic organizations to contribute to this effort. Working together, this shared investment can provide a meaningful benefit to the entire public mental health system.

### EARLY PSYCHOSIS RESEARCH AND TREATMENT

Given the link between early treatment of psychosis and more successful outcomes, the Budget includes \$25 million General Fund to better detect and intervene when young people have had, or are at high risk of experiencing, psychosis. Specifically, these

one-time grant funds will be used for projects that demonstrate innovative approaches to detect and intervene when a young person has experienced a first episode of psychosis.

### **WHOLE PERSON CARE PILOT PROGRAMS**

In conjunction with its focus on homelessness, the Budget invests \$100 million General Fund for Whole Person Care Pilot Programs. These programs focus on coordinating health, behavioral health (mental health and substance use disorders), and social services, and this funding is expected to help provide additional supportive housing for people with mental illness. See the Homelessness chapter for more information.

### **EXPEDITE THE ALLOCATION OF NO PLACE LIKE HOME BOND FUNDING**

Voters approved the No Place Like Home \$2 billion bond program (to be repaid with Mental Health Services Act revenues) in the November 2018 election. These bonds will help provide supportive multifamily housing for individuals experiencing mental illness who are either homeless or at risk of homelessness. The Administration will accelerate No Place Like Home program awards and, combined with the additional tax credits and state investments included in the Budget (see the Housing and Local Government chapter), provide needed gap financing for developers to increase the production of affordable housing units.

### **CHANGES TO 1991 REALIGNMENT FUNDING FOR COUNTY MENTAL HEALTH**

As discussed in the Department of Social Services section below, the changes proposed to the counties' share of In-Home Supportive Services program costs result in additional 1991 Realignment funding for county mental health programs. The increase in revenues for county mental health programs in 2019-20 is estimated to be approximately \$70 million, for a total of \$84 million in growth funding for these programs.

---

## **DEPARTMENT OF HEALTH CARE SERVICES**

Medi-Cal, California's Medicaid program, is administered by the Department of Health Care Services. Medi-Cal is a public health care coverage program that provides comprehensive health care services at no or low cost for low-income individuals. The federal government mandates basic services be included in the program, including: physician services; family nurse practitioner services; nursing facility services; hospital inpatient and outpatient services; laboratory and radiology services; family planning; and early and periodic screening, diagnosis, and treatment services for

children. In addition to these mandatory services, the state provides optional benefits such as outpatient drugs, dental, home and community-based services, and medical equipment. The Department also operates the California Children's Services and the Primary and Rural Health programs, and oversees county-operated community mental health and substance use disorder programs.

The Medi-Cal Budget is \$98.5 billion (\$20.7 billion General Fund) in 2018-19 and \$100.7 billion (\$22.9 billion General Fund) in 2019-20. The Budget assumes that caseload will decrease approximately 1.19 percent from 2017-18 to 2018-19 and increase 0.39 percent from 2018-19 to 2019-20. Medi-Cal is projected to cover approximately 13.2 million Californians in 2019-20, including 3.8 million in the optional expansion population.

In 2019-20, the Budget reflects an 8.5-percent state share of cost for the optional expansion population. The Budget includes \$19.9 billion (\$2.2 billion General Fund) in 2019-20 for this population.

### **PROPOSITION 56**

Continuing efforts established in the 2018 Budget Act, the Budget includes \$3.2 billion (\$1.05 billion Proposition 56 funds) for supplemental payments and rate increases for physicians, dentists, family planning services, Intermediate Care Facilities for the Developmentally Disabled, HIV/AIDS waiver services, Home Health, pediatric day health services, and new investments. In addition to the new investments in value-based payments and developmental and ACEs screenings described in the Investing in Prevention to Improve Health Outcomes and Reduce Costs section above, the Budget includes an additional \$50 million Proposition 56 funds for family planning services in the Medi-Cal program. Given that certain family planning services are eligible for enhanced federal funding, this additional funding could result in up to \$500 million in additional payments for family planning.

Figure HHS-03 displays proposed Proposition 56 expenditures for 2019-20.

Figure HHS-03  
**Proposition 56 Expenditures**  
(Dollars in Millions)

Investment Category	Department	Program	2019-20 Governor's Budget
Enforcement	Department of Justice	Local Law Enforcement Grants	\$26.0
	Department of Justice	Distribution and Retail Sale Enforcement	\$6.9
	Department of Tax & Fee Administration	Distribution and Retail Sales Tax Enforcement	\$4.5
	Department of Public Health	Law Enforcement	\$5.3
Education, Prevention, and Research	University of California	Cigarette and Tobacco Products Surtax Medical Research Program	\$58.6
	University of California	Graduate Medical Education	\$36.5
	Department of Public Health	State Dental Program	\$28.8
	Department of Public Health	Tobacco Prevention and Control	\$137.0
	State Department of Education	School Programs	\$24.2
	Health Care	Department of Health Care Services	Health Care Treatment
Administration and Oversight	State Auditor	Financial Audits	\$0.4
	Department of Tax & Fee Administration	Sales and Use Tax	\$1.0
Revenue Backfills	Proposition 99, Breast Cancer Research Fund, Proposition 10, and General Fund		\$69.7
Total			\$1,452.5

Other Significant Adjustments:

- Current Year—The Budget assumes decreased expenditures in the Medi-Cal program of approximately \$2.3 billion General Fund compared to the 2018 Budget Act. Unlike most programs, Medi-Cal operates on a cash, rather than an accrual, basis of accounting. This means that the timing of transactions can significantly disrupt fiscal year budgetary estimates. Approximately 30 percent of the current year decrease results from the Hospital Quality Assurance Fee and drug rebate timing. Another one-third of the estimated decrease is attributable to one-time

reconciliations for activity in several prior fiscal years—specifically, lower payments for deferred claims to the federal government and higher withhold payments to skilled nursing facilities. Over half of the remaining variance is due to updated data, including lower-than-expected managed care costs and ACA optional expansion caseload, as well as higher-than-expected drug rebate savings.

- **Medi-Cal Estimate Improvement**—To address estimating challenges presented by cash-basis accounting and other Medi-Cal financing complexities, the Budget includes \$3.8 million (\$1.8 million General Fund) to strengthen fiscal forecasting of the Medi-Cal and Family Health estimates and to improve the oversight and monitoring of Medi-Cal program expenditures. Additionally, the Budget proposes the creation of the Medi-Cal Drug Rebate Fund as a fiscal management tool that will help alleviate the General Fund volatility resulting from pharmacy rebates.
- **Full-Scope Medi-Cal Expansion for Undocumented Adults**—The Budget expands full-scope Medi-Cal coverage to undocumented adults aged 19 through 25 in 2019-20. As the state takes on responsibility for providing care to these newly eligible individuals, county costs and responsibilities are expected to decrease. To reflect this shift, starting in 2019-20, the Budget assumes changes to the AB 85 redirection amounts for the County Medical Service Program Board's and certain other counties' indigent care realignment revenue. These adjustments will result in the availability of additional realignment funds to offset General Fund costs in CalWORKs. Net costs after accounting for the associated In-Home Supportive Services benefits and the revised AB 85 redirection amount are approximately \$133.5 million General Fund. See the Increasing Subsidies and Expanding Coverage section for more information.
- **Medi-Cal County Administration**—The Budget includes \$2.1 billion (\$723.6 million General Fund) in 2019-20 for county eligibility determination activities, an increase of \$53 million over the 2018-19 level of funding based on growth in the California Consumer Price Index (2.63 percent).

---

## DEPARTMENT OF SOCIAL SERVICES

The Department of Social Services (DSS) serves, aids, and protects needy and vulnerable children and adults in ways that strengthen and preserve families, encourage personal responsibility, and foster independence. The Department's major programs include CalWORKs, CalFresh, In-Home Supportive Services (IHSS), Supplemental Security Income/State Supplementary Payment (SSI/SSP), Child Welfare

Services, Community Care Licensing, and Disability Determination. The Budget includes \$26.2 billion (\$9.5 billion General Fund) for DSS in 2019-20.

### **IN-HOME SUPPORTIVE SERVICES**

The IHSS program provides domestic and related services such as housework, transportation, and personal care services to eligible low-income aged, blind, and disabled persons. These services are provided to help individuals remain safely in their homes and prevent more costly institutionalization. The Budget includes \$12.7 billion (\$4.3 billion General Fund) for the IHSS program in 2019-20, a 15.2-percent increase in General Fund costs over the revised 2018-19 level. Average monthly caseload in this program is estimated to be 564,000 recipients in 2019-20, a 4.5-percent increase compared to the revised 2018-19 projection.

Significant Adjustments:

- **Restoration of the 7-Percent Across-the-Board Service Hours Reduction**—Due to enactment of the managed care organization tax, the 7-percent across-the-board reduction in IHSS service hours was restored for the duration of the managed care organization tax. Under current law, the managed care organization tax will expire on July 1, 2019. While the Budget does not assume an extension of the tax, it does propose to restore the 7-percent reduction effective July 1, 2019. The cost to restore the 7-percent reduction is estimated to be \$342.3 million General Fund in 2019-20. This will protect services for vulnerable individuals served by IHSS.
- **Revised County IHSS Maintenance-of-Effort**—A new Maintenance-of-Effort (MOE) was negotiated in 2017, which reset the base for counties' share of program costs and applies an annual inflation factor to the MOE beginning in 2018-19 under specified conditions. The MOE provides fiscal relief to counties for IHSS program costs through a combination of General Fund offsets and temporary redirection of 1991 Realignment growth funds from county indigent health and mental health services to fund a portion of county IHSS costs. The Budget proposes to adjust the IHSS MOE inflation factor, redirect 1991 Realignment back to county indigent health and mental health services, and reduce counties' IHSS MOE to \$1.56 billion, thereby increasing General Fund costs by \$241.7 million in 2019-20. A 4-percent annual inflation factor will be applied to the MOE beginning in 2020-21. This action reflects a

recognition that the state and federal government have taken actions that increase IHSS costs beyond available 1991 Realignment revenues for this program.

- **IHSS County Administration**—The Budget includes an ongoing increase of \$15.4 million General Fund for IHSS county administration to reflect revised benefit rate assumptions, for a total of \$326 million General Fund for IHSS county administration.
- **Electronic Visit Verification**—Federal law requires states to implement an electronic visit verification system for personal care services by January 1, 2020, and for home health care services by January 1, 2023. Failure to comply with the electronic visit verification requirement would result in an escalating fiscal penalty in the form of a percentage point reduction in federal matching funds. To comply with federal law, the Budget includes \$34.9 million (\$5.3 million General Fund) to implement an electronic visit verification solution and enhancements to the Case Management, Information and Payrolling System for personal care services.
- **Full-Scope Medi-Cal Expansion for Undocumented Adults**—The Budget proposes to expand full-scope Medi-Cal coverage to undocumented adults aged 19 through 25, resulting in costs of \$2.2 million General Fund to the IHSS program in 2019-20. For more information, see the Increasing Subsidies and Expanding Coverage section above.

## **CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CALWORKS)**

The CalWORKs program, California's version of the federal Temporary Assistance for Needy Families (TANF) program, provides temporary cash assistance to low-income families with children to meet basic needs. It also provides welfare-to-work services so that families may become self-sufficient. Eligibility requirements and benefit levels are established by the state. Counties have flexibility in program design, services, and funding to meet local needs.

Total TANF expenditures are \$8 billion (State, Local, and Federal Funds) in 2019-20. The amount budgeted includes \$5.5 billion for CalWORKs program expenditures and \$2.5 billion in other programs. These programs include expenditures for Cal Grants, Department of Education child care, Child Welfare Services, Foster Care, Department of Developmental Services programs, the Statewide Automated Welfare System, the Work Incentive Nutritional Supplement system, California Community Colleges Child Care and Education services, and the Department of Child Support Services. The monthly average CalWORKs caseload is estimated to be approximately 371,000

families in 2019-20, an 8.9-percent decrease from the 2018 Budget Act projection. Due largely to an improving economy, caseload has decreased every year from a recent peak of 587,000 in 2010-11.

### Significant Adjustments:

- **CalWORKs Grant Increase**—The Budget includes \$347.6 million General Fund in 2019-20 to raise grant levels to 50 percent of the projected 2019 federal poverty level, effective October 1, 2019. Full-year costs of the proposed grant increase are estimated to be \$455.4 million. As a result, the maximum grant level for an assistance unit of three will increase from \$785 to \$888 per month. See the Early Childhood chapter for additional information.
- **Home Visiting Services**—The Budget includes \$78.9 million to provide home visiting services to an anticipated 16,000 eligible CalWORKs families in 2019-20. Approximately 15,000 cases are estimated to be served on an annual basis beginning in 2020-21. See the Early Childhood chapter for additional information.
- **Single Allocation Methodology**—The Budget includes a one-time augmentation of \$93.6 million for the county single allocation. The Administration will continue to work with representatives of counties and county welfare directors to develop recommendations for revising the single allocation budgeting methodology for the Employment Services component as part of the May Revision.
- **County Indigent Health Savings**—The Budget reflects \$617.7 million in projected county indigent health savings in 2019-20 to offset General Fund costs in the CalWORKs program, a decrease of \$155.5 million from 2018-19. This decrease is more than offset by additional indigent health savings (based on the latest reconciliation) of \$315 million available from 2016-17.
- **Safety Net Reserve Increase**—The Budget increases the Safety Net Reserve Fund by \$700 million, bringing the total amount in the fund to \$900 million. These funds will be available for CalWORKs and Medi-Cal services and benefits during an economic downturn.

### **SUPPLEMENTAL SECURITY INCOME (SSI)/STATE SUPPLEMENTARY PAYMENT (SSP)**

The federal SSI program provides a monthly cash benefit to aged, blind, and disabled persons who meet the program's income and resource requirements. In California, the SSI payment is augmented with an SSP grant. These cash grants assist recipients with basic needs and living expenses. The federal Social Security Administration administers the SSI/SSP program, making eligibility determinations, computing grants, and issuing

combined monthly checks to recipients. The state-only Cash Assistance Program for Immigrants (CAPI) provides monthly cash benefits to aged, blind, and disabled legal noncitizens who are ineligible for SSI/SSP due solely to their immigration status.

The Budget includes \$2.75 billion General Fund for the SSI/SSP program. This represents a 0.5-percent decrease from the revised 2018-19 budget. The average monthly caseload in this program is estimated to be 1.22 million recipients in 2019-20, a 1.2-percent decrease from the 2018-19 projection. The SSI/SSP caseload consists of 70 percent disabled persons, 28.8 percent aged, and 1.2 percent blind.

Effective January 2019, the maximum SSI/SSP grant levels are \$931 per month for individuals and \$1,564 per month for couples. The federal cost of living adjustments based on the current Consumer Price Index growth factors are 2.8 percent for 2019 and a projected 2.5 percent for 2020. As a result, the maximum SSI/SSP monthly grant levels will increase by approximately \$19 and \$29 for individuals and couples, respectively, effective January 2020. CAPI benefits are equivalent to SSI/SSP benefits, less \$10 per month for individuals and \$20 per month for couples. Beginning June 1, 2019, due to the SSI Cash-Out Reversal, CAPI benefits will be equivalent to SSI/SSP payment standards.

#### Significant Adjustments:

- **Elimination of SSI Cash-Out Policy**—Last year's budget made SSI recipients eligible for federal CalFresh benefits and provided one-time funding to offset any reduction in benefits due to this policy change. The Budget includes \$86.7 million General Fund in 2019-20 and makes permanent the offset of the loss of food benefits for households that would otherwise experience a reduction resulting from the elimination of the SSI Cash-Out policy.
- **SSI Advocacy**—The Budget proposes an annual appropriation of \$25 million General Fund beginning in 2019-20 for the Housing and Disability Advocacy Program. For more information on SSI Advocacy, refer to the Homelessness chapter.

## CHILDREN'S PROGRAMS

Child Welfare Services include family support and maltreatment prevention services, child protective services, foster care services, and adoptions. California's child welfare system provides a continuum of services to children who are either at risk of or have suffered abuse and neglect. Program success is measured in terms of improving the safety, permanence, and well-being of children and families served. The Budget includes \$463.8 million General Fund in 2019-20 for services to children and families

under these programs, an increase of \$25.2 million General Fund, or 5.7 percent, over the 2018 Budget Act. When federal and 1991 and 2011 Realignment funds are included, total funding for children's programs amounts to \$5.6 billion in 2019-20.

In 2017, California began implementation of the Continuum of Care Reform (CCR), as enacted in Chapter 773, Statutes of 2015 (AB 403). The reforms emphasize home-based family care; improve children's access to services without having to change out-of-home placements to get those services; and increase the role of children, youth and families in assessment and case planning. The reforms also provide for greater coordination of child welfare and mental health services.

Significant Adjustment:

- Continuum of Care Reform—The Budget includes \$416.9 million (\$301.7 million General Fund) to continue implementation of CCR. This funding reflects ongoing support for child and family teams, approval of resource families, and continued emphasis of home-based, family care placements with supportive services rather than group home care placements for children in foster care. Although significant progress has been made with the transition of youth in foster care from group homes to Short-Term Residential Therapeutic Programs beginning January 1, 2017, assumptions on caseload movement were revised to more accurately reflect the pace of implementation.

### IMMIGRATION SERVICES

The Department of Social Services funds qualified nonprofit organizations to provide legal services to immigrants who reside in California via the Unaccompanied Undocumented Minors and Immigration Services Funding programs. The Budget includes \$75 million in 2019-20 and annually thereafter for immigration-related services, which maintains the funding levels included in the 2018 Budget Act, with the exception of the University of California funding, which will receive \$1.3 million General Fund ongoing beginning in 2022-23. The University of California's one-time funding in the 2018 Budget Act is sufficient to support the University's legal services program through the 2021-22 fiscal year.

Approximately 2,500 unaccompanied undocumented minors have been assisted since 2015 when the Department began administering the program, and more than 90 organizations have received resources to provide immigration-related services. Services include assisting applicants seeking Deferred Action for Childhood Arrivals; assisting applicants seeking naturalization; assisting applicants seeking other immigration

remedies; legal training and technical assistance services; education and outreach activities; and assisting individuals with removal defense.

Additionally, the Budget includes \$20 million General Fund to establish an Immigration Rapid Response Program. These funds will be available over a three-year period to assist qualified community-based organizations and nonprofit entities in providing services during immigration or human trafficking emergency situations when federal funding is not available. These funds will also be available to support the redirection of state-level staff who directly assist in response efforts. The Budget also includes one-time funding of \$5 million General Fund to address immigration-related emergencies that occur during the 2018-19 fiscal year.

### **OTHER SIGNIFICANT ADJUSTMENTS**

- **California Statewide Automated Welfare System (CalSAWS)**—As a condition of federal financial participation, the federal government requires the state to create a single SAWS by 2023. The current SAWS consists of three separate county-administered systems: the Consortium-IV system, the Los Angeles County LEADER Replacement System, and the CalWORKs Information Network system. The state will integrate all three into one system, known as CalSAWS. The Budget includes \$148.2 million (\$31.2 million General Fund) in 2019-20 to design, develop, and implement CalSAWS.
- **The CalFood Program and Food Bank Capacity Improvements**—The Budget continues to provide \$8 million General Fund for the CalFood program. In addition, the Budget includes one-time \$20 million General Fund in 2019-20 to support infrastructure needs of California food banks' emergency food delivery system, including capital investments needed to support food collection, storage, and distribution.

---

## **DEPARTMENT OF DEVELOPMENTAL SERVICES**

The Department of Developmental Services provides individuals with developmental disabilities a variety of services that allow them to live and work independently or in supported environments. California is the only state that provides services to individuals with developmental disabilities as an entitlement. The Budget includes \$7.8 billion (\$4.8 billion General Fund) and estimates that approximately 350,000 individuals will receive developmental services by the end of 2019-20.

### STATE-OPERATED FACILITIES

In 2015, the state announced the planned closure of the three remaining developmental centers: Sonoma, Fairview, and the general treatment area of Porterville. As residents transition out of the developmental centers and into the community, the Department estimates the developmental center population will reach 323 residents by July 1, 2019, and will decrease to 292 residents by June 30, 2020. After these closures, the Department will continue operating the secure treatment program at Porterville, the Canyon Springs community facility, and state-operated acute crisis facilities in Northern and Southern California. In recognition of the closure of developmental centers and the increased need for acute crisis and mobile crisis services in the community, the Budget includes \$5.3 million (\$4.8 million General Fund) to expand these crisis services to the Central Valley.

### COMMUNITY SERVICES

The developmental center closures require the Department to strengthen its focus on community services. In support of this effort, the Budget includes \$8.1 million (\$6.5 million General Fund) for a reorganization of departmental headquarters, which will lead to increased oversight of regional centers and provider operations as well as enhanced program compliance.

An additional focus on community services and associated reforms is expected given a statutorily required developmental services rate study that is due in March 2019. Discussions regarding rates must be done in conjunction with transparency and accountability reforms.

Other Significant Adjustments:

- **Specialized Caseload Ratios**—The Budget includes \$5.4 million (\$3.7 million General Fund) to establish a reduced regional center caseworker caseload ratio for consumers with specialized medical and behavioral needs.
- **Development of Community Crisis Homes for Children**—The Budget includes \$4.5 million General Fund one-time to expand the development of community crisis housing specifically for children.
- **Specialized Home Monitoring**—The Budget includes \$3.8 million (\$2.6 million General Fund) for the increased monitoring of Enhanced Behavioral Support Homes and Community Crisis Homes. This will result in reduced caseload ratios for regional centers for these particular models.

- **Best Buddies**—The Budget includes \$1.5 million General Fund to support social inclusion, integrated employment, and leadership program services for children and adults with developmental disabilities, which will include a report of the number of persons served annually with these funds. The Administration notes that additional integrated employment opportunities for persons with developmental disabilities should be provided within state government, including constitutional officers and the Legislature.

## DEPARTMENT OF STATE HOSPITALS

The Department of State Hospitals administers the state mental health hospital system, the Forensic Conditional Release Program, the Sex Offender Commitment Program, and the evaluation and treatment of judicially and civilly committed patients. The Budget includes \$2 billion (\$1.8 billion General Fund) in 2019-20 for support of the Department. The patient population is expected to reach 6,722 by the end of 2019-20.

### INCOMPETENT TO STAND TRIAL ADMISSIONS (IST)

The Department continues to experience a significant number of IST commitments—who are referred from local courts—awaiting admission to the state hospital system. Although the rate of increase the Department has experienced in recent years has slowed, the number of ISTs pending placement into the state hospital system remains high, and was above 800 individuals in December 2018.

To help address this need, the Budget includes \$18.6 million General Fund and 119.3 positions for the second phase of the Metropolitan State Hospital's secured treatment area expansion. When completed in 2019, it will provide a total of 236 additional secured forensic beds for the treatment of ISTs at the Metropolitan State Hospital. Furthermore, the Budget includes \$12.3 million General Fund to allow the Department to contract for up to 74 additional jail-based competency restoration treatment beds through the county jail treatment programs. These efforts are intended to reduce the pending placement time for ISTs and the waitlist.

### MISSION-BASED REVIEW: CLINICAL STAFFING STUDY

In 2013, the Department initiated a Clinical Staffing Study to develop a data-centered approach to standardize staffing at the five state hospitals in four high-priority areas: Hospital Forensic Departments, 24-Hour Care Nursing Services, Protective Services, and Treatment Planning and Delivery.

The study was driven by significant changes in the patient population in recent decades. In 1995, patients committed through the criminal court system comprised approximately 65 percent of the 4,000 State Hospital patients. Today, these forensically committed patients represent over 90 percent of the population. As part of the Mission-Based Review process, the Department of Finance and the Department of State Hospitals have completed a comprehensive evaluation of two of these staffing studies, Hospital Forensic Departments and 24-Hour Care Nursing Services. Based on that evaluation, the Budget includes \$24.9 million and 168.3 positions for the following:

- **Direct Care Nursing**—The Budget includes \$15 million General Fund and 117.3 positions for the first year of a three-year phase-in to staff 128 medication rooms and to provide nighttime nursing supervisors in units across the five state hospitals. This will increase the number of direct-care nursing staffing in these units in an effort to reduce patient violence, staff injuries, and staff turnover and absenteeism.
- **Court Evaluations and Reports**—The Budget includes \$8.1 million General Fund and 43 positions for the first year of a three-year phase-in of additional staff dedicated to forensic evaluations, court reports, court testimony, court report coordination, neuropsychological assessments, and treatment. The forensic workload has grown to over 11,000 evaluations and reports annually. The Budget proposes dedicated staffing and a standardized approach to this specialized forensic workload at all five hospitals. Utilizing specialists, evaluations and court reports will be more consistent statewide, and will provide separation between a patient's treating clinician and the individual testifying on behalf of the state hospital in court. In addition, the additional staff will reduce the amount of time that treating clinicians spend in court, allowing them to focus on patient treatment.
- **Workforce Development**—The Budget includes \$1.8 million and 8 positions to both expand partnerships with community colleges to increase capacity in existing Psychiatric Technician training programs and to establish a Forensic Psychiatry Residency program at Napa State Hospital. Individuals participating in the residency program will provide treatment, reducing the need for contract services. Historically, many participants in similar programs are retained after the program is completed.

### Significant Adjustment:

- **Patient-Driven Operating Expenses**—The Budget includes \$10.5 million General Fund for increased patient-driven operating expenses and equipment costs, such as pharmaceuticals, outside medical costs, and food. In addition, the Budget includes

a standardized estimate methodology for determining State Hospital patient operating expenses and equipment needs, to be applied beginning in 2019-20.

## DEPARTMENT OF PUBLIC HEALTH

The Department of Public Health is charged with protecting and promoting the health and well-being of the people of California. The Budget includes \$3.2 billion (\$183.7 million General Fund) in 2019-20 for the Department.

### LICENSING

Among its many programs, the Department regulates many types of health care facilities and entities in the state. Currently, the Department contracts with the Los Angeles County Department of Public Health to regulate certain health care entities located in Los Angeles County. In an effort to better reflect this licensing workload, the Budget includes an additional \$17.2 million Licensing and Certification Fund to begin implementation of a new, expanded contract with Los Angeles County. This brings the full 2019-20 cost of the contract with Los Angeles to \$65.5 million. The new contract will reflect a focus on quantity, quality, and customer service and a shift toward Los Angeles County conducting all regulatory work within the county. To reflect the higher cost of doing business in Los Angeles County, the Department began assessing and applying a supplemental fee to its regulated health care entities located in Los Angeles County beginning in 2018-19.

Other Significant Adjustments:

- **Alzheimer's Disease Program Grant Awards and Governor's Task Force on Brain Health**—The Budget includes an additional \$3 million General Fund on an ongoing basis for the Alzheimer's Disease Program to support research grants. Given that Alzheimer's occurs in higher rates for women and communities of color, the new grants will focus on research to understand the greater prevalence of Alzheimer's among these groups. The funding will also support the creation and implementation of the Governor's Task Force on Brain Health
- **Sexually Transmitted Diseases Prevention**—The Budget includes \$2 million General Fund for additional funding to local health jurisdictions for the prevention of sexually transmitted diseases.

- Home Visiting and Black Infant Health—The Budget includes \$30.5 million General Fund to expand the California Home Visiting and Black Infant Health programs as referenced in the Early Childhood chapter.

---

### **2011 REALIGNMENT FUNDING**

To provide services more efficiently and effectively, 2011 Realignment shifted responsibility and dedicated funding for public safety services to local governments. In addition, community mental health programs previously funded in 1991 Realignment are now funded primarily by revenue dedicated for 2011 Realignment.

Figure HHS-04 identifies the programs and funding for 2011 Realignment, which are funded through two sources: a state special fund sales tax rate of 1.0625 percent totaling \$7.7 billion, and \$731.3 million in Vehicle License Fees. These funds are deposited into the Local Revenue Fund 2011 for allocation to the counties and are constitutionally guaranteed for the purposes of 2011 Realignment.

Figure HHS-04  
**2011 Realignment Estimate at 2019-20 Governor's Budget**  
(Dollars in Millions)

	2017-18	2017-18 Growth	2018-19	2018-19 Growth	2019-20	2019-20 Growth
<b>Law Enforcement Services</b>	<b>\$2,467.2</b>		<b>\$2,560.8</b>		<b>\$2,697.1</b>	
Trial Court Security Subaccount	550.3	\$9.4	559.7	\$13.6	573.3	\$12.5
Enhancing Law Enforcement Activities Subaccount <sup>1/</sup>	489.9	192.8	489.9	228.1	489.9	241.4
Community Corrections Subaccount	1,241.1	70.1	1,311.2	102.3	1,413.5	93.6
District Attorney and Public Defender Subaccount	33.2	4.7	37.9	6.8	44.7	6.2
Juvenile Justice Subaccount	152.7	9.4	162.1	13.6	175.7	12.5
Youthful Offender Block Grant Special Account	(144.3)	(8.9)	(153.1)	(12.8)	(166.0)	(11.8)
Juvenile Reentry Grant Special Account	(8.4)	(0.5)	(8.9)	(0.8)	(9.7)	(0.7)
<b>Growth, Law Enforcement Services</b>		<b>286.4</b>		<b>364.4</b>		<b>366.2</b>
<b>Mental Health<sup>2/</sup></b>	<b>1,120.6</b>	8.7	<b>1,120.6</b>	12.7	<b>1,120.6</b>	11.6
<b>Support Services</b>	<b>3,591.7</b>		<b>3,756.7</b>		<b>3,997.5</b>	
Protective Services Subaccount	2,258.0	78.1	2,336.2	114.0	2,450.2	104.3
Behavioral Health Subaccount	1,333.7	86.8	1,420.5	126.7	1,547.3	115.9
Women and Children's Residential Treatment Services	(5.1)	-	(5.1)	-	(5.1)	-
<b>Growth, Support Services</b>		<b>173.6</b>		<b>253.4</b>		<b>231.8</b>
<b>Account Total and Growth</b>	<b>\$7,639.5</b>		<b>\$8,055.9</b>		<b>\$8,413.2</b>	
<b>Revenue</b>						
1.0625% Sales Tax	6,956.8		7,337.9		7,681.9	
Motor Vehicle License Fee	682.7		718.0		731.3	
<b>Revenue Total</b>	<b>\$7,639.5</b>		<b>\$8,055.9</b>		<b>\$8,413.2</b>	

This chart reflects estimates of the 2011 Realignment subaccount and growth allocations based on current revenue forecasts and in accordance with the formulas outlined in Chapter 40, Statutes of 2012 (SB 1020).

<sup>1/</sup> Base Allocation is capped at \$489.9 million. Growth does not add to the base.

<sup>2/</sup> Base Allocation is capped at \$1,120.6 million. Growth does not add to the base.

## OTHER HEALTH AND HUMAN SERVICES

The Budget also includes the following significant adjustments:

- **Health Care Workforce Investment**—The 2017 Budget Act included \$100 million over three years to support health care workforce initiatives at the Office of Statewide Health Planning and Development. The funding encourages universities and primary care health professionals to provide health care in medically underserved areas by providing financial support to a variety of medical education programs throughout California. As of December 2018, the allocations have supported 557 first-year

residents in existing residency programs and 72 first-year residents in new residency programs created as a result of this funding. The Budget builds on this initial investment through continued support of these programs with \$33 million General Fund ongoing beginning in 2020-21. The Budget also includes funding for an increased focus on the mental health workforce, as described earlier in the Mental Health section.

- **Mission-Based Review: Vocational Rehabilitation Program**—The Budget includes an increase of \$5 million General Fund in 2019-20 for the Vocational Rehabilitation program at the Department of Rehabilitation. Additional resources are needed to raise uniform fee-for-service rates for community rehabilitation program providers by 10 percent and adjust rates with a wage component to account for state minimum wage increases. These increases will prevent further reductions in service providers for consumers of the Vocational Rehabilitation program. Up to \$1.5 million will support information technology upgrades for the Department's offices and counselors throughout the state to achieve efficiencies and improve consumer support.
- **Traumatic Brain Injury Program**—The Budget includes \$1.2 million General Fund in 2019-20 for the Department of Rehabilitation's Traumatic Brain Injury program, which provides specialized services and supports through local entities to individuals who have suffered a traumatic brain injury. This program has been extended through 2023-24 pursuant to Chapter 402, Statutes of 2018 (SB 398). The program has historically been funded by the State Penalty Fund, which has experienced a significant decline in revenues in the past decade. As a result, the Traumatic Brain Injury program received only \$800,000 in State Penalty Fund revenues in 2018-19. The Budget restores funding to historical levels and provides a dedicated and sustainable funding source through 2023-24.

# HOMELESSNESS

Homelessness in California is no longer confined to urban corridors. It pervades both urban and rural communities across the state and puts stress on local resources, from emergency rooms to mental health and social services programs to jails. Recent federal data estimates the state's homeless population at 134,278 in 2017—25 percent of the nation's homeless population. While national homelessness has decreased by 13 percent since 2010, homelessness in California has increased by 9 percent in the same period.

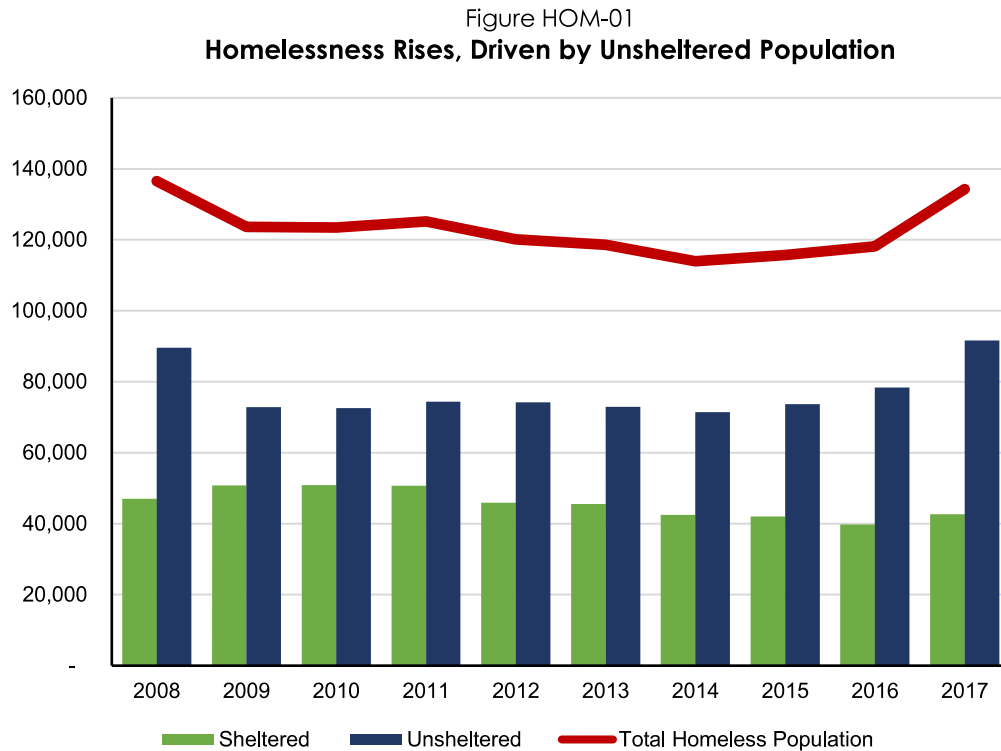
Though the number of sheltered individuals has remained relatively constant in recent years, changes in the unsheltered population drive swings in total population (see Figure HOM-01).

The state's homeless count includes individuals from vulnerable populations—the largest being severely mentally ill (26 percent), followed by victims of domestic violence (24 percent), youth (13 percent), and veterans (9 percent). These statistics highlight the importance of providing shelter as well as connecting people with necessary support services to address underlying problems that are often exacerbated by living on the streets.

---

## RECENT STATE INVESTMENTS

To date, the state has addressed homelessness in two main areas.



## PERMANENT SUPPORTIVE HOUSING

The state provides grants and loans in various programs to construct affordable housing for extremely low-income households, including supportive housing for the most vulnerable populations. For example:

- The Veterans Housing and Homelessness Prevention Act, which repurposed general obligation bonds totaling \$600 million to provide supportive housing for veterans. To date, \$314 million has been awarded, creating 2,463 supportive units.
- The No Place Like Home Act, which dedicates \$2 billion in bond funding to provide supportive multifamily housing for individuals experiencing mental illness who are homeless or at risk of homelessness.
- The Veterans and Affordable Housing Bond Act (Chapter 365, Statutes of 2017, SB 3), which provides \$4 billion for various programs, of which \$1.5 billion is available for the Multifamily Housing Program that can be used for supportive housing development.

The No Place Like Home Act and SB 3 bonds were approved by voters in November 2018 and funds have not yet been awarded. The Administration will accelerate awards for qualifying projects.

## TEMPORARY HOUSING

The state also supports short-term housing operations, such as emergency shelters and navigation centers. Recent investments include the \$500 million Homeless Emergency Aid Program and \$123 million of SB 2 (Chapter 364, Statutes of 2017) revenues.

While these efforts will help, more housing is required to begin to significantly address the state's homelessness problem. The shortage of affordable housing units is one of the major contributing factors to the increasing number of homeless in the state.

As discussed in the Housing and Local Government chapter, housing and, as an extension, homelessness are fundamentally local government responsibilities. Cities are responsible for the zoning and siting of housing, and counties are responsible for linking homeless individuals to health and social services. However, as evidenced by the growing number of homeless persons, homelessness is a statewide problem and requires a multi-pronged approach, starting with better planning to provide access to shelter and associated services with the goal of moving individuals into permanent housing solutions.

---

## RESPONDING TO HOMELESSNESS

The Budget includes \$500 million General Fund one-time for jurisdictions that site and build emergency shelters, navigation centers, or supportive housing.

### REGIONAL PLANNING—\$300 MILLION

Jurisdictions that establish joint regional plans to address homelessness will be eligible for funding. The Business, Consumer Services and Housing Agency will distribute funds through federally designated areas (\$200 million) and the eleven most populous cities in the state (\$100 million). Plans must include regional coordination between counties and cities and report all funds currently being used to provide housing and services to the homeless population in their regions (including but not limited to Mental Health Services Act funds, Realignment funds, and dedicated city and county funds). Funds must be spent on expanding or developing shelters and navigation centers.

### MEETING MILESTONES—\$200 MILLION

Jurisdictions that show progress toward developing housing and shelters, including permitting new supportive housing units or constructing emergency shelters and navigation centers, will be eligible to receive additional funds for general purposes.

## **STREAMLINING CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

The Administration will propose legislation to accelerate the construction of homeless shelters, navigation centers and new supportive housing units by allowing for a streamlined CEQA process with accelerated judicial review of challenges to an Environmental Impact Report. This is similar to the process outlined in Chapter 354, Statutes of 2011 (AB 900), and recent bills providing streamlined environmental reviews for sports stadiums.

## **AIRSPACE**

The Administration will also develop a statewide policy for use of Department of Transportation (Caltrans) airspace for emergency shelters. Airspace is land located within the state's highway right-of-way limits used for non-transportation purposes. This expands on 2018 legislation allowing for up to 30 parcels to be used for emergency shelters in Oakland, San Jose, and Los Angeles, and additional parcels in San Diego and Stockton.

## **SUPPLEMENTAL SECURITY INCOME (SSI) ADVOCACY**

Providing safe shelter for homeless populations coupled with housing supports generally leads to more positive outcomes than either on its own. Studies have shown that affordable housing combined with health and social services supports result in declines in the use of medical and other local services as well as in incarceration.

Many of the chronically homeless are eligible for federal SSI due to their disabling conditions, but the process for applying can be lengthy and difficult to complete. The Housing and Disability Advocacy Program (HDAP) was established as a county match program to assist homeless, disabled individuals with applying for disability benefit programs, while also providing housing supports. The program includes outreach, case management, benefits advocacy, and housing supports to all program participants. Participating counties are required to match any state funds on a dollar-for-dollar basis. The 2017 Budget Act included one-time funding of \$45 million General Fund, available over three years, for this program. The Budget proposes an annual appropriation of \$25 million General Fund beginning in 2019-20 to continue this program.

## **WHOLE PERSON CARE PILOT PROGRAMS**

The Budget invests \$100 million General Fund (one-time with multi-year spending authority) for Whole Person Care Pilot programs that provide housing services.

The Whole Person Care Pilot program coordinates health, behavioral health (including mental health and substance use disorder services), and social services, as applicable, in a patient-centered manner with the goal of improved beneficiary health and well-being. Many of these pilot programs target individuals who are experiencing homelessness, or who are at risk of homelessness, and have a demonstrated medical need for housing and/or supportive services. The Department of Health Care Services will develop a funding allocation methodology for this augmentation that considers various factors, such as prevalence of homelessness, cost of living, and performance. This funding will be used to match local county investments in health and housing services with a focus on the homeless mentally ill population.

This page intentionally blank to facilitate double-sided printing.

# HOUSING AND LOCAL GOVERNMENT

California is in the midst of a housing crisis due to decades of historical underproduction of supply when compared to demand. Of the estimated 200,000 units of housing that are needed annually merely to keep up with population growth, only 113,000 units were permitted in 2017. Since 2007, fewer than 750,000 units were permitted, accounting for only 40 percent of the projected need.

Affordability is no longer a problem unique to the state's major urban centers. Throughout the state, renters struggle to pay for housing, often doing so at the expense of other basic needs such as food, health care, and transportation. While California's median income has just recently surpassed pre-recession levels, median rent has continued to rise. Statewide, half of all renters are rent-burdened, meaning more than 30 percent of their income goes to housing, and nearly a third of all renters are severely rent-burdened, with more than half of their income going to housing. Over 80 percent of low-income renters in the state are rent-burdened.

The amount of income paid toward housing, and the uncertainty of future housing costs, has broad impacts on the overall quality of life for California families. Additionally, a lack of affordable housing directly contributes to the increased homelessness seen across the state. More must be done to increase housing production across the state to ease this crisis and give more Californians the opportunity to become economically secure through reduced housing costs, and achieve the dream of homeownership.

---

## **BARRIERS TO BUILDING**

Local governments have a key role in ensuring the building of adequate numbers of housing units to meet local needs. They have primary control over land use and housing-related decisions and enact policies that either encourage or discourage housing construction.

The high cost of development and local decisions are barriers to building more housing. The average total development cost of affordable housing was \$332,000 per unit for new construction projects that received housing tax credits from 2011 through 2015. Local jurisdictions add to development costs through lengthy review processes. For example, the state's 2014 Affordable Housing Cost Study found that project changes due to local design and review increased costs by seven percent. Local opposition also increased project costs. Additionally, fees such as planning service fees and impact fees charged by local governments contribute substantially to the cost of development. These fees can vary widely by jurisdiction ranging up to \$150,000 for a single-family home and \$75,000 for each multi-family housing unit.

---

## **RECENT INVESTMENTS**

The state's role in housing development has generally focused on encouraging homeownership through tax policy and helping to subsidize the development of affordable units. The state has provided local jurisdictions with a variety of tools to help fulfill their housing responsibilities, including providing incentives to streamline development, promoting local accountability to adequately plan for needed housing, shortening the housing development approval process, and investing in affordable housing production through dedicated real estate transaction fee revenues (estimated at \$289 million annually) and a \$4 billion voter-approved housing bond (Chapter 365, Statutes of 2017, SB 3). (See Figure HLG-01.) Additionally, the state invests 20 percent of Cap-and-Trade auction proceeds in the Affordable Housing and Sustainable Communities program to fund land-use, housing, transportation, and land preservation projects to support infill and compact development that reduce greenhouse gas emissions.

Figure HLG-01  
**SB 3 Housing Bond Allocations**  
 (in Millions)

Program		Allocation
<b>Rental Shortage</b>	Multifamily Housing Program	\$1,500
<b>Farmworker</b>	Joe Serna, Jr. Farmworker Housing Grant Program	300
<b>Infrastructure and Incentives</b>	Local Housing Trust Fund	300
	Transit-Oriented Development	150
	Infill Infrastructure Grant	300
<b>Homeownership</b>	CalHFA Down Payment Assistance	150
	CalHome	300
<b>Veterans</b>	CalVet Farm and Home Loan	1,000
		<b>\$4,000</b>

## INCREASING HOUSING PRODUCTION

While some local jurisdictions have used these tools and contributed to their housing supply, more production across the state is necessary to address the larger housing crisis. The Budget includes significant investments (totaling \$1.3 billion General Fund plus expanded tax credits) to remove barriers and increase long-term housing production, particularly for low- and moderate-income housing.

### SHORT-TERM PLANNING AND PRODUCTION GRANTS

The Budget includes \$750 million General Fund one-time to partner with and incentivize local governments to jump-start housing production through technical assistance and general purpose funding. The Department of Housing and Community Development (HCD) will establish higher short-term statewide goals for new housing production across all income levels and will allocate these goals to local jurisdictions. Local governments will receive grants (\$250 million of the \$750 million) to support technical assistance and staffing to develop plans to reach these higher goals. This includes, but is not limited to: rezoning for greater density, completing environmental clearance, permitting units, and revamping local processes to speed up production. The state will review these efforts and certify that certain milestones have been reached. As jurisdictions reach these milestones, funding (\$500 million of the \$750 million) will be available to cities and counties for general purposes.

### **LONG-TERM STATEWIDE HOUSING PRODUCTION STRATEGY**

The Administration will develop a strategy to revamp the current Regional Housing Needs Assessment (RHNA) process, which determines the amount and type of housing regions and local jurisdictions must produce to meet their need. Under Chapter 370, Statutes of 2017 (AB 72) and Chapter 958, Statutes of 2018 (AB 686), HCD will be taking a more active role in housing element reviews. Moving from an advisory role, HCD will now oversee and enforce regional housing goals and production. HCD will determine a methodology for allocating housing needs to regions and local jurisdictions, with local input.

These long-term housing production targets will be more ambitious than the short-term housing goals mentioned above. As HCD develops these targets, local jurisdictions will have lead time to begin reformulating their housing plans, using the grants above to leverage other sources of funding, such as their general funds and private dollars, to meet their targets.

Going forward, the state will strongly encourage jurisdictions to contribute to their fair share of the state's housing supply by linking housing production to certain transportation funds and other applicable sources, if any. The Administration will convene discussions with stakeholders, including local governments, to assess the most equitable path forward in linking transportation funding and other potential local government economic development tools to make progress toward required production goals.

### **MODERATE-INCOME HOUSING PRODUCTION**

The Budget makes a sizable investment of \$500 million General Fund one-time in the development of housing for moderate-income households. The California Housing Finance Agency (CalHFA) will expand its Mixed-Income Loan Program, which provides loans to developers for mixed-income developments that include housing for moderate-income households at a lower subsidy level than traditional state programs. This additional investment will jump-start the estimated \$43 million in annual Chapter 364, Statutes of 2017 (SB 2) revenues dedicated for this purpose, and pair with the proposed tax credit program targeting households with incomes between 60 to 80 percent of Area Median Income (see below).

### **EXPANDED STATE HOUSING TAX CREDIT PROGRAM**

Tax credits garner private investment in affordable housing by offering a dollar-for-dollar credit against an investor's state or federal taxes owed. Two federal credits are

provided for the state to allocate, the 9 percent credit and the 4 percent credit, which are provided annually over 10 years. The 9 percent program is competitive and provides approximately 70 percent of a project's total costs. In its two funding rounds per year, the program has been historically oversubscribed with twice as many applicants as awards. The 4 percent program, which is currently underutilized, is non-competitive and provides approximately 30 percent of a project's total costs.

The state credit program supplements these two federal credits and can be allocated over four years. The state credits pair with federal credits to reduce a given housing development project's remaining funding gap. From 2011-2018, the state program allocated \$819 million to support approximately 18,000 affordable units, for an average of \$45,500 per unit.

The Budget proposes to expand the state tax credit program in 2019-20 up to \$500 million, and up to \$500 million annually thereafter upon an appropriation. The additional authority includes \$300 million for the existing state tax credit program, targeted at new construction projects that pair with the underutilized 4 percent federal tax credit program. The remaining \$200 million will be allocated through a new program that targets housing development for households with incomes between 60 to 80 percent of Area Median Income, a population not typically served by the state's housing programs. This investment will serve as a down payment toward producing more mixed-income housing, in combination with CalHFA's Mixed-Income Loan Program expansion detailed above.

These tax credit investments are coupled with a redesign of the existing tax credit programs to promote cost containment and increase the construction of new units.

### **INNOVATION CHALLENGE—EXCESS STATE PROPERTY**

The state has identified many excess state properties that are suitable for housing development. Additional excess state properties will be identified in an expedited manner. The Budget proposes soliciting affordable housing developers to build demonstration projects that use creative and streamlined approaches to building affordable and mixed-income housing (for example, using modular construction). Affordable housing developers selected through a competitive process will receive low-cost, long-term ground leases of excess state property. The state will confer with local governments in certain cases to discuss a land exchange when such an exchange could lead to more housing being built within the jurisdiction.

As they will not need upfront capital to purchase the land and will not need to wait for local review processes, affordable housing developers will have greater flexibility to find innovative techniques to produce units more quickly and cost-efficiently than a traditional project. Should these demonstrations prove successful, this initiative can be expanded at the state level and serve as a model to localities for more efficient building.

### **ECONOMIC DEVELOPMENT TOOLS MADE MORE ATTRACTIVE**

Various economic development tools have been introduced following the dissolution of Redevelopment Agencies (RDAs), including Enhanced Infrastructure Financing Districts (EIFDs). However, only three EIFDs have been formed since statute created them in 2014. EIFDs can be created by cities or counties without voter approval and expend tax increment revenues without voter approval. However, an EIFD must receive 55-percent voter approval to issue debt.

The Budget encourages the formation of additional EIFDs through removal of the 55-percent voter approval requirement to issue debt. This change will allow EIFDs to support longer-term infrastructure commitments, similar to former RDAs.

The state will also make EIFDs a more attractive economic tool by pairing them with the federal Opportunity Zones program. To make Opportunity Zones more effective, the state will conform to federal law allowing for deferred and reduced taxes on capital gains in Opportunity Zones for investments in green technology or in affordable housing, and for exclusion of gains on such investments in Opportunity Zones held for 10 years or more. Additionally, the Governor's Office of Business and Economic Development will help foster relationships between local EIFDs and investors to facilitate investments for disadvantaged communities or other targeted areas. The state will explore layering additional programs on Opportunity Zones and EIFDs to increase the production of affordable and moderate-income housing.

---

## TOTAL HOUSING AND HOMELESSNESS INVESTMENT

Housing is a statewide issue and a lack of affordable housing directly contributes to the increased homelessness seen across the state. To address these crises, the Administration proposes to make significant investments through a multi-pronged approach that includes incentives to increase housing production and additional resources to provide access to shelter and services to individuals and families with immediate needs. In total, the Budget includes \$7.7 billion across multiple departments and programs to address housing and homelessness throughout the state (see Figure HLG-02).

Figure HLG-02  
**2019-20 Affordable Housing and Homelessness Funding**  
 (Dollars in Millions)

Department	Program	Amount
Department of Housing and Community Development	Housing Planning and Production Grants	\$750
	Veterans and Affordable Housing Bond Act Programs (SB 3)	\$526
	No Place Like Home Program	\$400
	Building Homes and Jobs Fund Programs (SB 2)	\$277
	Federal Funds	\$228
	Housing for Veterans Funds	\$75
	Office of Migrant Services	\$6
	Various	\$15
California Housing Finance Agency <sup>1/</sup>	Single Family First Mortgage Lending	\$2,000
	Mixed-Income Loan Program	\$500
	Multifamily Conduit Lending	\$300
	Multifamily Lending	\$120
	Single Family Down Payment Assistance	\$113
	Special Needs Housing Program	\$20 <sup>2/</sup>
Homeless Coordinating and Financing Council	Planning and Progress Grants to Address Homelessness	\$500
Strategic Growth Council <sup>3/</sup>	Affordable Housing and Sustainable Communities	\$395
Tax Credit Allocation Committee	Low Income Housing Tax Credits (State)	\$600
	Low Income Housing Tax Credits (Federal)	\$299 <sup>4/</sup>
	Farmworker Housing Assistance Tax Credits	\$1
Department of Veterans Affairs	CalVet Farm and Home Loan Program	\$220
Department of Social Services	CalWORKS Housing Support Program	\$95
	Housing and Disability Advocacy Program	\$25
	CalWORKS Homeless Assistance Program	\$16
	CalWORKS Family Stabilization, Housing Component	\$4 <sup>5/</sup>
Department of Health Care Services	Whole Person Care Pilots - Housing Investment	\$100
	Project for Assistance in the Transition from Homelessness	\$9
	Whole Person Care Pilots Program, Health Homes Program, Mental Health Services Act Community Services and Supports, California Community Transitions Program	N/A <sup>6/</sup>
Office of Emergency Services	Domestic Violence Shelters and Services	\$54
	Domestic Violence Housing First Program	\$19
	Transitional Housing Program	\$19
	Specialized Emergency Housing	\$10
	Homeless Youth and Exploitation Program	\$1
	Youth Emergency Telephone Network	\$1
California State University	Basic Needs Funding - Student Hunger and Homelessness Programs	\$15 <sup>7/</sup>
University of California	Basic Needs Funding - Student Hunger and Homelessness Programs	\$15 <sup>7/</sup>
Department of Public Health	HIV Care Program	\$6
	Housing Opportunities for Persons with AIDS (HOPWA)	\$4
	Housing Plus Program	\$1
California Department of Corrections and Rehabilitation	Integrated Services for Mentally-Ill Parolees	\$4
	Specialized Treatment of Optimized Programming, Parolee Service Center, Day Reporting Center, Female Offender Treatment and Employment Program, Proposition 47 Grant Program	N/A <sup>6/</sup>
<b>Total</b>		<b>\$7,743</b>

<sup>1/</sup> Amounts are based on lending activities from 2018-19 trends.

<sup>2/</sup> This amount represents a voluntary allocation of Proposition 63 funds from 16 participating counties.

<sup>3/</sup> The Affordable Housing and Sustainable Communities program amount reflects 20 percent of projected Cap and Trade revenues. The Transformative Climate Communities program (\$40 million for 2019-20) funds various activities, including housing as an eligible capital component; however, the investment in housing will not be determined until awards are made.

<sup>4/</sup> This amount represents the 9 percent tax credits allocated in 2019 and an estimated figure for 4 percent credits to be awarded in 2019 based on 2016-2018 averages. This figure does not include the approximately \$4 billion of tax-exempt bond debt allocation that is available for award from the California Debt Limit Allocation Committee.

<sup>5/</sup> This amount represents an estimate of the portion of the program associated with housing and homelessness activities.

<sup>6/</sup> The state provides a number of wrap-around supportive services through these programs, including housing support and application assistance, which cannot be separated from the Department of Health Care Services' and Department of Corrections and Rehabilitation's general budgets.

<sup>7/</sup> This program supports basic needs partnerships for low-income students facing housing or food insecurity.

# EMERGENCY PREPAREDNESS AND RESPONSE

---

## EMERGENCY PREPAREDNESS AND RESPONSE

Climate change continues to lengthen the fire season in California. Four consecutive years of catastrophic wildfires have surpassed all previous records. The 2018 calendar year brought the largest, deadliest, and most damaging fires in the state's history. By the end of 2018, wildfires in California killed over 100 people, destroyed more than 22,700 structures, and burned over 1.8 million acres—more than double the most recent 10-year average of acres burned. Emergencies of this magnitude are becoming a more regular occurrence and the impacts of these disasters are devastating to people and communities. The Budget proposes to bolster the preparedness of individuals and communities, makes additional investments in prevention and critical emergency response systems, and builds up the state's firefighting capabilities.

---

## UNPRECEDENTED DISASTERS

On November 8, 2018, a state of emergency was declared for Butte County due to the effects of the Camp Fire—the deadliest and most destructive wildfire in California history. The Camp Fire destroyed more than 18,000 structures and 90 percent of the Town of Paradise, which was home to almost 27,000 residents.

While the Camp Fire was decimating portions of Northern California, two other fires—the Hill Fire and the Woolsey Fire—were raging in Los Angeles and Ventura counties in Southern California. On November 9, 2018, a state of emergency was declared for Los Angeles and Ventura counties due to the effects of these fires that burned more than 100,000 acres, damaging and destroying hundreds of homes and other structures.

On November 12, 2018, California secured a Presidential Major Disaster Declaration to bolster the ongoing emergency response and help residents recover from these devastating fires. The declaration helps people in the impacted counties by providing eligibility for programs and support, including housing assistance, food aid, unemployment assistance, counseling, and medical and legal services.

To aid in the recovery efforts, executive orders were issued to waive the one-week waiting period for unemployment insurance benefits for impacted individuals; suspend the fees associated with the replacement of specified documents and records; suspend specified procurement rules to allow state agencies to enter into contracts for goods, materials, and services necessary to quickly assist with response and recovery efforts; and strengthen coordination between state agencies on environmental restoration in fire impacted areas.

---

### **DISASTER RESPONSE**

Until December 31, 2018, the California Disaster Assistance Act authorized the Director of Finance to immediately access funds from the Special Fund for Economic Uncertainties for critical response and recovery efforts. To address immediate response and recovery efforts for communities affected by the November 2018 wildfires, the Director of Finance accessed approximately \$2.9 billion before this authority expired. This funding will ensure no delays in the removal of hazardous waste and debris that threatens public health and the environment if not immediately addressed. The majority of these costs will be reimbursed by the Federal Emergency Management Agency (FEMA). FEMA generally covers 75 percent of California's eligible costs for response and recovery. However, given the scope of the disasters, the Administration will continue to seek a 100-percent cost share from FEMA. A similar request for the 2017 disasters resulted in a 90-percent cost share by FEMA. The Budget assumes that the state will be responsible for 25 percent of eligible costs, resulting in increased General Fund expenditures of \$923.1 million.

The Budget also includes statutory amendments to the California Disaster Assistance Act to permanently authorize the Director's transfer authority that expired on December 31, 2018. The ability of the Director of Finance to immediately access funds is critical to the state's ability to assist communities when a disaster strikes. The Administration is seeking immediate legislative action on this statutory amendment.

---

## **SUPPORTING LOCAL RECOVERY EFFORTS**

To further support local recovery efforts, the Budget includes:

### **PROPERTY TAX BACKFILL**

The Budget includes \$31.3 million General Fund to backfill wildfire-related property tax revenue losses for cities, counties, and special districts. This includes funding for the following:

- \$11.5 million to backfill entities in Butte, Lake, Los Angeles, Orange, Riverside, Shasta and Siskiyou counties for losses estimated to be incurred in 2019-20 as a result of the 2018 wildfires.
- \$16.1 million to backfill entities in Butte County for losses estimated to be incurred in 2020-21 and 2021-22 due to the 2018 Camp Fire.
- \$3.6 million to backfill entities in Lake County for losses estimated to be incurred in 2019-20, 2020-21, and 2021-22 resulting from the wildfires in 2015, 2016, and 2017.

The Budget includes an additional backfill amount for Butte and Lake counties given the magnitude of the fire damage in these counties will require additional time to reconstruct the impacted properties and restore them to the property tax rolls.

The wildfire-related property tax revenue losses incurred by K-14 schools are generally backfilled under the Proposition 98 school funding mechanism. The Budget estimates K-14 schools will incur \$19 million in 2019-20 property tax revenue losses because of the November 2018 wildfires.

### **WAIVE LOCAL SHARE OF DEBRIS REMOVAL COSTS**

The Budget assumes the state will waive the local share of debris removal costs for the November 2018 wildfires. Generally, local entities are responsible for 25 percent of the non-federal share of debris removal costs. At the time of finalizing this publication, it was

not yet known what percentage of the overall costs the federal government would cover; however, the Budget assumes the state will bear the entirety of California's share. Total debris removal costs for the Camp, Woolsey, and Hill fires are currently estimated at \$2.5 billion across the Office of Emergency Services, the Department of Resources Recycling and Recovery, and the Department of Toxic Substances Control. Under normal circumstances, this would result in costs of \$155.2 million to counties that the state has waived.

---

### OFFICE OF EMERGENCY SERVICES

The Office of Emergency Services (OES) coordinates the state's emergency readiness through local, regional, and statewide training exercises and programs. California's mutual aid system is designed to provide sufficient resources to local jurisdictions when their own resources become inadequate or overwhelmed during an emergency event. During emergencies, OES coordinates all local, inter-regional, and state agency activities. After the event, OES functions as the state's liaison with FEMA to provide recovery assistance to local governments and individuals impacted by the event.

The Budget proposes an additional \$172.3 million to improve the state's emergency response and preparedness capabilities through the following OES proposals.

- **State Emergency Telephone Number Account (SETNA) and 9-1-1 Advancements**—A one-time investment of \$60 million General Fund—\$10 million in 2018-19 and \$50 million in 2019-20—that will be deposited in SETNA to continue implementing improvements to the state's 9-1-1 system. Specifically, these resources will enable OES to begin upgrading the California Public Safety Microwave Network from an analog system to a digital system in the current year to enhance emergency response communications. The Network provides connectivity for public safety radio systems that link responders and dispatchers, provides redundancy and resiliency, and enhances disaster recovery. This initial General Fund investment partially reduces reliance on the SETNA fee during the build-out of 9-1-1 enhancements but is contingent upon legislation to modernize the fee structure. The Budget assumes that the new fee structure will be implemented on January 1, 2020, generating approximately \$170 million annually during the build-out, but will be adjusted annually based on actual costs. Creating a more stable funding structure will allow OES to fully implement a statewide Next Generation 9-1-1 system that provides various benefits compared to the legacy system, including faster call delivery, increased routing accuracy and functionality, call overflow and backup

functionality, updated geographic information capability and wireless location data, and incoming text capability. Combined, these proposals will improve public safety and significantly advance California's emergency response capabilities.

- **Broadband Communication and 9-1-1 Integration**—\$1 million SETNA to support the implementation and ongoing workload associated with emergency communications coordination and First Responder Network Authority broadband network services. These resources will ensure that the state has an established 9-1-1 and emergency management system, while further enhancing and assisting the transition towards the Next Generation 9-1-1 system.
- **California Earthquake Early Warning**—\$16.3 million General Fund one-time is set-aside to finish the build-out of the California Earthquake Early Warning System.
- **Mutual Aid System**—\$25 million General Fund ongoing for prepositioning of existing OES and local government resources that are part of the statewide mutual aid system with the goal of enhancing disaster response readiness. Prepositioning occurs in areas of identified potential fire threat, which is determined through various means such as weather modeling, high wind zones, low humidity, and dense fire load. The prepositioned resources include, but are not limited to, fire engines, trucks, personnel, and strike teams.
- **Public Education**—\$50 million General Fund one-time in 2018-19 to immediately begin a comprehensive, statewide education campaign on disaster preparedness and safety. This effort will focus on community engagement and public education in high-risk areas with an emphasis on public health and safety and will make local grants available to address local and regional needs.
- **California Disaster Assistance Act (CDAA)**—\$20 million General Fund one-time to increase the amount of funding available through CDAA, which is used to repair, restore, or replace public real property damaged or destroyed by a disaster, and to reimburse local government costs associated with certain emergency activities undertaken in response to a state of emergency. This augmentation increases total CDAA funding to \$82.6 million in 2019-20.

---

## DEPARTMENT OF FORESTRY AND FIRE PROTECTION

The Department of Forestry and Fire Protection (CAL FIRE) provides resource management and wildland fire protection services covering over 31 million acres. It operates 234 fire stations and also staffs local fire departments when funded by local governments. CAL FIRE contracts with county agencies in six counties to provide

wildland fire protection services. The Budget includes \$2.6 billion (\$1.6 billion General Fund) and 7,645.6 positions for CAL FIRE.

Conditions in the state's wildlands are changing rapidly, and a growing number of people and residential structures are located in the wildland urban interface. Despite additional precipitation over the past several years, vegetation remains critically dry. Weather events are more extreme, winds blow with more intensity for longer durations, and humidity levels are lower for longer periods of time. Conditions historically observed in Southern California vegetation are moving north in latitude and higher in elevation. The Central and Southern Sierra continue to be affected by tree mortality, which has resulted in over 140 million dead trees and created more volatile and flammable vegetation.

The Budget proposes an additional \$415.1 million to improve the health of the state's forestlands and enhance CAL FIRE's fire protection capabilities. Specific elements include:

- **Increasing Fire Prevention**—\$213.6 million from various funds to (1) complete more fuel reduction projects through the operation of prescribed fire crews and grants for forest health projects, (2) implement the recently enacted wildfire prevention and recovery legislative package, which streamlines regulatory barriers for fuel reduction projects, and (3) dispose of illegal and dangerous fireworks. Consistent with the requirements of Chapter 626, Statutes of 2018 (SB 901), the Budget includes \$200 million Greenhouse Gas Reduction Fund for forest thinning and forest health projects to reduce dead, dying, and overgrown vegetation. Over the next five years, \$1 billion will be invested in these types of fire prevention and forest management activities. The Administration will be reviewing additional potential actions to remove barriers and expedite these critical projects. For additional information on the wildfire prevention and recovery legislative package, see the California Conservation Corps and Other Significant Emergency Preparedness and Response Proposals sections of this chapter.
- **Enhancing Aviation Resources**—\$120.8 million General Fund to add aircraft with increased tactical capabilities to CAL FIRE's aviation fleet to meet the challenges associated with more severe wildfire activity. Specifically, the Budget includes \$11.4 million General Fund for the first year of operating the large air tankers that will be transferred from the U.S. Air Force. Federal legislation authorized the transfer of seven C-130 air tankers to CAL FIRE, and the Budget assumes that one to two planes will be transferred each year beginning in 2019-20. The Budget also includes

\$109.4 million General Fund to continue the replacement of CAL FIRE's Vietnam War-era helicopters with new state-of-the art helicopters.

- **Expanding Firefighting Surge Capacity**—\$64.4 million General Fund to enhance CAL FIRE's fire protection capabilities, including resources to (1) add 13 new year-round fire engines that will be located in areas of the state with the highest fire risk, (2) expand heavy fire equipment operator staffing to support CAL FIRE's bulldozer operations during emergency wildfire events, (3) accelerate the replacement of fire engines and other mobile equipment to address increased wear and tear on CAL FIRE's vehicles resulting from the longer fire season, and (4) operate five additional CAL FIRE/California Conservation Corps fire crews. For additional information on the fire crews, see the California Conservation Corps section of this chapter.
- **Supporting Emergency Responders**—\$6.6 million from various funds to expand CAL FIRE's health and wellness program and to provide medical and psychological services, as well as peer support, to firefighters. Catastrophic wildfires are creating an environment where first responders are working longer hours and days to mitigate these incidents, while also focusing on evacuations in the early hours of fires to get individuals safely out of harm's way. Personnel are CAL FIRE's most valuable asset, and maintaining their long-term health and well-being allows them to be ready for the next emergency.
- **Improving Use of Technology**—\$9.7 million General Fund for (1) dedicated staff to review data gathered via remote sensing technology, situational awareness software and satellite imagery, which will support CAL FIRE's incident commanders in developing more effective initial and extended attack fire suppression strategies during wildfire events, and (2) 100 additional fire detection cameras that will be linked into the existing command centers to provide additional data on conditions.

As noted in this section, the Budget makes significant investments in forest health and fuel reduction as well as CAL FIRE's wildfire response capabilities. However, preventing wildfires and mitigating their impacts is a shared responsibility. Property owners can play a key role by removing or replacing fire prone exterior elements of existing structures and by making other fire prevention improvements to their properties. To that end, the Administration is exploring opportunities to make these improvements easier and less-costly for property owners in fire-prone areas.

## CALIFORNIA CONSERVATION CORPS

The California Conservation Corps (Corps) provides young women and men the opportunity to gain critical work experience through the completion of natural resource and energy conservation projects. The Corps is also an integral part of the state's emergency response network and corpsmember crews routinely respond to and provide critical assistance during fires, floods, and other disasters. Additionally, after emergency events occur, corpsmembers continue to provide relief through emergency revegetation, erosion control, and environmental restoration activities. The Corps currently serves approximately 1,600 corpsmembers across its 14 regions.

The Budget includes \$133.6 million (\$64.1 million General Fund) and 340.2 positions for the Corps. A portion of this funding is dedicated to providing enhanced services and training opportunities for current corpsmembers with a focus on reducing the threat of wildfires in high-risk areas of the state.

### Significant Adjustments:

- Expanding Firefighting Surge Capacity: CAL FIRE/Corps Fire Crews—\$3.1 million General Fund for the Corps to operate five additional fire crews at Los Padres, Camarillo, and Butte Fire Centers. These fire crews, staffed by corpsmembers, are cost-effective hand crews capable of reaching remote and rugged terrain not accessible by other fire suppression resources. When not actively engaged in firefighting operations, these crews will complete hazardous fuel reduction and fire prevention projects.
- Wildfire Prevention and Recovery Legislative Package: Forestry Corps—\$4.5 million General Fund to develop and implement the Forestry Corps Program, consistent with Chapter 635, Statutes of 2018 (AB 2126). This funding will support four Forestry Corps crews that will undertake forest health and hazardous fuel reduction projects in areas of high fire risk, which will increase public safety for fire-threatened communities, improve forest health conditions, and achieve associated climate goals. This Program will also provide specialized training and assistance to corpsmembers to create educational and career pathways to forestry and other related fields.

## OTHER SIGNIFICANT EMERGENCY PREPAREDNESS AND RESPONSE PROPOSALS

The Budget includes additional funding for various proposals that support first responders and the statewide mutual aid system.

- **Public Safety Radios**—California currently uses antiquated conventional radio systems. They operate on different radio frequencies and dissimilar infrastructure, and do not interoperate with radio systems. This makes it difficult for a first responder on one system to communicate with a first responder on another system. As a result, when a responder on one system needs to coordinate with another, they typically must relay messages through a dispatcher, a slow and inefficient process. Therefore, the Budget includes the following proposals related to updating and improving public safety radio communication:
  - \$59.5 million General Fund, over five years, for OES to develop and implement the California Interoperable Public Safety Radio System, which allows various agencies the ability to communicate with each other seamlessly, improve radio coverage to clients whose radio systems are geographically limited, and leverage and link to existing state and regional digital trunked radio systems.
  - \$2.9 million General Fund for the Department of Justice to replace aging radios with new interoperable equipment that will improve communication between agencies in emergency situations.
  - \$1.6 million General Fund for the Department of Fish and Wildlife to replace outdated vehicle-mounted and handheld radios, which are beyond their useful life. Radio replacement will increase wildlife officer safety and effectiveness and promote inter-system compatibility with the Federal First Responders Network Authority emergency services response program, which California opted into in 2017.
  - \$62.4 million (\$44.4 million General Fund and \$18 million special fund) for the California Highway Patrol (CHP) to replace 3,600 radio communication systems in CHP vehicles, \$15 million General Fund to replace aging laptops and hand-held citation devices with multi-function tablets, and \$9.5 million General Fund to replace aging information technology infrastructure and provide increased storage capacity, connectivity, and security.
- **Implementation of the Wildfire Prevention and Recovery Legislative Package**—\$20.5 million for various departments to implement the recently enacted

wildfire prevention and recovery legislative package and build the state's resilience to climate change-driven wildfire activity. Specifically, the Budget proposes the following additional resources:

- \$9.2 million from various funds to enable the Public Utilities Commission, including the Public Advocates Office, to address workload associated with wildfire cost recovery proceedings, reviewing and approving enhanced wildfire mitigation plans, and oversight of investor-owned utility compliance with legislative requirements to reduce the risk of utility-caused wildfires.
- \$3.4 million Greenhouse Gas Reduction Fund to enhance the Air Resources Board's air quality and smoke monitoring, forecasting, reporting and modeling activities and support local air district public education efforts to align with the anticipated increase in prescribed burns and other fuels reduction activities.
- \$7.9 million from various funds to support the State Water Resources Control Board and Department of Fish and Wildlife's efforts to review timber harvest plan exemptions, and inspect, permit, and enforce projects that improve forest health and vegetation management activities to mitigate negative impacts on water quality, wildlife, and the environment.

# PUBLIC SAFETY

---

## DEPARTMENT OF CORRECTIONS AND REHABILITATION

The California Department of Corrections and Rehabilitation (CDCR) incarcerates the most violent felons, supervises those released to parole, and provides rehabilitation programs to help them reintegrate into the community. The Department provides safe and secure detention facilities and necessary support services to inmates, including food, clothing, academic and vocational training, as well as health care services. The Budget proposes total funding of \$12.6 billion (\$12.3 billion General Fund and \$303 million other funds) for the Department in 2019-20.

The 2018 Budget Act projected an overall adult inmate average daily population of 126,890 in 2018-19. The average daily adult inmate population is now projected to be 128,334, an increase of 1.1 percent over spring projections. However, current projections show the adult inmate population is trending downward and is expected to decrease by approximately 1,360 offenders between 2018-19 and 2019-20. Proposition 57, the Public Safety and Rehabilitation Act of 2016, established a durable solution to end federal court oversight and create more incentives for inmates to participate in rehabilitative programs. Proposition 57 is currently estimated to reduce the average daily adult inmate population by approximately 6,300 in 2019-20, growing to an inmate reduction of approximately 10,500 in 2021-22. The estimated impact of Proposition 57 has been incorporated into the aforementioned total population projections. The Budget assumes all inmates will be returned from out-of-state facilities by the end of the current year. However, due to the higher-than-expected population in 2018-19, all

inmates are now expected to return in June 2019 instead of January 2019 as projected in the 2018 Budget Act.

The 2018 Budget Act projected an overall parolee average daily population of 48,535 in 2018-19. The average daily parolee population is now projected to be 48,701, an increase of less than one percent over spring projections. Current projections show the parole population is trending upward and is expected to increase by 1,244 parolees between 2018-19 and 2019-20.

The 2018 Budget Act projected an overall average daily juvenile ward population of 646 in 2018-19. The average daily ward population is now projected to be 662, an increase of 2.5 percent over spring projections. Current projections show the ward population is trending upward and is expected to increase by 97 wards between 2018-19 and 2019-20, for a total of 759 wards. The increase in 2019-20 is driven by the activation of the Young Adult Program, and raising the age of jurisdiction to 25, as authorized in the 2018 Budget Act. These changes provide additional opportunities for young offenders to be housed in smaller, rehabilitation-focused juvenile facilities with other young offenders, in lieu of incarceration in adult prison.

---

## **FOCUS ON INMATE REHABILITATION AND REENTRY**

A critical component of a well functioning correctional system is providing offenders greater opportunity for rehabilitation, thereby improving offender outcomes and increasing public safety. The Budget includes \$475.3 million General Fund specifically for the Division of Rehabilitative Programs, compared to approximately \$300 million in 2012-13. The Division prepares offenders for release by offering various programs and services that promote positive in-prison behavior and support their rehabilitative efforts to provide a better opportunity for them to reintegrate into society. Although offenders are prioritized if they are within four years of release and have a moderate-to-high risk to reoffend and a moderate-to-high criminogenic need for services, the expansion of rehabilitative programs and reentry services to all prisons has allowed more inmates to participate in programs to help them prepare for community reintegration.

The changes made under the authority provided by Proposition 57 encourage additional participation in programs and services, making for a safer prison environment and better success for inmates upon release. To further build upon prior investments, the Budget includes the following proposals.

## IMPROVING INMATE LITERACY

Literacy instruction is the primary focus of CDCR's Office of Correctional Education, serving over 26,000 literacy students daily in 35 accredited adult schools. Currently, 53 percent of California's adult inmates read above the 9th grade level, which represents a five-percent increase over the last three years. To build upon this progress, the Budget includes \$5.5 million General Fund for a package of programs specifically aimed at improving literacy rates among the offender population consisting of the following major components:

- **Diagnostic remedial reading program**—Reading Horizons is an evidence-based reading program focused on beginning reading literacy skills and English as a Second Language. This program presents both a teacher and computer-based learning platform able to assess and diagnose individual student literacy needs. Once assessed, each student receives an individualized learning plan.
- **Computer-based learning**—Aztec is a computer-based instructional program providing diagnostic and personalized learning experiences, with a focus on core academic subject areas preparing students for a high school equivalency examination. CDCR currently uses a desktop version of Aztec but will migrate to the cloud-based platform allowing for timely software updates and additional instructional features not available with the desktop version.
- **English as a Second Language**—CDCR currently offers literacy programs to those who speak a language other than English. This component will provide for specific training to literacy teachers in second language acquisition theory, with a strong focus on academic language. The program will begin with a pilot at three institutions to develop a model whereby CDCR-trained instructors will ultimately train other teachers statewide.
- **Teacher mentor program**—CDCR will deploy six teachers with extensive experience to provide coaching and mentorship for new teachers and teachers needing additional support in literacy instruction. The experienced teachers will work closely with each school principal from their respective region to determine specific teacher training needs.
- **Literacy Coaches**—Literacy Coaches will be established at each prison to teach, monitor, and supervise qualified inmate-tutors allowing for the expansion of literacy learning opportunities in classrooms, libraries, and day rooms when appropriate. The coaches will also provide a Milestone Completion Credit training curriculum and

internship for aspiring inmate-tutors. Inmate-students assigned to, or recruited by, the inmate-tutors will also earn existing Milestone Completion Credits as they meet educational attainment benchmarks. They are further eligible to earn Educational Merit Credits upon academic achievement of a high school equivalency.

- **Literacy Mentor Program**—Linked to the aforementioned Literacy Coaches, CDCR will formalize and expand its existing Literacy Mentor Program from two existing prisons to all 35 prisons. The Literacy Mentor Program uses Literacy Coaches to train inmates as literacy tutors for their fellow inmates. These inmate-tutors are then supervised by Literacy Coaches thereby expanding the influence of a single Literacy Coach. While one Literacy Coach can teach up to 120 students, under the Literacy Mentor Program, a single coach can monitor 20 inmate-tutors, who each work with 20 inmate-students, thus expanding the Literacy Coaches' student capacity to 400. Upon completion of the Literacy Coaches' training program, the inmate-tutors will also earn hourly wages while tutoring their inmate-students, with pay levels varying based on the mentor's level of education.

## **TATTOO REMOVAL PROGRAM**

Tattoos often present an obstacle to formerly incarcerated individuals seeking to reintegrate into society. The Prison Industry Authority and the Division of Juvenile Justice both operate tattoo removal programs, but these programs are limited in scope and additional resources are needed to expand the availability of this service. The Budget includes \$2.5 million General Fund for an expanded tattoo removal program for the adult offender population. Based on the existing Prison Industry Authority program model, this funding could allow the Department to remove tattoos from approximately 4,400 additional offenders per year.

---

## **SUPPORT FOR AGING INFRASTRUCTURE**

A prison system that is safe for inmates and staff requires investments in infrastructure to provide the necessary space and tools to operate effectively. Although the state has made significant investments in rehabilitation and health care, some of the Department's core infrastructure has deteriorated and improvements must be made. Accordingly, the Budget includes substantial infrastructure investments.

## **PRISON MAINTENANCE**

The Department is responsible for maintaining 34 prisons with over 41 million square feet of space. These facilities require regular maintenance and repairs. The current model for funding such maintenance activities incorporates annual adjustments based on changes in the number of inmates. As such, funding for maintenance has decreased significantly in recent years as the inmate population has declined. However, maintenance costs are generally fixed. The Department has deferred critical maintenance projects, which have resulted in critical infrastructure systems deteriorating to the point of failure. The Department now has over \$1 billion in deferred maintenance projects.

The Budget includes \$18.5 million General Fund in 2019-20, growing to \$55.6 million beginning in 2021-22 to establish a new funding methodology and baseline budget for annual prison maintenance and repair costs. This new methodology establishes a funding rate of \$2.20 per usable square foot of building space, and incrementally raises the level of funding up to the new baseline by 2021-22. This funding will be provided in a new dedicated budget item, ensuring that the funds are consistently prioritized for maintenance and repairs. In addition, the Budget includes \$25 million in one-time General Fund in 2019-20 to address the Department's highest priority deferred maintenance projects.

## **ROOF REPLACEMENT**

In recent years, California experienced record levels of rainfall, and severe storms caused significant damage to prison roofs. Failing prison roofs have resulted in damage to electrical systems and housing units; interruptions in rehabilitation programs, education programs and mental health treatment; and the development of mold. In continuation of the roof replacement funding provided in the 2017 and 2018 Budget Acts, the Budget includes a total of \$71.7 million General Fund over two years for roof replacement projects, including design funding at High Desert State Prison and California State Prison, Solano. This is part of a broad, multi-year plan to replace aging and deteriorating roofs across the state prison system. To date, eight institutions have received one-time funding for roof replacement and repair projects. With funding for these 2 prisons, 18 remaining institutions are scheduled for future roof replacement and repair projects over the next 7 years.

## **FIRE ALARM SYSTEMS**

The Budget includes a total of \$59 million General Fund over two years to replace fire alarm systems and repair fire suppression systems at Mule Creek State Prison, R.J. Donovan Correctional Facility, and California State Prison, Sacramento. The State Fire Marshal identified several deficiencies during fire and life safety inspections at these institutions between 2014 and 2017. These funds will replace aging and outdated fire alarm systems and bring the existing fire suppression systems into code compliance.

## **ACCESSIBILITY IMPROVEMENTS**

In response to a federal class action lawsuit (known as *Armstrong*) the Department commissioned a survey in 2011 to identify infrastructure improvements needed to make its prison facilities accessible to inmates with disabilities. The 2014 and 2015 Budget Acts included a total of \$42.6 million to make improvements recommended by the survey. While the Department has made substantial improvements that have improved access considerably for inmates with disabilities, further improvements are necessary. As such, the Budget includes a total of \$8.4 million General Fund over two years to fund accessibility improvements for inmates with disabilities at the California Institution for Women and Mule Creek State Prison.

## **FLEET ASSET REPLACEMENT**

CDCR currently maintains a fleet consisting of over 7,000 vehicles such as fire trucks, buses, and other vehicles. However, the Department does not have a dedicated baseline budget for replacement and repair of vehicles and has redirected existing funding in the last several fiscal years from other areas to partially support fleet assets. The Budget includes \$24 million General Fund to establish a seven-year replacement schedule for fleet assets that serve mission-critical functions and meet the Department of General Service's replacement threshold criteria.

---

## **JUVENILE JUSTICE**

### **REORGANIZATION OF THE DIVISION OF JUVENILE JUSTICE TO HEALTH AND HUMAN SERVICES AGENCY**

The Division of Juvenile Justice is projected to have a population of 759 young offenders in 2019-20 and focuses on providing rehabilitative programming designed for young offenders. Given the Division's focus on improving rehabilitation, the Budget proposes to move youth correctional facilities from the CDCR to a new department under

the Health and Human Services Agency. This change will enable the state to better provide youth offenders with services needed to be successful when they are released.

### **CALIFORNIA VOLUNTEERS PARTNERSHIP**

The Division of Juvenile Justice has been working with California Volunteers to develop an AmeriCorps program to assist youth with reentry and earning an Honorable Discharge from the Board of Juvenile Hearings. The Budget includes \$2 million to provide matching funds for a California Volunteers/AmeriCorps federal grant which will support 40 half-time AmeriCorps members in organizations assisting youth released from the Division of Juvenile Justice.

---

## **INMATE MEDICAL CARE AND MENTAL HEALTH SERVICES**

The Budget continues the state's significant financial commitment to improve the Department's delivery of health care services to inmates. The Budget dedicates \$3.3 billion General Fund to health care services programs, which provide access to mental health, medical and dental care that is consistent with the standards and scope of services appropriate within a custodial environment.

### **FEDERAL RECEIVERSHIP OVERSEEING PRISON MEDICAL CARE**

In 2005, a federal court established a receivership to oversee prison medical care. To date, the Receiver has transitioned oversight of 19 institutions back to the state. The Budget includes \$2.3 billion General Fund for prison medical care. This includes an augmentation of \$6 million General Fund to provide increased staffing, facilities, and information technology equipment for expanding utilization of telehealth, which uses audio-visual technology and other electronic means to connect patients with clinicians via the internet. This expansion will improve access to care and reduce costly transportation of inmates to health care providers outside prison walls. In addition, the Budget includes \$1.8 million General Fund on a limited-term basis to expand the Educational Partnerships Program. The program places students and recent graduates in medical professions in temporary residency and internship positions within state prisons to develop critical on-the-job skills and to address provider recruitment and retention issues. These resources are intended to support the eventual full transition of medical care back to the state.

---

## LOCAL PUBLIC SAFETY

The Budget addresses the following local public safety issues.

### COMMISSION ON PEACE OFFICER STANDARDS AND TRAINING

In 2014-15, funding for the Commission on Peace Officer Standards and Training (POST) began decreasing significantly, driven by a decline in criminal fine and fee revenues which were the primary funding source for POST. In response, POST has been forced to significantly scale back its support for local law enforcement training. For example, it has reduced or eliminated reimbursement payments for local law enforcement agencies to attend training courses. In addition, POST has also postponed updating curriculum that it believes need revision to reflect current best practices.

The Budget includes \$14.9 million General Fund to restore POST to its historical budget level prior to the decline in fine and fee revenues. This funding will allow POST to restore many of the program cuts it was forced to make in recent years. It will also be used to implement new, and update existing, training curriculum so that courses reflect current best practices in areas such as verbal communication and listening skills, cultural awareness and diversity, de-escalation techniques, and engagement with individuals suffering from mental health or homelessness issues. In addition, the Budget includes \$20 million General Fund to make permanent a one-time augmentation included in the 2018 Budget Act for training on use of force and de-escalation and engaging with individuals experiencing a mental health crisis.

### HUMAN TRAFFICKING PROGRAMS

The Budget includes programs aimed at identifying and serving victims of human trafficking.

Human Trafficking Victim Assistance Program—The Budget includes \$10 million ongoing General Fund for the Office of Emergency Services to continue funding for the Human Trafficking Victim Assistance Program. The program assists victims of sex and/or labor trafficking in recovering from the trauma they experience and reintegrating into society. Grant recipients provide comprehensive safety and supportive services, including a 24-hour crisis hotline, emergency shelter, temporary housing, emergency food and clothing, counseling, transportation, legal assistance, and referrals to existing local resources. The Office of Emergency Services, through a competitive grant process, currently funds 21 projects with \$10 million one-time General Fund.

Human Trafficking Task Forces—The Budget includes \$4.2 million General Fund to establish two regional task forces within the Department of Justice to address the statewide human trafficking epidemic by focusing on the worst sexual predators who are involved in human trafficking.

### **ORGANIZED RETAIL THEFT TASK FORCES**

The Budget includes \$5.8 million General Fund on a limited-term basis for the California Highway Patrol to coordinate with the Department of Justice in the creation of regional task forces aimed at reducing organized retail theft activities as required by Chapter 803, Statutes of 2018 (AB 1065).

### **COMMUNITY CORRECTIONS PERFORMANCE INCENTIVE GRANT**

The Community Corrections Performance Incentive Grant, Chapter 608, Statutes of 2009 (SB 678), was created to provide incentives for counties to reduce the number of felony probationers sent to state prison. The Budget includes \$116.4 million General Fund to continue this successful program.

### **POST-RELEASE COMMUNITY SUPERVISION**

The Budget includes \$11.8 million General Fund for county probation departments to supervise the temporary increase in the average daily population of offenders on Post-Release Community Supervision as a result of the implementation of Proposition 57.

### **PROPOSITION 47 SAVINGS**

Voters passed Proposition 47 in November 2014, which requires misdemeanor rather than felony sentencing for certain property and drug crimes and permits inmates previously sentenced for these reclassified crimes to petition for resentencing. The Department of Finance currently estimates net General Fund savings of \$78.5 million from Proposition 47 when comparing 2018-19 to 2013-14, an increase of \$13.8 million over the estimated savings in 2017-18. These funds will be allocated according to the formula outlined in the initiative.

---

## **CALIFORNIA PENAL CODE REVIEW**

The California Penal Code has dramatically increased in size from about 234,000 words in 1965 to 1.2 million in 2018. There are more than 5,000 separate criminal provisions specifying criminal behavior, penalties for convictions, additional enhancements, and credit earning once incarcerated. This complex statutory structure requires study and

recommendations to revise the Penal Code. The Budget includes \$576,000 to begin an effort under the California Law Revision Commission to simplify and rationalize criminal law and criminal procedures included in the Penal Code.

---

## DEPARTMENT OF JUSTICE

The Attorney General, as chief law officer of the state, has the responsibility to see that the laws of California are uniformly and adequately enforced. This responsibility is fulfilled through the diverse programs of the Department of Justice. The Department of Justice provides legal services on behalf of the people of California; serves as legal counsel to state agencies; provides oversight, enforcement, education, and regulation of California's firearms laws; provides evaluation and analysis of physical evidence; and supports data needs of the California criminal justice community. The Budget includes total funding of approximately \$1 billion, including \$330.9 million General Fund, to support the Department of Justice.

---

### BUREAU OF FIREARMS

#### ARMED PROHIBITED PERSONS SYSTEM

The focus of the Armed Prohibited Persons System (APPS) program, administered by the Department of Justice, is to disarm convicted offenders, individuals experiencing mental illness, and dangerous individuals. The APPS database, which went into effect in December 2006, cross-references firearms owners across the state against criminal history records, mental health records, and restraining orders to identify individuals who have been, or will become, prohibited from possessing a firearm subsequent to the legal acquisition or registration of a firearm or assault weapon.

Over the past several years, the number of individuals added to the armed and prohibited persons list was significantly greater than those being removed. Annual increases in the number of new APPS offenders due to long gun records being added to the system, increased firearm sales, and newly prohibited offenses has led to a backlog in the number of cases in APPS. In addition, the fund source for APPS, the Dealers' Record of Sale Account, currently has a structural deficit and cannot sustain additional expenditures for this program. Therefore, the Budget includes a total of \$16.9 million General Fund for APPS—\$11.3 million to shift the existing APPS program from the Dealers' Record of Sale Account to the General Fund and \$5.6 million General Fund to support increased APPS workload. Shifting these costs to the General Fund provides a

more stable fund source for APPS and allows the Dealers' Record of Sale Account to maintain solvency to continue to support additional Bureau of Firearms workload.

## **BUREAU OF FIREARMS WORKLOAD**

The Bureau of Firearms regulates and enforces the manufacture, sale, ownership, safety training, and transfer of firearms. In recent years, there have been several laws enacted that affect the purchasing and ownership of a firearm in California, which has impacted the workload of the Bureau. The Budget includes \$6.9 million Dealers' Record of Sale Account to address increasing workload related to firearm sales.

## **LEGAL SERVICES**

The Department of Justice administers the Legal Services Revolving Fund, which is used for investigation and litigation activities by the Department, and for legal representation of state agencies and employees in any judicial or administrative adjudicative proceeding. To recover costs for legal services, client agencies are assessed a corresponding hourly billing rate which is currently set at \$170 per hour for attorney services, \$120 per hour for paralegal services, and \$99 per hour for legal analyst services. These rates have not increased since 2009-10 despite numerous employee compensation increases.

Historically, the Department of Justice's billing rate structure, as well as a relatively high fund balance from settlement revenues, has been sufficient to sustain the ongoing costs of legal services. However, the fund balance has significantly declined in recent years, placing the Legal Services Revolving Fund in an operational deficit. The Administration is committed to working with the Attorney General to modify the current billing rate structure to more accurately reflect current costs and to determine the impact on state agencies and departments that rely on the Department of Justice for legal services. The Administration will also work with the Attorney General regarding the oversight and approval of the use of settlement funds.

## **OTHER SIGNIFICANT INVESTMENTS IN THE DEPARTMENT OF JUSTICE**

The Budget also includes the following significant investments in the Department of Justice:

- Sex Offender Registry, Chapter 541, Statutes of 2017 (SB 384)—\$17.2 million General Fund to continue the state's commitment to implementing SB 384, which requires tiered registration of sex offenders.

- Bureau of Forensic Services—\$15 million General Fund and \$10 million Fingerprint Fees Account to backfill the continued decline in fine and fee revenues in the DNA Identification Fund. This funding will enable the Department of Justice to continue processing forensic evidence for client counties. The Budget also includes \$5.8 million General Fund to establish a replacement schedule to regularly maintain and replace forensic laboratory equipment.

## JUDICIAL BRANCH

The Judicial Branch consists of the Supreme Court, courts of appeal, trial courts, and the Judicial Council. The trial courts are funded with a combination of General Fund, county maintenance-of-effort requirements, fines, fees, and other charges. Other levels of the Judicial Branch receive most of their funding from the General Fund. The Budget includes total funding of \$4.1 billion (\$2.1 billion General Fund and \$2.0 billion other funds) in 2019-20 for the Judicial Branch, of which \$2.4 billion is provided to support trial court operations. The Judicial Council is responsible for managing the resources of the Judicial Branch.

Two important historical events led to the current trial court system. First, in 1998, California voters passed a constitutional amendment that provided for voluntary unification of the superior and municipal courts in each county into a single, countywide trial court system. By 2001, all 58 counties had voted to unify their municipal and superior court operations. Second, the Trial Court Funding Act of 1997 consolidated the costs of operating California's trial courts at the state level. The Act was based on the premise that state funding of court operations was necessary to provide more uniform standards and procedures, economies of scale, structural efficiency, and access for the public.

### INVESTMENTS IN INFORMATION TECHNOLOGY

One of the recommendations from the Chief Justice's Commission on the Future of California's Court System is to expand the use of new technology in the courts to improve access to justice and to better serve Californians. Three new technologies

recommended by the Commission include: (1) remote appearances for most noncriminal court proceedings; (2) voice-to-text language interpretation services at court filing, service counters, and in self-help centers; and (3) intelligent chat technology to provide self-help services. The Budget includes \$2.3 million General Fund to advance these projects.

The Budget also includes \$41.9 million General Fund for the Judicial Council to improve access to justice and modernize court operations, as follows:

- Trial Court Case Management System Replacements—\$23.1 million General Fund to replace 14 case management systems in 10 trial courts across California. This funding enables these trial courts to establish a digital court foundation by implementing a modern and supportable case management system needed to efficiently deliver services to the public.
- Implementation of Phoenix Roadmap—\$7.7 million General Fund to complete the first step in migrating to an updated Phoenix personnel system, enable additional payroll deployments for seven trial courts, and shift \$3.2 million in existing Improvement and Modernization Fund costs to the General Fund.
- Digitizing Court Records—\$5.6 million General Fund to establish a pilot program to digitize paper and film case files at approximately six trial courts. This pilot program allows the Judicial Branch to develop best practices for future statewide implementation.
- Business Intelligence and Data Analytics—\$5.5 million General Fund to establish and support the foundation of a business intelligence, data analytics, and identity and access management program to improve court efficiencies and service to the public.

### **JUDICIAL BRANCH EMPLOYEE COST ADJUSTMENTS**

#### **HEALTH AND RETIREMENT BENEFITS FOR TRIAL COURT EMPLOYEES**

The state began consistently funding the increased health and retirement benefit costs for the trial courts in 2014-15 when the trial courts made progress in implementing the Public Employees' Pension Reform Act of 2013. However, funding has only been provided prospectively and does not address adjustments that impact the courts mid-year. This has caused challenges for the trial courts as these unbudgeted costs are typically covered by funding that is provided for general trial court operations.

Beginning in 2019-20, the Budget includes a mechanism to fund trial court employee benefit increases in both the current year and budget year. The Budget includes \$25.9 million General Fund in 2019-20 for trial court employee benefit increases that were implemented in 2018-19, which brings the total funding provided by the state since 2014-15 to approximately \$155 million for these increased costs.

#### **COMPENSATION FOR STATE-LEVEL JUDICIARY STAFF**

The Budget includes \$9.5 million General Fund to fund a general salary increase for state-level judiciary employees at the Judicial Council, California Supreme Court, and Appellate Courts.

#### **OTHER SIGNIFICANT JUDICIAL BRANCH INVESTMENTS**

The Budget also includes the following General Fund augmentations for the Judicial Branch:

- **Trial Court Trust Fund Revenue Backfill**—The Budget continues funding commitments made by the state to backfill the Trial Court Trust Fund as a result of declining fine and penalty revenues. Specifically, the Budget includes a total of \$52.5 million to backfill the decline of fines and penalty revenues expected in 2019-20.
- **Facilities, Operation and Maintenance**—The Budget includes \$40 million for deferred maintenance projects, and \$20.2 million to support operations and maintenance of trial court facilities constructed since 2007.
- **Dependency Counsel**—The Budget includes \$20 million for court-appointed dependency counsel who represent children and parent clients at every stage of the dependency proceeding. The additional funding is intended to help reduce attorney caseloads statewide.
- **Cannabis Conviction Resentencing Workload, Chapter 993, Statutes of 2018 (AB 1793)**—The Budget includes \$13.9 million for anticipated resentencing workload associated with AB 1793, which expedites the identification, review, and notification of individuals who may be eligible for recall or dismissal, dismissal or sealing, or redesignation of the conviction for specified cannabis-related offenses.
- **Trial Court Security Systems and Equipment**—The Budget includes \$6 million to refresh, maintain, and replace trial court security equipment and systems. The security equipment and systems must be upgraded or maintained in a way that mitigates the need for additional security staffing.

- Litigation Management Program—The Budget includes \$5.6 million to shift funding for the Litigation Management Program from the Improvement and Modernization Fund to the General Fund.

### **PRETRIAL PILOT PROJECTS**

In recent years, the Judicial Council has awarded grants to trial courts to implement programs and practices to improve pretrial outcomes. Notably, the Judicial Council allocated funding from the Recidivism Reduction Fund beginning in 2014 to 12 trial courts for pretrial decision-making projects, including the use of risk assessment tools. Additionally, many probation departments have used risk assessment tools to manage pretrial populations either as a part of these grants or using existing resources. These programs are worthy of continuation and replication to support the goals of enhancing public safety, ensuring the rights of defendants and victims, and supporting the efficient, consistent and fair administration of justice. The Budget includes \$75 million General Fund to be allocated over a two-year period by the Judicial Council to fund the implementation, operation, or evaluation of programs or efforts in 8 to 10 courts related to pretrial decision-making. In selecting its pilot courts, the Judicial Council should seek a diversity in court size, location, case management systems, and other appropriate factors.

# ENVIRONMENTAL PROTECTION

California's environmental protection programs promote the state's economic vitality in an environmentally sustainable manner by reducing greenhouse gas emissions, enhancing environmental quality, and protecting public health.

---

## CAP AND TRADE EXPENDITURE PLAN

The Cap and Trade Program is an element of California's greenhouse gas emissions reduction strategy. Cap and Trade is a market-based mechanism that establishes a statewide limit for major sources of emissions by issuing a limited number of allowances per year. This establishes a price signal necessary to drive long-term investment in cleaner fuels and more efficient energy use, and provides covered entities the flexibility to reduce emissions in a cost-effective manner.

Proceeds from the Cap and Trade Program have facilitated approximately \$9.3 billion in investments throughout California that further the state's climate goals. The Budget proposes a \$1 billion Cap and Trade Expenditure Plan to support programs that reduce or sequester greenhouse gases, including programs that benefit disadvantaged and low-income communities, and support training and apprenticeships necessary to transition the state's workforce to a low carbon economy (see Figure EPA-01).

Figure EPA-01  
**2019-20 Cap and Trade Expenditure Plan**  
(Dollars in Millions)

Investment Category	Department	Program	Amount
Air Toxic and Criteria Air Pollutants	Air Resources Board	AB 617 - Community Air Protection	\$200
		AB 617 - Local Air District Implementation (\$50 million total, including other funds)	\$20
		Technical Assistance to Community Groups	\$10
Low Carbon Transportation	Air Resources Board	Clean Vehicle Rebate Project	\$200
		Clean Trucks, Buses, & Off-Road Freight Equipment	\$132
		Enhanced Fleet Modernization Program, School Buses & Transportation Equity Projects	\$50
		Agricultural Diesel Engine Replacement & Upgrades	\$25
Healthy Forests	CAL FIRE	Healthy & Resilient Forests	\$165
		Prescribed Fire & Fuel Reduction	\$35
Climate Smart Agriculture	Department of Food & Agriculture	Healthy Soils	\$18
		Methane Reduction	\$25
Short-Lived Climate Pollutants	CalRecycle	Waste Diversion	\$25
Integrated Climate Action: Mitigation & Resilience	Strategic Growth Council	Transformative Climate Communities	\$40
	Coastal Commission & SF Bay Conservation and Development Commission	Coastal Resilience	\$3
	Community Services & Development	Low-Income Weatherization	\$10
	California Conservation Corps	Energy Corps	\$6
Workforce Training	Workforce Development Board	Apprenticeships for a Green Economy	\$27
Climate and Clean Energy Research	Strategic Growth Council	Climate Change Research	\$10
<b>Total</b>			<b>\$1,001</b>

Specifically, the Cap and Trade Expenditure Plan:

- Continues Core Programs—\$956 million to continue existing programs that have historically been the cornerstone of the state's climate investments, including (1) \$407 million to provide incentives for the purchase of zero emission vehicles, trucks, and freight equipment, as well as the replacement of older diesel school

buses with electric or renewable-fueled school buses, (2) \$230 million to reduce emissions in communities disproportionately impacted by air pollution, (3) \$200 million to support forest improvement, fire prevention, fuel reduction and prescribed burn projects, consistent with the requirements of Chapter 626, Statutes of 2018 (SB 901), and (4) \$40 million to support community-driven projects that provide environmental, health, and economic benefits to disadvantaged communities.

- **Expands Healthy Soils Program**—\$18 million annually to provide incentives to farmers for agricultural management practices that sequester carbon, including cover cropping, reduced till, and compost application. California is the nation's leading agricultural production state in terms of crop production and diversity. Soils with adequate levels of carbon are necessary for crop growth, long-term agricultural sustainability, and food production. Soils can capture greenhouse gases emitted from both the agricultural sector and other non-agricultural sectors, and sequester that carbon in soil and woody plant material on farms and ranches. Soil health also provides many other benefits, such as increased water and nutrient holding capacity, improved drought resiliency, greater microbial diversity, and increased soil structure and stability, which reduces sediment erosion into surface waters. Annual funding of \$18 million was identified through a modeling tool in the development of the Natural and Working Lands Implementation Plan to achieve soil conservation practices on 500,000 acres by 2030, for a benefit of 5.3 million tons of carbon sequestration.
- **Promotes Job Training**—\$27 million to increase job training and apprenticeship opportunities focused in disadvantaged communities to support the state's transition to a low carbon economy. For additional information, see the Apprenticeships for a Green Economy section of this chapter.

## EXIDE LEAD ACID BATTERY FACILITY

Exide, a lead-acid battery recycling company that operated in Vernon, had been operating under an interim hazardous waste facility permit prior to 2013. The areas immediately surrounding the Exide facility were found to be contaminated with dangerously high levels of lead, extending up to 1.7 miles from the facility. In May 2015, the facility was closed.

In 2016, \$176.6 million General Fund was appropriated to the Department of Toxic Substances Control to investigate and clean up properties contaminated with lead in the communities surrounding the facility. This funding level was intended to support soil

testing for lead contamination at approximately 10,000 properties and the clean-up of 2,500 properties, prioritizing those with the highest levels and greatest potential for exposure within the 1.7-mile radius. To date, approximately 8,500 properties have been tested and 560 have been cleaned up. The state continues to pursue cost recovery from Exide to reimburse the state for these costs.

Significant Adjustment:

- Acceleration of Additional Cleanup—\$50 million General Fund on a one-time basis to accelerate the cleanup of additional properties within a 1.7-mile radius of the facility over the next two years. This funding will allow the Department to clean up approximately 700 additional high-risk properties in which lead contamination exceeds the state standard of 80 parts per million.

---

## SAFE AND AFFORDABLE DRINKING WATER

Since 2010, the state has provided over \$3 billion in assistance to address safe and affordable drinking water needs, such as the repair, replacement, and improvement of aging infrastructure and new treatment systems for over 600 projects to comply with the federal Safe Drinking Water Act.

Despite these efforts, many local water systems in the state, particularly those serving small disadvantaged communities, consistently fail to provide safe drinking water to their customers. The most significant remaining challenge is the lack of a stable funding source for long-term operation and maintenance of drinking water systems. Existing loan and grant programs are limited to funding for capital improvements and do not address ongoing operations and maintenance needs. Many small disadvantaged communities lack the resources to repair the problems with their drinking water systems, and are forced to find other sources of safe drinking water, which are costly and burdensome to low-income households.

Significant Adjustments:

- Safe Drinking Water Projects—\$168.5 million in Proposition 68 funds for the State Water Resources Control Board to provide technical assistance, grants, and loans to public water systems in disadvantaged communities for infrastructure improvements to meet safe and affordable drinking water standards, including both drinking water and wastewater treatment projects.

- **Emergency Water Supplies**—\$10 million General Fund for the State Water Resources Control Board to address safe drinking water emergencies in disadvantaged communities, such as provision of interim alternate water supplies, including bottled or hauled water, and emergency improvements or repairs to existing water systems, such as well rehabilitation or replacement, extension of service, consolidation projects, or treatment systems.
- **Technical Assistance**—\$10 million General Fund for the State Water Resources Control Board to contract with, or provide grants to, an administrator to provide administrative, technical, operational, or managerial services to a designated water system to achieve compliance with current drinking water standards. Technical assistance could also include the development of a community-based needs assessment and preparation of grant applications for capital projects.
- **Safe and Affordable Drinking Water Fund**—Establish a new special fund, with a dedicated funding source from new water, fertilizer, and dairy fees, to enable the State Water Resources Control Board to assist communities, particularly disadvantaged communities, in paying for the short-term and long-term costs of obtaining access to safe and affordable drinking water. This proposal is consistent with the policy framework of SB 623, introduced in the 2017-18 legislative session. The Budget also includes \$4.9 million General Fund on a one-time basis for the State Water Resources Control Board and the Department of Food and Agriculture to take initial steps toward implementation of this new Safe and Affordable Drinking Water Program, including (1) implementation of fee collection systems, (2) adoption of an annual implementation plan, and (3) development of a map of high-risk aquifers used as drinking water sources.

---

## APPRENTICESHIPS FOR A GREEN ECONOMY

The state's workforce must adapt to the impacts of climate change as new technologies emerge and new job skills are needed. The Budget includes \$27 million Greenhouse Gas Reduction Fund to increase job training and apprenticeship opportunities focused on disadvantaged communities. Disadvantaged communities are being disproportionately impacted by climate change, and investment in these communities will provide job skills and career pathways to provide economic security to individuals and families in those areas. Resources will help build and continue existing partnerships comprised of labor, industry, and community partners to develop jobs skills that focus on climate and technology-related occupations while providing

foundational skills and experience that translate across industry sectors. This proposal consists of the following components:

- Pre-Apprenticeship Construction Partnerships—\$10 million annually for 5 years to place approximately 3,000 disadvantaged workers in apprenticeships for a career in the trades by doubling the training capacity for each of the existing 14 regional hubs.
- Training Partnerships—\$10 million annually for 5 years to place 2,000 disadvantaged workers into entry-level jobs and develop skills in climate and technology-related occupations through the expansion of existing partnerships.
- Worker Transition Fund—\$5 million annually for 5 years to provide income replacement in conjunction with retraining for approximately 1,500 displaced workers resulting from climate policies or automation.
- Technical Assistance and Program Administration—\$2 million for 11 positions and contract resources at the California Workforce Development Board to support these programs.

These proposals are consistent with the Board's recommendations for increased job training and workforce development needs as a result of the state's transition to a low carbon economy, as required by Chapter 135, Statutes of 2017 (AB 398).

# STATEWIDE ISSUES AND VARIOUS DEPARTMENTS

This Chapter describes items in the Budget that are statewide issues or related to various departments.

---

## OFFICE OF DIGITAL INNOVATION

A primary goal of government is the efficient delivery of government services. To further this goal, California must change the way it approaches service delivery and technology investments. Millions of Californians interact with government services every day: residents apply for drivers' licenses, students compare financial aid options, and small business owners apply for licenses or pay business taxes. Too often, outdated tools and complex systems make these interactions cumbersome and frustrating. Additionally, manual processes and the lack of digital service delivery often require individuals to take time off work and go to a physical office to interact directly with government staff.

The state must transform from a passive governance model that largely responds to individual statutory and policy mandates to one that actively establishes measurable customer service benchmarks and leading digital service delivery from a programmatic and statewide perspective.

The Budget includes initial start-up costs of \$36.2 million (\$33.7 million General Fund), \$14.6 million (\$9.6 million General Fund) ongoing, and 50 positions to establish the Office of Digital Innovation (Office) within the Government Operations Agency and embark on this transformation of state government. The Office will have the authority to develop and enforce requirements for departments to assess their service delivery models and underlying business processes from an end-user perspective. Establishing the Office will improve the accessibility and reliability of the state's vital services by focusing on business process reengineering and leveraging digital innovation, where appropriate.

### **INNOVATION ACADEMY**

Sustainable innovation requires a culture of continuous improvement and a thoughtful approach to human change management. These are two areas that have been a particular challenge for government in general, and California is no exception. The Office will address these needs through the creation of a scalable innovation academy focused on continuous process improvement, human change management, executive sponsorship, and a customer-centric mindset. The academy will be mandatory for state supervisors, managers, and executives with the curriculum aligned to the audience.

### **ADDITIONAL INFORMATION TECHNOLOGY TRAINING**

The Budget proposes additional information technology training for state staff in agile and other modern development methods to improve successful service delivery with a focus on continuous improvement. The state has already begun investing in modular procurements and agile project development (rather than depending on a single vendor for delivery). This iterative and modular methodology when implemented correctly reduces cost and risk. However, the state's current project managers generally lack expertise in managing these efforts, particularly agile development. While the state has agile curriculum developed, more emphasis on training is necessary for state project managers and information technology staff to experience success with these methods, which have proven successful in the private sector for years.

### **A FOCUS ON THE CUSTOMER**

The Office will engage departments and stakeholders throughout the state to implement user-centric design, iterative software development, customer feedback loops, and other tools necessary to build a culture of continuous program improvement and 21st Century service delivery methods. Additionally, through its statewide mission,

the Office will be uniquely positioned to offer insights into the coordination of service delivery across departments.

## **INNOVATION FUND**

The Budget proposes one-time funding of \$20 million to allow the Office to assist departments with the tools and resources necessary to address prioritized needs and to demonstrate transformational customer-focused digital service delivery.

The transformation of state operations and programs is essential to bringing government closer to the people and building user-friendly service delivery models. This state investment focuses on modernizing service delivery at all levels where Californians engage with government programs.

---

## **DEPARTMENT OF MOTOR VEHICLES (DMV)—A FRESH START**

No other state department has as many interactions with Californians as the DMV. As recent events have highlighted, DMV has significant customer service challenges. The state is currently conducting an audit of the DMV to identify potential opportunities to improve its business processes and overall program management as well as an information technology assessment of its Motor Voter system. Both the audit and assessment will report findings and recommendations in early spring and the Administration anticipates submission of a formal spring budget proposal.

DMV has been taking actions to reduce wait times across the state, but more must be done. DMV is currently soliciting feedback from staff at all levels of its organization to make changes to business processes as well as making upgrades to its customer appointment management application and registration, payment, and identification programs. However, DMV must globally reassess all of its operations. It should better use its data to understand and meet customer needs through improved business processes and expanded digital service delivery. As such, DMV will be the first state department to pilot the digital services and innovation academy working with the Office of Digital Innovation in the budget year.

The Budget continues current efforts to address DMV's increased workload resulting from the federal REAL ID mandate by providing \$63 million and 780 positions, consistent with current year funding levels.

---

## PENSION CONTRIBUTIONS

Over the past several years, the state has made progress in addressing its long-term pension liabilities to curb the growing costs of state retirement programs and help ensure its continuing ability to provide retirement benefits over the long term.

The California Public Employees' Pension Reform Act of 2013 (PEPRA) was enacted to save billions of taxpayer dollars by capping benefits, increasing the retirement age for new employees, and requiring them to pay at least half of their normal costs (or the amount of money that must be set aside today to pay for the future pension benefits that accrued that year). In 2014, the state implemented a funding strategy to shore up the California State Teachers' Retirement System (CalSTRS), which was projected to run out of money in 33 years. In 2017, the state made a one-time \$6 billion supplemental pension payment to the California Public Employees' Retirement System (CalPERS), funded by a loan from the Surplus Money Investment Fund, which is estimated to save the state an additional \$4.8 billion in the long term.

While the state's employee pension costs continue to grow, these efforts have placed the state in a better fiscal position to address them. The state's current unfunded pension liability for CalPERS is \$58.7 billion, and the overall unfunded liability for CalSTRS is \$103.5 billion (of which the state's share is \$35.3 billion). As of June 30, 2017, the funded status for CalPERS and CalSTRS was 67 percent and 64 percent, respectively, meaning the retirement systems only have approximately two-thirds of the funds required to make pension payments to retirees.

---

## PAYING DOWN UNFUNDED RETIREMENT LIABILITIES

The Budget proposes significant investments totaling \$5.9 billion General Fund to address the state's long-term pension liabilities—including a one-time \$3 billion cash supplemental pension payment to CalPERS and \$2.9 billion over the next four years to CalSTRS. These supplemental pension payments are intended to curb the growing costs of the state's retirement programs and are estimated to result in \$14.6 billion in savings over the long term. Paying off the state's budgetary debts will allow all the required Proposition 2 debt payments to go toward paying the state's retirement liabilities.

### STATE EMPLOYEES' RETIREMENT CONTRIBUTIONS

The Budget includes a \$3 billion General Fund supplemental pension payment to be paid to CalPERS in 2018-19. Based on current CalPERS actuarial assumptions, this supplemental pension payment is estimated to result in a reduction in state employer

contribution rates beginning in 2020-21 and additional savings of roughly \$7.2 billion over the next three decades.

The Budget also includes a statutorily required annual contribution of \$6.8 billion (\$3.9 billion General Fund) to CalPERS for state pension costs, of which \$727.5 million General Fund is for California State University retirement costs. The estimated \$566 million increase is the net effect of changes in actuarial assumptions, including the lower discount rate adopted by the CalPERS Board in 2016, savings from greater investment returns, and the \$6 billion supplemental pension payment the state made to CalPERS in 2017-18.

An additional \$390 million in Proposition 2 debt funding is included in the Budget to pay down the General Fund's share of the loan that funded the \$6 billion supplemental pension payment to CalPERS in 2017-18.

### **TEACHERS' RETIREMENT CONTRIBUTIONS**

The Budget includes a \$1.1 billion supplemental pension payment toward the state's share of the unfunded liability for the CalSTRS Defined Benefit Program. This amount is the first installment of an estimated \$2.9 billion to be paid to CalSTRS through 2022-23 using available Proposition 2 debt payment funding. The state will achieve estimated savings of \$7.4 billion over the next three decades as a result of the supplemental pension payments, based on current CalSTRS actuarial assumptions.

The Budget also provides a statutorily required annual payment equaling about \$3.3 billion in General Fund for state contributions to CalSTRS. This is a roughly \$235 million increase due to an anticipated increase in payroll growth and the lower assumed investment rate of return adopted by the Teacher's Retirement Board in 2017. The budgeted amount assumes the Board will exercise its authority to increase state contributions by 0.5 percent of teacher payroll, which is consistent with the funding strategy signed into law in 2014, and positions CalSTRS on a sustainable path toward eliminating the unfunded liability by 2046.

---

## **STATE HEALTH CARE BENEFITS**

In total, the state is projected to spend approximately \$5.8 billion on health care benefits in 2019-20 for more than 850,000 state employees, retirees, and their family members. The Budget includes nearly \$2.3 billion for retiree health care benefits for 2019-20. These payments are five times what the state paid in 2001 (\$458 million) and now represent approximately 1.7 percent of the General Fund. Fifteen years ago,

Figure SWE-01  
**State Retirement and Health Care Contributions** <sup>1/ 2/</sup>  
(Dollars in Millions)

	CalPERS <sup>3/</sup>	CSU CalPERS	CalSTRS	JRS	JRS II	LRS	Active Health & Dental <sup>4/</sup>	Retiree Health & Dental	CSU Retiree Health	Employer OPEB Prefunding <sup>5/</sup>
2008-09	\$3,063		\$1,133	\$189	\$40		\$2,146	\$1,183		
2009-10	2,861		1,191	184	32		2,120	1,182		\$3
2010-11	3,230		1,200	166	54		2,277	1,387		2
2011-12	3,174		1,259	195	58		2,439	1,505		0
2012-13	2,948 <sup>6/</sup>	\$449 <sup>6/</sup>	1,303	160	51		2,567	1,365 <sup>6/</sup>	\$222 <sup>6/</sup>	0
2013-14	3,269	474	1,360	188	52	\$1	2,697	1,383	225	22
2014-15	4,042	543	1,486	179	63	1	2,797	1,462	256	38
2015-16	4,338	585	1,935	190	67	1	2,968	1,556	263	63
2016-17	4,754	621	2,473	202	68	1	3,104	1,623	272	342 <sup>8/</sup>
2017-18	5,188	661	2,790	197	76	1	3,192	1,695	285	189
2018-19	5,506	683	3,082	195	74	1	3,329	1,784	311	394
2019-20 <sup>7/</sup>	6,028	727	3,318	216	79	1	3,495	1,895	331	577

<sup>1/</sup> The chart does not include contributions for University of California pension or retiree health care costs, and does not reflect the \$6 billion supplemental pension payment to CalPERS in 2017-18 authorized by Chapter 50, Statutes of 2017 (SB 84).

<sup>2/</sup> The 2019-20 Governor's Budget proposes multiple supplemental pension payments to CalPERS and CalSTRS, which are not reflected in the chart. The first proposal is a \$3 billion General Fund supplemental pension payment to CalPERS in 2018-19. The second proposal is a \$2.9 billion supplemental pension payment to CalSTRS over the next four fiscal years (\$1.1 billion in 2019-20), on the state's behalf, using estimated available Proposition 2 debt repayment funding. The third proposal is a \$3 billion General Fund supplemental pension payment to CalSTRS in 2018-19, on behalf of CalSTRS employers.

<sup>3/</sup> In addition to the Executive Branch, this includes Judicial and Legislative Branch employees. Contributions for judges and elected officials are included in JRS, JRS II, and LRS.

<sup>4/</sup> These amounts include health, dental, and vision contributions for employees within state civil service, the Judicial and Legislative Branches, and California State University (CSU).

<sup>5/</sup> Amount reflects the employer contribution to pay down the Other Post-Employment Benefits (OPEB) unfunded liability.

<sup>6/</sup> Beginning in 2012-13, CSU pension and health care costs are displayed separately.

<sup>7/</sup> Estimated as of the 2019-20 Governor's Budget. 2019-20 General Fund costs are estimated to be \$3,166 million for CalPERS, \$727 million for CSU CalPERS, \$1,642 million for Active Health and Dental, \$2,222 million for Retiree Health & Dental (including CSU), and \$289 million for OPEB Prefunding. The remaining totals are all General Fund.

<sup>8/</sup> Amount includes a one-time prefunding contribution of \$240 million pursuant to Chapter 2, Statutes of 2016 (AB 133).

retiree health care benefits made up less than one half of one percent of the General Fund.

Through the collective bargaining process, the state and its 21 employee bargaining units and related excluded and exempt employees now prefund retiree health benefits. As a result, more than \$1 billion is currently set aside in the prefunding trust fund to pay for future retiree health benefits, which has an estimated \$91 billion unfunded liability to be paid down over three decades. By the end of 2018-19, the trust fund balance will approach \$1.6 billion in assets.

---

## EMPLOYEE COMPENSATION AND COLLECTIVE BARGAINING

The Budget includes \$1.2 billion (\$605.3 million General Fund) for increased employee compensation, health care costs for active state employees, and retiree health care prefunding contributions for active employees. Included in these costs are collectively bargained salary and benefit increases resulting from contract negotiations and pay increases related to minimum wage changes in Chapter 4, Statutes of 2016 (SB 3). Funding is also included for 2020 calendar year increases in health care, dental, and vision premiums and enrollment.

The Administration will begin collective bargaining negotiations with 5 of the state's 21 bargaining units, representing Attorneys and Administrative Law Judges, Correctional Officers, Public Safety, Stationary Engineers, and Psychiatric Technicians, whose contracts will expire in late June or early July 2019. Additionally, collective bargaining negotiations with Highway Patrol Officers, whose contract expired in July 2018, are expected in the upcoming calendar year.

---

## MEDICINAL AND ADULT-USE CANNABIS

The Budget includes \$200.6 million from the Cannabis Tax Fund and the Cannabis Control Fund, which receive revenues from cannabis licensing fees, for cannabis-related activities, as approved in the 2018 Budget Act. The Budget also includes an additional \$2.9 million for the California Department of Tax and Fee Administration for a cannabis tax enforcement program, to increase cannabis tax compliance.

Proposition 64, commonly known as the Adult Use of Marijuana Act, levied excise taxes on the cultivation and retail sale of both recreational and medical cannabis, effective January 1, 2018. As the legal cannabis market continues to develop, excise tax revenues are expected to continue to increase. The cannabis excise tax is forecast to generate \$355 million in 2018-19 and \$514 million in 2019-20. Revenue estimates for a newly created market are subject to significant uncertainty.

Pursuant to Proposition 64, revenues generated from the excise taxes are allocated for various purposes outlined in the Act. Funds loaned by the General Fund to jump-start cannabis-related activities will also need to be repaid. Given the timing of tax receipts, the Administration is deferring allocations for Proposition 64 programs until the May Revision, when more updated revenue data will be available.

---

## CALIFORNIA ARTS COUNCIL

The California Arts Council's mission is advancing California through the arts and creativity. The Council administers grants to support the state's arts and cultural communities through the development of partnerships with the public and private sectors to enhance the cultural, educational, social, and economic growth of California. The grant programs support arts education in school and community settings; system-engaged youth; recently incarcerated individuals; local and community economic development; recent immigrants and refugee communities; native communities; veterans and their families; and various arts service organizations, and are designed to serve populations and communities who are underrepresented in the arts and have reduced access to arts programs.

The Budget includes \$10 million General Fund to expand grant programs that offer support for public access to the arts, arts education, and the state's cultural infrastructure. Matching funds will enhance the state's investment.

---

## CALIFORNIA VOLUNTEERS

As the State Service Commission for California, California Volunteers manages programs and initiatives aimed at increasing the number of Californians engaged in service and volunteering. California Volunteers supports nearly 4,000 AmeriCorps members serving statewide in programs that address critical community needs in education, public safety, health and human needs, and the environment.

AmeriCorps members are recruited, trained, supervised, and managed by eligible organizations, and may receive a living allowance and other benefits while serving. Upon successful completion of their service, AmeriCorps members are eligible to receive a Segal AmeriCorps Education Award from the National Service Trust that they can use to pay for higher education expenses or apply to qualified student loans. Currently, the Segal AmeriCorps Education Award is \$6,095 for a full-time AmeriCorps participant. The Budget includes \$20 million General Fund to begin the expansion of the state's AmeriCorps members to 10,000—more than double the current number—and to supplement the federal award to reach a target of \$10,000. It is anticipated that private funds will supplement the state's investment.

---

## 2020 CENSUS

The upcoming 2020 Census is critical to California because the data collected by the decennial census is used to determine the number of seats California will have in the U.S. House of Representatives and federal funding levels for local communities. This will be the first census conducted online, and this and other aspects of the federal census design may adversely impact resident participation. California has the largest number of hard-to-count residents—putting its population at risk of being underreported. Launched in 2017-18, California's Complete Count effort will be an extensive statewide outreach and awareness campaign designed to encourage and support full participation by all Californians in the upcoming 2020 Census.

The Budget includes an additional \$50 million for statewide outreach efforts related to increasing the participation rate of Californians in the decennial census, bringing the total funding available to \$140.3 million. This effort will span multiple years, be conducted in multiple languages, and implement specific strategies to obtain a complete and accurate count of all California residents. The Budget also includes \$4 million for the California Housing and Population Sample Enumeration, which is a survey that will identify barriers to a complete count and successful approaches taken by the various outreach efforts and help develop recommendations for the 2030 Census.

---

## TRANSPORTATION AND INFRASTRUCTURE

The Administration is continuing to implement the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017, SB 1), which provides stable, long-term funding for both state and local transportation infrastructure. SB 1 provides an average of \$5.4 billion per year over the next ten years for a strategic mix of state and local transportation projects. The sustained investment over the course of the next decade and beyond will support hundreds of thousands of jobs in California.

The Budget provides \$4.8 billion in new SB 1 funding. Of this amount, \$1.2 billion is available to all 479 cities and 58 counties for local road repairs, with another \$1.2 billion for the repair and maintenance of the state highway system. On top of this, \$400 million is available to repair and maintain the state's bridges and culverts, \$307 million is available to improve trade corridors, and \$250 million is available to increase throughput on congested commute corridors. The Budget also reflects \$458 million for local transit operations and \$386 million for capital improvements for transit, commuter, and intercity rail. SB 1 also provides annual funding for other local transportation

priorities, including \$200 million for Local Partnership projects, \$100 million for projects in the Active Transportation Program, \$25 million for expansion of freeway service patrols, and \$25 million in local planning grants.

The Administration will release a Five-Year Infrastructure Plan that will identify priorities for investments in the state's infrastructure later this year.

The Budget includes one-time resources of \$315.8 million (\$287.2 million General Fund and \$28.6 million Proposition 68 bond funds) to address the most critical statewide deferred maintenance projects. At present, the reported statewide deferred maintenance need is more than \$70 billion. These one-time resources will continue to address the statewide backlog of deferred maintenance and help departments reduce the need to build costlier new infrastructure. This funding will be provided to the entities listed below:

- Department of Corrections and Rehabilitation: \$112,200,000
- Department of Parks and Recreation: \$45,600,000 (\$34,000,000 General Fund and \$11,600,000 Proposition 68 bond funds)
- Judicial Branch: \$40,000,000
- Department of State Hospitals: \$35,000,000
- Department of General Services: \$16,000,000
- Department of Fish and Wildlife: \$10,000,000 (Proposition 68 bond funds)
- Network of California Fairs: \$7,000,000 (Proposition 68 bond funds)
- Department of Forestry and Fire Protection: \$6,000,000
- Department of Developmental Services: \$5,000,000
- California Military Department: \$5,000,000
- California Highway Patrol: \$5,000,000
- Department of Veterans Affairs: \$5,000,000
- State Special Schools: \$5,000,000
- Department of Motor Vehicles: \$3,000,000
- Exposition Park: \$3,000,000
- Department of Food and Agriculture: \$3,000,000

- Housing and Community Development: \$3,000,000
- Employment Development Department: \$2,000,000
- Office of Emergency Services: \$2,000,000
- California Conservation Corps: \$1,000,000
- Hastings College of the Law: \$1,000,000
- Tahoe Conservancy: \$1,000,000

This page intentionally blank to facilitate double-sided printing.

# DEMOGRAPHIC INFORMATION

California's population growth continues to slow as births fall, deaths from an aging population rise, and net migration into the state decreases. The population is becoming more educated, as people stay in school longer and net migration is higher for those with more education.

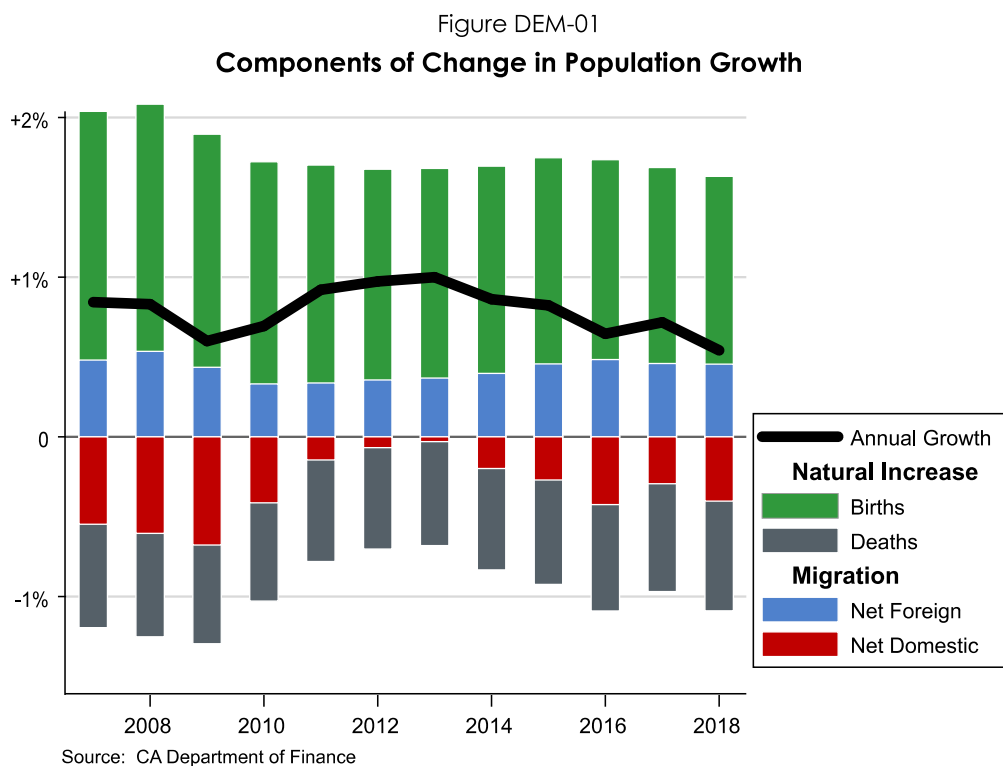
---

## DEMOGRAPHIC OUTLOOK

California population was estimated at 39.8 million on July 1, 2018. Since the state's peak growth rate during the past decade of approximately 1 percent in 2013, the state's growth rate has diminished.

The decline in the growth rate can be explained by changes in the natural rate of increase (births minus deaths) and net migration flows (both international flows and interstate migration). The birth rate continues to decline due to fewer people of the age when most become parents, and fewer people choosing to have children, with particular declines in the teen birth rate since 2015. The crude birth rate of 11.7 births per 1,000 people in fiscal year 2017-18 was the third-lowest since records began in 1905.

The decreasing birth rate has begun to affect K-12 enrollment, which is currently just over 6.2 million and is projected to fall below six million by 2025-26. The number of 5-year-olds has fallen from around 520,000 in 2012 to under 500,000 in 2017.



Deaths have increased to 6.8 per 1,000 people despite improvements in life expectancy, and will continue to increase as the baby boomer generation ages. The proportion of the population 65 and over was 10.7 percent in 2000, but is projected to increase to 20.6 percent by 2030. As can be seen in Figure DEM-01, California has experienced net domestic out-migration for many years, but overall net migration is positive due to foreign immigration.

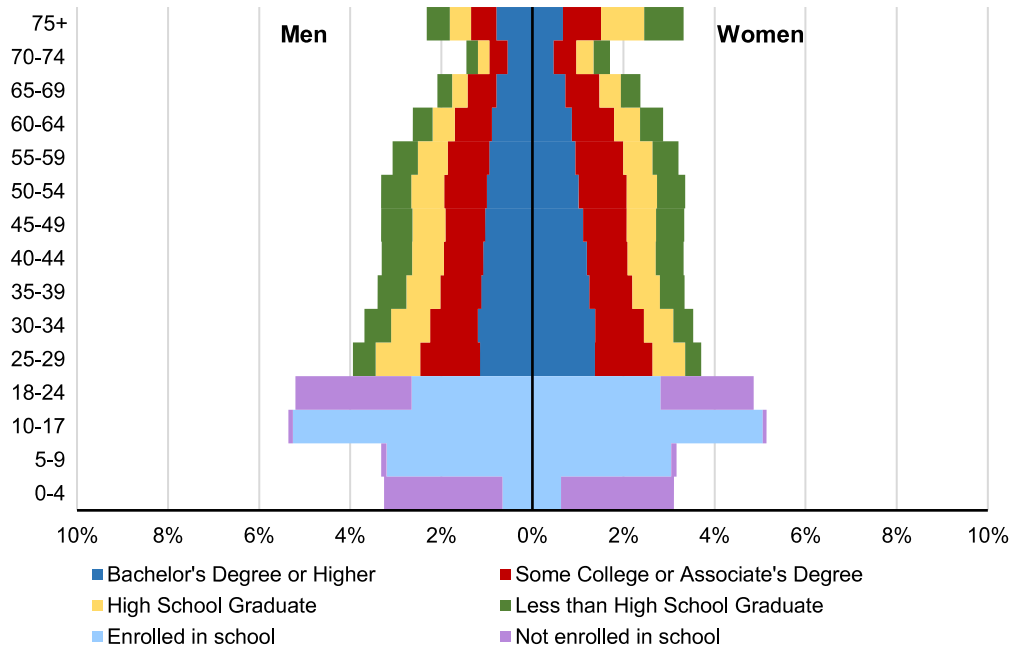
## EDUCATIONAL LEVELS

The state's population has fewer children and more working-age residents, who tend to be a highly educated population (see Figure DEM-02). The population pyramid below shows the age and sex distribution of the population, according to education level (for 25 year olds and above) or enrollment (for those under 25). California attracts a large student population age 18-24, evident by the proportion of the state's population at those ages. Although in the older population more men than women have a bachelor's degree or higher, the opposite is true among the younger population.

Over time, the state also has become more educated on average due to outward migration of less educated residents as measured by census data, and inward

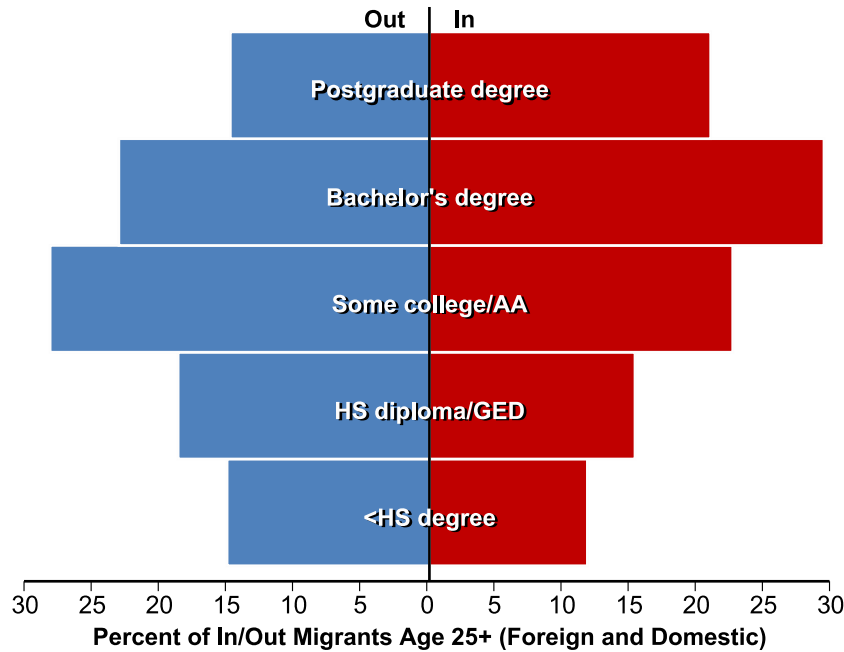
migration of more educated people. Figure DEM-03 shows foreign and domestic migration by educational level for 2007-2017.

Figure DEM-02  
2013-2017 Educational Attainment of Californians



Source: U.S. Bureau of the Census

Figure DEM-03  
Migration by Educational Attainment



Source: U.S. Bureau of the Census and CA Department of Finance

---

## HOUSING AND INCOME

Between April 2017 and March 2018, 77,000 more people moved out of California than from other states. According to the Current Population Survey, those moving out listed housing as one of the most common factors, behind family and job concerns.

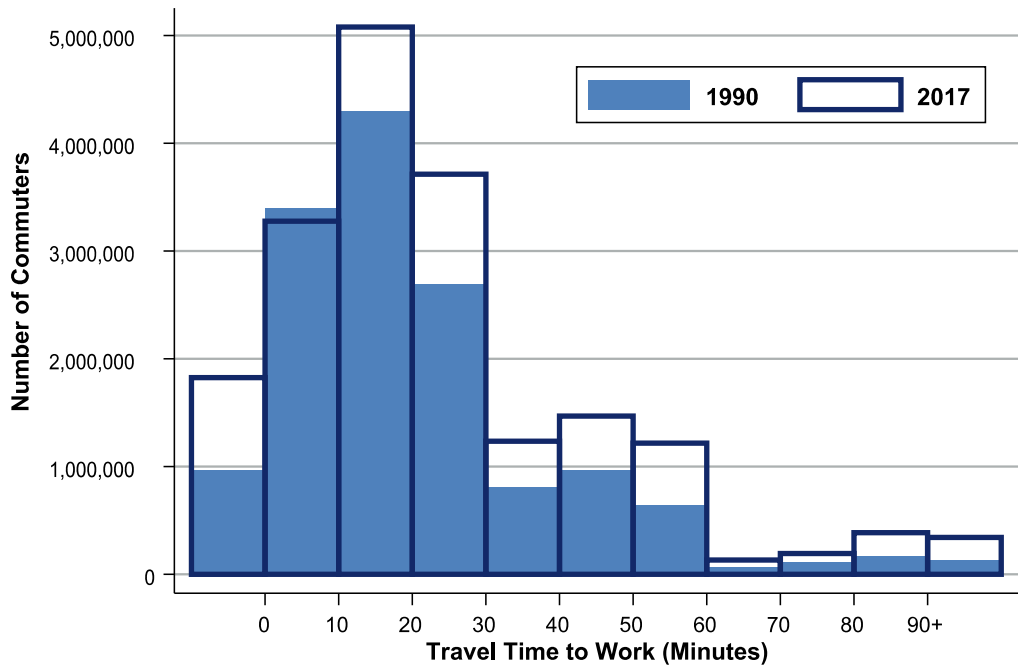
One in five Californians pay more than 50 percent of their income for shelter. While those households with incomes less than \$50,000 have always had high rent burdens, in the last 3 years the overall number of households in this group spending more than 50 percent of income on rent has increased.

Although the state has grown to be the 5th largest economy in the world, the median income of households in 2017 was less than \$72,000. While this is higher than the roughly \$62,000 in comparable dollar terms in 2012, this is barely above the median household income of \$71,000 in 2007.

Workers aged 30-55 with at least a bachelor's degree had a median income of \$72,000 in 2007, falling to \$65,000 in 2012 before recovering to \$71,000 in 2017. People with only some college had a median income of \$42,000 in 2007, falling to \$32,000 in 2012 and only recovering to \$35,000 in 2017.

Since 2007, median gross rent has grown from \$1,278 to \$1,447 per month in 2017, and has led to a marked increase in commuting times, as seen in Figure DEM-04. While the number of telecommuters has almost doubled, the number of people living within 10 minutes of work has fallen. The number of commuters spending more than an hour each way remains low, but has increased substantially.

Figure DEM-04  
Travel Time to Work



Source: U.S. Bureau of the Census

This page intentionally blank to facilitate double-sided printing.

# ECONOMIC OUTLOOK

**T**he path for continued economic growth throughout the forecast is narrowing.

By July 2019, the current expansion will be the longest in modern history. Both the U.S. and California are at full employment, with historic low unemployment rates of 3.7 percent and 4.1 percent in November, respectively, and inflation is rising. Continued growth requires jobs, wages, and consumption to rise in tandem while inflation remains contained. Historically, this has been a difficult balance to achieve.

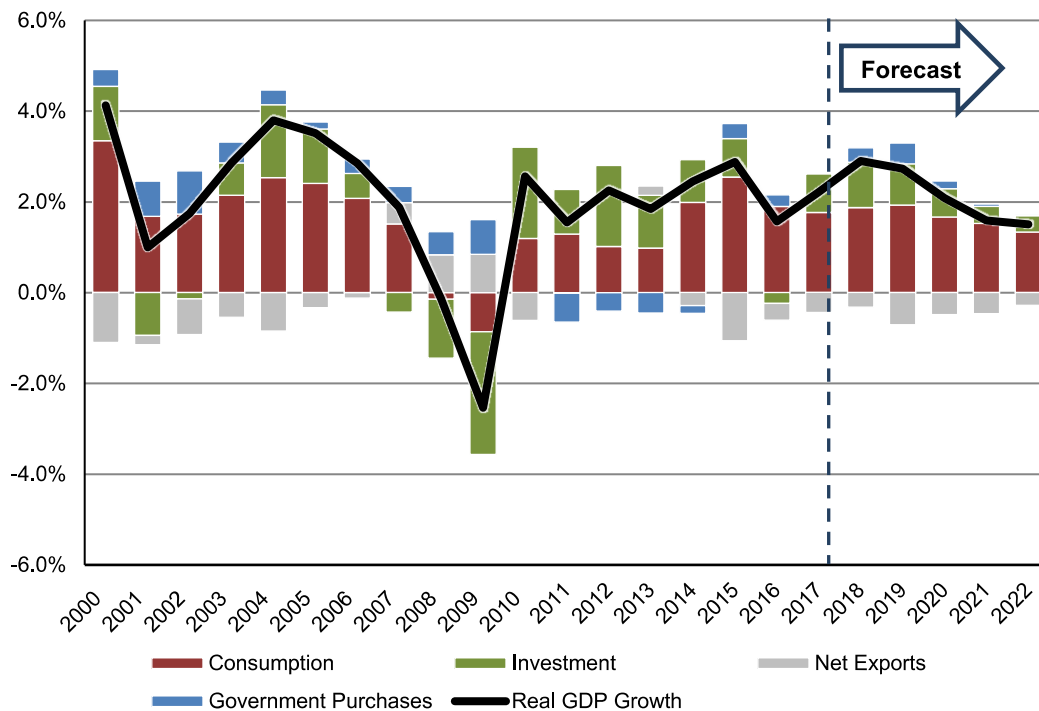
The trade war between the U.S. and China contributes to increased risks of stock market volatility and a recession. Risks to California also include further federal policies as well as structural changes such as an aging population and a continued shortage of housing.

---

## THE NATION—TEMPORARY GROWTH

After a strong 2018 fueled by federal tax cuts and increased federal spending, the forecast assumes continued growth in the short term, with real GDP growth of 2.7 percent in 2019 gradually slowing to 1.5 percent by 2022. The two drivers of growth in 2018 were consumption and federal spending, with deficits around \$1 trillion at a time when debts should be paid down (See Figure ECO-01). Contrary to expectations at the May Revision forecast, the federal tax changes have mainly gone to stock buybacks and led to less increase in investment than projected. In coming years, growth is assumed to be driven by consumption as real wage growth increases for more workers.

Figure ECO-01  
Contributions to U.S. Real GDP Growth



Source: U.S. Bureau of Economic Analysis; CA Department of Finance, Governor's Budget Forecast.

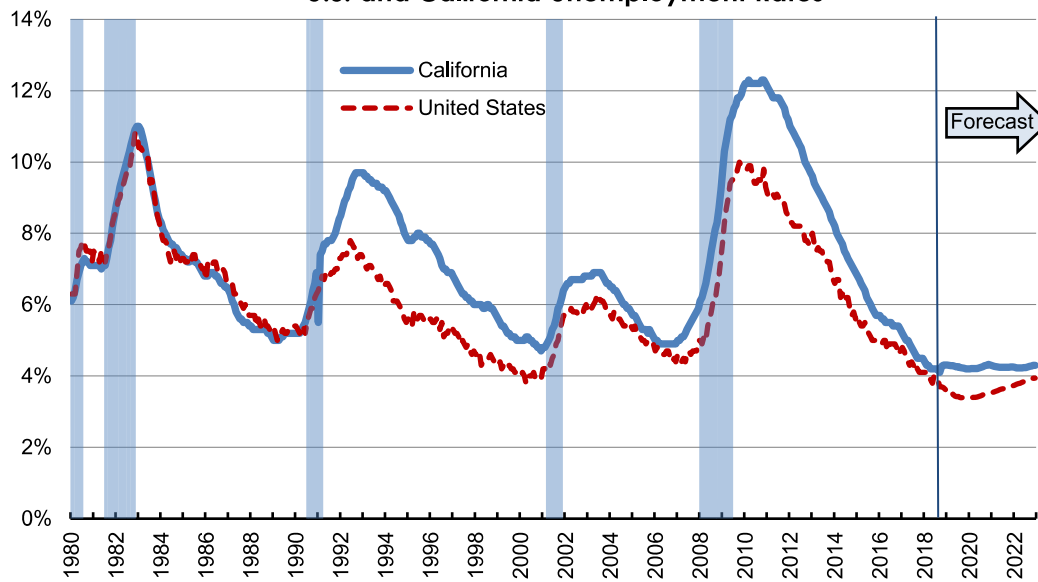
The U.S. unemployment rate was 3.7 percent in September, October and November 2018, the lowest it has been since 1969. With real GDP growth above 2 percent and higher labor force growth through 2020, the unemployment rate for the U.S. is assumed to decrease to 3.4 percent in mid-2019, before starting to slowly increase in late 2020 to reach 3.9 percent by 2022 (See Figure ECO-02).

U.S. inflation was 2.1 percent in 2017 and is projected to average 2.5 percent in 2018 and 2019, due in part to additional tariffs, before gradually slowing to 2.1 percent by 2022. After four federal fund rate increases in 2018, it is expected that the Federal Reserve will continue to increase the federal fund rate up to 3.45 percent by the end of 2020. See Figure ECO-03 for highlights of the U.S. and California forecasts.

## CALIFORNIA—SLOWING GROWTH

California's unemployment rate fell to a record low of 4.1 percent in September 2018 and has been below 4.5 percent for all of 2018. Historically, such low levels of unemployment are associated with high wage growth and rates begin to rise after about six months. For example, when California's unemployment rate fell to the then lowest recorded unemployment rate of 4.7 percent in December 2000, average wage

Figure ECO-02  
**U.S. and California Unemployment Rates**



Shaded areas indicate U.S. recessions.

Source: U.S. Bureau of Labor Statistics; CA Employment Development Department, Labor Market Information Division; CA Department of Finance, Governor's Budget Forecast.

growth was over 9 percent. In the first two quarters of 2018, however, average wage growth in California was around 3.3 percent, with most wage gains accruing to high-income earners. In this forecast, steady job growth along with an increase of the state's labor force participation rate will allow the unemployment rate to stay at around 4.3 percent. It appears that the ease of finding part-time work through platforms offering contract work has led to more people counting as employed but has not garnered them much in wage increases. Starting in 2019, the forecast assumes a more traditional pattern of low unemployment leading to more full-time workers and real wage increases for more workers, including those in lower-income industries. More balanced growth, with real wage gains across all groups, is necessary for sustained increases in consumption and economic activity. This translates into strong personal income growth in 2018 at 5.5 percent and 2019 at 5.0 percent, followed by a more modest growth of 4.3 percent on average through 2022.

To support the job growth concentrated in urban areas, building permits are forecasted to increase to around 175,000 by 2022, split evenly between multi-family and single family units. Using a constant household size of 1.75 adults per household, it is estimated that in 2018, there are nearly one million more households than residential units (See Figure ECO-04). The state needs to issue at least 200,000 permits a year just to keep up with population growth, demolitions from infill projects, and disaster recovery. The increase in construction permits assumed in the forecast is expected to stabilize the pressure on housing prices and overall inflation. The statewide median sales price of an

Figure ECO-03

## Selected Economic Indicators

				Forecast										
				2016		2017		2018	2019	2020	2021	2022		
United States														
Nominal gross domestic product, \$ billions	\$	18,707	\$	19,485	\$	20,504	\$	21,555	\$	22,537	\$	23,472	\$	24,420
Real gross domestic product, percent change		1.6%		2.2%		2.9%		2.7%		2.1%		1.6%		1.5%
Contributions to real GDP growth														
Personal consumption expenditures		1.9%		1.7%		1.8%		1.9%		1.6%		1.5%		1.3%
Gross private domestic investment		-0.2%		0.8%		1.0%		0.9%		0.6%		0.4%		0.3%
Net exports		-0.3%		-0.3%		-0.2%		-0.5%		-0.3%		-0.3%		-0.2%
Government purchases of goods and services		0.3%		0.0%		0.3%		0.5%		0.2%		0.0%		0.0%
Personal income, \$ billions	\$	16,125	\$	16,831	\$	17,585	\$	18,378	\$	19,284	\$	20,131	\$	20,974
Corporate profits, percent change		-0.2%		2.4%		0.0%		6.8%		2.3%		3.2%		3.2%
Housing permits, thousands		1,207		1,282		—		—		—		—		—
Housing starts, thousands		1,177		1,208		1,263		1,318		1,424		1,435		1,437
Median sales price of existing homes	\$	235,500	\$	248,800		—		—		—		—		—
Federal funds rate, percent		0.4%		1.0%		1.8%		2.8%		3.4%		3.4%		3.4%
Consumer price index, percent change		1.3%		2.1%		2.5%		2.5%		2.0%		2.1%		2.1%
Unemployment rate, percent		4.9%		4.4%		3.9%		3.4%		3.4%		3.6%		3.8%
Civilian labor force, millions		159.2		160.3		162.0		163.5		165.3		166.4		167.5
Nonfarm employment, millions		144.3		146.6		149.0		151.3		153.0		153.8		154.5
California														
Personal income, \$ billions	\$	2,259	\$	2,364	\$	2,494	\$	2,619	\$	2,740	\$	2,857	\$	2,972
California exports, percent change		-1.2%		5.2%		—		—		—		—		—
Housing permits, thousands		101		114		125		139		154		166		177
Housing unit net change, thousands		89		85		—		—		—		—		—
Median sales price of existing homes	\$	502,930	\$	537,860		—		—		—		—		—
Consumer price index, percent change		2.3%		2.9%		3.7%		3.7%		3.2%		3.0%		2.8%
Unemployment rate, percent		5.5%		4.8%		4.3%		4.3%		4.3%		4.3%		4.3%
Civilian labor force, millions		19.1		19.3		19.5		19.6		19.8		19.9		20.0
Nonfarm employment, millions		16.5		16.8		17.2		17.4		17.5		17.7		17.8
Percent of total nonfarm employment														
Mining and logging		0.1%		0.1%		0.1%		0.1%		0.1%		0.1%		0.1%
Construction		4.7%		4.8%		5.0%		5.3%		5.6%		5.9%		6.2%
Manufacturing		8.0%		7.8%		7.7%		7.6%		7.5%		7.5%		7.4%
Trade, transportation, and utilities		18.1%		18.1%		17.9%		17.8%		17.7%		17.7%		17.6%
Information		3.2%		3.2%		3.2%		3.2%		3.2%		3.2%		3.1%
Financial activities		5.0%		5.0%		4.9%		4.9%		4.9%		4.9%		4.9%
Professional and business services		15.3%		15.3%		15.4%		15.4%		15.4%		15.3%		15.2%
Educational and health services		15.4%		15.7%		15.7%		15.8%		15.8%		15.9%		16.0%
Leisure and hospitality		11.5%		11.6%		11.6%		11.5%		11.5%		11.5%		11.4%
Other services		3.4%		3.4%		3.4%		3.3%		3.3%		3.3%		3.3%
Government		15.3%		15.2%		15.1%		15.0%		14.9%		14.8%		14.8%
Forecast based on data available as of November 2018.														
Percent changes calculated from unrounded data.														

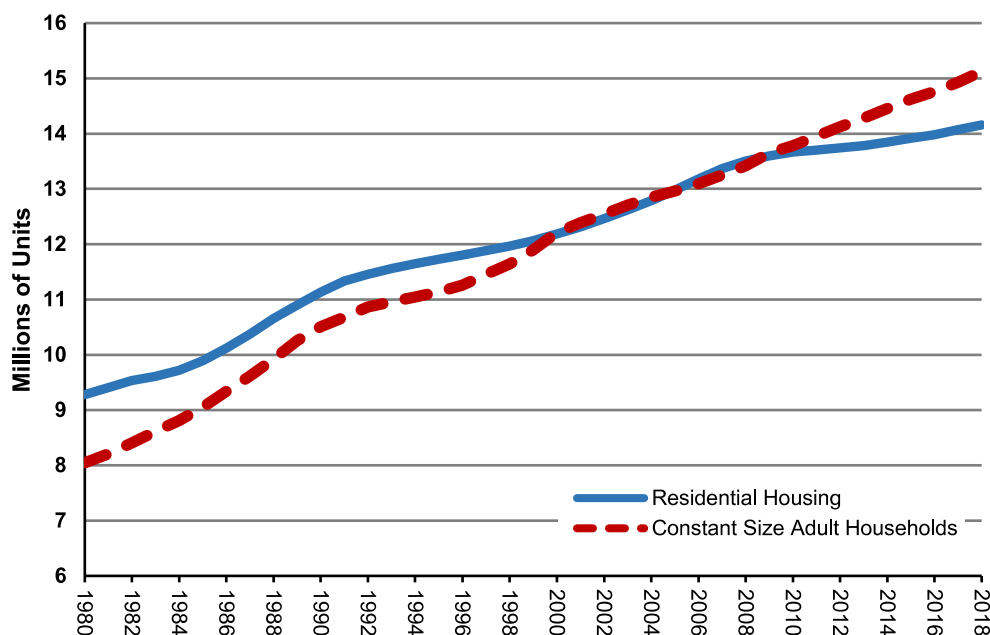
Forecast based on data available as of November 2018.

Percent changes calculated from unrounded data.

existing single-family home reached a new record high of \$602,760 in June 2018 and has averaged around \$575,000 for most of 2018. This is more than double the national median price of around \$258,000. This housing constraint is projected to continue to slow job growth and is the main driver of inflation in California.

Consumer inflation, as measured by the Consumer Price Index, has averaged 3.7 percent in California and 2.5 percent in the nation for most of 2018 after averaging 2.0 percent and 1.7 percent respectively from 2010 to 2017. Consumer inflation is

Figure ECO-04  
**California Housing & Constant Size Adult Households**



Source: U.S. Bureau of the Census; CA Department of Finance, Governor's Budget Forecast.

expected to remain higher in California than the nation, with overall California inflation expected to remain at 3.7 percent in 2018 and 2019 before gradually decelerating to 2.8 percent by 2022.

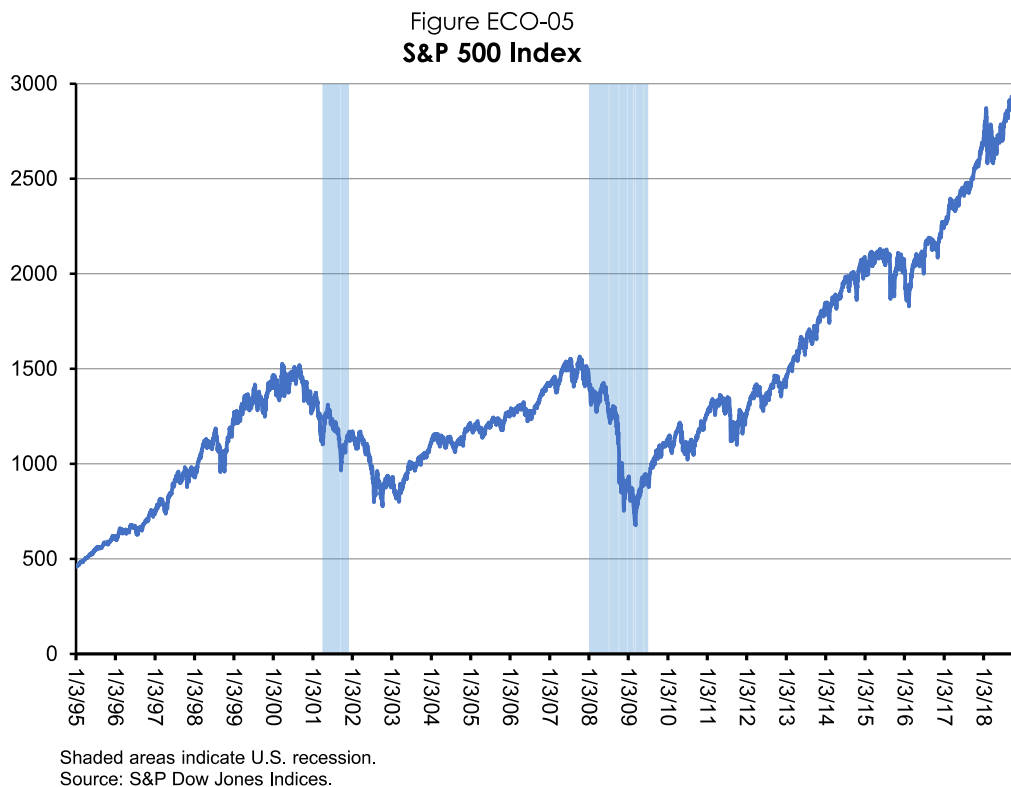
## RISKS ARE RISING

The main risks to the California economic outlook are risks that affect U.S. growth, a large fall in the stock market, policy divergences with the federal government, and structural issues such as an aging population and lack of housing. Many of these risks already materialized in 2018, with the U.S. and China entering a trade war, extreme stock market volatility since October, and a partial federal government shutdown in December.

In 2018, the U.S. imposed tariffs on Chinese products amounting to a total annual trade value of \$250 billion—half of all of the nation's imports from China. These measures were met by retaliatory tariffs from China on over \$50 billion worth of U.S. exports. Because California is a transport hub, and China is the state's third largest trading partner after Mexico and Canada, the ongoing trade war could have negative effects on the state's economy. In 2017, imports from China entering through California totaled \$159 billion, or 36 percent of the state's total imports, while exports to China totaled

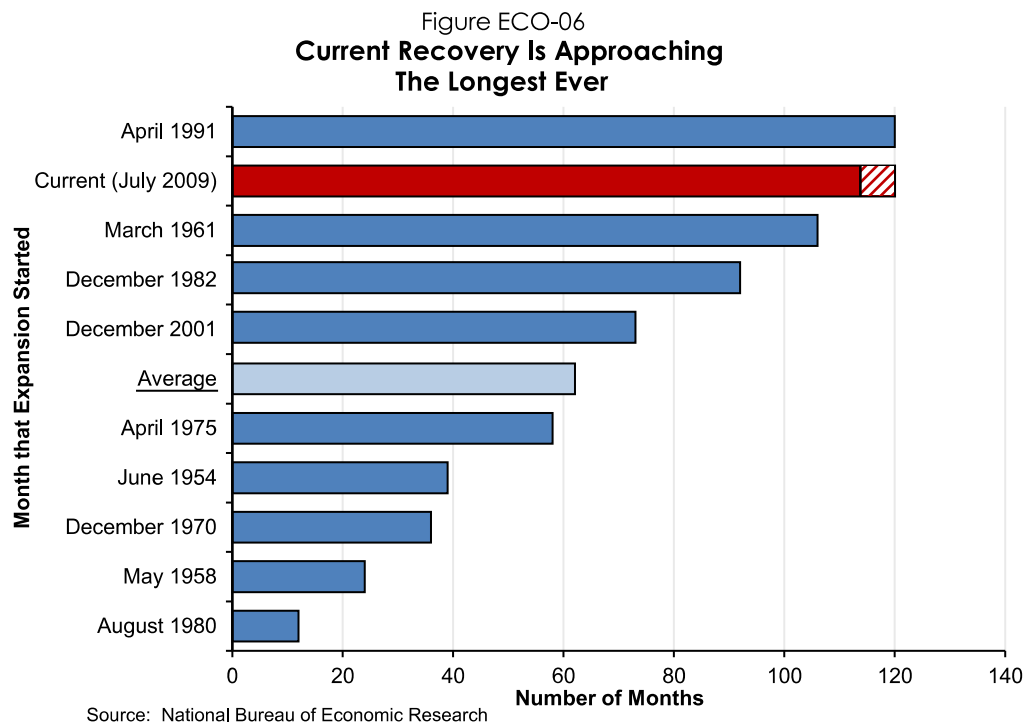
\$16.4 billion, accounting for 9.6 percent of the state's total exports. However, it is expected that tariffs will increase the costs of inputs purchased from China, leading to decreased firm revenue, potentially impacting wages and employment in the short run and triggering a change in the business model of companies that until now have made significant investment decisions based on a system of free global trade.

The year 2018 was also marked by stock market volatility. The S&P 500 index closed on a new record high of 2,931 on September 20, 2018. However, the S&P 500 index has experienced extreme volatility since October. See Figure ECO-05 for historical trends in the S&P 500 index.



The risk of a U.S. recession remains, with the current expansion poised to become the longest in modern history in July 2019 (See Figure ECO-06). Both the nation and California are at unemployment levels only seen near the end of an economic cycle. While the recovery was much slower than in previous expansions, it becomes more difficult to sustain growth once unemployment rates fall too far. For growth to continue, businesses need to continue to hire and invest and consumers must continue making real gains. The federal tax bill passed at the end of 2017 allowed corporations to keep more profits, which have not been shared with workers. Low interest rates also allowed many corporations to take on levels of debt that become less sustainable

when interest rates rise. Government deficits when the economy is good make it difficult to increase federal spending when the recession starts. Furthermore, increasing globalization has also led to more synchronized globalized business cycles, requiring more coordination by national governments to stop them. This is less likely given current federal policy. The impacts of the next recession could be more severe, since much of the population has not recovered from the last recession, and older workers and people who lost their homes have less of a cushion.



The Department of Finance has modeled a recession scenario that assumes a U.S. recession during fiscal year 2019-20. Under this scenario, the economy would experience a greater slowdown than the 2001 recession but smaller than the 2009 recession. The scenario estimates a post-recession unemployment rate peak for California of 8.2 percent compared to 6.9 percent and 12.3 percent for the 2001 and 2009 recessions, respectively. California personal income peak-to-trough is expected to decrease by 2.8 percent, versus declines of 0.9 percent and 4.5 percent for the 2001 and 2009 recessions, respectively.

To continue growing, California must grapple with an aging population and falling birth rate, a lack of housing, and climate change. The state has had a disproportionate share of the baby boomer generation since the 1980s, and as they age they will begin to swell the ranks of retirees. Although some may continue working, a recession may lead people to retire before they are ready. If retirement portfolios have been hit in a

recession as well, more people may face permanently lower incomes during retirement. This may impact their demand for services, make it more difficult for renters to afford increasing housing costs, and may also affect state revenues. Retirees affected by natural disasters may also be more vulnerable, and may face more difficulty in recovering.

## REVENUE ESTIMATES

California's economy and revenues are assumed to continue growing throughout the forecast, although risks are rising. The General Fund revenue forecast has improved relative to the 2018 Budget Act, reflecting a larger share of wages going to high-income taxpayers and a stock market that, until recently, had been stronger than expected. As a result, before accounting for transfers such as to the Rainy Day Fund, General Fund revenue is higher than the 2018 Budget Act projections by \$8.1 billion from 2017-18 through 2019-20.

Figure REV-01 compares the revenue forecasts, by source, in the 2018 Budget Act and the Governor's Budget. Revenue, including transfers, is expected to be \$137 billion in 2018-19 and \$143 billion in 2019-20. The projected increase since the 2018 Budget Act is due largely to an improved outlook for personal income tax. The sales tax forecast has been revised down. The corporation tax is up but the improvement is seen as one-time and not ongoing. Over the three fiscal years, personal income tax is up \$7.5 billion, sales tax is down \$1.4 billion, and corporation tax is up \$1.3 billion. However, accruals of revenues to previous years for corporation tax reduce the 2017-18 beginning balance by an offsetting \$427 million.

The improved revenue forecast for personal income tax is driven by strong wage withholding and capital gains. Because wage growth is not keeping up with the growth in withholding, it appears that much of the wage growth is accruing to higher-income taxpayers, who have higher marginal tax rates. The stock market was higher than forecast for much of the period between the Budget Act forecast and this forecast. However, the market was extremely volatile late in the year. Realized capital gains are

Figure REV-01

**2019-20 Governor's Budget  
General Fund Revenue Forecast  
Reconciliation with the 2018 Budget Act**

(Dollars in Millions)

Source	2018 Budget Act	Governor's Budget	Change From Budget Act Forecast	
<b><u>Fiscal 2017-18: Preliminary</u></b>				
Personal Income Tax	\$91,971	\$94,272	\$2,301	2.5%
Sales & Use Tax	25,384	25,006	-378	-1.5%
Corporation Tax	11,246	12,156	909	8.1%
Insurance Tax	2,514	2,569	55	2.2%
Alcoholic Beverage	371	376	5	1.4%
Cigarette	67	65	-1	-1.9%
Pooled Money Interest	203	250	46	22.8%
Other Revenues	1,071	1,169	99	9.2%
<b>Subtotal</b>	<b>\$132,827</b>	<b>\$135,864</b>	<b>\$3,036</b>	<b>2.3%</b>
Transfers <sup>1/</sup>	-3,002	-4,369	-1,367	45.5%
<b>Total</b>	<b>\$129,825</b>	<b>\$131,495</b>	<b>\$1,670</b>	<b>1.3%</b>
<b><u>Fiscal 2018-19</u></b>				
Personal Income Tax	\$95,011	\$97,720	\$2,708	2.9%
Sales & Use Tax	26,674	\$26,244	-430	-1.6%
Corporation Tax	12,259	\$12,330	71	0.6%
Insurance Tax	2,576	\$2,606	31	1.2%
Alcoholic Beverage	377	\$382	5	1.2%
Cigarette	65	\$65	0	0.0%
Pooled Money Interest	374	\$554	180	48.3%
Other Revenues	995	\$1,088	93	9.3%
<b>Subtotal</b>	<b>\$138,330</b>	<b>\$140,988</b>	<b>\$2,658</b>	<b>1.9%</b>
Transfers <sup>1/</sup>	-4,998	-4,042	956	-19.1%
<b>Total</b>	<b>\$133,332</b>	<b>\$136,945</b>	<b>\$3,613</b>	<b>2.7%</b>
<b><u>Fiscal 2019-20</u></b>				
Personal Income Tax	\$98,097	\$100,547	\$2,451	2.5%
Sales & Use Tax	27,990	27,424	-565	-2.0%
Corporation Tax	12,837	13,125	288	2.2%
Insurance Tax	2,787	2,830	43	1.5%
Alcoholic Beverage	384	389	5	1.2%
Cigarette	63	63	0	0.2%
Pooled Money Interest	571	655	83	14.6%
Other Revenues	940	1,079	139	14.8%
<b>Subtotal</b>	<b>\$143,669</b>	<b>\$146,112</b>	<b>\$2,443</b>	<b>1.7%</b>
Transfers <sup>1/</sup>	-983	-3,494	-2,511	255.5%
<b>Total</b>	<b>\$142,686</b>	<b>\$142,618</b>	<b>-\$68</b>	<b>0.0%</b>
<b>Three-Year Total</b>			<b>\$5,216</b>	
Totals may not add because of rounding.				
<sup>1/</sup> Includes transfers to Budget Stabilization Account for each year.				

expected to be significantly higher for 2018 than at the Budget Act, but to only be slightly higher in 2019 and later years. The sales tax forecast has declined, as an expected surge of business investment from the federal tax cuts did not materialize. The improved corporation tax forecast reflects strong tax receipts, although this also reflects a change in the timing of payments.

Figure REV-02 shows revenue from capital gains as a percentage of total General Fund tax revenue. As seen from this table, the amount of capital gains revenue in the General Fund can vary greatly from year to year. For instance, in 2007, capital gains contributed \$10.9 billion to the General Fund. By 2009, the contribution from capital

gains had dropped to \$2.3 billion. For 2018, capital gains are forecast to contribute \$15.7 billion to General Fund revenue—the highest amount ever.

Figure REV-02

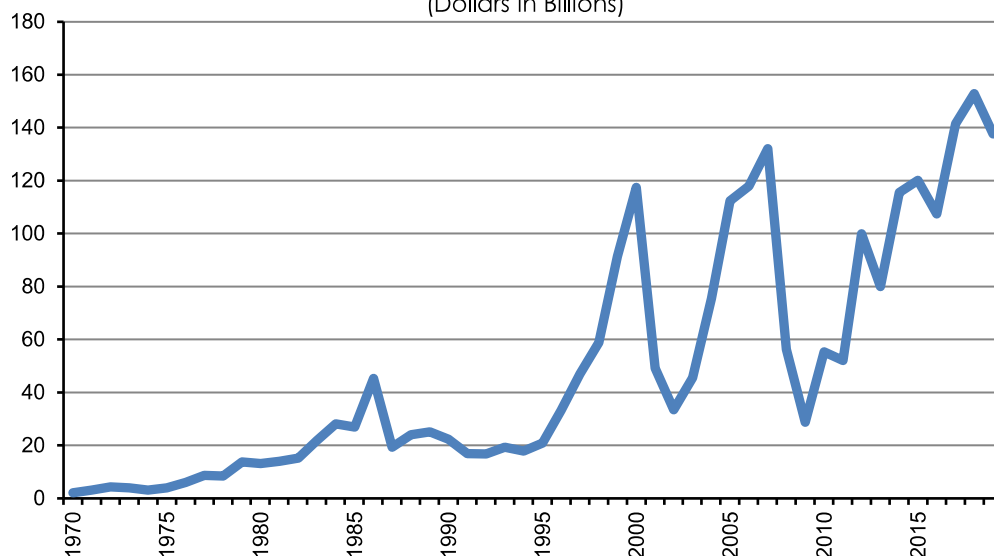
**Capital Gains Revenue**  
**As a Percent of General Fund Tax Revenues**  
 (Dollars in Billions)

Annual Values	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 <sup>est/</sup>	2018 <sup>est/</sup>	2019 <sup>est/</sup>
Capital Gains Realizations	\$117.9	\$132.0	\$56.3	\$28.8	\$55.3	\$52.1	\$99.9	\$79.9	\$115.5	\$120.1	\$113.2	\$141.5	\$152.8	\$137.6
Tax Revenues from Capital Gains	\$9.6	\$10.9	\$4.6	\$2.3	\$4.7	\$4.2	\$10.4	\$7.6	\$11.3	\$11.8	\$11.5	\$14.4	\$15.7	\$14.1
Fiscal Year Values	06-07	07-08	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20
Tax Revenues from Capital Gains	\$10.0	\$9.0	\$3.9	\$3.0	\$4.5	\$6.0	\$9.6	\$8.7	\$11.4	\$11.7	\$12.4	\$14.8	\$15.2	\$13.8
Total General Fund Tax Revenues <sup>1/</sup>	\$95.4	\$101.3	\$81.7	\$86.6	\$92.0	\$85.3	\$97.6	\$103.0	\$113.8	\$118.9	\$122.1	\$135.1	\$140.2	\$145.4
Capital Gains Percentage	10.5%	8.9%	4.7%	3.4%	4.9%	7.1%	9.8%	8.5%	10.1%	9.8%	10.2%	11.0%	10.8%	9.5%

<sup>1/</sup>Excluding transfers.  
<sup>est/</sup>Estimated

Figure REV-03 shows capital gains reported on California tax returns from 1970 through projections for 2019. Although the level of capital gains has grown significantly since 1970 (along with the economy and total personal income tax revenue), capital gains volatility has been a constant. History shows that high levels of capital gains eventually drop off.

Figure REV-03  
**Capital Gains Realizations**  
 (Dollars in Billions)



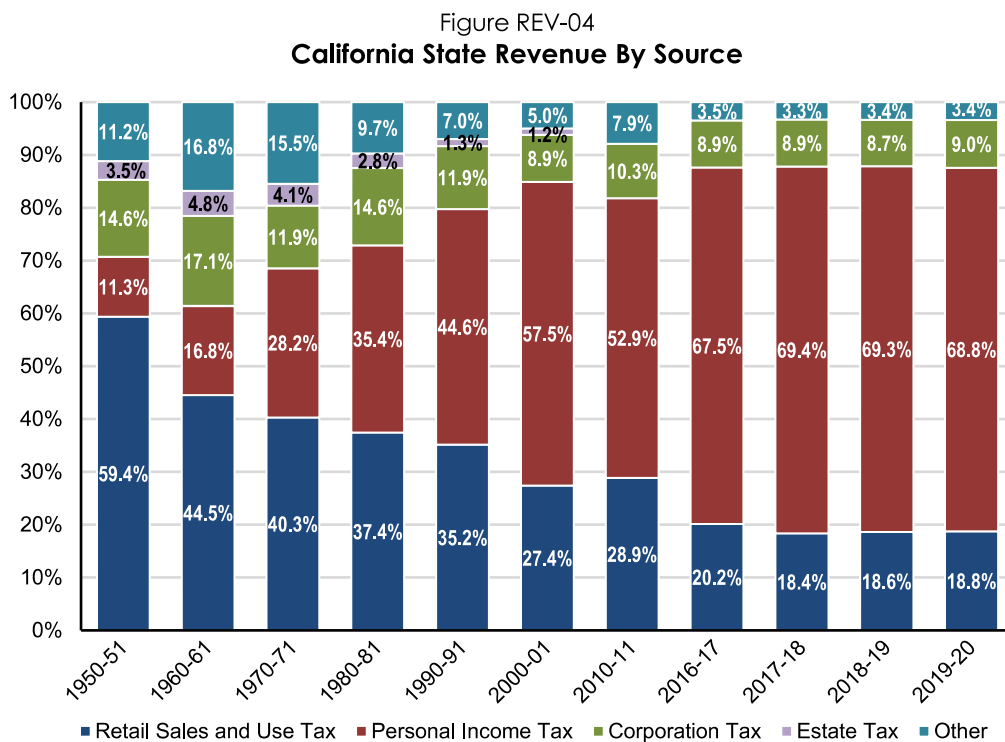
Forecasting capital gains is difficult because capital gains realizations are heavily dependent upon stock market performance. This forecast assumes that the S&P 500 ended 2018 at 2,665 and will grow slowly for the next several years. While the stock market has outperformed the Budget Act forecast for much of the year, recent declines, which occurred subsequent to the completion of the Budget forecast, increase downside risks to the forecast. The forecast includes a significant increase in realized capital gains for 2018, but only limited improvement in 2019 and later years.

The highest-income Californians pay a large share of the state's personal income tax. For the 2016 tax year, the top 1 percent of income earners paid just under 46 percent of personal income taxes. This percentage has been greater than 40 percent in 12 of the past 13 years. The share of total adjusted gross income from the top 1 percent of income earners has increased from 13.8 percent in 1993 to 23 percent in 2016. This number has exceeded 20 percent in 12 of the past 13 years. Consequently, changes in the income of a relatively small group of taxpayers can have a significant impact on state revenues.

These two related phenomena—significant reliance of the General Fund on capital gains and on taxes paid by a small portion of the population—underscore the difficulty of forecasting personal income tax revenue. The Rainy Day Fund helps address some of the state's revenue volatility. Under Proposition 2, when capital gains revenue is greater than 8 percent of General Fund tax revenue, that windfall revenue is used to pay off General Fund debts and build up a reserve for future downturns.

## GENERAL FUND REVENUE

Figure REV-04 shows how the breakdown of General Fund revenues by tax source has changed over time. In 1950-51, sales tax revenue made up over 50 percent of General Fund revenues while personal income tax revenue made up just more than 11 percent. That relationship has changed dramatically over time, and, for 2019-20, personal income tax makes up 68.8 percent of all General Fund revenues.



## LONG-TERM FORECAST

Figure REV-05 shows the forecast for the three largest General Fund revenues from 2017-18 through 2022-23. Total General Fund revenue from these sources is expected to grow from \$131.4 billion in 2017-18 to \$153.6 billion in 2022-23. The average year-over-year growth rate for this period is 3.2 percent.

The economic forecast reflects continued steady but slowing growth, with real GDP growth falling to 1.5 percent by 2023.

Figure REV-05

**Long-Term Revenue Forecast - Three Largest Sources**

(General Fund Revenue - Dollars in Billions)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Average Year-Over- Year Growth
Personal Income Tax	\$94.3	\$97.7	\$100.5	\$103.1	\$106.0	\$109.4	3.0%
Sales and Use Tax	25.0	26.2	27.4	28.2	29.0	29.8	3.5%
Corporation Tax	12.2	12.3	13.1	13.6	14.0	14.5	3.5%
<b>Total</b>	<b>\$131.4</b>	<b>\$136.3</b>	<b>\$141.1</b>	<b>\$145.0</b>	<b>\$149.0</b>	<b>\$153.6</b>	3.2%

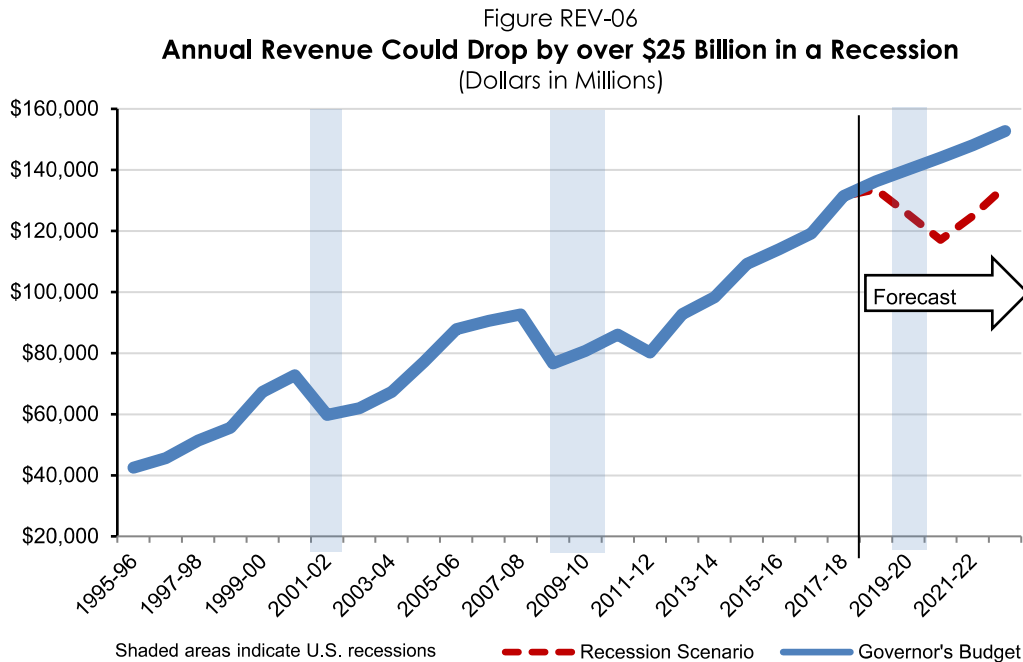
Note: Numbers may not add due to rounding.

**PLANNING FOR THE NEXT RECESSION**

Economic growth is forecast to continue over the next few years, although the current expansion will be the longest on record if it continues through July 2019. As discussed in the Economic Outlook chapter, there are several economic risk factors that could either lead to a recession or cause a significant slowdown in revenue growth. Rising interest rates, rising inflation, continuing and intensified trade disputes, a global economic slowdown, and a loss of consumer confidence are all factors that threaten the continuation of economic growth. In addition, with high federal deficits and interest rates still below 3 percent, fiscal expansion and interest rate cuts may offer less leverage during a downturn. The homeownership rate fell from 60 percent before the last recession to 54 percent in 2017, leaving fewer Californians with home equity to cushion a recession. As more workers approach retirement age, layoffs may affect their ability to work and rebuild retirement savings. Since more Californians will have fewer reserves to deal with a downturn, it is likely that consumption, and thus sales tax revenue, would be more sensitive to a downturn than it was in the previous recession.

Even in a moderate recession, revenue declines could be significant. Figure REV-06 shows a history of California's three largest revenue sources—personal income tax, sales tax, and corporation tax—along with revenue projections for the budget forecast and a one-year recession in 2019-20. Under this scenario, revenue losses result from a decline in wages of about \$120 billion compared to forecast (about 9 percent) and by a drop in capital gains realizations due to a 40-percent stock market correction. The shaded areas in this figure show the timing of the 2001 recession, the 2007 recession, and the 2019-20 recession scenario. While the actual revenue declines in the past two recessions were significant (as shown in this figure), tax law changes temporarily increased revenues to lessen the declines. Revenue losses in this recession forecast would total

over \$50 billion (an average of \$25 billion per year) for two years, continue with more years of revenue declines in the range of \$15 to \$20 billion, and lead to a permanently lower revenue base compared to the current forecast.



## WORKING FAMILIES TAX CREDIT AND FEDERAL TAX CONFORMITY

The 2015 Budget enacted the state's first-ever Earned Income Tax Credit to help the lowest-income working families in California. The 2017 and 2018 Budgets expanded the credit to include the self-employed and working individuals who are age 18 to 24 or over age 65, and expanded the income range so more individuals working up to full-time at the 2019 minimum wage will still qualify. About \$400 million in Earned Income Tax Credit is expected to be granted to 2 million households this year.

The Budget proposes to more than double the size of the current program. This new program for low-income Californians—the "Working Families Tax Credit"—includes an additional \$500 credit for families with children under the age of 6. The proposal also increases the maximum eligible earned income so that workers working up to full-time at the 2022 minimum wage of \$15 per hour will be eligible for the credit, and changes the phaseout formula so that taxpayers earning income at the upper end of the credit structure will receive significantly higher credit amounts. In addition, the Budget proposes to explore how to allow workers to receive a portion of their "Working Families Tax Credit" in monthly payments, as opposed to receiving the credit in one

lump sum at the end of the year. These changes are expected to provide \$600 million in additional benefits and to allow 400,000 additional families to benefit from the credit. In total, the expanded program is expected to provide \$1 billion in credits to 2.4 million families.

To pay for this expanded program, the Administration proposes conformity to several federal tax law changes mainly impacting business income. In 2017, the federal government adopted sweeping changes to the tax code for corporations and individuals. It is important to consider federal law changes and how differences between California law and federal law may create unnecessary administrative burdens to both taxpayers and the Franchise Tax Board. Differences between federal and state systems can be especially difficult for individuals and small businesses. The Budget proposes conformity to several key provisions that on either administrative burden or policy grounds are clearly beneficial to California. These provisions include flexibility for small businesses; capital gains deferrals and exclusions for Opportunity Zones; and limitations on fringe benefit deductions, like-kind exchanges, and losses for non-corporate taxpayers; among others. These conformity provisions are expected to generate \$1 billion in 2019-20.

---

## PERSONAL INCOME TAX

The personal income tax is expected to generate \$94.3 billion in 2017-18, \$97.7 billion in 2018-19, and \$100.5 billion in 2019-20. These figures reflect increases of \$2.3 billion in 2017-18, \$2.7 billion in 2018-19, and \$2.5 billion in 2019-20. The personal income tax is the state's largest revenue source and is expected to comprise 68.8 percent of all General Fund revenues in 2019-20.

Modeled closely on federal income tax law, California's personal income tax is imposed on net taxable income—gross income less exclusions and deductions. The tax rate structure is progressive over the income spectrum. Since the 2012 tax year, the marginal rates ranged from 1 percent to 12.3 percent, not including a 1-percent surcharge on taxable income above \$1 million for the Mental Health Services tax. Proposition 30 created three additional income tax brackets beginning in 2012 with rates of 10.3 percent for taxable income above \$500,000, 11.3 percent for taxable income above \$600,000, and 12.3 percent for taxable income above \$1 million, with the income thresholds indexed for inflation. Proposition 30 held these tax brackets in effect for seven years—tax years 2012 to 2018. Voters approved Proposition 55 in November 2016, extending the three additional tax brackets through tax year 2030.

The largest income source for the personal income tax is wages and salaries. Although the year-over-year growth rate for wages tends to be less volatile than other income sources, wages and salaries include some unpredictable types of compensation such as stock grants, restricted stock units, stock options, and bonus payments. In 2016, taxes attributable to wages and salaries accounted for nearly 59 percent of personal income tax revenues.

Withholding growth in 2018 was revised substantially higher from 6.6 percent to 9.3 percent based on stronger-than-expected withholding receipts since the Budget Act. However, the economic wage forecast only expects wages and salaries to increase by 5.8 percent in 2018. The discrepancy between withholding growth and economic wage growth indicates that a higher proportion of the wage gains in 2018 accrued to higher-income earners who pay higher tax rates, similar to what occurred in 2017. The forecast assumes that wage growth in 2019 and subsequent years is distributed evenly among lower- and higher-income earners. Therefore, withholding growth was revised higher in 2019 from 4.1 percent to 5 percent and in 2020 from 3.6 percent to 4.4 percent based on comparable upward revisions in the economic wage forecast.

## **CAPITAL GAINS**

Capital gains in 2017 were revised higher since the Budget Act forecast from \$135 billion to \$142 billion based on stronger-than-expected cash receipts and partial-year tax data. This forecast assumed that the S&P 500 ended 2018 at 2,665 and will grow annually at approximately 1 percent, which is very near Budget Act projections. However, the stock market was higher than the Budget Act forecast for much of 2018, resulting in capital gains revised significantly higher in 2018 from \$140 billion to \$153 billion and very modestly higher in 2019 from \$134 billion to \$138 billion. Similar to the Budget Act, capital gains decline from their peak levels in 2018 to reach 4.5 percent of personal income by 2021, as the very slow growth expected from the stock market due to its current high valuation results in year-over-year declines in capital gains realizations. Capital gains are assumed to grow in line with personal income beginning in 2022.

A portion of personal income tax revenue is deposited into a special fund instead of the General Fund. Proposition 63, passed in November 2004, imposes a surcharge of 1 percent on taxable income over \$1 million. Revenue from the surcharge is transferred to the Mental Health Services Fund and used to fund mental health programs. Revenues of \$2.1 billion are estimated for 2017-18. Annual revenues of \$2.4 billion for 2018-19 and \$2.4 billion for 2019-20 are projected. The General Fund and the Mental

Health Services Fund shares of personal income tax revenues for 2017-18 through 2019-20 are shown in Figure REV-07.

Figure REV-07

**Personal Income Tax Revenue**

(Dollars in Thousands)

	<b>2017-18 Preliminary</b>	<b>2018-19 Forecast</b>	<b>2019-20 Forecast</b>
General Fund	\$94,271,687	\$97,719,594	\$100,547,481
Mental Health Services Fund	2,089,434	2,388,754	2,368,174
<b>Total</b>	<b>\$96,361,121</b>	<b>\$100,108,348</b>	<b>\$102,915,655</b>

---

## SALES AND USE TAX

The sales and use tax (sales tax) generated General Fund revenue of \$25 billion in 2017-18 and is expected to generate \$26.2 billion in 2018-19 and \$27.4 billion in 2019-20. Relative to the Budget Act, these figures reflect a reduction of \$378 million in 2017-18, \$430 million in 2018-19, and \$565 million in 2019-20. Receipts from the sales tax, the state's second largest revenue source, are expected to contribute 18.8 percent of all General Fund revenues in 2019-20.

The sales tax is generally applied to the sale of merchandise, including vehicles, in the state. Sales tax revenues are forecast by relating taxable sales to consumption of goods and business investment. The downward revision to the forecast since the Budget Act is largely because the expected surge in business investment from the federal tax changes that allowed immediate and full expensing of capital equipment did not materialize in 2018. The forecast also reflects the continued and growing pressure put on the budgets of many California households facing high housing costs. Finally, the forecast continues to reflect the long-term trend of deterioration of the sales tax base. This deterioration is evidenced by taxable sales as a percentage of personal income declining from over 50 percent in the late 1970s to 28 percent today as shown in Figure REV-08.

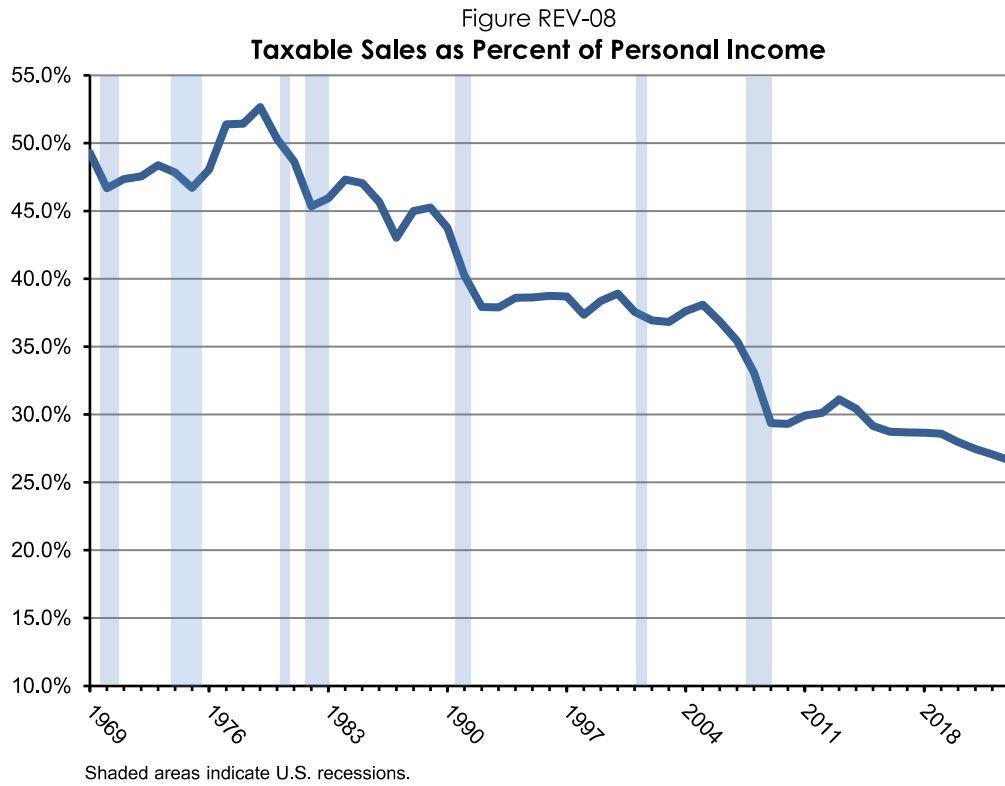


Figure REV-09 displays total sales tax revenues for the General Fund and various special funds for 2017-18 through 2019-20.

Figure REV-09  
**State Sales Tax Revenue**  
(Dollars in Thousands)

	2017-18 Preliminary	2018-19 Actual	2019-20 Forecast
General Fund	\$25,005,999	\$26,243,592	\$27,424,464
Sales and Use Tax-1991 Realignment	3,493,738	3,703,220	3,875,010
Sales and Use Tax-2011 Realignment	6,956,827	7,337,903	7,681,886
Public Transportation Account	712,895	944,575	1,069,896
<b>Total</b>	<b>\$36,169,459</b>	<b>\$38,229,290</b>	<b>\$40,051,255</b>

Figure REV-10 displays the individual elements of the state and local sales tax rates.

Figure REV-10  
**State and Local Sales and Use Tax Rates (as of January 1, 2019)**

<b>State Rates</b>		
General Fund	3.94%	The permanent rate of 3.94% may be temporarily reduced by 0.25% if General Fund operating reserves exceed specified levels.
Local Revenue Fund 2011	1.06%	Revenues attributable to a rate of 1.0625 percent are dedicated to the Local Revenue Fund 2011 for realigned programs.
Local Revenue Fund	0.50%	Dedicated to local governments to fund health and social services programs transferred to counties as part of 1991 state-local realignment.
<b>Local Uniform Rates<sup>1/</sup></b>		
Bradley-Burns	1.00%	Imposed by city and county ordinance for general purpose use. <sup>2/</sup>
Transportation Rate	0.25%	Dedicated for county transportation purposes.
Local Public Safety Fund	0.50%	Dedicated to cities and counties for public safety purposes by Proposition 172.
<b>Local Add-on Rates<sup>3/</sup></b>		
Transactions and Use Taxes	up to 2.00%	May be levied in 0.125% or 0.25% increments up to a combined maximum of 2.00% in any county. <sup>4/</sup> Any ordinance authorizing a transactions and use tax requires approval by the local governing board and local voters.
<sup>1/</sup> These locally imposed taxes are collected by the state for each county and city and are not included in the state's revenue totals.		
<sup>2/</sup> The city tax constitutes a credit against the county tax. The combined rate is never more than 1 percent in any area.		
<sup>3/</sup> These taxes may be imposed by voters in cities, counties, or special districts. The revenues are collected by the state for each jurisdiction and are not included in the state's revenue totals.		
<sup>4/</sup> Various jurisdictions are authorized in statute to have a higher cap than 2.00 percent.		

Figure REV-11 shows combined state and local tax rates for each county, including special rates for certain cities within those counties.

Figure REV-11

**Combined State and Local Sales and Use Tax Rates by County**  
*(city rate provided if different from the county rate )*  
**Rates in Effect on October 1, 2018**

County	Tax Rate	County	Tax Rate	County	Tax Rate
<b>Alameda</b> .....	9.25%	<b>Mariposa</b> .....	7.75%	<b>San Luis Obispo</b> .....	7.25%
Albany, Hayward, Newark,	9.75%	<b>Mendocino</b> .....	7.375%	Arroyo Grande, Atascadero,	7.75%
San Leandro,		Point Arena, Willits	7.875%	Grover Beach, Morro Bay,	
Union City		Ukiah, Fort Bragg	8.375%	Paso Robles, Pismo Beach,	
<b>Alpine</b> .....	7.25%	<b>Merced</b> .....	7.75%	San Luis Obispo	
<b>Amador</b> .....	7.75%	Atwater, Gustine	8.25%	<b>San Mateo</b> .....	8.75%
<b>Butte</b> .....	7.25%	Los Banos, Merced		San Mateo, Burlingame	9.00%
Paradise		<b>Modoc</b> .....	7.25%	South San Francisco,	9.25%
<b>Calaveras</b> .....	7.25%	<b>Mono</b> .....	7.25%	East Palo Alto, Belmont	
<b>Colusa</b> .....	7.25%	Mammoth Lakes	7.75%	<b>Santa Barbara</b> .....	7.75%
Williams	7.75%	<b>Monterey</b> .....	7.750%	Guadalupe, Santa Maria	8.00%
<b>Contra Costa</b> .....	8.25%	Gonzales, King City	8.250%	<b>Santa Clara</b> .....	9.00%
Antioch, Concord, Hercules,	8.75%	Carmel-by-the-Sea, Marina,	8.750%	Campbell, San Jose	9.25%
Hercules, Orinda,		Monterey, Pacific Grove,		<b>Santa Cruz</b> .....	8.50%
Pittsburg, Martinez,		Sand City, Soledad		Capitola, Scotts Valley	9.00%
San Pablo, Pleasant Hill		Del Rey Oaks, Salinas,	9.250%	Watsonville, Santa Cruz	9.25%
Moraga, Pinole, Richmond	9.25%	Seaside		<b>Shasta</b> .....	7.25%
El Cerrito	9.75%	Greenfield	9.50%	Anderson	7.75%
<b>Del Norte</b> .....	7.50%	<b>Napa</b> .....	7.75%	<b>Sierra</b> .....	7.25%
<b>El Dorado</b> .....	7.25%	St. Helena	8.25%	<b>Siskiyou</b> .....	7.25%
South Lake Tahoe	7.75%	<b>Nevada</b> .....	7.50%	Mount Shasta, Weed	7.50%
Placerville	8.25%	Truckee	8.25%	Dunsmuir, Yreka	7.75%
<b>Fresno</b> .....	7.975%	Nevada City	8.38%	<b>Solano</b> .....	7.375%
Reedley, Selma	8.475%	Grass Valley	8.50%	Rio Vista, Vacaville	8.125%
Sanger	8.725%	<b>Orange</b> .....	7.75%	Benecia, Fairfield,	8.375%
Kingsburg, Huron	8.975%	La Habra	8.25%	Vallejo, Suisun City	
<b>Glenn</b> .....	7.25%	Stanton, La Palma,	8.75%	<b>Sonoma</b> .....	8.125%
Orland	7.75%	Fountain Valley, Westminster		Healdsburg, Rohnert Park,	8.625%
<b>Humboldt</b> .....	7.75%	<b>Placer</b> .....	7.25%	Santa Rosa, Sonoma	
Arcata, Eureka, Fortuna	8.50%	Loomis	7.50%	Sebastopol	8.875%
Trinidad		<b>Plumas</b> .....	7.25%	Cotati	9.125%
Rio Dell	8.75%	<b>Riverside</b> .....	7.75%	<b>Stanislaus</b> .....	7.875%
<b>Imperial</b> .....	7.75%	Hemet, Indio, La Quinta,	8.75%	Ceres, Oakdale	8.375%
Calexico, El Centro	8.25%	Cathedral City, Coachella,		<b>Sutter</b> .....	7.25%
<b>Inyo</b> .....	7.75%	Temecula, Riverside		<b>Tehama</b> .....	7.25%
<b>Kern</b> .....	7.25%	Menifee		Red Bluff	7.50%
Ridgecrest, Wasco,	8.25%	Palm Springs	9.25%	Corning	7.75%
Arvin, Delano		<b>Sacramento</b> .....	7.75%	<b>Trinity</b> .....	7.25%
<b>Kings</b> .....	7.25%	Galt, Sacramento,	8.25%	<b>Tulare</b> .....	7.75%
Corcoran	8.25%	Rancho Cordova		Tulare, Porterville	8.25%
<b>Lake</b> .....	7.25%	Isleton	8.75%	Visalia, Dinuba	8.50%
Clearlake, Lakeport	8.75%	<b>San Benito</b> .....	7.25%	Lindsay, Farmersville,	8.75%
<b>Lassen</b> .....	7.25%	San Juan Bautista	8.00%	Woodlake	
<b>Los Angeles</b> .....	9.50%	Hollister	8.25%	<b>Tuolumne</b> .....	7.25%
Avalon, Commerce	10.00%	<b>San Bernardino</b> .....	7.75%	Sonora	7.75%
Culver City, El Monte,		Montclair, San Bernardino	8.00%	<b>Ventura</b> .....	7.25%
Inglewood, Downey,		Town of Yucca Valley	8.75%	Oxnard, Port Hueneme	7.75%
San Fernando,		<b>San Diego</b> .....	7.75%	Ventura	
South El Monte		El Cajon, Vista, Chula Vista	8.25%	Santa Paula	8.25%
Long Beach, Pico Rivera,	10.25%	La Mesa	8.50%	<b>Yolo</b> .....	7.25%
South Gate, Lynwood,		National City, Del Mar	8.75%	West Sacramento	8.00%
Santa Monica		Chula Vista		Woodland	
<b>Madera</b> .....	7.75%	<b>San Francisco</b> .....	8.50%	Davis	8.25%
City of Madera	8.25%	<b>San Joaquin</b> .....	7.75%	<b>Yuba</b> .....	7.25%
<b>Marin</b> .....	8.25%	Manteca, Tracy	8.25%	Wheatland	7.75%
Novato	8.50%	Lathrop	8.75%	Marysville	8.25%
San Anselmo,	8.75%	Stockton	9.00%		
Sausalito					
Corte Madera, Larkspur,	9.00%				
Fairfax, San Rafael					

Motor vehicle and parts dealers were the largest contributors to the sales tax base in the first three quarters of calendar year 2017, comprising around 13 percent of taxable sales. Food service sales has seen strong growth of 4.9 percent from the first three quarters of 2016 to the same period in 2017 and was the second-largest contributor to the sales tax base, with close to 12.4 percent. The third most significant contributor to the sales tax base is wholesale trade, which comprised 11.5 percent of the sales tax base.

Since July 1, 2010, the General Fund portion of the sales tax no longer applies to gasoline. Taxable sales, excluding gasoline, increased by 2.9 percent in 2016-17. Based on preliminary data, it is estimated that taxable sales increased by 4.8 percent in 2017-18. Growth is expected to increase to 5.5 percent in 2018-19 and 4.7 percent in 2019-20.

A General Fund sales tax exemption for manufacturing equipment commenced July 1, 2014. The sales tax exemption applies to purchases of manufacturing or biotechnology research and development equipment, valued at up to \$200 million in qualifying purchases per business, per year. The revenue loss from the utilization of this exemption was \$210 million in 2017-18, and is forecast to be \$246 million in 2018-19 and \$259 million in 2019-20. The exemption was expanded beginning in 2018 to include manufacturing equipment used in electric power generation and agricultural processing, accounting for an estimated additional revenue loss of \$19 million in 2017-18 and \$40 million in 2018-19.

The U.S. Supreme Court's ruling in *Wayfair v. South Dakota* in June 2018 allows states more authority to require out-of-state sellers to collect use tax. Previously, California individuals were responsible for reporting and paying use tax on out-of-state purchases. The California Department of Tax and Fee Administration has announced that it will require out-of-state retailers to collect and remit use tax beginning on April 1, 2019 if in the preceding or current calendar year their sales into California exceed \$100,000 or 200 or more separate transactions. The *Wayfair* decision is expected to lead to increased use tax compliance resulting in an additional \$219 million in tax revenue in 2018-19 and \$554 million in 2019-20.

---

## CORPORATION TAX

The corporation tax is expected to generate \$12.2 billion in 2017-18, \$12.3 billion in 2018-19, and \$13.1 billion in 2019-20. These figures reflect increases of \$909 million in 2017-18, \$71 million in 2018-19, and \$288 million in 2019-20. Corporation tax revenues are

expected to contribute 9 percent of all General Fund revenues in 2019-20, down more than 5 percentage points from the share contributed in 1980-81. The revenue figures reflect increases of \$162 million in 2018-19 and \$119 million in 2019-20 due to the repatriation of foreign earnings.

---

## **INSURANCE TAX**

Most insurance policies written in California are subject to a 2.35-percent gross premiums tax. This tax takes the place of all other state and local taxes on insurance companies except those on real property and motor vehicles. In general, the basis of the tax is the amount of "gross premiums" received, less returned premiums. The insurance tax is expected to generate General Fund revenues of \$2.6 billion in 2018-19 and \$2.8 billion in 2019-20. These figures reflect an increase of \$31 million in 2018-19 and \$43 million in 2019-20.

---

## **ALCOHOLIC BEVERAGE TAXES**

In addition to the sales tax paid by retail purchasers, California levies an excise tax on distributors of beer, wine, and distilled spirits. The tax rates per gallon are applied as follows: (1) \$0.20 for beer, dry wine, and sweet wine; (2) \$0.30 for sparkling wine; and (3) \$3.30 for distilled spirits.

Alcoholic beverage revenue estimates are based on projections of total per capita consumption and population growth for each type of beverage. Overall, consumption of alcoholic beverages is expected to grow by about 1 percent in 2018-19 and 1.2 percent in 2019-20. Revenues from this tax were \$376 million in 2017-18 and are forecast to be \$382 million in 2018-19 and \$389 million in 2019-20.

---

## **CANNABIS EXCISE TAXES**

Proposition 64, commonly referred to as the Adult Use of Marijuana Act, levies new excise taxes on the cultivation and retail sale of both recreational and medical cannabis as of January 1, 2018. The cultivation tax is \$9.25 per ounce of flower, \$2.75 per ounce of leaves, and \$1.29 per ounce of fresh cannabis plant to be paid on all recreational and medicinal cultivation of cannabis. In addition, there is a 15-percent tax on the retail price of cannabis. Cannabis excise taxes generated \$84 million in 2017-18 and are expected to generate \$355 million in 2018-19 and \$514 million in 2019-20. (See Statewide Issues and Various Departments for additional discussion.)

---

## CIGARETTE TAX

The California Healthcare, Research and Prevention Tobacco Tax Act of 2016 (Proposition 56), passed by the voters in November 2016, increased the excise tax rate on cigarettes, tobacco products, and electronic cigarettes. The excise tax increased by \$2 from 87 cents to \$2.87 per pack of 20 cigarettes on distributors selling cigarettes in California, effective April 1, 2017. The equivalent excise tax on the distribution of other tobacco products such as cigars, chewing tobacco, pipe tobacco, and snuff also increased by \$2 from a \$1.37-equivalent to a \$3.37-equivalent tax, effective July 1, 2017. Lastly, Proposition 56 newly imposes the \$3.37-equivalent tobacco products tax on electronic cigarettes. The \$1.37-equivalent portion of that tax was imposed beginning April 1, 2017 while the additional \$2-equivalent tax was imposed beginning July 1, 2017. The ad valorem excise tax rate on other tobacco products is calculated annually by the California Department of Tax and Fee Administration based on the wholesale price of cigarettes and the excise tax on cigarettes.

Revenues from the tax on cigarettes and other tobacco products are distributed as follows:

- Ten cents of the per-pack tax is allocated to the General Fund.
- Fifty cents of the per-pack tax, and an equivalent rate levied on non-cigarette tobacco products, goes to the California Children and Families First Trust Fund for distribution according to the provisions of Proposition 10 of 1998.
- Twenty-five cents of the per-pack tax, and a rate equivalent to 87 cents levied on non-cigarette tobacco products and electronic cigarettes, is allocated to the Cigarette and Tobacco Products Surtax Fund for distribution as determined by Proposition 99 of 1988.
- Two cents of the per-pack tax is deposited into the Breast Cancer Fund.
- As of April 1, 2017, two dollars of the per-pack tax, and an equivalent rate levied on non-cigarette tobacco products and electronic cigarettes, goes to the California Healthcare, Research and Prevention Tobacco Tax Act of 2016 Fund for distribution according to the provisions of Proposition 56 of 2016.

Projections of cigarette tax revenues are based on projected per capita consumption of cigarettes, population growth, and the impact from the higher smoking age as well as the increased prices due to Proposition 56. Revenue estimates for other tobacco products, which now include electronic cigarettes, also reflect recent law changes.

The cumulative effect of product price and tax increases, the increasingly restrictive environments for smokers, and anti-smoking campaigns (including state campaigns funded by Proposition 99 Tobacco Tax and Health Protection Act revenues and revenues from the Master Tobacco Settlement) have reduced cigarette consumption considerably.

Annual per capita consumption (based on population ages 18-64) was 184 packs in 1980-81, 123 packs in 1989-90, 84 packs in 1997-98, and 33 packs in 2017-18. Total tax-paid packs of cigarettes sold in 2017-18 were 669 million. In 2019-20, tax-paid packs of cigarettes sold are forecast to decline to 633 million.

Figure REV-12 shows the distribution of tobacco tax revenues to the General Fund and various special funds for 2017-18 through 2019-20.

Figure REV-12  
**Tobacco Tax Revenue**  
(Dollars in Millions)

	<b>2017-18 Actual</b>	<b>2018-19 Forecast</b>	<b>2019-20 Forecast</b>
General Fund	\$65.3	\$64.6	\$62.8
Cigarette and Tobacco Products Surtax Fund	\$227.0	\$226.3	\$223.5
Breast Cancer Fund	\$13.1	\$12.7	\$12.4
California Children and Families First Trust Fund	\$364.0	\$359.5	\$351.6
California Healthcare, Research and Prevention Tobacco Tax Act of 2016	\$1,475.7	\$1,438.0	\$1,406.5
<b>Total</b>	<b>\$2,145.0</b>	<b>\$2,101.1</b>	<b>\$2,056.9</b>

## OTHER REVENUES

### UNCLAIMED PROPERTY

The Budget reflects receipts in unclaimed property of \$397 million in 2018-19 and \$390 million in 2019-20. These numbers reflect ongoing efforts to maintain holder compliance with Unclaimed Property Law.

### INDIAN GAMING

The Budget reflects General Fund revenues from tribal gaming of \$31.3 million in 2017-18, \$4.4 million in 2018-19, and \$4.4 million in 2019-20. This decline reflects the

approval of recent compacts which redirect payments away from the General Fund to dedicated funds.

---

### PROPERTY TAXES

Although the property tax is a local revenue source, the amount of property tax generated each year has a substantial impact on the state budget because local property tax revenues allocated to K-14 schools generally offset General Fund expenditures.

Assessed value growth is estimated based on statistical modeling and evaluations of real estate trends. The median sales price of existing single-family homes rose by 6.9 percent in 2018, with activity in the 2018 calendar year driving fiscal year 2019-20 assessed valuations for property tax purposes. This is equivalent to the 7-percent increase in median sales prices that occurred in 2017. Although sales volumes declined slightly from 2017 to 2018, the Budget anticipates continued solid growth in property tax revenues. The demand for homes outpaces supply in many areas of the state, and employment rates and income are projected to remain strong, contributing to the willingness of prospective homebuyers to enter into the housing market.

Statewide property tax revenues are estimated to increase 6 percent in 2018-19 and 6.8 percent in 2019-20. Approximately 42 percent (\$31 billion) of 2019-20 property tax revenues will go to K-14 schools. This includes \$2.1 billion that schools are expected to receive in 2019-20 pursuant to the dissolution of redevelopment agencies.

---

### SPECIAL FUND REVENUE

The California Constitution and state statutes specify into which funds certain revenues must be deposited and how they are to be spent.

Total special fund revenues, excluding transfers, are estimated to be \$56.4 billion in 2019-20. Taxes and fees related to motor vehicles are expected to comprise 32.4 percent of all special fund revenue in 2019-20. The principal sources are motor vehicle fees (registration, weight, and vehicle license fees) and motor vehicle fuel taxes. During 2019-20, it is expected that about \$18.3 billion in revenues will be derived from the ownership or operation of motor vehicles.

## MOTOR VEHICLE FEES

Motor vehicle fees and taxes consist of vehicle license, registration, weight, driver license, and other charges related to vehicle operation. Figure REV-13 displays revenue from these sources from 2017-18 through 2019-20.

Figure REV-13  
**Motor Vehicle Fees Special Fund Revenue**  
(Dollars in Thousands)

	2017-18 Actual	2018-19 Forecast	2019-20 Forecast
Vehicle License Fees	\$2,801,402	\$2,909,010	\$3,023,950
Registration, Weight, and Other Fees	4,948,561	5,065,550	5,238,093
Transportation Improvement Fee	799,832	1,510,000	1,549,739
<b>Total</b>	<b>\$8,549,795</b>	<b>\$9,484,560</b>	<b>\$9,811,782</b>

The Vehicle License Fee (VLF) is imposed on vehicles registered in California that travel on public highways. The current VLF tax rate is 0.65 percent plus a graduated fee at \$25 to \$175 per vehicle. These taxes are imposed in lieu of a local personal property tax on automobiles and are administered by the Department of Motor Vehicles. The number of vehicles in the state, the ages of those vehicles, and their most recent sales price affect the amount of VLF collected. The total number of vehicles in California—autos, trucks, trailers, and motorcycles, including vehicles registered in multiple states—is estimated to be 32.4 million in 2018-19 and 32.6 million in 2019-20. The forecast projects that there will be 2.4 million new vehicles registered in both 2018-19 and 2019-20.

Beginning April 1, 2017, the base vehicle registration fee of \$43 increased by \$10 and is indexed to inflation. Including other fees in current law and inflation indexing, the total vehicle registration fee is expected to be \$83 in 2019.

In addition to the VLF, truck owners pay a fee based on vehicle weight. Weight fee revenues are expected to be \$1.2 billion in both 2018-19 and 2019-20.

## MOTOR VEHICLE FUEL TAXES

The motor vehicle fuel tax (gas tax), diesel fuel tax, and use fuel tax are the major sources of funds for maintaining, replacing, and constructing state highway and transportation facilities. Over one-third of these revenues are apportioned to local jurisdictions for a broad range of local road projects, including both maintenance of

existing roads and construction of new roads. In addition, some jurisdictions choose to spend a portion of their allocation on improvements to the state highway system in their region to decrease traffic congestion. Motor vehicle fuel tax collections are shown in Figure REV-14.

Figure REV-14  
**Motor Vehicle Fuel Tax Revenue**  
 (Dollars in Thousands)

	<b>2017-18 Forecast</b>	<b>2018-19 Forecast</b>	<b>2019-20 Forecast</b>
Gasoline <sup>1/</sup>	\$5,560,204	\$6,453,557	\$7,245,802
Diesel	791,552	1,201,534	1,203,791
<b>Total</b>	<b>\$6,351,756</b>	<b>\$7,655,091</b>	<b>\$8,449,593</b>

<sup>1/</sup>Does not include jet fuel.

Gasoline consumption was flat in 2017-18 when compared to the prior fiscal year. Demand for gasoline was likely lessened in the short run by high gas prices, likely contributing to the year-over-year decline in monthly consumption during the second half of 2017-18. In the long run, continued gains in the average fuel economy of cars and trucks as well as the state's policies to reduce greenhouse gas emissions are expected to support long-term declines in gasoline consumption. Gasoline consumption is expected to decline 0.7 percent in 2018-19 and 1 percent in 2019-20.

Because most diesel fuel is consumed by the commercial trucking industry, consumption is affected most significantly by general economic conditions. Robust industrial activity contributed to an increase of 2.3 percent in diesel consumption in 2017-18. Diesel consumption is expected to decrease by 0.2 percent in 2018-19 and 2019-20.

The gas tax is collected from distributors when fuel is loaded into ground transportation for transport to retail stations. This fuel is taxed at a rate of 41.7 cents per gallon in 2018-19 and will be taxed at the rate of 47.3 cents per gallon in 2019-20.

Distributors pay the diesel fuel tax, which applies to both pure diesel fuel and blends, at the fuel terminal. The excise tax on diesel will be 36 cents per gallon for 2018-19 and 2019-20. Dyed diesel fuel, which is used for off-highway purposes such as farm equipment, is not taxed.

---

## SUMMARY OF STATE TAX SYSTEM

The state's tax system is outlined at the end of this section in Figure REV-15.

Tax collections per capita and per \$100 of personal income are displayed in Schedule 2 in the Appendix. The revenue generated from each state tax from 1970-71 through 2019-20 is displayed in Schedule 3 in the Appendix.

Figure REV-15  
**Outline of State Tax System  
as of January 1, 2019**

Major Taxes and Fees	Base or Measure	Rate	Administering Agency	Fund
<b>Alcoholic Beverage Excise Taxes</b>				
Beer	Gallon	\$0.20	Equalization	General
Distilled Spirits	Gallon	\$3.30	Equalization	General
Dry Wine/Sweet Wine	Gallon	\$0.20	Equalization	General
Sparkling Wine	Gallon	\$0.30	Equalization	General
Hard Cider	Gallon	\$0.20	Equalization	General
<b>Corporation</b>				
General Corporation	Net income	8.84% <sup>1/</sup>	Franchise	General
Bank and Financial Corp.	Net income	10.84%	Franchise	General
Alternative Minimum Tax	Alt. Taxable Income	6.65%	Franchise	General
<b>Tobacco</b>				
Cigarette	Package	\$2.87 <sup>2/</sup>	Tax & Fee Admin	See below <sup>2/</sup>
Other Tobacco Products	Wholesale cost	62.78% <sup>3/</sup>	Tax & Fee Admin	See below <sup>3/</sup>
<b>Insurance</b>				
Insurers	Gross Premiums	2.35% <sup>4/</sup>	Insurance Dept.	General
<b>Managed Care Organization Tax</b>	Number of enrollees	Various <sup>5/</sup>	Health Care Services	Health and Human Services Special Fund
<b>Cannabis</b>				
Cannabis Excise	Retail Cost	15.00%	Tax & Fee Admin	Cannabis Tax Fund
Cultivation-Flower	Ounce	\$9.25	Tax & Fee Admin	Cannabis Tax Fund
Cultivation-Trim	Ounce	\$2.75	Tax & Fee Admin	Cannabis Tax Fund
Cultivation-Fresh Plant	Ounce	\$1.29	Tax & Fee Admin	Cannabis Tax Fund
<b>Motor Vehicle</b>				
Vehicle License Fees (VLF)	Market value	0.65%	DMV	VLF, Local Revenue <sup>6/</sup>
Transportation Improvement Fee	Market value	\$25-\$175	DMV	Transportation
Fuel—Gasoline	Gallon	\$0.417 <sup>7/</sup>	Tax & Fee Admin	Motor Vehicle Fuel <sup>7/</sup>
Fuel—Diesel	Gallon	\$0.36 <sup>8/</sup>	Tax & Fee Admin	Motor Vehicle Fuel
Registration Fees	Vehicle	\$83.00	DMV	Motor Vehicle <sup>9/</sup>
Weight Fees	Gross Vehicle Wt.	Various	DMV	State Highway
<b>Personal Income</b>				
	Taxable income	1.0-12.3% <sup>10/</sup>	Franchise	General
Proposition 63 Surcharge	Taxable income > \$1 million	1.0%	Franchise	Mental Health Services
Alternative Minimum Tax	Alt. Taxable Income	7.0%	Franchise	General
<b>Retail Sales and Use</b>	Sales or lease of taxable	7.25% <sup>11/</sup>	Tax & Fee Admin	See below <sup>11/</sup>

<sup>1/</sup> Minimum Tax is \$800 per year for existing corporations. New corporations are exempt for their first taxable year.

<sup>2/</sup> This tax is levied at the combined rate of 10 cents/pack of 20 cigarettes for the General Fund, 25 cents/pack for the Cigarette and Tobacco Products Surtax Fund, 2 cents/pack for the Breast Cancer Fund, 50 cents/pack for the California Children and Families First Trust Fund, and \$2 for the California Healthcare, Research and Prevention Tobacco Tax Act of 2016. The additional \$2 excise tax was effective as of April 1, 2017.

<sup>3/</sup> The surtax rate is determined annually by the BOE and is equivalent to the combined rate of tax applied to cigarettes, with funding for the Cigarette and Tobacco Products Surtax Fund and California Children and Families First Trust Fund. Effective July 1, 2017, through June 30, 2018, the rate is 62.78 percent of the wholesale cost.

<sup>4/</sup> Ocean marine insurance is taxed at the rate of 5 percent of underwriting profit attributable to California business. Special rates also apply to certain pension and profit sharing plans, surplus lines, certain health insurance, and nonadmitted insurance.

<sup>5/</sup> From July 1, 2016 to June 30, 2019, a tax is levied on health care plans at various rates based on enrollment in each applicable health plan using October 2014 to September 2015 data.

<sup>6/</sup> For return to cities and counties. Trailer coach license fees are deposited in the General Fund.

<sup>7/</sup> As part of SB 1 implemented beginning November 1, 2017, an add-on rate of 12 cents went into effect on top of the existing rate of 29.7 cents. Beginning in 2020 the rates will grow to keep in line with inflation.

<sup>8/</sup> As part of SB 1, two 10-cent add-on rates went into effect on top of the existing 16-cent rate. Beginning in 2020 these rates are indexed with inflation.

<sup>9/</sup> For support of State Department of Motor Vehicles, California Highway Patrol, other agencies, and motor vehicle related programs. A \$10 increase was effective April 1, 2017.

<sup>10/</sup> Proposition 30 was passed by the California voters in November 2012. Proposition 30, for tax years 2012 through 2018, created three new income tax brackets with rates of 10.3 percent for taxable income over \$250,000, 11.3 percent for taxable income over \$300,000, and 12.3 percent for taxable income over \$500,000. Proposition 55 was passed by the California voters in November 2016 and extended these new income tax brackets until 2030.

<sup>11/</sup> The 7.25-percent rate includes the rates for General Fund, Special Funds, and uniform local rates. Additionally, cities and counties may generally assess up to an additional 2.00 percent to the statewide rate.

# STAFF ASSIGNMENTS

## EXECUTIVE OFFICE

### Keely Bosler

Director of Finance  
(916) 445-4141

### Vivek Viswanathan

Chief Deputy Director, Budget  
(916) 445-9862

### Richard Gillihan

Chief Operating Officer  
(916) 445-4923

### H.D. Palmer

Deputy Director, External Affairs  
(916) 323-0648

### Jacqueline Wong-Hernandez

Chief Deputy Director, Policy  
(916) 445-8582

### Kari Krogseng

Chief Counsel  
(916) 322-0971

### Jolie Onodera

Legislative Director  
(916) 445-8610

## BUDGET PROGRAM AREAS

Audits and Evaluations, Departmental Administration, Employee Compensation, Housing, Information Services, IT Fiscal Oversight, Labor, Local Government, State Pension Systems, and Tax Administration

Budget Planning and Preparation, Cash Management, Statewide Budget Issues, and Statewide Accounting Policies and Training

Corrections and Rehabilitation, Judicial Branch, Emergency Services, Department of Justice, General Government, and Business and Consumer Services

Demographics, Economics, and Revenues

Education

Health and Human Services

Natural Resources, Energy, Environment, Capital Outlay, and Transportation

## PROGRAM BUDGET MANAGERS

**Erika Li** . . . . . (916) 445-3274

**Thomas Todd** . . . . . (916) 445-5332

**Amy Jarvis** . . . . . (916) 445-8913

**Irena Asmundson** . . . . . (916) 322-2263  
Chief Economist and PBM

**Jeff Bell** . . . . . (916) 445-0328

**Adam Dorsey** . . . . . (916) 445-6423

**Karen Finn** . . . . . (916) 324-0043

# APPENDICES AND SCHEDULES

## Budget Process Overview

The Governor's Budget is the result of a process that begins more than one year before the Budget becomes law. When presented to the Legislature on or before January 10 each year, the Governor's Budget incorporates revenue and expenditure estimates based upon the most current information available through early to mid-December. In the event the Governor would like to change the Budget presented to the Legislature, including adjustments resulting from changes in population, caseload, or enrollment estimates, the Department of Finance proposes adjustments to the Legislature during budget hearings through Finance Letters in the spring. In May, Finance submits revised revenue and expenditure estimates for both the current and budget years to the Legislature. This update process is referred to as the May Revision. Finance also prepares monthly economic and cash revenue updates during the fiscal year. The list below describes the key documents used in the budget process.

Title	Purpose	Prepared/Issued by	When
Budget Letters	Convey the Administration's guidelines for budget preparation to agencies and departments.	Governor/Finance	January through December
Budget Change Proposals	Documents that propose to modify or change the existing level of service, propose new programs, or remove existing programs.	Agencies and departments submit to Finance analysts for review.	August and September
Governor's Budget	Governor's proposed budget for the upcoming fiscal year.	Governor/Finance	January 10
Governor's Budget Summary	A narrative summary of the Governor's proposed budget.	Governor/Finance	January 10
Budget Bill	Requests spending authorization to carry out the Governor's expenditure plan (serves as a legislative budget decision document).	Finance/Legislature	January 10
Multi-Year Projection	Estimated General Fund revenues and expenditures for the ensuing fiscal year and the three fiscal years thereafter, as required by Section 12.5 of Article IV of the California Constitution.	Finance	January, May, and Budget Enactment
Analysis of the Budget	Analysis of the Budget, including recommendations for changes to the Governor's Budget.	Legislative Analyst's Office	February
May Revision	Update of General Fund revenues, expenditures, and reserve estimates based on the latest economic forecast, and changes in population, caseload, or enrollment estimates.	Finance	Mid-May
Budget Act	The primary annual expenditure authorization, as approved by the Governor and Legislature, including a listing of the Governor's vetoes, if any.	Legislature/Governor	Late June or upon enactment of the Budget
Final Budget Summary	Update of the individual Budget Act items of appropriation, with changes by the Governor's vetoes, and includes certain budget summary schedules.	Finance	Summer/Fall
Final Change Book	Update of changes to the detailed fiscal information in the Governor's Budget.	Finance	Summer/Fall

# **Adjustments in Accounting Methods and Prior Year Fund Balances**

Government Code section 13344 requires the Department of Finance to clearly note in the Governor's Budget or related documents any adjustments of prior year fund balances and accounting methods. This requirement is to ensure the closest possible comparability of the Governor's Budget with the State Controller's Budgetary-Legal Basis Annual Report.

## **Accounting Methods**

No major changes have been implemented or proposed since last year's report.

## **Prior Year Fund Balances**

Government Code section 13344 requires every state agency to prepare and maintain financial and accounting data for inclusion in the Governor's Budget, Budget Act and related documents, and the State Controller's Budgetary-Legal Basis Annual Report, according to the methods and bases provided in regulations, budget letters, and other directives of Finance. Consistent with this requirement, Finance has continued its efforts in instructing and assisting departments in the reconciliation of special funds between the Governor's Budget documents departments provide to Finance and the year-end financial statements they provide to the State Controller's Office. Departments that are the designated fund administrators continue to be primarily responsible for the reconciliation, and Finance works very closely with them to ensure this is or will be completed for all special funds. Special fund balances included in the Governor's Budget have been reconciled using the best information available at the time. However, final balances for the Budgetary-Legal Basis Annual Report and certain actual revenue or expenditure amounts are not available during the preparation of the Governor's Budget. Therefore, there will be some remaining variances in the spring when final balances become available. Finance will follow up the efforts in the spring to evaluate if additional budget changes are necessary.

# Statewide Financial Information

Provides various statewide displays of financial information included in the Budget that may be the most useful to the public, private sector, or other levels of government. Each statewide display includes a description of the information included.

**Schedule 1 General Budget Summary**—Total statewide revenues and expenditures for the General Fund and special funds, and expenditure totals for selected bond funds.

**Schedule 2 Summary of State Tax Collections**—State tax collections per capita and per \$100 of personal income.

**Schedule 3 Comparative Yield of State Taxes**—Revenues for major state taxes.

**Schedule 4 Position and Salary Cost Estimates**—Position data and corresponding dollar amounts.

**Schedule 5A Statement of Estimated Accounts Payable and Accounts Receivable**—Actual payable and receivable amounts as of the end of the last fiscal year, and estimated amounts for the end of the current fiscal year and the next fiscal year.

**Schedule 5B Actual Past Fiscal Year Cash Flow**—Actual receipts, disbursements, borrowable resources, and cash flow loan balances for the last fiscal year.

**Schedule 5C Estimated Current Fiscal Year Cash Flow**—Projected receipts, disbursements, borrowable resources, and cash flow loan balances for the current fiscal year.

**Schedule 5D Estimated Budget Fiscal Year Cash Flow**—Projected receipts, disbursements, borrowable resources, and cash flow loan balances for the next fiscal year.

**Schedule 6 Summary of State Population, Employees, and Expenditures**—Historical data of state population, employees, personal income, revenues, and expenditures.

**Schedule 7 General Fund Statement of Fund Balance**—Available upon request. Contact the Department of Finance, Budget Operations Support Unit at (916) 445-5332.

**Schedule 8 Comparative Statement of Revenues**—Detail of General Fund and special fund revenues by source for the past, current, and budget years within the following categories: (1) major taxes and licenses, (2) minor revenues, and (3) transfers and loans.

**Schedule 9 Comparative Statement of Expenditures**—Detail of General Fund, special fund, selected bond fund, and federal fund expenditures included in the Governor's Budget by the following categories: (1) State Operations, (2) Local Assistance, (3) Capital Outlay, and (4) Unclassified.

**Schedule 10 Summary of Fund Condition Statements**—A listing in alphabetical order of the beginning reserve, revenues, expenditures, and ending reserve for the General Fund and each special fund for the past, current, and budget years.

**Schedule 11 Statement of General Obligation Bond and Commercial Paper Debt of the State of California**—List of all general obligation bonds, including: maturity dates, authorized amount of bond issues, amounts of unissued bonds, redemptions, and outstanding issues, as well as authorized and outstanding commercial paper.

**Schedule 12A State Appropriations Limit Summary**—Summary of Schedules 12B through 12E provides a calculation of the appropriations subject to the State Appropriations Limit and the Limit Room.

**Schedule 12B Revenues to Excluded Funds**—List of revenues in special funds NOT included in the calculation of total appropriations subject to the State Appropriations Limit.

**Schedule 12C Non-Tax Revenues in Funds Subject to Limit**—Total of non-tax General and special fund revenues deposited in funds that are otherwise included in the calculation of total appropriations subject to the State Appropriations Limit.

**Schedule 12D State Appropriations Limit Transfer from Other Funds to Included Funds**—Detail of transfers between funds that are used in calculating the appropriations subject to the State Appropriations Limit.

**Schedule 12E State Appropriations Limit Excluded Appropriations**—Exclusions from appropriations subject to the State Appropriations Limit.

**Schedule 13 Proposition 98 Final Certification**—Factors, data, and calculations used to certify the prior year Proposition 98 funding level pursuant to Chapter 39, Statutes of 2018.

**SCHEDULE 1 AT 2019-20 GOVERNOR'S BUDGET  
GENERAL BUDGET SUMMARY<sup>1/</sup>**

(In Thousands)

	Reference to Schedule	General Fund	Special Funds	Selected Bond Fund Expenditures	Expenditure Totals
<b>2017-18</b>					
Prior year resources available	10	\$5,581,666	\$23,791,456		
Revenues and transfers	8	131,494,668	57,002,291		
Expenditures	9	124,699,415	49,851,872	\$2,909,634	\$177,460,921
Fund Balance	10	\$12,376,919	\$30,941,875		
<i>Reserve for Liquidation of Encumbrances<sup>2/</sup></i>		1,384,512	--		
<i>Reserves for Economic Uncertainties<sup>3/</sup></i>		--	30,941,875		
<i>Special Fund for Economic Uncertainties<sup>3/</sup></i>		10,992,407	--		
<i>Budget Stabilization Account/Rainy Day Fund</i>		10,798,422			
<b>2018-19</b>					
Prior year resources available	10	\$12,376,919	\$30,941,875		
Revenues and transfers	8	136,945,321	62,709,596		
Expenditures	9	144,081,589	60,984,379	\$7,441,044	\$212,507,012
Fund Balance	10	\$5,240,651	\$32,667,092		
<i>Reserve for Liquidation of Encumbrances<sup>2/</sup></i>		1,384,512	--		
<i>Reserves for Economic Uncertainties<sup>3/</sup></i>		--	32,667,092		
<i>Special Fund for Economic Uncertainties<sup>3/</sup></i>		3,856,139	--		
<i>Safety Net Reserve</i>		900,000	--		
<i>Budget Stabilization Account/Rainy Day Fund</i>		13,535,422	--		
<b>2019-20</b>					
Prior year resources available	10	\$5,240,651	\$32,667,092		
Revenues and transfers	8	142,618,353	59,592,840		
Expenditures	9	144,191,867	59,522,268	\$5,355,192	\$209,069,327
Fund Balance	10	\$3,667,137	\$32,737,664		
<i>Reserve for Liquidation of Encumbrances<sup>2/</sup></i>		1,384,512	--		
<i>Reserves for Economic Uncertainties<sup>3/</sup></i>		--	32,737,664		
<i>Special Fund for Economic Uncertainties<sup>3/</sup></i>		2,282,625	--		
<i>Safety Net Reserve</i>		900,000	--		
<i>Budget Stabilization Account/Rainy Day Fund</i>		15,302,422	--		

<sup>1/</sup>The General Budget Summary includes the revenues and expenditures of all state funds that reflect the cost of state government and selected bond fund expenditures. The transactions involving other nongovernmental cost funds are excluded.

<sup>2/</sup>The Reserve for Liquidation of Encumbrances represents an amount which will be expended in the future for state obligations for which goods and services have not been received at the end of the fiscal year. This reserve treatment is consistent with accounting methodology prescribed by Generally Accepted Accounting Principles (GAAP) and Government Code Sections 13306 and 13307.

<sup>3/</sup>The Special Fund for Economic Uncertainties and the Reserves for Economic Uncertainties are reserve accounts for the General and special funds as provided by Section 5 of Article XIII B of the California Constitution.

## SCHEDULE 2 AT 2019-20 GOVERNOR'S BUDGET

### SUMMARY OF STATE TAX COLLECTIONS

(Excludes Departmental, Interest, and Miscellaneous Revenue)

Fiscal Year	Per Capita Personal Income <sup>1/ 2/</sup>	State Tax Collections (Dollars in Millions)		Taxes per Capita <sup>1/</sup>		Taxes per \$100 of Personal Income <sup>3/</sup>	
		General		General		General	
		Fund	Total	Fund	Total	Fund	Total
Beginning							
1967	\$3,870	\$3,558	\$4,676	\$185.55	\$243.86	\$4.80	\$6.30
1968	4,189	3,963	5,173	203.94	266.21	4.87	6.36
1969	4,668	4,126	5,409	208.96	273.94	4.48	5.87
1970	4,962	4,290	5,598	214.08	279.36	4.31	5.63
1971	5,210	5,213	6,597	256.22	324.24	4.92	6.22
1972	5,652	5,758	7,231	279.72	351.28	4.95	6.21
1973	6,116	6,377	7,877	305.57	377.45	5.00	6.17
1974	6,722	8,043	9,572	379.85	452.06	5.65	6.73
1975	7,306	9,050	10,680	420.19	495.87	5.75	6.79
1976	7,953	10,781	12,525	491.48	570.98	6.18	7.18
1977	8,660	12,951	14,825	579.41	663.25	6.69	7.66
1978	9,656	14,188	16,201	621.30	709.45	6.43	7.35
1979	10,750	16,904	19,057	726.83	819.41	6.76	7.62
1980	11,933	17,808	20,000	748.80	840.97	6.27	7.05
1981	13,131	19,053	21,501	784.78	885.62	5.98	6.74
1982	13,738	19,567	22,359	788.83	901.39	5.74	6.56
1983	14,549	22,300	25,674	880.14	1,013.30	6.05	6.96
1984	15,880	25,515	29,039	988.34	1,124.85	6.22	7.08
1985	16,790	26,974	30,898	1,021.63	1,170.25	6.08	6.97
1986	17,604	31,331	35,368	1,158.18	1,307.41	6.58	7.43
1987	18,529	31,228	35,611	1,126.67	1,284.81	6.08	6.93
1988	19,652	35,647	40,613	1,255.49	1,430.39	6.39	7.28
1989	20,623	37,248	43,052	1,278.16	1,477.32	6.20	7.16
1990	21,579	36,828	43,556	1,234.66	1,460.21	5.72	6.77
1991	21,825	40,072	48,856	1,315.62	1,604.01	6.03	7.35
1992	22,627	39,197	48,230	1,264.93	1,556.44	5.59	6.88
1993	22,929	38,351	48,941	1,224.72	1,562.90	5.34	6.82
1994	23,498	41,099	50,648	1,303.75	1,606.67	5.55	6.84
1995	24,566	44,825	54,805	1,413.51	1,728.20	5.75	7.03
1996	25,920	47,955	58,400	1,500.33	1,827.10	5.79	7.05
1997	27,152	53,859	64,826	1,659.61	1,997.56	6.11	7.36
1998	29,215	58,199	69,724	1,770.96	2,121.65	6.06	7.26
1999	30,773	70,027	81,773	2,095.45	2,446.93	6.81	7.95
2000	33,391	75,668	88,147	2,225.47	2,592.50	6.66	7.76
2001	34,051	62,679	73,295	1,816.12	2,123.70	5.33	6.24
2002	34,168	64,879	75,420	1,856.95	2,158.65	5.43	6.32
2003	35,316	70,229	81,628	1,984.49	2,306.60	5.62	6.53
2004	37,178	80,070	93,764	2,239.55	2,622.57	6.02	7.05
2005	39,154	90,468	105,860	2,514.02	2,941.74	6.42	7.51
2006	41,877	93,237	109,390	2,572.28	3,017.93	6.14	7.21
2007	43,308	95,290	111,778	2,606.95	3,058.01	6.02	7.06
2008	43,595	79,398	95,020	2,154.26	2,578.12	4.94	5.91
2009	41,919	84,537	99,284	2,280.02	2,677.76	5.44	6.39
2010	43,601	89,910	106,942	2,408.24	2,864.41	5.52	6.57
2011	46,143	82,850	106,351	2,199.08	2,822.85	4.77	6.12
2012	48,721	95,444	119,798	2,508.91	3,149.09	5.15	6.46
2013	49,074	101,187	127,388	2,633.36	3,315.23	5.37	6.76
2014	52,146	112,158	139,983	2,892.99	3,610.71	5.55	6.92
2015	55,592	117,083	144,154	2,994.94	3,687.42	5.39	6.63
2016	57,427	122,029	147,731	3,101.57	3,754.81	5.40	6.54
2017 <sup>e/</sup>	59,667	134,445	164,921	3,393.20	4,162.38	5.69	6.98
2018 <sup>e/</sup>	62,525	139,346	173,245	3,492.60	4,342.24	5.59	6.94
2019 <sup>e/</sup>	65,093	144,378	180,146	3,587.88	4,476.73	5.51	6.88

<sup>1/</sup>Per capita computations are based on July 1 population estimates, benchmarked on the 2010 Census.

<sup>2/</sup>Personal income data are on a calendar year basis (e.g., 2012 for 2012-13).

<sup>3/</sup>Taxes per \$100 personal income computed using calendar year personal income (e.g. 2012 income related to 2012-13 tax collections).

<sup>e/</sup>Estimated.

**SCHEDULE 3 AT 2019-20 GOVERNOR'S BUDGET**  
**COMPARATIVE YIELD OF STATE TAXES, 1970-71 THROUGH 2019-20**  
**Includes both General and Special Funds**

(Dollars in Thousands)

Fiscal Year	Sales and Use <sup>1/</sup>	Personal Income <sup>2/</sup>	Corporation <sup>3/</sup>	Tobacco <sup>4/</sup>	Estate Inheritance and Gift <sup>5/</sup>	Insurance <sup>6/</sup>	Alcoholic Beverage <sup>7/</sup>	Motor Vehicle Fuel <sup>8/</sup>	Vehicle Fees <sup>9/</sup>
Beginning									
1970	\$1,808,052	\$1,264,383	\$532,091	\$239,721	\$185,699	\$158,423	\$106,556	\$674,635	\$513,202
1971	2,015,993	1,785,618	662,522	247,424	220,192	170,179	112,091	712,426	547,845
1972	2,198,523	1,884,058	866,117	253,602	260,119	179,674	114,884	746,196	596,922
1973	2,675,738	1,829,385	1,057,191	258,921	231,934	201,697	119,312	742,702	644,448
1974	3,376,078	2,579,676	1,253,673	261,975	242,627	202,991	120,749	752,234	664,453
1975	3,742,524	3,086,611	1,286,515	268,610	316,648	241,224	125,313	766,555	749,936
1976	4,314,201	3,761,356	1,641,500	269,384	367,964	322,476	127,485	810,321	807,782
1977	5,030,438	4,667,887	2,082,208	273,658	365,092	387,560	132,060	850,181	924,410
1978	5,780,919	4,761,571	2,381,223	268,816	416,955	420,184	140,059	896,591	1,021,856
1979	6,623,521	6,506,015	2,510,039	290,043	465,611	446,228	138,940	852,752	1,096,640
1980	7,131,429	6,628,694	2,730,624	278,161	530,185	460,926	142,860	839,994	1,127,293
1981	7,689,023	7,483,007	2,648,735	276,824	482,300	454,984	139,523	833,446	1,373,354
1982	7,795,488	7,701,099	2,536,011	271,621	517,875	736,929	136,209	928,633	1,614,993
1983	8,797,865	9,290,279	3,231,281	263,231	236,452	457,490	137,433	1,213,167	1,906,290
1984	9,797,564	10,807,706	3,664,593	262,868	296,805	643,139	135,786	1,159,637	2,137,326
1985	10,317,930	11,413,040	3,843,024	258,141	252,810	839,939	132,262	1,194,172	2,515,295
1986	10,904,022	13,924,527	4,800,843	255,076	273,089	1,008,804	131,288	1,245,881	2,692,835
1987	11,650,531	12,950,346	4,776,388	250,572	304,148	1,158,321	128,734	1,293,254	2,966,334
1988	12,650,893	15,889,179	5,138,009	559,617	335,091	1,317,630	128,264	1,320,512	3,142,484
1989	13,917,771	16,906,568	4,965,389	787,076	388,527	1,167,684	128,524	1,349,146	3,305,711
1990	13,839,573	16,852,079	4,544,783	745,074	498,774	1,287,152	129,640	1,999,771	3,513,159
1991	17,458,521	17,242,816	4,538,451	726,064	446,696	1,167,307	321,352	2,457,229	4,369,862
1992	16,598,863	17,358,751	4,659,950	677,846	458,433	1,188,181	292,107	2,412,574	4,470,321
1993	16,857,369	17,402,976	4,809,273	664,322	552,139	1,196,921	275,797	2,547,633	4,518,795
1994	16,273,800	18,608,181	5,685,618	674,727	595,238	998,868	268,957	2,685,731	4,749,594
1995	17,466,584	20,877,687	5,862,420	666,779	659,338	1,131,737	269,227	2,757,289	5,009,319
1996	18,424,355	23,275,990	5,788,414	665,415	599,255	1,199,554	271,065	2,824,589	5,260,355
1997	19,548,574	27,927,940	5,836,881	644,297	780,197	1,221,285	270,947	2,853,846	5,660,574
1998	21,013,674	30,894,865	5,724,237	976,513	890,489	1,253,972	273,112	3,025,226	5,610,374
1999	23,451,570	39,578,237	6,638,898	1,216,651	928,146	1,299,777	282,166	3,069,694	5,263,245
2000	24,287,928	44,618,532	6,899,322	1,150,869	934,709	1,496,556	288,450	3,142,142	5,286,542
2001	23,816,406	33,046,665	5,333,036	1,102,807	915,627	1,596,002	292,627	3,295,903	3,836,904
2002	24,899,025	32,709,761	6,803,559	1,055,505	647,372	1,879,784	290,564	3,202,512	3,889,602
2003	26,506,911	36,398,983	6,925,916	1,081,588	397,848	2,114,980	312,826	3,324,883	4,415,126
2004	29,967,136	42,992,007	8,670,065	1,096,224	213,036	2,232,955	314,252	3,366,142	4,873,705
2005	32,201,082	51,219,823	10,316,467	1,088,703	3,786	2,202,327	318,276	3,393,381	5,078,529
2006	32,669,175	53,348,766	11,157,898	1,078,536	6,348	2,178,336	333,789	3,399,694	5,147,341
2007	31,972,874	55,745,970	11,849,097	1,037,287	6,303	2,172,936	327,260	3,351,268	5,212,811
2008	28,972,302	44,355,959	9,535,679	1,000,456	245	2,053,850	323,934	3,162,299	5,566,642
2009	31,197,154	45,650,901	9,114,589	922,986	0	2,180,786	311,242	3,149,144	6,726,967
2010	30,996,372	50,507,989	9,613,594	905,245	0	2,307,022	334,178	5,705,528	6,558,121
2011	28,542,238	55,449,292	7,233,000	895,677	0	2,416,073	346,000	5,544,530	5,907,866
2012	31,007,290	66,809,000	7,782,947	868,703	0	2,242,379	357,000	5,492,850	5,864,814
2013	34,163,864	68,306,264	9,092,696	833,127	0	2,362,738	354,297	6,065,748	6,226,553
2014	35,263,084	77,929,551	9,416,779	832,379	0	2,444,573	357,373	5,713,698	6,510,898
2015	35,936,588	80,541,269	10,459,561	840,034	0	2,561,932	368,699	5,003,317	6,833,037
2016	35,360,401	85,021,043	11,019,780	1,235,605	0	2,422,105	368,345	4,845,821	7,192,680
2017 <sup>10/</sup>	36,169,459	96,361,121	12,156,145	2,145,003	0	2,569,271	376,059	6,355,007	8,578,303
2018 <sup>10/</sup>	38,229,290	100,108,348	12,330,078	2,101,100	0	2,606,280	381,968	7,658,320	9,515,012
2019 <sup>10/</sup>	40,051,256	102,915,655	13,124,790	2,056,860	0	2,829,718	388,822	8,452,789	9,844,310

<sup>1/</sup> Includes the 0.5 percent Local Revenue Fund, the 1.0625 percent Local Revenue Fund 2011, and the state sales tax rate of 6 percent from April 1, 2009 to June 30, 2011.

Includes the 0.25 percent sales tax, effective July 1, 2004 through December 31, 2015, for repayment of economic recovery bonds. Includes passage of Proposition 30, which increased the General Fund sales tax rate from January 1, 2013 to December 31, 2016.

<sup>2/</sup> Includes the revenue for a 1-percent surcharge on taxable incomes over \$1 million, with proceeds funding mental health programs. Includes the 0.25-percent surcharge and reduced dependent exemption credit effective for tax years 2009 and 2010. Also includes the impact of Propositions 30, which establishes three additional tax brackets for tax years 2012 through 2018. In November 2016, voters approved Proposition 55, which extends the three additional tax brackets through 2030.

<sup>3/</sup> Includes the corporation tax, corporation income tax, LLC fees, and minimum franchise tax for corporations, partnerships, LLCs, and LLPs. From 1989 to 1997, it included the unitary election fee. Includes impact of Proposition 39 beginning in tax year 2012.

<sup>4/</sup> Proposition 99 (November 1988) increased the cigarette tax to \$0.35 per pack and added an equivalent tax to other tobacco products. The Breast Cancer Act added \$0.02 per pack effective 1/1/94. Proposition 10 (November 1998) increased the cigarette tax to \$0.87 per pack and added the equivalent of \$1.00 tax on other tobacco products. Proposition 56 (November 2016) increased the cigarette tax to \$2.87 per pack, effective April 1, 2017, and added the equivalent of a \$2.00 tax to other tobacco products, effective July 1, 2017. Proposition 56 also defined electronic cigarettes as other tobacco products for purposes of taxation.

<sup>5/</sup> Proposition 6, an initiative measure adopted by the voters in June 1982, repealed the inheritance and gift taxes and imposed instead an estate tax known as "the pick-up tax," because it is designed to pick up the maximum credit allowed against the federal estate tax. The federal estate tax has undergone many changes since 2001. It was reinstated in January 2013 for deaths on and after January 1, 2013. The new federal tax operates in such a way to effectively eliminate the state pick-up estate tax.

<sup>6/</sup> Includes insurance gross premiums tax on Medi-Cal managed care plans through June 30, 2013, to provide interim funding for the Healthy Families and Medi-Cal programs. Includes a reduction for the managed care organizations tax of \$146 million in 2016-17, \$151 million in 2017-18, and \$158 million in 2018-19.

<sup>7/</sup> Alcoholic beverage excise taxes were increased effective July 15, 1991.

<sup>8/</sup> Motor vehicle fuel tax (gasoline) and use fuel tax (diesel and other fuels). The gasoline excise tax was 29.7 cents per gallon for the first four months of 2017-18, 41.7 cents for the next 20 months through 2018-19, and is expected to be 47.3 cents in 2019-20. The diesel excise tax was 16 cents for the first four months of 2017-18 and will be 36 cents thereafter through 2019-20.

<sup>9/</sup> Registration and weight fees, motor vehicle license fees, and other fees. Includes \$800 million in 2017-18 and \$1.5 billion in both 2018-19 and 2019-20 from a new graduated fee at \$25 to \$175 per vehicle.

<sup>10/</sup> Estimated.

**SCHEDULE 4**  
**POSITION AND SALARY COST ESTIMATES AT 2019-20 Governor's Budget**  
(Excludes Staff Benefits<sup>1/</sup>)  
(Dollars in Thousands)

	Positions			Dollars		
	Actuals 2017-18*	Estimated 2018-19*	Proposed 2019-20*	Actuals 2017-18*	Estimated 2018-19*	Proposed 2019-20*
<b>Executive</b>						
Executive	10,138.1	10,670.4	10,969.7	\$907,513	\$1,010,126	\$1,037,032
Business, Consumer Services, and Housing	5,327.2	5,643.7	5,960.8	382,550	430,040	451,247
Transportation	38,487.9	39,670.2	40,081.0	3,529,478	3,809,421	3,799,263
Natural Resources	16,217.5	18,783.2	19,336.0	1,482,985	1,682,386	1,734,414
California Environmental Protection	5,567.5	5,664.4	5,859.9	535,121	559,844	570,544
Health and Human Services	29,735.8	30,058.7	30,649.5	2,286,231	2,536,749	2,606,830
Corrections and Rehabilitation	56,638.4	57,209.5	57,334.4	5,278,405	5,733,684	5,732,314
Education						
K thru 12 Education	2,487.1	2,490.1	2,513.1	176,612	193,447	193,973
Community Colleges/Other	306.6	297.8	301.8	29,560	30,746	30,884
Labor and Workforce Development	10,663.5	10,701.7	10,730.9	757,106	748,277	749,758
Government Operations	19,090.0	19,213.1	19,321.5	1,425,160	1,511,859	1,519,509
General Government	12,312.0	12,583.2	12,762.2	723,649	3,160,508	2,498,500
<b>SUBTOTAL, EXECUTIVE</b>	<b>206,971.6</b>	<b>212,986.0</b>	<b>215,820.8</b>	<b>\$17,514,370</b>	<b>\$21,407,087</b>	<b>\$20,924,268</b>
<b>Higher Education</b>						
University of California	109,575.8	111,099.8	111,099.8	\$10,588,215	\$10,588,215	\$10,588,215
Hastings College of Law	243.4	249.4	249.4	25,522	25,522	25,522
California State University	49,229.0	50,200.4	50,200.4	3,172,341	3,533,136	3,533,136
<b>SUBTOTAL, HIGHER EDUCATION</b>	<b>159,048.2</b>	<b>161,549.6</b>	<b>161,549.6</b>	<b>\$13,786,078</b>	<b>\$14,146,873</b>	<b>\$14,146,873</b>
<b>Legislative<sup>1/</sup></b>	<b>750.0</b>	<b>750.0</b>	<b>754.0</b>	<b>\$69,176</b>	<b>\$71,518</b>	<b>\$73,081</b>
<b>Judicial</b>	<b>1,750.4</b>	<b>1,773.4</b>	<b>1,786.4</b>	<b>211,173</b>	<b>228,672</b>	<b>231,081</b>
<b>GRAND TOTAL</b>	<b>368,520.2</b>	<b>377,059.0</b>	<b>379,910.8</b>	<b>\$31,580,797</b>	<b>\$35,854,150</b>	<b>\$35,375,303</b>

<sup>1/</sup> The numbers of positions include 120 legislators and staff at the Legislative Counsel Bureau. The numbers do not include the Legislature's staff or the Legislative Analyst's Office. Certain benefits of the legislators are included in the dollars.

\* Numbers may not add or match to other statements due to rounding of budget details.

**SCHEDULE 5A AT 2019-20 GOVERNOR'S BUDGET**  
**STATEMENT OF ESTIMATED ACCOUNTS PAYABLE AND ACCOUNTS RECEIVABLE**  
**GENERAL FUND**  
(Dollars in Thousands)

	Actual 2017-18 Fiscal Year Accruals <sup>1/</sup>			Estimated 2018-19 Fiscal Year Accruals <sup>2/</sup>			Estimated 2019-20 Fiscal Year Accruals <sup>2/</sup>		
	Accounts payable June 30, 2018	Accounts receivable June 30, 2018	Net accruals June 30, 2018	Accounts payable June 30, 2019	Accounts receivable June 30, 2019	Net accruals June 30, 2019	Accounts payable June 30, 2020	Accounts receivable June 30, 2020	Net accruals June 30, 2020
<b>STATE OPERATIONS</b>									
Legislative/Judicial/Executive	\$572,719	\$530,336	\$42,383	\$589,901	\$546,246	\$43,655	\$607,598	\$562,633	\$44,965
Business, Consumer Services, and Housing	4,454	3,242	1,212	4,588	3,339	1,249	4,726	3,439	1,287
Transportation	0	1,172	-1,171	0	1,207	-1,207	0	1,243	-1,243
Natural Resources	1,530,633	1,249,809	280,825	1,576,552	1,287,303	289,249	1,623,849	1,325,922	297,927
California Environmental Protection	110,875	57,483	53,393	114,201	59,207	54,994	117,627	60,983	56,644
Health and Human Services:									
Health Care Services	3,147	711	2,436	3,241	732	2,509	3,338	754	2,584
Developmental Services	68,490	113,918	-45,429	70,545	117,336	-46,791	72,661	120,856	-48,195
State Hospitals	103,186	23,877	79,309	106,282	24,593	81,689	109,470	25,331	84,139
Other Health and Human Services	239,454	289,198	-49,743	246,638	297,874	-51,236	254,037	306,810	-52,773
Corrections and Rehabilitation	1,162,220	748,841	413,380	1,197,087	771,306	425,781	1,233,000	794,445	438,555
Education:									
Department of Education	3,516	1,828	1,689	3,621	1,883	1,738	3,730	1,939	1,791
University of California	0	0	0	0	0	0	0	0	0
California State University	22,695	14	22,681	23,376	14	23,362	24,077	14	24,063
Other Education	15,406	3,976	11,430	15,868	4,095	11,773	16,344	4,218	12,126
Government Operations	177,761	149,041	28,720	183,094	153,512	29,582	188,587	158,117	30,470
General Government/Labor	1,780,548	1,751,270	29,278	1,833,964	1,803,808	30,156	1,888,983	1,857,922	31,061
<b>Totals, State Operations</b>	<b>\$5,795,104</b>	<b>\$4,924,716</b>	<b>\$870,393</b>	<b>\$5,968,958</b>	<b>\$5,072,455</b>	<b>\$896,503</b>	<b>\$6,148,027</b>	<b>\$5,224,626</b>	<b>\$923,401</b>
<b>LOCAL ASSISTANCE</b>									
Public Schools K-12	\$1,027,142	\$533,830	\$493,312	\$1,057,956	\$549,845	\$508,111	\$1,089,695	\$566,340	\$523,355
California Community Colleges	97,066	6,524	90,541	99,978	6,720	93,258	102,977	6,922	96,055
Other Education	51,751	98,594	-46,843	53,304	101,552	-48,248	54,903	104,599	-49,696
Health Care Services (Non-Medi-Cal)	312,469	70,596	241,873	321,843	72,714	249,129	331,498	74,895	256,603
Developmental Services	554,144	921,703	-367,559	570,768	949,354	-378,586	587,891	977,835	-389,944
State Hospitals	0	0	0	0	0	0	0	0	0
Social Services	637,031	1,246,811	-609,780	656,142	1,284,215	-628,073	675,826	1,322,741	-646,915
Other Health and Human Services	79,692	89,838	-10,146	82,083	92,533	-10,450	84,545	95,309	-10,764
Tax Relief	0	0	0	0	0	0	0	0	0
Other Local Assistance	16,319	7,978	8,341	16,809	8,217	8,592	17,313	8,464	8,849
<b>Totals, Local Assistance</b>	<b>\$2,775,614</b>	<b>\$2,975,874</b>	<b>-\$200,261</b>	<b>\$2,858,883</b>	<b>\$3,065,150</b>	<b>-\$206,267</b>	<b>\$2,944,648</b>	<b>\$3,157,105</b>	<b>-\$212,457</b>
<b>TOTALS, ALL CHARACTERS</b>	<b>\$8,570,718</b>	<b>\$7,900,590</b>	<b>\$670,132</b>	<b>\$8,827,841</b>	<b>\$8,137,605</b>	<b>\$690,236</b>	<b>\$9,092,675</b>	<b>\$8,381,731</b>	<b>\$710,944</b>

<sup>1/</sup> Information per the State Controller's Office.

<sup>2/</sup> 2018-19 and 2019-20 typically assume a 3% growth from the prior fiscal year, except for adjustments due to major one-time issues to conform with budget treatment.

**Note:** Numbers may not add due to rounding.

**SCHEDULE 5B AT 2019-20 GOVERNOR'S BUDGET**  
**ACTUAL 2017-18 FISCAL YEAR CASHFLOW**  
GENERAL FUND  
(Dollars in Millions)

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
<b>BEGINNING CASH BALANCE</b>													
<b>RECEIPTS:</b>													
Alcoholic Beverage Excise Tax	\$37	\$29	\$32	\$43	\$30	\$34	\$39	\$22	\$24	\$25	\$35	\$31	\$382
Corporation Tax	363	95	1,065	286	-19	2,466	552	164	1,308	2,404	571	3,234	12,488
Cigarette Tax	6	9	1	11	1	10	7	0	4	6	7	8	69
Inheritance, Gift and Estate Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Insurance Tax	23	321	252	24	282	318	23	28	317	411	340	235	2,575
Personal Income Tax	4,737	5,224	7,622	5,383	4,638	11,496	15,602	2,993	4,217	14,173	4,820	12,572	93,478
Retail Sales and Use Tax	900	3,124	1,902	936	3,301	1,863	1,009	3,237	2,064	946	2,433	3,146	24,860
Income from Pooled Money Investments	5	12	13	18	8	13	16	8	17	23	15	35	182
Transfer from Special Fund for Economic Uncertainties	0	0	0	0	0	0	283	16	213	150	1	9	460
Other	36	155	277	83	168	174	171	94	720	84	63	720	2,238
<b>TOTAL, Receipts</b>	<b>\$6,108</b>	<b>\$8,969</b>	<b>\$11,164</b>	<b>\$6,783</b>	<b>\$8,408</b>	<b>\$16,373</b>	<b>\$17,701</b>	<b>\$6,562</b>	<b>\$8,166</b>	<b>\$18,221</b>	<b>\$8,286</b>	<b>\$19,990</b>	<b>\$136,732</b>
<b>DISBURSEMENTS:</b>													
State Operations:													
University of California	\$405	\$236	\$238	\$276	\$274	\$430	\$263	\$257	\$276	\$275	\$500	\$104	\$3,533
Debt Service	-82	350	892	1,038	625	-256	-354	468	687	1,517	248	-67	5,064
Other State Operations	2,592	1,839	1,987	2,556	1,574	2,356	2,166	1,751	1,438	2,340	2,276	1,146	24,022
Social Services	1,460	330	751	403	1,085	95	178	965	-88	1,448	804	344	7,775
Medi-Cal Assistance for DHCS	1,112	2,581	3,185	2,295	746	2,399	632	2,076	1,740	-124	475	2,847	19,966
Other Health and Human Services	730	187	180	717	338	373	257	314	318	299	71	14	3,799
Schools	2,840	3,489	5,817	4,256	4,166	6,072	3,989	4,488	5,816	3,963	4,074	4,641	53,611
Teachers' Retirement	524	0	0	871	0	524	0	0	0	871	0	0	2,790
Transfer to Special Fund for Economic Uncertainties	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer to Budget Stabilization Account	660	-355	2,289	412	217	341	96	320	104	312	1,143	-407	2,289
Other	0	0	660	0	0	0	0	0	0	0	0	0	3,503
<b>TOTAL, Disbursements</b>	<b>\$10,241</b>	<b>\$8,657</b>	<b>\$15,998</b>	<b>\$12,825</b>	<b>\$9,026</b>	<b>\$12,334</b>	<b>\$7,228</b>	<b>\$10,639</b>	<b>\$10,291</b>	<b>\$10,900</b>	<b>\$9,591</b>	<b>\$8,622</b>	<b>\$126,352</b>
<b>EXCESS RECEIPTS/(DEFICIT)</b>	<b>-\$4,133</b>	<b>\$312</b>	<b>-\$4,834</b>	<b>-\$6,042</b>	<b>-\$619</b>	<b>\$4,040</b>	<b>\$10,473</b>	<b>-\$4,077</b>	<b>-\$2,125</b>	<b>\$7,321</b>	<b>-\$1,305</b>	<b>\$11,368</b>	<b>\$10,379</b>
<b>NET TEMPORARY LOANS:</b>													
Special Fund for Economic Uncertainties	\$0	\$0	\$0	\$0	-\$40	\$0	-\$283	-\$16	-\$1	-\$157	-\$1	-\$1,251	-\$1,749
Budget Stabilization Account	3,107	0	2,289	0	0	0	-4,271	4,093	178	-5,217	1,306	-4,576	-3,091
Other Internal Sources	1,026	-313	2,545	6,042	658	-4,040	-5,919	-0	1,948	-1,948	0	0	0
External Borrowing/RANS	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL, Net Temporary Loans</b>	<b>\$4,133</b>	<b>-\$313</b>	<b>\$4,834</b>	<b>\$6,042</b>	<b>\$619</b>	<b>-\$4,040</b>	<b>-\$10,473</b>	<b>\$4,077</b>	<b>\$2,125</b>	<b>-\$7,321</b>	<b>\$1,305</b>	<b>-\$5,827</b>	<b>-\$4,839</b>
<b>ENDING CASH BALANCE</b>	<b>-\$0</b>	<b>-\$0</b>	<b>-\$0</b>	<b>-\$0</b>	<b>\$0</b>	<b>-\$0</b>	<b>-\$0</b>	<b>-\$0</b>	<b>-\$0</b>	<b>\$0</b>	<b>-\$0</b>	<b>\$5,541</b>	<b>\$5,541</b>
<b>AVAILABLE/BORROWABLE RESOURCES:</b>													
Special Fund for Economic Uncertainties	\$1,749	\$1,749	\$1,749	\$1,749	\$1,709	\$1,709	\$1,426	\$1,410	\$1,409	\$1,253	\$1,251	\$1,249	\$1,249
Budget Stabilization Account	6,197	6,197	8,486	8,486	8,486	8,486	8,486	8,486	8,486	8,486	8,486	8,486	8,486
Other Internal Sources	34,399	35,173	34,856	32,475	31,669	33,106	28,954	31,902	32,614	29,596	31,639	30,190	30,190
External Borrowing/RANS	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL, Available/Borrowable Resources</b>	<b>\$42,346</b>	<b>\$43,119</b>	<b>\$45,091</b>	<b>\$42,710</b>	<b>\$41,865</b>	<b>\$43,301</b>	<b>\$38,866</b>	<b>\$41,799</b>	<b>\$42,510</b>	<b>\$39,335</b>	<b>\$41,377</b>	<b>\$39,925</b>	<b>\$39,925</b>
<b>CUMULATIVE LOAN BALANCES:</b>													
Special Fund for Economic Uncertainties	\$1,749	\$1,749	\$1,749	\$1,749	\$1,709	\$1,709	\$1,426	\$1,410	\$1,409	\$1,253	\$1,251	\$0	\$0
Budget Stabilization Account	6,197	6,197	8,486	8,486	8,486	8,486	4,215	8,308	8,486	3,270	4,576	0	0
Other Internal Sources	1,026	714	3,258	9,300	9,959	5,919	0	0	1,948	0	0	0	0
External Borrowing/RANS	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL, Cumulative Loan Balances</b>	<b>\$8,973</b>	<b>\$8,660</b>	<b>\$13,493</b>	<b>\$19,535</b>	<b>\$20,154</b>	<b>\$16,114</b>	<b>\$5,641</b>	<b>\$9,718</b>	<b>\$11,843</b>	<b>\$4,522</b>	<b>\$5,827</b>	<b>\$0</b>	<b>\$0</b>
<b>UNUSED BORROWABLE RESOURCES</b>	<b>\$33,373</b>	<b>\$34,459</b>	<b>\$31,597</b>	<b>\$23,174</b>	<b>\$21,711</b>	<b>\$27,187</b>	<b>\$33,225</b>	<b>\$32,080</b>	<b>\$30,666</b>	<b>\$34,813</b>	<b>\$35,550</b>	<b>\$39,925</b>	<b>\$39,925</b>
<b>CASH AND UNUSED BORROWABLE RESOURCES</b>	<b>\$33,373</b>	<b>\$34,459</b>	<b>\$31,597</b>	<b>\$23,174</b>	<b>\$21,711</b>	<b>\$27,187</b>	<b>\$33,225</b>	<b>\$32,080</b>	<b>\$30,666</b>	<b>\$34,813</b>	<b>\$35,550</b>	<b>\$45,466</b>	<b>\$45,466</b>

Note: Numbers may not add due to rounding.  
Source: State Controller's Office

**SCHEDULE 5C AT 2019-20 GOVERNOR'S BUDGET  
ESTIMATED 2018-19 FISCAL YEAR CASHFLOW**  
GENERAL FUND  
(Dollars in Millions)

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
<b>BEGINNING CASH BALANCE</b>	<b>\$5,541</b>	<b>\$1,921</b>	<b>\$2,438</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,541</b>
<b>RECEIPTS:</b>													
Alcoholic Beverage Excise Tax	\$37	\$29	\$30	\$31	\$6	\$58	\$31	\$34	\$26	\$35	\$25	\$40	\$382
Corporation Tax	446	92	1,303	255	27	1,796	531	162	1,449	2,642	575	3,083	12,361
Cigarette Tax	6	2	6	6	4	7	7	2	8	6	6	5	65
Inheritance, Gift and Estate Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Insurance Tax	19	346	267	12	102	499	23	29	317	414	341	237	2,606
Personal Income Tax	5,217	5,936	8,438	5,126	5,956	7,324	18,887	3,209	5,563	15,000	5,102	12,303	98,061
Retail Sales and Use Tax	818	3,501	2,001	1,032	3,519	1,941	989	3,352	2,148	998	2,534	3,275	26,108
Income from Pooled Money Investments	34	25	33	69	35	51	44	23	50	40	25	60	489
Transfer from Special Fund for Economic Uncertainties	0	116	72	0	55	0	0	0	0	0	0	-1	242
Other	90	139	36	132	104	166	136	85	51	65	87	837	1,928
<b>TOTAL, Receipts</b>	<b>\$6,667</b>	<b>\$10,186</b>	<b>\$12,186</b>	<b>\$6,663</b>	<b>\$9,808</b>	<b>\$11,842</b>	<b>\$20,648</b>	<b>\$6,896</b>	<b>\$9,612</b>	<b>\$19,200</b>	<b>\$8,695</b>	<b>\$19,839</b>	<b>\$142,242</b>
<b>DISBURSEMENTS:</b>													
State Operations:													
University of California	\$259	\$298	\$260	\$332	\$295	\$474	\$289	\$289	\$289	\$289	\$566	\$6	\$3,646
Debt Service	-129	553	870	1,027	721	-482	-341	479	969	974	229	-192	4,678
Other State Operations	2,954	2,131	2,217	2,849	1,665	2,986	2,370	2,013	1,749	2,762	2,380	2,736	28,812
Social Services	1,257	650	791	897	814	261	827	563	563	859	518	434	8,401
Medi-Cal Assistance for DHCS	-488	2,052	2,804	1,551	1,113	2,028	2,416	1,559	2,096	2,437	1,328	1,729	20,625
Other Health Care Services	1,004	84	298	780	317	332	284	328	769	349	113	114	4,772
Schools	2,812	3,417	6,529	4,772	4,294	6,497	5,184	4,154	6,304	4,227	4,115	6,768	59,073
Teachers' Retirement	588	0	0	953	0	588	0	0	0	953	0	0	3,082
Transfer to Special Fund for Economic Uncertainties	0	0	0	0	0	0	915	0	0	0	0	0	915
Transfer to Budget Stabilization Account	0	0	2,671	0	0	0	0	0	0	0	0	0	2,671
Other	2,030	484	3,119	634	526	478	424	541	275	413	762	1,727	11,412
<b>TOTAL, Disbursements</b>	<b>\$10,287</b>	<b>\$9,669</b>	<b>\$19,559</b>	<b>\$13,795</b>	<b>\$9,745</b>	<b>\$13,162</b>	<b>\$12,368</b>	<b>\$9,926</b>	<b>\$12,981</b>	<b>\$13,263</b>	<b>\$10,011</b>	<b>\$13,322</b>	<b>\$148,087</b>
<b>EXCESS RECEIPTS/(DEFICIT)</b>	<b>-\$3,620</b>	<b>\$517</b>	<b>-\$7,373</b>	<b>-\$7,132</b>	<b>\$63</b>	<b>-\$1,320</b>	<b>\$8,280</b>	<b>-\$3,030</b>	<b>-\$3,369</b>	<b>\$5,938</b>	<b>-\$1,316</b>	<b>\$6,517</b>	<b>-\$5,845</b>
<b>NET TEMPORARY LOANS:</b>													
Special Fund for Economic Uncertainties	\$0	\$0	\$1,061	\$40	-\$55	\$0	\$915	\$0	\$0	\$0	\$0	-\$1,658	\$304
Budget Stabilization Account	0	0	3,874	7,091	-8	196	-8,070	3,030	3,369	-5,938	1,316	-4,859	0
Other Internal Sources	0	0	0	0	0	1,124	-1,124	0	0	0	0	0	0
Revenue Anticipation Notes	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL, Net Temporary Loans</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,935</b>	<b>\$7,131</b>	<b>-\$63</b>	<b>\$1,320</b>	<b>-\$8,279</b>	<b>\$3,030</b>	<b>\$3,369</b>	<b>-\$5,938</b>	<b>\$1,316</b>	<b>-\$6,517</b>	<b>\$304</b>
<b>ENDING CASH BALANCE</b>	<b>\$1,921</b>	<b>\$2,438</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>AVAILABLE/BORROWABLE RESOURCES:</b>													
Special Fund for Economic Uncertainties	\$1,249	\$1,133	\$1,061	\$1,102	\$1,047	\$1,047	\$1,962	\$1,962	\$1,962	\$1,962	\$1,962	\$1,962	\$1,962
Budget Stabilization Account	8,486	8,486	11,152	11,152	11,152	11,152	11,152	11,152	11,152	11,152	11,152	13,535	13,535
Other Internal Sources	32,534	31,229	36,511	34,531	34,374	34,746	32,264	34,197	33,138	34,903	34,248	33,323	33,323
Revenue Anticipation Notes	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL, Available/Borrowable Resources</b>	<b>\$42,269</b>	<b>\$40,849</b>	<b>\$48,725</b>	<b>\$46,786</b>	<b>\$46,573</b>	<b>\$46,946</b>	<b>\$45,379</b>	<b>\$47,312</b>	<b>\$46,253</b>	<b>\$48,018</b>	<b>\$47,363</b>	<b>\$48,821</b>	<b>\$48,821</b>
<b>CUMULATIVE LOAN BALANCES:</b>													
Special Fund for Economic Uncertainties	\$0	\$0	\$1,061	\$1,102	\$1,047	\$1,047	\$1,962	\$1,962	\$1,962	\$1,962	\$1,962	\$304	\$304
Budget Stabilization Account	0	0	3,874	10,965	10,957	11,152	3,082	6,112	9,481	3,543	4,859	0	0
Other Internal Sources	0	0	0	0	0	1,124	0	0	0	0	0	0	0
Revenue Anticipation Notes	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL, Cumulative Loan Balances</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,935</b>	<b>\$12,067</b>	<b>\$12,004</b>	<b>\$13,324</b>	<b>\$5,044</b>	<b>\$8,074</b>	<b>\$11,443</b>	<b>\$5,505</b>	<b>\$6,821</b>	<b>\$304</b>	<b>\$304</b>
<b>UNUSED BORROWABLE RESOURCES</b>	<b>\$42,269</b>	<b>\$47,434</b>	<b>\$43,790</b>	<b>\$34,719</b>	<b>\$34,569</b>	<b>\$33,622</b>	<b>\$40,335</b>	<b>\$39,238</b>	<b>\$34,810</b>	<b>\$42,512</b>	<b>\$40,542</b>	<b>\$48,516</b>	<b>\$48,516</b>
<b>Cash and Unused Borrowable Resources</b>	<b>\$44,190</b>	<b>\$49,872</b>	<b>\$43,790</b>	<b>\$34,719</b>	<b>\$34,569</b>	<b>\$33,622</b>	<b>\$40,335</b>	<b>\$39,238</b>	<b>\$34,810</b>	<b>\$42,512</b>	<b>\$40,542</b>	<b>\$48,516</b>	<b>\$48,516</b>

Note: Numbers may not add due to rounding.

**SCHEDULE 5D AT 2019-20 GOVERNOR'S BUDGET  
ESTIMATED 2019-20 FISCAL YEAR CASHFLOW**  
GENERAL FUND  
(Dollars in Millions)

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
<b>BEGINNING CASH BALANCE</b>													
<b>RECEIPTS:</b>													
Alcoholic Beverage Excise Tax	\$47	\$26	\$34	\$36	\$24	\$37	\$30	\$33	\$25	\$34	\$24	\$39	\$389
Corporation Tax	414	259	1,234	189	203	1,778	537	211	1,412	2,961	612	3,300	13,110
Cigarette Tax	6	2	6	6	2	9	7	2	8	5	6	4	63
Inheritance, Gift and Estate Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Insurance Tax	25	353	278	26	310	349	25	31	348	452	374	259	2,830
Personal Income Tax	5,491	6,246	8,521	6,482	5,054	7,590	20,125	3,138	5,522	15,062	5,268	12,632	101,131
Retail Sales and Use Tax	847	3,661	2,098	1,053	3,709	2,046	998	3,507	2,260	1,030	2,654	3,476	27,339
Income from Pooled Money Investments	58	42	56	70	31	53	56	29	63	50	33	78	619
Transfer from Special Fund for Economic Uncertainties	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	40	108	58	79	92	190	138	91	296	308	106	737	2,243
<b>TOTAL, Receipts</b>	<b>\$6,928</b>	<b>\$10,697</b>	<b>\$12,285</b>	<b>\$7,941</b>	<b>\$9,425</b>	<b>\$12,052</b>	<b>\$21,916</b>	<b>\$7,042</b>	<b>\$9,934</b>	<b>\$19,902</b>	<b>\$9,077</b>	<b>\$20,524</b>	<b>\$147,724</b>
<b>DISBURSEMENTS:</b>													
State Operations:													
University of California	\$305	\$305	\$305	\$305	\$305	\$495	\$305	\$305	\$305	\$305	\$607	\$6	\$3,853
Debt Service	-513	552	816	987	716	-368	-88	464	993	919	232	99	4,809
Other State Operations	9,996	2,224	2,424	2,949	1,725	2,779	2,316	2,129	1,627	2,658	2,412	2,605	35,844
Social Services	1,342	829	402	745	712	629	658	668	546	1,027	529	498	8,585
Medi-Cal Assistance for DHCS	2,694	1,048	2,024	2,321	1,875	1,676	2,295	1,536	2,240	1,533	1,567	2,015	22,824
Other Health Care Services	934	-6	71	847	371	403	304	416	835	319	128	155	4,776
Schools	3,053	3,379	5,898	4,843	4,857	6,349	5,140	4,572	6,681	4,279	4,587	7,154	60,792
Teachers' Retirement	642	0	0	1,017	0	642	321	0	0	1,017	0	0	3,318
Transfer to Special Fund for Economic Uncertainties	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer to Budget Stabilization Account	0	0	1,767	0	0	0	0	0	0	0	0	0	1,767
Other	1,270	681	1,013	405	459	621	503	521	382	412	858	1,860	8,985
<b>TOTAL, Disbursements</b>	<b>\$19,723</b>	<b>\$9,012</b>	<b>\$14,720</b>	<b>\$14,419</b>	<b>\$11,020</b>	<b>\$13,226</b>	<b>\$11,754</b>	<b>\$10,611</b>	<b>\$13,609</b>	<b>\$12,469</b>	<b>\$10,920</b>	<b>\$14,392</b>	<b>\$155,874</b>
<b>EXCESS RECEIPTS/(DEFICIT)</b>	<b>-\$12,795</b>	<b>\$1,686</b>	<b>-\$2,435</b>	<b>-\$6,478</b>	<b>-\$1,594</b>	<b>-\$1,174</b>	<b>\$10,163</b>	<b>-\$3,569</b>	<b>-\$3,675</b>	<b>\$7,434</b>	<b>-\$1,843</b>	<b>\$6,132</b>	<b>-\$8,150</b>
<b>NET TEMPORARY LOANS:</b>													
Special Fund for Economic Uncertainties	\$1,658	\$0	\$0	\$0	\$0	\$0	\$321	\$0	\$0	\$0	\$0	\$0	\$1,978
Budget Stabilization Account	11,138	-1,686	2,435	3,415	0	-4,652	-4,652	3,569	1,083	-4,842	1,843	-6,132	6,171
Other Internal Sources	0	0	0	3,063	1,594	1,174	-5,831	0	2,591	-2,591	0	0	0
Revenue Anticipation Notes	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL, Net Temporary Loans</b>	<b>\$12,796</b>	<b>-\$1,686</b>	<b>\$2,435</b>	<b>\$6,478</b>	<b>\$1,594</b>	<b>\$1,174</b>	<b>-\$10,162</b>	<b>\$3,569</b>	<b>\$3,674</b>	<b>-\$7,433</b>	<b>\$1,843</b>	<b>-\$6,132</b>	<b>\$8,149</b>
<b>ENDING CASH BALANCE</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>AVAILABLE/BORROWABLE RESOURCES:</b>													
Special Fund for Economic Uncertainties	\$1,962	\$1,962	\$1,962	\$1,962	\$1,962	\$1,962	\$2,283	\$2,283	\$2,283	\$2,283	\$2,283	\$2,283	\$2,283
Budget Stabilization Account	13,535	13,535	15,302	15,302	15,302	15,302	15,302	15,302	15,302	15,302	15,302	15,302	15,302
Other Internal Sources	31,611	33,522	35,186	32,969	34,889	34,050	33,232	34,611	34,827	34,628	35,385	35,419	35,419
Revenue Anticipation Notes	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL, Available/Borrowable Resources</b>	<b>\$47,108</b>	<b>\$49,019</b>	<b>\$52,450</b>	<b>\$50,233</b>	<b>\$52,153</b>	<b>\$51,314</b>	<b>\$50,817</b>	<b>\$52,196</b>	<b>\$52,412</b>	<b>\$52,213</b>	<b>\$52,970</b>	<b>\$53,004</b>	<b>\$53,004</b>
<b>CUMULATIVE LOAN BALANCES:</b>													
Special Fund for Economic Uncertainties	\$1,962	\$1,962	\$1,962	\$1,962	\$1,962	\$1,962	\$2,283	\$2,283	\$2,283	\$2,283	\$2,283	\$2,283	\$2,283
Budget Stabilization Account	11,138	9,452	11,887	15,302	15,302	15,302	10,650	14,219	15,302	10,460	12,304	6,171	6,171
Other Internal Sources	0	0	0	3,063	4,657	5,831	0	0	2,591	0	0	0	0
Revenue Anticipation Notes	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL, Cumulative Loan Balances</b>	<b>\$13,100</b>	<b>\$11,414</b>	<b>\$13,849</b>	<b>\$20,327</b>	<b>\$21,922</b>	<b>\$23,095</b>	<b>\$12,933</b>	<b>\$16,502</b>	<b>\$20,176</b>	<b>\$12,743</b>	<b>\$14,586</b>	<b>\$8,454</b>	<b>\$8,454</b>
<b>UNUSED BORROWABLE RESOURCES</b>	<b>\$34,009</b>	<b>\$37,605</b>	<b>\$38,601</b>	<b>\$29,906</b>	<b>\$30,232</b>	<b>\$28,219</b>	<b>\$37,884</b>	<b>\$35,694</b>	<b>\$32,236</b>	<b>\$39,470</b>	<b>\$38,384</b>	<b>\$44,550</b>	<b>\$44,550</b>
<b>Cash and Unused Borrowable Resources</b>	<b>\$34,009</b>	<b>\$37,605</b>	<b>\$38,601</b>	<b>\$29,906</b>	<b>\$30,232</b>	<b>\$28,219</b>	<b>\$37,884</b>	<b>\$35,694</b>	<b>\$32,236</b>	<b>\$39,470</b>	<b>\$38,384</b>	<b>\$44,550</b>	<b>\$44,550</b>

Note: Numbers may not add due to rounding.

**SCHEDULE 6 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF STATE POPULATION, EMPLOYEES, AND EXPENDITURES**

Year	Population <sup>1/</sup> (Thousands)	Employees <sup>2/</sup>	Employees per 1,000 Population	Personal Income <sup>3/</sup> (Billions)	Revenue		Expenditures		Expenditures per Capita		Expenditures per \$100 of Personal Income	
					General Fund	Total	General Fund <sup>4/</sup>	Total <sup>5/</sup>	General Fund <sup>4/</sup>	Total <sup>5/</sup>	General Fund <sup>4/</sup>	Total <sup>5/</sup>
					(Millions)	(Millions)	(Millions)	(Millions)				
1950-51	10,643	61,000	5.7	\$20.0	\$672	\$994	\$587	\$1,006	\$55.15	\$94.52	\$2.94	\$5.03
1951-52	11,130	63,860	5.7	23.1	734	1,086	635	1,068	57.05	95.96	2.75	4.62
1952-53	11,638	65,720	5.6	25.7	774	1,151	714	1,177	61.35	101.13	2.78	4.58
1953-54	12,101	69,928	5.8	27.5	798	1,271	809	1,381	66.85	114.12	2.94	5.02
1954-55	12,517	74,099	5.9	28.4	879	1,434	852	1,422	68.07	113.61	3.00	5.01
1955-56	13,004	77,676	6.0	31.3	1,005	1,578	923	1,533	70.98	117.89	2.95	4.90
1956-57	13,581	88,299	6.5	34.2	1,079	1,834	1,030	1,732	75.84	127.53	3.01	5.06
1957-58	14,177	98,015	6.9	36.8	1,111	1,751	1,147	1,891	80.91	133.39	3.12	5.14
1958-59	14,741	101,982	6.9	38.6	1,210	1,925	1,246	1,932	84.53	131.06	3.23	5.01
1959-60	15,288	108,423	7.1	42.4	1,491	2,198	1,435	2,086	93.86	136.45	3.38	4.92
1960-61	15,863	115,737	7.3	44.8	1,598	2,338	1,678	2,525	105.78	159.18	3.75	5.64
1961-62	16,412	122,339	7.5	47.5	1,728	2,451	1,697	2,406	103.40	146.60	3.57	5.07
1962-63	16,951	128,981	7.6	51.3	1,866	2,668	1,881	2,703	110.97	159.46	3.67	5.27
1963-64	17,530	134,721	7.7	54.8	2,137	3,057	2,064	3,182	117.74	181.52	3.77	5.81
1964-65	18,026	143,896	8.0	59.4	2,245	3,295	2,345	3,652	130.09	202.60	3.95	6.15
1965-66	18,464	151,199	8.2	63.4	2,509	3,581	2,580	4,059	139.73	219.83	4.07	6.40
1966-67	18,831	158,404	8.4	68.9	2,895	4,073	3,017	4,659	160.21	247.41	4.38	6.76
1967-68	19,175	162,677	8.5	74.2	3,682	4,927	3,273	5,014	170.69	261.49	4.41	6.76
1968-69	19,432	171,655	8.8	81.4	4,136	5,450	3,909	5,673	201.16	291.94	4.80	6.97
1969-70	19,745	179,583	9.1	89.3	4,330	5,743	4,456	6,302	225.68	319.17	4.99	7.06
1970-71	20,039	181,581	9.1	96.1	4,534	5,919	4,854	6,556	242.23	327.16	5.05	6.82
1971-72	20,346	181,912	8.9	102.3	5,395	6,897	5,027	6,684	247.08	328.52	4.91	6.53
1972-73	20,585	188,460	9.2	112.2	5,780	7,366	5,616	7,422	272.82	360.55	5.01	6.61
1973-74	20,869	192,918	9.2	124.0	6,978	8,715	7,299	9,311	349.75	446.16	5.89	7.51
1974-75	21,174	203,548	9.6	138.8	8,630	10,405	8,349	10,276	394.30	485.31	6.02	7.40
1975-76	21,538	206,361	9.6	153.7	9,639	11,567	9,518	11,452	441.92	531.71	6.19	7.45
1976-77	21,936	213,795	9.7	171.9	11,381	13,463	10,467	12,632	477.16	575.86	6.09	7.35
1977-78	22,352	221,251	9.9	191.6	13,695	15,962	11,686	14,003	522.82	626.48	6.10	7.31
1978-79	22,836	218,530	9.6	218.6	15,219	17,711	16,251	18,745	711.64	820.85	7.43	8.58
1979-80	23,257	220,193	9.5	249.3	17,985	20,919	18,534	21,488	796.92	923.94	7.43	8.62
1980-81	23,782	225,567	9.5	283.9	19,023	22,104	21,105	24,511	887.44	1,030.65	7.43	8.63
1981-82	24,278	228,813	9.4	319.2	20,960	23,601	21,693	25,022	893.53	1,030.65	6.80	7.84
1982-83	24,805	228,489	9.2	341.1	21,233	24,291	21,751	25,330	876.88	1,021.17	6.38	7.43
1983-84	25,337	226,695	8.9	368.2	23,809	27,626	22,869	26,797	902.59	1,057.62	6.21	7.28
1984-85	25,816	229,845	8.9	411.3	26,536	31,570	25,722	30,961	996.36	1,199.30	6.25	7.53
1985-86	26,403	229,641	8.7	443.6	28,072	33,558	28,841	34,977	1,092.34	1,324.74	6.50	7.88
1986-87	27,052	232,927	8.6	475.0	32,519	37,767	31,469	38,079	1,163.28	1,407.62	6.63	8.02
1987-88	27,717	237,761	8.6	512.4	32,534	38,773	33,021	40,452	1,191.36	1,459.47	6.44	7.89
1988-89	28,393	248,173	8.7	555.5	36,953	43,322	35,897	44,634	1,264.29	1,572.01	6.46	8.03
1989-90	29,142	254,589	8.7	597.5	38,750	46,453	39,456	48,594	1,353.92	1,667.49	6.60	8.13
1990-91	29,828	260,622	8.7	640.5	38,214	47,024	40,264	51,446	1,349.87	1,724.76	6.29	8.03
1991-92	30,459	261,713	8.6	662.3	42,026	53,117	43,327	56,280	1,422.47	1,847.73	6.54	8.50
1992-93	30,987	260,939	8.4	695.0	40,946	52,526	40,948	56,480	1,321.46	1,822.70	5.89	8.13
1993-94	31,314	265,035	8.5	711.3	40,095	52,384	38,958	53,083	1,244.11	1,695.18	5.48	7.46
1994-95	31,524	269,004	8.5	738.3	42,710	54,942	41,961	54,613	1,331.08	1,732.43	5.68	7.40
1995-96	31,712	271,076	8.5	776.5	46,296	59,266	45,393	59,870	1,431.41	1,887.93	5.85	7.71
1996-97	31,963	271,966	8.5	825.7	49,220	62,831	49,088	64,523	1,535.78	2,018.68	5.95	7.81
1997-98	32,453	264,551	8.2	879.2	54,973	69,424	52,874	68,528	1,629.25	2,111.61	6.01	7.79
1998-99	32,863	282,860	8.6	963.1	58,615	74,281	57,827	75,260	1,759.64	2,290.11	6.00	7.81
1999-00	33,419	296,076	8.9	1,027.7	71,931	87,536	66,494	84,864	1,989.71	2,539.39	6.47	8.26
2000-01	34,001	311,239	9.2	1,135.3	71,428	88,419	78,053	96,382	2,295.61	2,834.68	6.88	8.49
2001-02	34,513	322,277	9.3	1,174.5	72,239	89,780	76,752	99,220	2,223.86	2,874.86	6.53	8.45
2002-03	34,938	321,394	9.2	1,193.4	80,564	95,794	77,482	106,779	2,217.70	3,056.24	6.49	8.95
2003-04	35,389	316,860	9.0	1,244.4	76,774	96,365	78,345	104,223	2,213.82	2,945.07	6.30	8.38
2004-05	35,753	313,684	8.8	1,321.6	82,209	104,462	79,804	107,591	2,232.09	3,009.29	6.04	8.14
2005-06	35,986	317,593	8.8	1,396.2	93,427	118,331	91,592	119,612	2,545.21	3,323.85	6.56	8.57
2006-07	36,247	335,384	9.3	1,499.5	95,415	120,663	101,413	129,968	2,797.83	3,585.62	6.76	8.67
2007-08	36,553	343,118	9.4	1,564.4	102,574	127,194	102,986	138,065	2,817.44	3,777.12	6.58	8.83
2008-09	36,856	350,609	9.5	1,596.3	82,772	106,319	90,940	122,386	2,467.44	3,320.65	5.70	7.67
2009-10	37,077	345,777	9.3	1,536.4	87,041	109,989	87,237	117,001	2,352.86	3,155.62	5.68	7.62
2010-11	37,339	371,959	10.0	1,579.1	93,489	122,463	91,549	130,981	2,451.83	3,507.89	5.80	8.29
2011-12	37,676	356,808	9.5	1,683.2	87,071	118,792	86,404	126,361	2,293.34	3,353.89	5.13	7.51
2012-13	38,038	346,321	9.1	1,805.2	99,915	137,242	96,562	141,001	2,538.57	3,706.85	5.35	7.81
2013-14	38,370	353,979	9.2	1,856.6	102,675	142,860	99,838	142,810	2,601.98	3,721.92	5.38	7.69
2014-15	38,729	360,859	9.3	1,939.5	111,318	157,875	112,974	160,294	2,917.04	4,138.86	5.82	8.26
2015-16	39,060	350,680	9.0	2,103.7	115,500	161,759	113,984	160,209	2,918.18	4,101.61	5.42	7.62
2016-17	39,321	361,743	9.2	2,212.7	119,982	167,036	119,291	165,880	3,033.77	4,218.61	5.39	7.50
2017-18	39,622	368,520	9.3	2,364.1	131,495	188,497	124,699	177,461	3,147.22	4,478.85	5.27	7.51
2018-19	39,898	377,059	9.5	2,494.6	136,945	199,655	144,082	212,507	3,611.26	5,326.26	5.78	8.52
2019-20	40,241	379,911	9.4	2,619.4	142,618	202,211	144,191	209,069	3,583.19	5,195.42	5.50	7.98

<sup>1/</sup>Population as of July 1, the beginning of the fiscal year.

<sup>2/</sup>Beginning with the 2010-11 fiscal year, "employees" displays latest authorized/proposed number of positions, as opposed to prior years that show personnel years.

<sup>3/</sup>Only the last three fiscal years have been updated.

<sup>4/</sup>Includes Special Accounts in General Fund from 1973-74 to 1976-77.

<sup>5/</sup>Expenditures include payments from General Fund, Special Funds and Selected Bond Funds beginning in 1963-64.

**SCHEDULE 8 AT 2019-20 GOVERNOR'S BUDGET  
COMPARATIVE STATEMENT OF REVENUES  
(Dollars in Thousands)**

Sources	Actuals 2017-18			Estimated 2018-19			Estimated 2019-20		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
<b>MAJOR TAXES AND LICENSES</b>									
4110200-Excise Tax - Beer and Wine	\$171,240	--	\$171,240	\$172,783	--	\$172,783	\$174,734	--	\$174,734
4110250-Excise Tax - Spirits	204,819	--	204,819	209,185	--	209,185	214,088	--	214,088
4110300-Cannabis Excise & Cultivation Tax	--	83,591	83,591	--	355,125	355,125	--	514,277	514,277
4110400-Cigarette Tax	65,254	2,079,749	2,145,003	64,572	2,036,528	2,101,100	62,798	1,994,062	2,056,860
4110800-Corporation Tax	12,156,145	--	12,156,145	12,330,078	--	12,330,078	13,124,790	--	13,124,790
4113000-Identification Card Fees	--	31,444	31,444	--	31,758	31,758	--	32,076	32,076
4113400-Insurance Gross Premiums Tax	2,569,271	--	2,569,271	2,606,280	--	2,606,280	2,829,718	--	2,829,718
4113600-Jet Fuel Tax	--	3,251	3,251	--	3,229	3,229	--	3,196	3,196
4113800-Lien Sale Application Fees	--	1,034	1,034	--	1,034	1,034	--	1,034	1,034
4114000-Mobilehome In-Lieu Tax	388	1,888	2,276	313	1,888	2,201	238	1,888	2,126
4115000-Motor Vehicles - Driver's License Fees	2	281,043	281,045	--	283,291	283,291	--	285,557	285,557
4115100-Motor Vehicles - Fuel Tax (Diesel)	--	791,552	791,552	--	1,201,534	1,201,534	--	1,203,791	1,203,791
4115200-Motor Vehicles - Fuel Tax (Gasoline)	--	5,560,204	5,560,204	--	6,453,557	6,453,557	--	7,245,802	7,245,802
4115300-Motor Vehicles - License (In-Lieu) Fees	6	2,799,126	2,799,132	--	2,906,809	2,906,809	--	3,021,824	3,021,824
4115400-Motor Vehicles - Registration Fees	--	4,371,091	4,371,091	--	4,496,552	4,496,552	--	4,664,199	4,664,199
4115450-Transportation Improvement Fee	--	799,832	799,832	--	1,500,000	1,500,000	--	1,549,739	1,549,739
4115600-Motor Vehicles - Other Fees	--	263,949	263,949	--	252,915	252,915	--	255,227	255,227
4116200-Personal Income Tax	94,271,687	2,089,434	96,361,121	97,719,594	2,388,754	100,108,348	100,547,481	2,368,174	102,915,655
4117000-Retail Sales and Use Tax	25,005,999	712,895	25,718,894	26,243,592	944,575	27,188,167	27,424,464	1,069,896	28,494,360
4117400-Retail Sales and Use Tax - 2011 Realignment	--	6,956,827	6,956,827	--	7,337,903	7,337,903	--	7,681,886	7,681,886
4117600-Retail Sales and Use Tax - 1991 Realignment	--	3,493,738	3,493,738	--	3,703,220	3,703,220	--	3,875,010	3,875,010
4117800-Retail Sales and Use Tax - Medi-Cal Managed Care	--	155,975	155,975	--	--	--	--	--	--
<b>TOTALS, MAJOR TAXES AND LICENSES</b>	<b>\$134,444,811</b>	<b>\$30,476,623</b>	<b>\$164,921,434</b>	<b>\$139,346,397</b>	<b>\$33,898,672</b>	<b>\$173,245,069</b>	<b>\$144,378,311</b>	<b>\$35,767,638</b>	<b>\$180,145,949</b>
<b>MINOR REVENUES</b>									
<b>REGULATORY TAXES AND LICENSES</b>									
4120000-Beverage Container Redemption Fees	--	1,362,817	1,362,817	--	1,376,062	1,376,062	--	1,393,030	1,393,030
4120400-Building Construction Filing Fees (Physically Handicapped)	--	5,071	5,071	--	15,154	15,154	--	15,801	15,801
4120600-Candidate Filing Fee	1,488	--	1,488	120	--	120	1,597	--	1,597
4120800-Corporation Fees - Domestic Corporations	--	11,329	11,329	--	10,990	10,990	--	10,990	10,990
4121000-Corporation Fees - Foreign Corporations	--	1,262	1,262	--	1,254	1,254	--	1,254	1,254
4121200-Delinquent Fees	--	7,808	7,808	--	8,383	8,383	--	9,457	9,457
4121600-Elevator and Boiler Inspection Fees	--	23,004	23,004	--	25,570	25,570	--	29,052	29,052
4121800-Employment Agency Filing Fees	--	546	546	--	548	548	--	548	548
4122000-Employment Agency License Fees	--	5,174	5,174	--	6,406	6,406	--	6,412	6,412
4122200-Energy Resources Surcharge	--	549,141	549,141	--	681,968	681,968	--	681,968	681,968
4122400-Environmental and Hazardous Waste Fees	--	54,266	54,266	--	57,461	57,461	--	60,635	60,635
4122600-Explosive Permit Fees	--	1	1	--	--	--	--	--	--
4122800-Filing Financing Statements	--	2,371	2,371	--	2,358	2,358	--	2,354	2,354

**SCHEDULE 8 AT 2019-20 GOVERNOR'S BUDGET  
COMPARATIVE STATEMENT OF REVENUES  
(Dollars in Thousands)**

	Actuals 2017-18			Estimated 2018-19			Estimated 2019-20		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
<b>Sources</b>									
4123000-Fish and Game - Licenses, Tags, and Permits	-	109,800	109,800	-	113,936	113,936	-	112,807	112,807
4123200-Fish and Game - Taxes	-	2,338	2,338	-	2,406	2,406	-	2,484	2,484
4123400-Genetic Disease Testing Fees	-	127,655	127,655	-	135,363	135,363	-	134,785	134,785
4123600-Highway Carriers Uniform Business License Tax	342	-	342	-	-	-	-	-	-
4123720-Horse Racing Licenses	987	14,068	15,055	987	14,503	15,490	987	14,503	15,490
4123740-Horse Racing Miscellaneous	5	-	5	5	-	-	5	-	5
4123800-Industrial Homework Fees	-	1	1	-	1	1	-	1	1
4124000-Insurance Company - Examination Fees	-	23,113	23,113	-	25,150	25,150	-	26,829	26,829
4124200-Insurance Company - License Fees and Penalties	-	57,805	57,805	-	60,034	60,034	-	65,543	65,543
4124400-Insurance Company - General Fees	-	33,808	33,808	-	33,836	33,836	-	35,873	35,873
4124600-Insurance Company - Proposition 103 Fees	-	33,630	33,630	-	33,832	33,832	-	36,450	36,450
4124800-Insurance Fraud Assessment - Automobile	-	52,449	52,449	-	53,604	53,604	-	54,782	54,782
4125000-Insurance Fraud Assessment - General	-	14,167	14,167	-	13,993	13,993	-	14,225	14,225
4125200-Insurance Fraud Assessment - Workers Compensation	-	59,300	59,300	-	67,223	67,223	-	72,752	72,752
4125400-Liquor License Fees	-	60,519	60,519	-	64,732	64,732	-	66,660	66,660
4125600-New Motor Vehicle Dealer License Fee	-	1,867	1,867	-	1,959	1,959	-	1,959	1,959
4125800-Notary Public License Fees	-	976	976	-	960	960	-	960	960
4126000-Off Highway Vehicle Fees	-	21,274	21,274	-	22,626	22,626	-	22,626	22,626
4126200-Private Rail Car Tax	9,746	-	9,746	9,015	-	9,015	9,015	-	9,015
4126400-Processing Fee	-	346	346	-	369	369	-	369	369
4126600-Public Utilities Commission - Quarterly Fees	-	186,292	186,292	-	197,532	197,532	-	206,621	206,621
4126800-Public Utilities Commission - Penalties on Quarterly Fees	-	2	2	-	2	2	-	2	2
4127000-Real Estate - Examination Fees	-	4,353	4,353	-	4,333	4,333	-	4,333	4,333
4127200-Real Estate - License Fees	-	39,960	39,960	-	38,909	38,909	-	38,343	38,343
4127300-Refinery Fees	-	-	-	-	4,293	4,293	-	4,293	4,293
4127400-Renewal Fees	-	320,185	320,185	-	335,279	335,279	-	388,962	388,962
4128000-Subdivision Filing Fees	-	8,299	8,299	-	8,788	8,788	-	8,788	8,788
4128400-Teacher Credential Fees	-	26,353	26,353	-	27,671	27,671	-	29,054	29,054
4128600-Teacher Examination Fees	-	5,392	5,392	-	5,662	5,662	-	5,945	5,945
4128740-Trailer Coach License (In Lieu) Fees	28,508	-	28,508	30,452	-	30,452	32,528	-	32,528
4129000-Other Fees and Licenses	-	10,334	10,334	-	26,115	26,115	-	32,992	32,992
4129200-Other Regulatory Fees	1,757	7,712,869	7,714,626	1,521	9,254,101	9,255,622	1,575	7,435,949	7,437,524
4129400-Other Regulatory Licenses and Permits	4,622	734,334	738,956	4,728	826,624	831,352	4,728	860,212	864,940
4129600-Other Regulatory Taxes	-	137,827	137,827	-	150,650	150,650	-	147,915	147,915
<b>Totals, REGULATORY TAXES AND LICENSES</b>	<b>\$47,455</b>	<b>\$11,822,106</b>	<b>\$11,869,561</b>	<b>\$46,828</b>	<b>\$13,710,640</b>	<b>\$13,757,468</b>	<b>\$50,435</b>	<b>\$12,038,518</b>	<b>\$12,088,953</b>

**REVENUE FROM LOCAL AGENCIES**

4130000-Architecture Public Building Fees	-	81,135	81,135	-	86,863	86,863	-	71,197	71,197
4131000-Crimes of Public Offense Fines	57	16,806	16,863	58	10,000	10,058	58	10,000	10,058
4131500-Felony Conviction Penalties	-	49,966	49,966	-	50,000	50,000	-	50,000	50,000
4132000-Fingerprint Identification Card Fees	-	88,545	88,545	-	88,545	88,545	-	88,545	88,545

**SCHEDULE 8 AT 2019-20 GOVERNOR'S BUDGET  
COMPARATIVE STATEMENT OF REVENUES  
(Dollars in Thousands)**

Sources	Actuals 2017-18			Estimated 2018-19			Estimated 2019-20		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
4132500-Fish and Game Fines	--	64	64	--	513	513	--	513	513
4133000-Fish and Game Fines - Additional Assessments	--	68	68	--	57	57	--	57	57
4134000-Local Agencies - Interest on Loans	1,126	496	1,622	1,215	473	1,688	1,215	408	1,623
4134500-Local Agencies - Cost Recoveries	27,733	13,048	40,781	25,896	13,148	39,044	27,168	13,148	40,316
4135000-Local Agencies - Miscellaneous Revenue	168,529	1,431,301	1,599,830	169,165	1,480,469	1,649,634	168,886	1,302,404	1,471,290
4135500-Narcotic Fines	1,578	--	1,578	1,000	--	1,000	1,000	--	1,000
4136000-Open Space Cancellation Fee	--	51	51	--	5,000	5,000	--	3,000	3,000
4136500-Traffic Violation Penalties	--	72	72	--	--	--	--	--	--
<b>Totals, REVENUE FROM LOCAL AGENCIES</b>	<b>\$199,023</b>	<b>\$1,681,552</b>	<b>\$1,880,575</b>	<b>\$197,334</b>	<b>\$1,735,068</b>	<b>\$1,932,402</b>	<b>\$198,327</b>	<b>\$1,539,272</b>	<b>\$1,737,599</b>
<b>SERVICES TO THE PUBLIC</b>									
4140000-Document Sales	124	4,582	4,706	149	4,662	4,811	149	4,730	4,879
4140500-Emergency Telephone User's Surcharge	--	60,524	60,524	--	60,141	60,141	--	115,210	115,210
4142500-License Plate Fees - Personalized Plates	--	70,325	70,325	--	70,949	70,949	--	70,984	70,984
4143000-Medicare Receipts - Federal Government	8,126	--	8,126	4,740	--	4,740	3,423	--	3,423
4143500-Miscellaneous Services to the Public	1,252	203,046	204,298	973	203,314	204,287	3,838	211,604	215,442
4144000-Parental Fees	--	2,622	2,622	--	2,589	2,589	--	2,637	2,637
4144500-Parking Lot Revenues	--	13,671	13,671	--	14,317	14,317	--	14,385	14,385
4145000-Pay Patients Board Charges	5,412	--	5,412	2,870	--	2,870	1,659	--	1,659
4145500-Secretary of State - Fees	88	41,477	41,565	150	39,582	39,732	150	39,574	39,724
4146000-State Beach and Park Service Fees	--	120,630	120,630	--	124,158	124,158	--	125,343	125,343
<b>Totals, SERVICES TO THE PUBLIC</b>	<b>\$15,002</b>	<b>\$516,877</b>	<b>\$531,879</b>	<b>\$8,882</b>	<b>\$519,712</b>	<b>\$528,594</b>	<b>\$9,219</b>	<b>\$584,467</b>	<b>\$593,686</b>
<b>USE OF PROPERTY AND MONEY</b>									
4150000-Geothermal Resources Well Fees	--	3,722	3,722	--	3,722	3,722	--	3,722	3,722
4150500-Interest Income - Interfund Loans	1	2,397	2,398	1	1,332	1,333	1	1,359	1,360
4151000-Interest Income - Other Loans	921	5,209	6,130	1,218	6,003	7,221	1,196	4,661	5,857
4151500-Miscellaneous Revenue - Use of Property and Money	1,520	21,476	22,996	1,799	20,466	22,265	1,799	20,571	22,370
4152000-Oil and Gas Leases - 1 Percent Revenue, Cities, and Counties	504	--	504	335	--	335	248	--	248
4152500-Rental of State Property	20,612	72,448	93,060	19,895	63,648	83,543	19,998	63,092	83,090
4154000-Royalties - Federal Land	--	29,712	29,712	--	29,861	29,861	--	30,214	30,214
4155000-Royalties - State Lands	98,202	--	98,202	140,237	--	140,237	149,224	--	149,224
<b>Totals, USE OF PROPERTY AND MONEY</b>	<b>\$121,760</b>	<b>\$134,964</b>	<b>\$256,724</b>	<b>\$163,485</b>	<b>\$125,032</b>	<b>\$288,517</b>	<b>\$172,466</b>	<b>\$123,619</b>	<b>\$296,085</b>
<b>INVESTMENT INCOME</b>									
4160000-Investment Income - Condemnation Deposits Fund	--	1,133	1,133	--	161	161	--	161	161
4161000-Investment Income - Other	--	-91,732	-91,732	--	--	--	--	--	--
4162000-Investment Income - Pooled Money Investments	249,804	262	250,066	553,852	356	554,208	654,738	356	655,094
4163000-Investment Income - Surplus Money Investments	8,857	280,336	289,193	8,857	347,199	356,056	8,857	307,217	316,074
<b>Totals, INVESTMENT INCOME</b>	<b>\$258,661</b>	<b>\$189,999</b>	<b>\$448,660</b>	<b>\$562,709</b>	<b>\$347,716</b>	<b>\$910,425</b>	<b>\$663,595</b>	<b>\$307,734</b>	<b>\$971,329</b>
<b>MISCELLANEOUS</b>									

**SCHEDULE 8 AT 2019-20 GOVERNOR'S BUDGET  
COMPARATIVE STATEMENT OF REVENUES  
(Dollars in Thousands)**

	Actuals 2017-18				Estimated 2018-19				Estimated 2019-20			
	General Fund	Special Funds	Total		General Fund	Special Funds	Total		General Fund	Special Funds	Total	
<b>Sources</b>												
4170100-Abandoned Property Revenue	441,679	--	441,679		397,037	--	397,037		390,212	--	390,212	
4170400-Capital Asset Sales Proceeds	135	162	297		--	1,612	1,612		--	1,612	1,612	
4170600-Carbon Allowances Auction Proceeds	--	2,913,175	2,913,175		--	2,575,000	2,575,000		--	2,100,000	2,100,000	
4170700-Civil and Criminal Violation Assessment	837	125,489	126,326		583	124,900	125,483		583	127,916	128,499	
4171000-Confiscated Property Sales	7,405	27	7,432		7,944	9	7,953		7,944	9	7,953	
4171000-Cost Recoveries - Delinquent Receivables	2	370	372		10,276	237	10,513		10,276	237	10,513	
4171100-Cost Recoveries - Other	43,087	146,500	189,587		45,446	151,062	196,508		46,182	144,200	190,382	
4171200-Court Filing Fees and Surcharges	1	551,975	551,976		17	553,906	553,923		17	569,100	569,117	
4171300-Donations	--	8,307	8,307		1	8,153	8,154		1	8,164	8,165	
4171400-Escheat - Unclaimed Checks, Warrants, Bonds, and Coupons	79,684	13,194	92,878		56,144	8,490	64,634		57,054	8,407	65,461	
4171500-Escheat - Unclaimed Property	--	37	37		--	20	20		--	20	20	
41716-External Revenue	--	1,400	1,400		--	1,000	1,000		--	1,000	1,000	
4172000-Fines and Forfeitures	2,038	196,470	198,508		2,393	184,710	187,103		2,393	183,783	186,176	
4172200-Fine and Penalties - Horse Racing	229	--	229		229	--	229		229	--	229	
4172240-Fines and Penalties - External - Other	--	72	72		--	--	--		--	--	--	
4172400-Forest Product Sales	--	43,474	43,474		--	46,000	46,000		--	46,000	46,000	
4172500-Miscellaneous Revenue	55,701	637,295	692,996		47,687	675,847	723,534		46,018	2,135,372	2,181,390	
4172600-Miscellaneous Tax Revenue	--	2,313,318	2,313,318		--	3,272,579	3,272,579		--	--	--	
4172800-Parking Violations	17,129	1,593	18,722		15,577	1,591	17,168		15,577	1,591	17,168	
4172900-Penalty Assessments - Criminal Fines	--	176,498	176,498		--	170,232	170,232		--	157,702	157,702	
4173000-Penalty Assessments - Other	72,358	212,585	284,943		63,354	205,388	268,742		47,896	205,078	252,974	
4173100-Personal Income Tax - Penalties and Interest	--	34,422	34,422		--	23,598	23,598		--	23,598	23,598	
4173200-Proceeds from Estates of Deceased Persons	116	--	116		215	--	215		215	--	215	
4173400-Settlements and Judgments - Anti-Trust Actions (Attorney General)	--	2,611	2,611		--	5,100	5,100		--	5,100	5,100	
4173500-Settlements and Judgments - Other	24,394	55,361	79,755		10,019	60,857	70,876		10,019	61,209	71,228	
4173600-State Public Land Sales	--	51,372	51,372		--	35,756	35,756		--	39,603	39,603	
4173800-Traffic Violations	--	31,782	31,782		--	31,302	31,302		--	29,818	29,818	
4173900-Tribal Gaming Revenues	31,328	46,362	77,690		4,361	48,000	52,361		4,361	48,000	52,361	
4174000-Unclaimed Contributions	--	100	100		--	--	--		--	--	--	
4174100-Unemployment and Disability Insurance Contributions - Penalties and Inte	--	129,841	129,841		--	139,703	139,703		--	139,703	139,703	
4174200-Uninsured Motorist Fees	757	198	955		757	204	961		757	204	961	
4180000-Cash Adjustment for Transportation Funds (SAL I)	--	25,697	25,697		--	--	--		--	--	--	
4180100-Prior Year Revenue Adjustments	--	92,151	92,151		--	--	--		--	--	--	
<b>Totals, MISCELLANEOUS</b>	<b>\$776,880</b>	<b>\$7,811,838</b>	<b>\$8,588,718</b>		<b>\$662,040</b>	<b>\$8,325,256</b>	<b>\$8,987,296</b>		<b>\$639,734</b>	<b>\$6,037,426</b>	<b>\$6,677,160</b>	
<b>TOTALS, MINOR REVENUES</b>	<b>\$1,418,781</b>	<b>\$22,157,336</b>	<b>\$23,576,117</b>		<b>\$1,641,278</b>	<b>\$24,763,424</b>	<b>\$26,404,702</b>		<b>\$1,733,776</b>	<b>\$20,631,036</b>	<b>\$22,364,812</b>	
<b>TOTALS, REVENUES</b>	<b>\$135,863,592</b>	<b>\$52,633,959</b>	<b>\$188,497,551</b>		<b>\$140,987,675</b>	<b>\$58,662,096</b>	<b>\$199,649,771</b>		<b>\$146,112,087</b>	<b>\$56,398,674</b>	<b>\$202,510,761</b>	
<b>TRANSFERS AND LOANS</b>												
Revenue Transfers	-3,871,814	3,884,645	12,831		-3,571,273	3,573,304	2,031		-1,645,220	1,638,579	-6,641	
Loans	-497,110	483,697	-13,423		-471,081	474,196	3,115		-1,848,514	1,555,597	-292,927	
<b>TOTALS, TRANSFERS AND LOANS</b>	<b>-\$4,368,924</b>	<b>\$4,368,332</b>	<b>-\$592</b>		<b>-\$4,042,354</b>	<b>\$4,047,500</b>	<b>\$5,146</b>		<b>-\$3,493,734</b>	<b>\$3,194,166</b>	<b>-\$299,568</b>	
<b>TOTALS, REVENUES, TRANSFERS AND LOANS</b>	<b>\$131,494,668</b>	<b>\$57,002,291</b>	<b>\$188,496,959</b>		<b>\$136,945,321</b>	<b>\$62,709,596</b>	<b>\$199,654,917</b>		<b>\$142,618,353</b>	<b>\$59,592,840</b>	<b>\$202,211,193</b>	

**SCHEDULE 9 AT 2019-20 GOVERNOR'S BUDGET  
COMPARATIVE STATEMENT OF EXPENDITURES  
(Dollars In Thousands)**

	Actual 2017-18				Estimated 2018-19				Estimated 2019-20						
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Fund	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
LEGISLATIVE, JUDICIAL, AND EXECUTIVE															
0110-Senate															
State Operations	134,213	--	--	134,213	--	139,622	--	--	139,622	--	147,358	--	--	147,358	--
Totals,0110-Senate	\$134,213	--	--	\$134,213	--	\$139,622	--	--	\$139,622	--	\$147,358	--	--	\$147,358	--
0120-Assembly															
State Operations	176,843	--	--	176,843	--	183,970	--	--	183,970	--	194,162	--	--	194,162	--
Totals,0120-Assembly	\$176,843	--	--	\$176,843	--	\$183,970	--	--	\$183,970	--	\$194,162	--	--	\$194,162	--
0130-Joint Expenses															
Capital Outlay	--	--	--	--	--	--	1,877	--	1,877	--	--	--	--	--	--
Totals,0130-Joint Expenses	--	--	--	--	--	--	1,877	--	1,877	--	--	--	--	--	--
0160-Legislative Counsel Bureau															
State Operations	85,863	--	--	85,863	--	90,272	--	--	90,272	--	91,731	--	--	91,731	--
Totals,0160-Legislative Counsel Bureau	\$85,863	--	--	\$85,863	--	\$90,272	--	--	\$90,272	--	\$91,731	--	--	\$91,731	--
Legislative															
State Operations	396,919	--	--	396,919	--	413,864	--	--	413,864	--	433,251	--	--	433,251	--
Capital Outlay	--	--	--	--	--	--	1,877	--	1,877	--	--	--	--	--	--
Totals, Legislative	\$396,919	--	--	\$396,919	--	\$413,864	\$1,877	--	\$415,741	--	\$433,251	--	--	\$433,251	--
0250-Judicial Branch															
State Operations	455,341	424,847	--	880,188	2,351	434,081	450,147	--	884,228	4,366	521,417	461,817	--	983,234	4,362
Local Assistance	1,279,277	1,371,370	--	2,650,647	971	1,476,980	1,342,893	--	2,819,873	2,275	1,607,118	1,423,590	--	3,030,708	2,275
Capital Outlay	--	17,035	--	17,035	--	--	33,798	--	33,798	--	--	--	--	--	--
Totals,0250-Judicial Branch	\$1,734,618	\$1,813,252	--	\$3,547,870	\$3,322	\$1,911,061	\$1,826,838	--	\$3,737,899	\$6,641	\$2,128,535	\$1,885,407	--	\$4,013,942	\$6,637
0280-Commission on Judicial Performance															
State Operations	5,154	--	--	5,154	--	5,235	--	--	5,235	--	5,264	--	--	5,264	--
Totals,0280-Commission on Judicial Performance	\$5,154	--	--	\$5,154	--	\$5,235	--	--	\$5,235	--	\$5,264	--	--	\$5,264	--
0390-Judges Retirement System Contributions															
State Operations	5,717	--	--	5,717	--	5,044	--	--	5,044	--	4,928	--	--	4,928	--
Local Assistance	273,296	--	--	273,296	--	268,066	--	--	268,066	--	290,279	--	--	290,279	--
Totals,0390-Judges Retirement System Contributions	\$279,013	--	--	\$279,013	--	\$273,110	--	--	\$273,110	--	\$295,207	--	--	\$295,207	--
Judicial															
State Operations	466,212	424,847	--	891,059	2,351	444,360	450,147	--	894,507	4,366	531,609	461,817	--	993,426	4,362
Local Assistance	1,552,573	1,371,370	--	2,923,943	971	1,745,046	1,342,893	--	3,087,939	2,275	1,897,397	1,423,590	--	3,320,987	2,275
Capital Outlay	--	17,035	--	17,035	--	--	33,798	--	33,798	--	--	--	--	--	--
Totals, Judicial	\$2,018,785	\$1,813,252	--	\$3,832,037	\$3,322	\$2,189,406	\$1,826,838	--	\$4,016,244	\$6,641	\$2,429,006	\$1,885,407	--	\$4,314,413	\$6,637
0500-Governors Office															
State Operations	14,056	--	--	14,056	--	17,223	--	--	17,223	--	21,189	--	--	21,189	--
Totals,0500-Governors Office	\$14,056	--	--	\$14,056	--	\$17,223	--	--	\$17,223	--	\$21,189	--	--	\$21,189	--
0509-Governors Office of Bus, Econ Developm															
State Operations	12,863	234	--	13,097	--	35,763	756	--	36,519	--	33,360	1,923	--	35,283	--
Local Assistance	--	--	--	--	--	--	9,600	--	9,600	--	--	19,200	--	--	--
Totals,0509-Governors Office of Bus, Econ Developm	\$12,863	\$234	--	\$13,097	--	\$35,763	\$10,356	--	\$46,119	--	\$33,360	\$21,123	--	\$54,483	--
0511-Government Operations, Secretary															
State Operations	1,107	--	--	1,107	--	91,659	500	--	92,159	--	89,257	--	--	89,257	--
Totals,0511-Government Operations, Secretary	\$1,107	--	--	\$1,107	--	\$91,659	\$500	--	\$92,159	--	\$89,257	--	--	\$89,257	--
0515-Business, Consumer Svcs, Housing, Scty															
State Operations	85	643	--	728	--	1,647	964	--	2,611	--	1,036	964	--	2,000	--
Local Assistance	--	--	--	--	--	499,000	--	--	499,000	--	500,000	--	--	500,000	--
Totals,0515-Business, Consumer Svcs, Housing, Scty	\$85	\$643	--	\$728	--	\$500,647	\$964	--	\$501,611	--	\$501,036	\$964	--	\$502,000	--
0521-Transportation, Scty															
State Operations	--	2,735	--	2,735	43,596	--	--	--	3,281	82,024	--	6,283	--	6,283	44,227
Local Assistance	3,500	209,032	--	212,532	49,411	20,500	583,797	--	604,297	36,793	--	258,323	--	258,323	87,201
Totals,0521-Transportation, Scty	\$3,500	\$211,767	--	\$215,267	\$93,007	\$20,500	\$587,078	--	\$607,578	\$118,817	--	\$264,606	--	\$264,606	\$131,428
0530-Health, Human Services Agency, Scty															

**SCHEDULE 9 AT 2019-20 GOVERNOR'S BUDGET  
COMPARATIVE STATEMENT OF EXPENDITURES  
(Dollars In Thousands)**

	Actual 2017-18				Estimated 2018-19				Estimated 2019-20			
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Fund	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds
State Operations	3,877	1,855	--	5,732	--	10,758	--	12,903	--	4,514	--	2,146
<b>Totals,0530-Health, Human Services Agency, Secy</b>	<b>\$3,877</b>	<b>\$1,855</b>	--	<b>\$5,732</b>	--	<b>\$10,758</b>	--	<b>\$12,903</b>	--	<b>\$4,514</b>	--	<b>\$2,146</b>
0540-Natural Resources Agency, Secy	2,599	7,095	69,986	79,680	--	3,897	9,781	70,437	84,115	--	3,097	9,143
State Operations	4,915	2,225	49,654	56,794	--	55,698	96,011	134,787	286,496	--	1,000	6,700
Local Assistance	--	--	--	--	--	--	--	--	--	--	--	--
<b>Totals,0540-Natural Resources Agency, Secy</b>	<b>\$7,514</b>	<b>\$9,320</b>	<b>\$119,640</b>	<b>\$136,474</b>	--	<b>\$59,595</b>	<b>\$105,792</b>	<b>\$205,224</b>	<b>\$370,611</b>	--	<b>\$4,097</b>	<b>\$15,843</b>
0552-Office of the Inspector General	22,896	--	--	22,896	--	24,558	--	24,558	--	24,618	--	24,618
State Operations	--	--	--	--	--	--	--	--	--	--	--	--
<b>Totals,0552-Office of the Inspector General</b>	<b>\$22,896</b>	--	--	<b>\$22,896</b>	--	<b>\$24,558</b>	--	<b>\$24,558</b>	--	<b>\$24,618</b>	--	<b>\$24,618</b>
0555-Environmental Protection, Secy	2,172	13,317	--	15,489	300	2,213	13,791	--	16,004	300	1,213	13,851
State Operations	835	988	--	1,823	--	835	1,500	--	2,335	--	835	1,500
Local Assistance	--	--	--	--	--	--	--	--	--	--	--	--
<b>Totals,0555-Environmental Protection, Secy</b>	<b>\$3,007</b>	<b>\$14,305</b>	--	<b>\$17,312</b>	<b>\$300</b>	<b>\$3,048</b>	<b>\$15,291</b>	--	<b>\$18,339</b>	<b>\$300</b>	<b>\$2,048</b>	<b>\$15,351</b>
0559-Labor and Workforce Development, Secy	--	--	--	--	--	--	--	--	--	--	--	--
State Operations	--	331	--	331	--	--	434	--	434	--	--	447
<b>Totals,0559-Labor and Workforce Development, Secy</b>	--	<b>\$331</b>	--	<b>\$331</b>	--	--	<b>\$434</b>	--	<b>\$434</b>	--	--	<b>\$447</b>
0650-Office of Planning and Research	7,622	1,665	--	9,287	1,564	44,014	37,241	--	81,255	1,980	27,259	11,231
State Operations	1,600	--	--	1,600	34,295	--	1,122,577	--	1,122,577	39,679	40,000	435,200
Local Assistance	--	--	--	--	--	--	--	--	--	--	--	--
<b>Totals,0650-Office of Planning and Research</b>	<b>\$9,222</b>	<b>\$1,665</b>	--	<b>\$10,887</b>	<b>\$35,859</b>	<b>\$44,014</b>	<b>\$1,159,818</b>	--	<b>\$1,203,832</b>	<b>\$41,659</b>	<b>\$67,259</b>	<b>\$446,431</b>
0690-Office of Emergency Services	198,498	4,089	903	203,490	62,751	91,898	44,393	2,831	139,122	85,127	145,517	-25,715
State Operations	113,957	106,442	--	220,399	920,958	291,800	82,221	--	374,021	929,166	140,972	146,468
Local Assistance	--	--	--	--	--	--	--	--	--	--	--	--
Capital Outlay	--	--	--	--	--	19,052	--	--	19,052	--	2,200	--
<b>Totals,0690-Office of Emergency Services</b>	<b>\$312,455</b>	<b>\$110,531</b>	<b>\$903</b>	<b>\$423,889</b>	<b>\$983,709</b>	<b>\$402,750</b>	<b>\$126,614</b>	<b>\$2,831</b>	<b>\$532,195</b>	<b>\$1,014,293</b>	<b>\$288,689</b>	<b>\$120,753</b>
0720-Governors Portrait	--	--	--	--	--	25	--	--	25	--	--	--
State Operations	--	--	--	--	--	--	--	--	--	--	--	--
<b>Totals,0720-Governors Portrait</b>	--	--	--	--	--	<b>\$25</b>	--	--	<b>\$25</b>	--	--	--
0730-Governor Elect and Outgoing Governor	--	--	--	--	--	1,000	--	--	1,000	--	--	--
State Operations	--	--	--	--	--	--	--	--	--	--	--	--
<b>Totals,0730-Governor Elect and Outgoing Governor</b>	--	--	--	--	--	<b>\$1,000</b>	--	--	<b>\$1,000</b>	--	--	--
0750-Office of the Lieutenant Governor	1,259	--	--	1,259	--	1,526	--	--	1,526	--	1,527	--
State Operations	--	--	--	--	--	--	--	--	--	--	--	--
<b>Totals,0750-Office of the Lieutenant Governor</b>	<b>\$1,259</b>	--	--	<b>\$1,259</b>	--	<b>\$1,526</b>	--	--	<b>\$1,526</b>	--	<b>\$1,527</b>	--
0820-Department of Justice	234,541	308,875	--	543,416	38,126	293,989	340,031	--	634,020	43,735	330,929	344,974
State Operations	--	37,528	--	37,528	--	--	28,528	--	28,528	--	--	26,062
Local Assistance	--	--	--	--	--	--	--	--	--	--	--	--
<b>Totals,0820-Department of Justice</b>	<b>\$234,541</b>	<b>\$346,403</b>	--	<b>\$580,944</b>	<b>\$38,126</b>	<b>\$293,989</b>	<b>\$368,559</b>	--	<b>\$662,548</b>	<b>\$43,735</b>	<b>\$330,929</b>	<b>\$371,036</b>
0840-State Controller	63,128	9,673	78	72,879	1,173	73,307	11,367	1,187	85,861	1,411	71,055	11,345
State Operations	--	--	--	--	--	--	--	--	--	--	--	--
<b>Totals,0840-State Controller</b>	<b>\$63,128</b>	<b>\$9,673</b>	<b>\$78</b>	<b>\$72,879</b>	<b>\$1,173</b>	<b>\$73,307</b>	<b>\$11,367</b>	<b>\$1,187</b>	<b>\$85,861</b>	<b>\$1,411</b>	<b>\$71,055</b>	<b>\$11,345</b>
0845-Department of Insurance	7,551	195,102	--	202,653	379	8,879	214,481	--	223,360	992	8,956	215,904
State Operations	1,000	66,121	--	67,121	--	1,500	75,853	--	77,353	--	1,500	72,106
Local Assistance	--	--	--	--	--	--	--	--	--	--	--	--
<b>Totals,0845-Department of Insurance</b>	<b>\$8,551</b>	<b>\$261,223</b>	--	<b>\$269,774</b>	<b>\$379</b>	<b>\$10,379</b>	<b>\$290,334</b>	--	<b>\$300,713</b>	<b>\$992</b>	<b>\$10,456</b>	<b>\$288,010</b>
0855-Gambling Control Commission	--	5,825	--	5,825	--	--	7,248	--	7,248	--	--	7,488
State Operations	--	--	--	--	--	--	--	--	--	--	--	--
<b>Totals,0855-Gambling Control Commission</b>	--	<b>\$5,825</b>	--	<b>\$5,825</b>	--	--	<b>\$7,248</b>	--	<b>\$7,248</b>	--	--	<b>\$7,488</b>
0860-State Board of Equalization	26,605	--	--	26,605	--	30,753	--	--	30,753	--	29,494	--
State Operations	--	--	--	--	--	--	--	--	--	--	--	--
<b>Totals,0860-State Board of Equalization</b>	<b>\$26,605</b>	--	--	<b>\$26,605</b>	--	<b>\$30,753</b>	--	--	<b>\$30,753</b>	--	<b>\$29,494</b>	--
0870-Office of Tax Appeals	5,904	--	--	5,904	--	22,062	--	--	22,062	--	20,414	--
State Operations	--	--	--	--	--	--	--	--	--	--	--	--
<b>Totals,0870-Office of Tax Appeals</b>	<b>\$5,904</b>	--	--	<b>\$5,904</b>	--	<b>\$22,062</b>	--	--	<b>\$22,062</b>	--	<b>\$20,414</b>	--

**SCHEDULE 9 AT 2019-20 GOVERNOR'S BUDGET  
COMPARATIVE STATEMENT OF EXPENDITURES  
(Dollars In Thousands)**

	Actual 2017-18				Estimated 2018-19				Estimated 2019-20						
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Fund	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
Totals,0870-Office of Tax Appeals															
0890-Secretary of State	\$5,904	--	--	\$5,904	--	--	\$22,062	--	--	\$22,062	--	\$20,414	--	--	\$20,414
State Operations	35,688	52,984	--	88,672	6,302	50,373	75,417	--	--	125,790	8,441	37,177	55,792	--	92,969
Local Assistance	164	--	--	164	1,250	134,348	--	--	--	134,348	4,128	--	--	--	19,964
Totals,0890-Secretary of State	\$35,852	\$52,984	--	\$88,836	\$7,552	\$184,721	\$75,417	--	--	\$260,138	\$12,569	\$37,177	\$55,792	--	\$92,969
Totals,0911-Citizens Redistricting Initiative															
State Operations	92	--	--	92	--	90	--	--	--	90	--	17,090	--	--	17,090
Totals,0911-Citizens Redistricting Initiative	\$92	--	--	\$92	--	\$90	--	--	--	\$90	--	\$17,090	--	--	\$17,090
0950-State Treasurer															
State Operations	3,807	--	277	4,084	--	5,913	--	295	6,208	--	5,401	--	--	5,401	--
Totals,0950-State Treasurer	\$3,807	--	\$277	\$4,084	--	\$5,913	--	\$295	\$6,208	--	\$5,401	--	--	\$5,401	--
0954-Scholarshare Investment Board															
State Operations	160	--	--	160	--	239	--	--	239	--	239	--	--	239	--
Totals,0954-Scholarshare Investment Board	\$160	--	--	\$160	--	\$239	--	--	\$239	--	\$239	--	--	\$239	--
0956-Debt Investment Advisory Commission															
State Operations	--	2,942	--	2,942	--	--	3,744	--	--	3,744	--	--	3,657	--	3,657
Totals,0956-Debt Investment Advisory Commission	--	\$2,942	--	\$2,942	--	--	\$3,744	--	--	\$3,744	--	--	\$3,657	--	\$3,657
0959-Debt Limit Allocation Committee															
State Operations	--	1,394	--	1,394	--	--	1,641	--	--	1,641	--	--	1,598	--	1,598
Totals,0959-Debt Limit Allocation Committee	--	\$1,394	--	\$1,394	--	--	\$1,641	--	--	\$1,641	--	--	\$1,598	--	\$1,598
0965-Industrial Divmt Financing Advisory Comm															
State Operations	--	8	--	8	--	--	6	--	--	6	--	--	--	--	--
Totals,0965-Industrial Divmt Financing Advisory Comm	--	\$8	--	\$8	--	--	\$6	--	--	\$6	--	--	--	--	--
0968-Tax Credit Allocation Committee															
State Operations	--	7,030	--	7,030	--	--	8,373	--	--	8,373	--	--	8,753	--	8,753
Local Assistance	--	192	--	192	--	--	190	--	--	190	--	--	190	--	190
Totals,0968-Tax Credit Allocation Committee	--	\$7,222	--	\$7,222	--	--	\$8,563	--	--	\$8,563	--	--	\$8,943	--	\$8,943
0971-Alt Energy, Advanced Trans Fin Auth															
State Operations	--	408	--	408	--	--	507	--	--	507	--	--	507	--	507
Totals,0971-Alt Energy, Advanced Trans Fin Auth	--	\$408	--	\$408	--	--	\$507	--	--	\$507	--	--	\$507	--	\$507
0977-Health Facilities Financing Authority															
State Operations	1	254	1,584	1,839	--	1,686	16,453	924	19,063	--	--	--	1,137	1,137	--
Local Assistance	--	3,999	29,782	33,781	--	65,813	144,000	140,000	349,813	--	--	144,000	115,000	259,000	--
Totals,0977-Health Facilities Financing Authority	\$1	\$4,253	\$31,366	\$35,620	--	\$67,499	\$160,453	\$140,924	\$368,876	--	--	\$144,000	\$116,137	\$260,137	--
0985-School Finance Authority															
State Operations	437	--	1,090	1,527	235	583	--	1,278	1,861	450	583	--	1,279	1,862	456
Local Assistance	133,177	--	--	133,177	10,500	136,786	--	--	136,786	20,000	136,786	--	--	136,786	20,000
Totals,0985-School Finance Authority	\$133,614	--	\$1,090	\$134,704	\$10,735	\$137,369	--	\$1,278	\$138,647	\$20,450	\$137,369	--	\$1,279	\$138,648	\$20,456
0989-Educational Facilities Authority															
State Operations	--	20	--	20	--	--	79	--	--	79	--	--	79	--	79
Totals,0989-Educational Facilities Authority	--	\$20	--	\$20	--	--	\$79	--	--	\$79	--	--	\$79	--	\$79
0996-General Obligation Bonds-LJE															
State Operations	110	--	--	110	--	61	--	--	--	61	--	--	--	--	--
Totals,0996-General Obligation Bonds-LJE	\$110	--	--	\$110	--	\$61	--	--	--	\$61	--	--	--	--	--
Executive															
State Operations	645,058	616,479	73,918	1,335,455	154,426	814,116	792,633	76,952	1,683,701	224,460	873,925	670,370	19,136	1,563,431	188,926
Local Assistance	259,148	426,527	79,436	765,111	1,016,414	1,206,280	2,144,277	274,787	3,625,344	1,029,766	821,093	1,109,749	305,250	2,236,092	1,192,331
Capital Outlay	--	--	--	--	--	19,052	--	--	19,052	--	2,200	--	--	2,200	--
Totals, Executive	\$904,206	\$1,043,006	\$153,354	\$2,100,566	\$1,170,840	\$2,039,448	\$2,936,910	\$351,739	\$5,328,097	\$1,254,226	\$1,697,218	\$1,780,119	\$324,386	\$3,801,723	\$1,381,257
TOTALS, LEGISLATIVE, JUDICIAL, AND EXECUTIVE															
State Operations	\$3,319,910	\$2,856,258	\$153,354	\$6,329,522	\$1,174,162	\$4,642,718	\$4,766,625	\$351,739	\$9,760,082	\$1,260,867	\$4,599,475	\$3,665,526	\$324,386	\$8,549,387	\$1,387,894
Local Assistance	1,508,189	1,041,326	73,918	2,623,433	156,777	1,672,340	1,242,780	76,952	2,992,072	228,826	1,838,785	1,132,187	19,136	2,990,108	189,288
Local Assistance	1,811,721	1,797,897	79,436	3,689,054	1,017,385	2,951,326	3,487,170	274,787	6,713,283	1,032,041	2,718,490	2,533,339	305,250	5,557,079	1,194,606

**SCHEDULE 9 AT 2019-20 GOVERNOR'S BUDGET  
COMPARATIVE STATEMENT OF EXPENDITURES  
(Dollars in Thousands)**

	Actual 2017-18				Estimated 2018-19				Estimated 2019-20						
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Fund	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
Capital Outlay	-	17,035	-	17,035	-	19,052	35,675	-	54,727	-	2,200	-	-	2,200	-
BUSINESS, CONSUMER SERVICES, & HOUSING															
1045-Cannabis Control Appeals Panel	-	964	-	964	-	-	2,639	-	2,639	-	-	2,648	-	2,648	-
State Operations	-	964	-	964	-	-	2,639	-	2,639	-	-	2,648	-	2,648	-
Totals, 1045-Cannabis Control Appeals Panel	-	964	-	964	-	-	2,639	-	2,639	-	-	2,648	-	2,648	-
1111-Dept of Consumer Affairs, Reg Bds, Bur	-	654,172	-	654,172	-	-	685,218	-	685,218	-	1,134	688,813	-	689,947	-
State Operations	-	654,172	-	654,172	-	-	685,218	-	685,218	-	1,134	688,813	-	689,947	-
Local Assistance	-	-	-	-	-	10,000	-	-	10,000	-	-	-	-	-	-
Totals, 1111-Dept of Consumer Affairs, Reg Bds, Bur	-	654,172	-	654,172	-	10,000	685,218	-	695,218	-	1,134	688,813	-	689,947	-
1690-Seismic Safety Commission, A. E. Alquist	-	1,293	-	1,293	-	-	1,259	-	1,259	-	-	1,260	-	1,260	-
State Operations	-	1,293	-	1,293	-	-	1,259	-	1,259	-	-	1,260	-	1,260	-
Totals, 1690-Seismic Safety Commission, A. E. Alquist	-	1,293	-	1,293	-	-	1,259	-	1,259	-	-	1,260	-	1,260	-
1700-Department of Fair Employment, Housing	23,320	-	-	23,320	4,295	29,787	262	-	30,049	5,698	26,367	262	-	26,629	5,750
State Operations	23,320	-	-	23,320	4,295	29,787	262	-	30,049	5,698	26,367	262	-	26,629	5,750
Totals, 1700-Department of Fair Employment, Housing	23,320	-	-	23,320	4,295	29,787	262	-	30,049	5,698	26,367	262	-	26,629	5,750
1701-Department of Business Oversight	-	92,702	-	92,702	-	-	100,574	-	100,574	-	-	102,102	-	102,102	-
State Operations	-	92,702	-	92,702	-	-	100,574	-	100,574	-	-	102,102	-	102,102	-
Totals, 1701-Department of Business Oversight	-	92,702	-	92,702	-	-	100,574	-	100,574	-	-	102,102	-	102,102	-
1750-Horse Racing Board	-	13,542	-	13,542	-	-	13,807	-	13,807	-	-	13,808	-	13,808	-
State Operations	-	13,542	-	13,542	-	-	13,807	-	13,807	-	-	13,808	-	13,808	-
Totals, 1750-Horse Racing Board	-	13,542	-	13,542	-	-	13,807	-	13,807	-	-	13,808	-	13,808	-
1996-General Obligation Bonds-BCH	347,851	-	-	347,851	-	397,070	-	-	397,070	-	398,580	-	-	398,580	-
State Operations	347,851	-	-	347,851	-	397,070	-	-	397,070	-	398,580	-	-	398,580	-
Totals, 1996-General Obligation Bonds-BCH	347,851	-	-	347,851	-	397,070	-	-	397,070	-	398,580	-	-	398,580	-
2100-Department of Alcoholic Beverage Control	-	65,968	-	65,968	-	-	70,514	-	70,514	-	-	69,683	-	69,683	-
State Operations	-	65,968	-	65,968	-	-	70,514	-	70,514	-	-	69,683	-	69,683	-
Local Assistance	-	2,997	-	2,997	-	-	3,000	-	3,000	-	-	3,000	-	3,000	-
Totals, 2100-Department of Alcoholic Beverage Control	-	68,965	-	68,965	-	-	73,514	-	73,514	-	-	72,683	-	72,683	-
2120-Alcoholic Beverage Control Appeals Board	-	1,026	-	1,026	-	-	1,118	-	1,118	-	-	1,118	-	1,118	-
State Operations	-	1,026	-	1,026	-	-	1,118	-	1,118	-	-	1,118	-	1,118	-
Totals, 2120-Alcoholic Beverage Control Appeals Board	-	1,026	-	1,026	-	-	1,118	-	1,118	-	-	1,118	-	1,118	-
2240-Dept of Housing, Community Development	3,762	34,456	9,732	47,950	6,637	6,805	39,612	21,515	67,932	10,121	11,078	34,411	24,562	70,051	13,287
State Operations	3,762	34,456	9,732	47,950	6,637	6,805	39,612	21,515	67,932	10,121	11,078	34,411	24,562	70,051	13,287
Local Assistance	33,879	13,621	68,790	116,290	71,879	5,679	264,921	752,263	1,022,863	121,570	1,255,629	-	1,000,850	2,256,479	227,720
Totals, 2240-Dept of Housing, Community Development	37,641	48,077	78,522	164,240	78,516	12,484	304,533	773,778	1,090,795	131,691	1,266,707	34,411	1,025,412	2,326,530	241,007
2320-Department of Real Estate	-	-	-	-	-	-	52,995	-	52,995	-	-	53,208	-	53,208	-
State Operations	-	-	-	-	-	-	52,995	-	52,995	-	-	53,208	-	53,208	-
Totals, 2320-Department of Real Estate	-	-	-	-	-	-	52,995	-	52,995	-	-	53,208	-	53,208	-
TOTALS, BUSINESS, CONSUMER SERVICES, & HOUSING	408,812	880,741	78,522	1,368,075	82,811	449,341	1,235,919	773,778	2,459,038	137,389	1,692,788	370,313	1,025,412	3,688,513	246,757
State Operations	374,933	864,123	9,732	1,248,788	10,932	433,662	967,988	21,515	1,423,175	15,819	437,159	967,313	24,562	1,429,034	19,037
Local Assistance	33,879	16,618	68,790	119,287	71,879	15,679	267,921	752,263	1,035,863	121,570	1,255,629	3,000	1,000,850	2,259,479	227,720
TRANSPORTATION															
2600-California Transportation Commission	-	4,207	56	4,263	-	-	5,172	122	5,294	-	-	6,968	-	6,968	-
State Operations	-	4,207	56	4,263	-	-	5,172	122	5,294	-	-	6,968	-	6,968	-
Local Assistance	-	-	600	600	-	-	-	800	800	-	-	-	1,700	1,700	-
Totals, 2600-California Transportation Commission	-	4,207	656	4,863	-	-	5,172	922	6,094	-	-	6,968	1,700	8,668	-
2640-State Transit Assistance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Local Assistance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals, 2640-State Transit Assistance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2660-Department of Transportation	-	701,954	8,667	710,621	-	-	919,834	30,146	949,980	-	-	1,042,335	5,291	1,047,626	-
State Operations	-	701,954	8,667	710,621	-	-	919,834	30,146	949,980	-	-	1,042,335	5,291	1,047,626	-
Totals, 2660-Department of Transportation	-	701,954	8,667	710,621	-	-	919,834	30,146	949,980	-	-	1,042,335	5,291	1,047,626	-

**SCHEDULE 9 AT 2019-20 GOVERNOR'S BUDGET  
COMPARATIVE STATEMENT OF EXPENDITURES  
(Dollars In Thousands)**

	Actual 2017-18				Estimated 2018-19				Estimated 2019-20						
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Fund	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
State Operations	-	3,493,165	8,283	3,501,448	1,053,167	-	3,699,040	15,401	3,714,441	1,356,887	-	-	3,522,464	14,773	1,354,650
Local Assistance	-	270,188	2,999	273,187	1,536,071	-	-	1,015,551	21,686	1,037,237	2,354,352	-	1,224,540	39,251	2,375,239
Capital Outlay	-	434,880	36,188	471,068	1,750,605	-	-	998,227	94,227	1,092,454	2,257,799	-	2,659,473	107,011	2,141,458
Unclassified	-	-	-	-	-	-	-	-	-	-	5,000	-	-	-	5,000
Totals,2660-Department of Transportation	-	\$4,198,233	\$47,470	\$4,245,703	\$4,339,843	-	-	\$5,712,818	\$131,314	\$5,844,132	\$5,974,038	-	\$7,406,477	\$161,035	\$5,876,347
2665-High-Speed Rail Authority	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State Operations	-	-	37,153	37,153	-	-	-	103	46,367	46,470	-	-	103	50,934	-
Local Assistance	-	-	-	-	-	-	-	-	676,665	676,665	-	-	-	-	-
Capital Outlay	-	57,495	170,457	227,952	68,759	-	-	733,591	151,544	885,135	828	-	494,000	120,249	614,249
Totals,2665-High-Speed Rail Authority	-	\$57,495	\$207,610	\$265,105	\$68,759	-	-	\$733,694	\$874,576	\$1,608,270	\$828	-	\$494,103	\$171,080	\$665,183
2670-Board of Pilot Commissioners	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State Operations	-	2,163	-	2,163	-	-	-	2,911	-	2,911	-	-	2,806	-	2,806
Totals,2670-Board of Pilot Commissioners	-	\$2,163	-	\$2,163	-	-	-	\$2,911	-	\$2,911	-	-	\$2,806	-	\$2,806
2720-Dept of the California Highway Patrol	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State Operations	-	2,246,220	-	2,246,220	15,132	-	-	2,388,447	21,401	2,388,447	21,401	79,769	2,408,395	-	2,488,164
Capital Outlay	-	10,436	-	10,436	-	-	-	11,994	-	11,994	-	-	2,550	-	2,550
Totals,2720-Dept of the California Highway Patrol	-	\$2,256,656	-	\$2,256,656	\$15,132	-	-	\$2,400,441	-	\$2,400,441	\$21,401	\$79,769	\$2,410,945	-	\$2,490,714
2740-Department of Motor Vehicles	1,750	1,090,312	-	1,092,062	232	3,413	1,181,576	-	1,184,989	2,780	6,178	1,182,906	-	1,189,084	2,790
State Operations	-	8,742	-	8,742	-	-	5,798	-	5,798	-	-	1,164	-	1,164	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals,2740-Department of Motor Vehicles	\$1,750	\$1,099,054	-	\$1,100,804	\$232	\$3,413	\$1,187,374	-	\$1,190,787	\$2,780	\$6,178	\$1,184,070	-	\$1,190,248	\$2,790
2830-General Obligation Bonds-Transportation	208,135	1,489,278	-	1,697,413	-	211,026	1,566,933	-	1,777,959	-	210,250	1,683,571	-	1,893,821	-
Totals,2830-General Obligation Bonds-Transportation	\$208,135	\$1,489,278	-	\$1,697,413	-	\$211,026	\$1,566,933	-	\$1,777,959	-	\$210,250	\$1,683,571	-	\$1,893,821	-
TOTALS, TRANSPORTATION	\$209,885	\$9,809,040	\$264,403	\$10,283,328	\$4,423,966	\$214,439	\$12,529,177	\$1,036,958	\$13,780,574	\$5,999,047	\$296,197	\$14,231,275	\$339,106	\$14,866,578	\$5,900,588
State Operations	209,885	8,325,345	45,492	8,580,722	1,068,531	214,439	8,844,182	61,890	9,120,511	1,381,068	296,197	8,807,213	65,604	9,169,014	1,378,991
Local Assistance	-	972,142	12,266	984,408	1,536,071	-	1,935,385	729,297	2,664,682	2,354,352	-	2,266,875	46,242	2,313,117	2,375,239
Capital Outlay	-	511,553	206,645	718,198	1,819,364	-	1,749,610	245,771	1,995,381	2,258,627	-	3,157,187	227,260	3,384,447	2,141,458
Unclassified	-	-	-	-	-	-	-	-	-	5,000	-	-	-	-	5,000
NATURAL RESOURCES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3100-Exposition Park	22,462	10,993	-	33,455	-	23,760	10,809	-	34,569	-	28,802	9,995	-	38,797	-
State Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals,3100-Exposition Park	\$22,462	\$10,993	-	\$33,455	-	\$23,760	\$10,809	-	\$34,569	-	\$28,802	\$9,995	-	\$38,797	-
3110-Special Resources Programs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State Operations	-	-	-	-	-	-	200	-	200	-	-	200	-	200	-
Local Assistance	-	-	-	-	-	-	4,912	-	4,912	-	-	5,473	-	5,473	-
Totals,3110-Special Resources Programs	\$3,998	\$679	-	\$4,677	-	-	\$5,112	-	\$5,112	-	-	\$5,673	-	\$5,673	-
3125-Tahoe Conservancy	-	4,708	253	4,961	192	-	5,463	871	6,334	625	1,000	5,064	1,727	7,791	703
State Operations	-	185	3,604	3,789	414	-	815	2,702	3,517	1,904	-	-	550	5,550	-
Local Assistance	-	685	1,960	2,645	922	-	1,113	7,438	8,551	4,273	-	-	819	6,302	7,121
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals,3125-Tahoe Conservancy	-	\$5,578	\$5,817	\$11,395	\$1,528	-	\$7,391	\$11,011	\$18,402	\$6,802	\$1,000	\$6,433	\$13,029	\$20,462	\$703
3340-California Conservation Corps	45,051	62,521	-	107,572	-	54,143	53,985	5,211	113,339	-	64,087	57,461	5,211	126,759	-
State Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Local Assistance	-	-	-	-	-	-	-	4,567	4,567	-	-	-	6,851	6,851	-
Capital Outlay	1,834	-	-	1,834	-	37,538	-	-	37,538	-	9,297	-	-	9,297	-
Totals,3340-California Conservation Corps	\$46,885	\$62,521	-	\$109,406	-	\$91,681	\$53,985	\$9,778	\$155,444	-	\$73,384	\$57,461	\$12,062	\$142,907	-
3360-Energy Resource Conservation, DvInt Comm	15,000	249,758	-	264,758	6,582	-	407,807	-	407,807	12,771	-	253,670	-	253,670	11,486
State Operations	3,000	152,056	-	155,056	-	-	443,579	-	443,579	2,500	-	134,400	-	134,400	2,500
Local Assistance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals,3360-Energy Resource Conservation, DvInt Comm	\$18,000	\$401,814	-	\$419,814	\$6,582	-	\$851,386	-	\$851,386	\$15,271	-	\$388,070	-	\$388,070	\$13,986
3480-Department of Conservation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**SCHEDULE 9 AT 2019-20 GOVERNOR'S BUDGET  
COMPARATIVE STATEMENT OF EXPENDITURES  
(Dollars in Thousands)**

	Actual 2017-18				Estimated 2018-19				Estimated 2019-20						
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Fund	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
State Operations	3,606	113,340	1,563	118,509	2,835	3,875	118,452	1,057	123,384	6,065	3,881	109,426	1,885	115,192	2,842
Local Assistance	-	43,365	3,239	46,604	-	-	-	3,090	5,106	8,196	-	-	-	16,857	-
Totals,3480-Department of Conservation	\$3,606	\$156,705	\$4,802	\$165,113	\$2,835	\$3,875	\$121,542	\$6,163	\$131,580	\$6,065	\$3,881	\$109,426	\$18,742	\$132,049	\$2,842
3540-Department of Forestry, Fire Protection															
State Operations	1,408,322	301,100	-	1,709,422	5,652	1,767,632	347,180	1,070	2,115,882	20,756	1,622,601	331,840	622	1,955,063	20,384
Local Assistance	6,800	1,520	-	8,320	-	10,500	1,945	13,555	26,000	-	-	-	8,250	8,250	-
Capital Outlay	3,269	-	-	3,269	-	37,016	-	-	37,016	-	42,930	-	-	42,930	-
Totals,3540-Department of Forestry, Fire Protection	\$1,418,391	\$302,620	-	\$1,721,011	\$5,652	\$1,815,148	\$349,125	\$14,625	\$2,178,898	\$20,756	\$1,665,531	\$331,840	\$8,872	\$2,006,243	\$20,384
3560-State Lands Commission															
State Operations	25,259	16,908	-	42,167	-	78,502	21,887	-	100,389	-	57,344	22,119	-	79,463	-
Totals,3560-State Lands Commission	\$25,259	\$16,908	-	\$42,167	-	\$78,502	\$21,887	-	\$100,389	-	\$57,344	\$22,119	-	\$79,463	-
3600-Department of Fish and Wildlife															
State Operations	104,045	221,331	26,434	351,810	61,528	124,865	213,519	53,066	391,450	63,378	120,431	219,455	19,209	359,095	63,360
Local Assistance	576	19,981	66,311	86,868	20,000	576	8,341	53,800	62,717	20,000	576	2,341	31,740	34,657	20,000
Capital Outlay	-	246	-	246	-	-	-	-	-	-	-	369	-	369	-
Totals,3600-Department of Fish and Wildlife	\$104,621	\$241,558	\$92,745	\$438,924	\$81,528	\$125,441	\$221,860	\$106,866	\$454,167	\$83,378	\$121,007	\$222,165	\$50,949	\$394,121	\$83,360
3640-Wildlife Conservation Board															
State Operations	-	1,604	3,076	4,680	-	-	2,433	4,079	6,512	-	-	1,414	4,157	5,571	-
Local Assistance	1,000	20,000	87,252	108,252	-	13,000	-	112,200	125,200	-	-	-	133,875	133,875	-
Capital Outlay	19,585	32,613	295,654	347,852	35,000	18,781	2,882	8,000	29,663	35,000	18,851	2,812	-	21,663	35,000
Totals,3640-Wildlife Conservation Board	\$20,585	\$54,217	\$385,982	\$460,784	\$35,000	\$31,781	\$5,315	\$124,279	\$161,375	\$35,000	\$18,851	\$4,226	\$138,032	\$161,109	\$35,000
3720-Coastal Commission															
State Operations	16,724	2,949	-	19,673	2,817	18,964	2,294	-	21,258	3,059	20,352	1,960	-	22,312	2,758
Local Assistance	-	1,253	-	1,253	-	-	2,003	-	2,003	-	-	2,003	-	2,003	-
Totals,3720-Coastal Commission	\$16,724	\$4,202	-	\$20,926	\$2,817	\$18,964	\$4,297	-	\$23,261	\$3,059	\$20,352	\$3,963	-	\$24,315	\$2,758
3760-State Coastal Conservancy															
State Operations	-	855	6,190	7,045	549	550	2,472	6,806	9,828	588	-	2,198	5,184	7,382	612
Local Assistance	15,000	4,565	94,548	114,113	17,295	20,850	3,675	78,531	103,056	8,000	10,000	825	39,221	50,046	8,000
Capital Outlay	-	17,564	8,953	26,517	-	-	3,636	-	3,636	-	-	3,800	-	3,800	-
Totals,3760-State Coastal Conservancy	\$15,000	\$22,984	\$109,691	\$147,675	\$17,844	\$21,400	\$9,783	\$85,337	\$116,520	\$8,588	\$10,000	\$6,823	\$44,405	\$61,228	\$8,612
3780-Native American Heritage Commission															
State Operations	1,802	-	-	1,802	-	2,886	-	-	2,886	-	3,531	-	-	3,531	-
Totals,3780-Native American Heritage Commission	\$1,802	-	-	\$1,802	-	\$2,886	-	-	\$2,886	-	\$3,531	-	-	\$3,531	-
3790-Department of Parks, Recreation															
State Operations	202,524	286,917	20,349	509,790	16,225	141,559	342,423	27,885	511,867	16,356	179,888	326,846	29,208	535,942	16,185
Local Assistance	9,500	61,072	26,000	96,572	141,242	43,300	43,550	460,292	547,142	87,700	3,000	42,250	50,875	96,125	87,700
Capital Outlay	-	21,958	6,459	28,417	11	103,548	-88,589	55,275	70,234	2,235	3,992	104,139	7,057	115,188	-
Totals,3790-Department of Parks, Recreation	\$212,024	\$369,947	\$52,808	\$634,779	\$157,478	\$288,407	\$297,384	\$543,452	\$1,129,243	\$106,291	\$186,880	\$473,235	\$87,140	\$747,255	\$103,885
3810-Santa Monica Mountains Conservancy															
State Operations	-	478	876	1,354	-	-	337	844	1,181	-	-	337	850	1,187	-
Local Assistance	3,500	-	14,057	17,557	-	-	120	84,190	84,310	-	-	120	10,250	10,370	-
Capital Outlay	-	-	313	313	-	-	-	455	455	-	-	-	-	-	-
Totals,3810-Santa Monica Mountains Conservancy	\$3,500	\$478	\$15,246	\$19,224	-	-	\$457	\$85,489	\$85,946	-	-	\$457	\$11,100	\$11,557	-
3820-SF Bay Conservation, Development Comm															
State Operations	5,634	48	-	5,682	-	9,152	452	-	9,604	-	6,232	1,841	-	8,073	-
Local Assistance	-	-	-	-	-	-	500	-	500	-	-	-	-	-	-
Totals,3820-SF Bay Conservation, Development Comm	\$5,634	\$48	-	\$5,682	-	\$9,152	\$952	-	\$10,104	-	\$6,232	\$1,841	-	\$8,073	-
3825-San Gabriel,Lower LA River,Mtns Conserv															
State Operations	-	469	625	1,094	-	-	430	932	1,362	-	-	430	1,533	1,963	-
Local Assistance	-	-	4,660	4,660	-	19,000	-	64,618	83,618	-	-	-	21,919	21,919	-
Capital Outlay	-	-	740	740	-	-	-	3,676	3,676	-	-	-	-	-	-
Totals,3825-San Gabriel,Lower LA River,Mtns Conserv	-	\$469	\$6,025	\$6,494	-	\$19,000	\$430	\$69,226	\$88,656	-	-	\$430	\$23,452	\$23,882	-
3830-San Joaquin River Conservancy															

**SCHEDULE 9 AT 2019-20 GOVERNOR'S BUDGET  
COMPARATIVE STATEMENT OF EXPENDITURES  
(Dollars In Thousands)**

	Actual 2017-18				Estimated 2018-19				Estimated 2019-20						
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Fund	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
State Operations	65	365	209	639		--	--	462	256	718	--	--	462	256	718
Totals,3830-San Joaquin River Conservancy	\$65	\$365	\$209	\$639		--	--	\$462	\$256	\$718	--	--	\$462	\$256	\$718
3835-Baldwin Hills Conservancy															
State Operations	--	352	304	656		--	--	375	491	866		--	375	540	915
Local Assistance	--	--	258	258		--	--	--	13,516	13,516		--	--	2,400	2,400
Capital Outlay	--	--	2,975	2,975		--	--	--	4,438	4,438		--	--	--	--
Totals,3835-Baldwin Hills Conservancy	--	\$352	\$3,537	\$3,889		--	--	\$375	\$18,445	\$18,820		--	\$375	\$2,940	\$3,315
3840-Delta Protection Commission															
State Operations	--	1,230	--	1,230		--	--	1,719	--	1,719		--	1,520	--	1,520
Totals,3840-Delta Protection Commission	--	\$1,230	--	\$1,230		--	--	\$1,719	--	\$1,719		--	\$1,520	--	\$1,520
3845-San Diego River Conservancy															
State Operations	--	375	113	488		--	--	336	169	505		--	336	219	555
Local Assistance	--	1	2,813	2,814		--	--	--	6,646	6,646		--	--	2,000	2,000
Totals,3845-San Diego River Conservancy	--	\$376	\$2,926	\$3,302		--	--	\$336	\$6,815	\$7,151		--	\$336	\$2,219	\$2,555
3850-Coachella Valley Mountains Conservancy															
State Operations	--	336	148	484		--	--	349	162	511		--	349	142	491
Local Assistance	--	--	242	242		--	--	--	8,900	8,900		--	--	2,980	2,980
Capital Outlay	--	--	994	994		--	--	--	9,688	9,688		--	--	--	--
Totals,3850-Coachella Valley Mountains Conservancy	--	\$336	\$1,384	\$1,720		--	--	\$349	\$18,750	\$19,099		--	\$349	\$3,122	\$3,471
3855-Sierra Nevada Conservancy															
State Operations	--	4,501	355	4,856	78	--	--	4,472	5,530	10,002	291	--	4,473	833	5,306
Local Assistance	--	--	3,150	3,150		--	--	1,000	42,043	43,043		--	--	--	2,367
Totals,3855-Sierra Nevada Conservancy	--	\$4,501	\$3,505	\$8,006	\$78	--	--	\$5,472	\$47,573	\$53,045	\$291	--	\$4,473	\$833	\$5,306
3860-Department of Water Resources															
State Operations	209,141	21,946	92,875	323,962	3,505	168,537	43,019	420,951	632,507	12,624	147,301	34,398	65,680	247,379	12,537
Local Assistance	2,972	1,640	148,764	153,376		17,734	1,223	861,707	880,664	--	--	--	362,985	362,985	--
Capital Outlay	--	--	75,002	75,002		150,964	--	519,888	670,852	--	--	--	122,000	122,000	--
Totals,3860-Department of Water Resources	\$212,113	\$23,586	\$316,641	\$552,340	\$3,505	\$337,235	\$44,242	\$1,802,546	\$2,184,023	\$12,624	\$147,301	\$34,398	\$550,665	\$732,364	\$12,537
3875-Sacramento-San Joaquin Delta Conservancy															
State Operations	1,273	71	349	1,693	607	1,249	272	594	2,115	1,186	1,282	174	1,342	2,798	692
Local Assistance	--	--	1,018	1,018		--	--	14,889	14,889	--	--	--	34,661	34,661	--
Totals,3875-Sacramento-San Joaquin Delta Conservancy	\$1,273	\$71	\$1,367	\$2,711	\$607	\$1,249	\$272	\$15,483	\$17,004	\$1,186	\$1,282	\$174	\$36,003	\$37,459	\$692
3882-General Obligation Bonds-Natural Res															
State Operations	967,937	--	--	967,937		1,021,555	--	--	1,021,555	--	1,144,870	--	--	1,144,870	--
Totals,3882-General Obligation Bonds-Natural Res	\$967,937	--	--	\$967,937	--	\$1,021,555	--	--	\$1,021,555	--	\$1,144,870	--	--	\$1,144,870	--
3885-Delta Stewardship Council															
State Operations	19,506	843	--	20,349	267	18,751	2,883	--	21,634	2,757	18,754	883	--	19,637	2,756
Totals,3885-Delta Stewardship Council	\$19,506	\$843	--	\$20,349	\$267	\$18,751	\$2,883	--	\$21,634	\$2,757	\$18,754	\$883	--	\$19,637	\$2,756
TOTALS, NATURAL RESOURCES	\$3,119,385	\$1,683,381	\$1,002,685	\$5,805,451	\$315,721	\$3,908,787	\$2,017,825	\$2,966,094	\$8,892,706	\$302,068	\$3,509,002	\$1,687,127	\$1,003,821	\$6,199,950	\$289,882
State Operations	3,048,351	1,303,998	153,719	4,506,068	100,837	3,435,980	1,584,030	529,974	5,549,984	140,456	3,420,356	1,387,226	138,598	4,946,180	136,682
Local Assistance	46,346	306,317	455,916	808,579	178,951	124,960	514,753	1,827,262	2,466,975	120,104	13,576	187,962	729,864	931,402	118,200
Capital Outlay	24,688	73,066	393,050	490,804	35,933	347,847	-80,968	608,858	875,747	41,508	75,070	111,939	135,359	322,368	35,000
ENVIRONMENTAL PROTECTION															
3900-Air Resources Board															
State Operations	--	294,878	701	295,579	12,207	--	--	331,845	1,210	333,055	17,231	--	321,243	1,210	322,453
Local Assistance	--	803,655	1,202	804,857	--	--	--	1,436,460	12,121	1,448,581	--	--	823,593	12,321	835,914
Capital Outlay	--	154,000	--	154,000	--	--	--	--	--	--	--	--	--	--	--
Totals,3900-Air Resources Board	--	\$1,252,533	\$1,903	\$1,254,436	\$12,207	--	--	\$1,768,305	\$13,331	\$1,781,636	\$17,231	--	\$1,144,836	\$13,531	\$1,158,367
3930-Department of Pesticide Regulation															
State Operations	--	72,832	--	72,832	2,366	--	--	74,123	--	74,123	2,375	--	74,113	--	74,113
Local Assistance	--	28,850	--	28,850	--	--	--	30,822	--	30,822	--	--	32,532	--	32,532
Totals,3930-Department of Pesticide Regulation	--	\$101,682	--	\$101,682	\$2,366	--	--	\$104,945	--	\$104,945	\$2,375	--	\$106,645	--	\$106,645
Totals,3930-Department of Pesticide Regulation	--	\$101,682	--	\$101,682	\$2,366	--	--	\$104,945	--	\$104,945	\$2,375	--	\$106,645	--	\$106,645

**SCHEDULE 9 AT 2019-20 GOVERNOR'S BUDGET  
COMPARATIVE STATEMENT OF EXPENDITURES  
(Dollars in Thousands)**

	Actual 2017-18				Estimated 2018-19				Estimated 2019-20			
	General Fund	Special Funds	Budget Total	Federal Fund	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds
<b>3940-State Water Resources Control Board</b>												
State Operations	48,700	388,662	12,288	449,650	51,052	47,715	522,482	15,380	585,577	81,279	52,793	14,935
Local Assistance	-	67,491	500,979	568,470	137,202	31,300	128,869	1,162,238	1,322,407	232,693	20,000	376,428
<b>Totals,3940-State Water Resources Control Board</b>	<b>\$48,700</b>	<b>\$456,153</b>	<b>\$513,267</b>	<b>\$1,018,120</b>	<b>\$188,254</b>	<b>\$79,015</b>	<b>\$651,351</b>	<b>\$1,177,618</b>	<b>\$1,907,984</b>	<b>\$313,972</b>	<b>\$72,793</b>	<b>\$391,263</b>
<b>3960-Department of Toxic Substances Control</b>												
State Operations	33,111	167,716	-	200,827	31,610	67,165	232,721	-	299,886	32,472	40,787	271,933
Local Assistance	2,000	1,000	-	3,000	3,027	-	500	-	500	3,027	-	500
<b>Totals,3960-Department of Toxic Substances Control</b>	<b>\$35,111</b>	<b>\$168,716</b>	<b>\$203,827</b>	<b>\$34,637</b>	<b>\$67,165</b>	<b>\$233,221</b>	<b>\$300,386</b>	<b>\$300,386</b>	<b>\$35,499</b>	<b>\$40,787</b>	<b>\$272,433</b>	<b>\$313,220</b>
<b>3970-Resources Recycling and Recovery</b>												
State Operations	66,449	179,135	-	245,584	-	202,108	238,915	-	441,023	-	-	223,090
Local Assistance	-	1,380,472	-	1,380,472	-	-	1,404,676	-	1,404,676	-	-	1,351,595
<b>Totals,3970-Resources Recycling and Recovery</b>	<b>\$66,449</b>	<b>\$1,559,607</b>	<b>\$1,626,056</b>	<b>\$202,108</b>	<b>\$1,643,591</b>	<b>\$202,108</b>	<b>\$1,643,591</b>	<b>\$1,845,699</b>	<b>\$1,845,699</b>	<b>\$1,574,685</b>	<b>\$1,574,685</b>	<b>\$1,574,685</b>
<b>3980-Environmental Health Hazard Assessment</b>												
State Operations	5,007	14,106	-	19,113	-	6,082	17,873	-	23,955	-	5,635	18,066
<b>Totals,3980-Environmental Health Hazard Assessment</b>	<b>\$5,007</b>	<b>\$14,106</b>	<b>\$19,113</b>	<b>\$6,082</b>	<b>\$17,873</b>	<b>\$6,082</b>	<b>\$17,873</b>	<b>\$23,955</b>	<b>\$23,955</b>	<b>\$5,635</b>	<b>\$18,066</b>	<b>\$23,701</b>
<b>3996-General Obligation Bonds-Environmental</b>												
State Operations	3,313	-	-	3,313	-	3,234	-	-	3,234	-	3,330	-
<b>Totals,3996-General Obligation Bonds-Environmental</b>	<b>\$3,313</b>	<b>-</b>	<b>\$3,313</b>	<b>\$3,234</b>	<b>-</b>	<b>\$3,234</b>	<b>-</b>	<b>\$3,234</b>	<b>\$3,330</b>	<b>\$3,330</b>	<b>\$3,330</b>	<b>\$3,330</b>
<b>TOTALS, ENVIRONMENTAL PROTECTION</b>	<b>\$168,580</b>	<b>\$3,552,797</b>	<b>\$515,170</b>	<b>\$4,226,547</b>	<b>\$237,464</b>	<b>\$357,604</b>	<b>\$4,419,286</b>	<b>\$1,190,949</b>	<b>\$5,967,839</b>	<b>\$369,077</b>	<b>\$122,545</b>	<b>\$404,794</b>
State Operations	156,580	1,117,329	12,989	1,286,898	97,235	326,304	1,417,959	16,580	1,760,853	133,357	102,545	16,045
Local Assistance	2,000	2,281,468	502,181	2,785,649	140,229	31,300	3,001,327	1,174,359	4,206,986	235,720	20,000	2,866,053
Capital Outlay	-	154,000	-	154,000	-	-	-	-	-	-	-	-
<b>HEALTH AND HUMAN SERVICES</b>												
<b>4100-State Council-Developmental Disabilities</b>												
State Operations	-	-	-	-	6,266	-	-	-	-	7,505	-	-
<b>Totals,4100-State Council-Developmental Disabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$6,266</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$7,505</b>	<b>-</b>	<b>-</b>	<b>\$7,507</b>
<b>4120-Emergency Medical Services Authority</b>												
State Operations	1,839	4,145	-	5,984	2,947	2,358	4,112	-	6,470	3,650	2,815	4,295
Local Assistance	5,761	74	-	5,835	244	6,865	300	-	7,165	2,671	6,865	300
<b>Totals,4120-Emergency Medical Services Authority</b>	<b>\$7,600</b>	<b>\$4,219</b>	<b>-</b>	<b>\$11,819</b>	<b>\$3,191</b>	<b>\$9,223</b>	<b>\$4,412</b>	<b>-</b>	<b>\$13,635</b>	<b>\$6,321</b>	<b>\$9,680</b>	<b>\$4,595</b>
<b>4140-Statewide Health Planning, Development</b>												
State Operations	946	103,761	-	104,707	552	63,054	97,628	-	160,682	464	2,000	98,802
Local Assistance	20,334	23,093	-	43,427	1,007	42,333	17,656	-	59,989	1,000	81,333	6,656
<b>Totals,4140-Statewide Health Planning, Development</b>	<b>\$21,280</b>	<b>\$126,854</b>	<b>-</b>	<b>\$148,134</b>	<b>\$1,559</b>	<b>\$105,387</b>	<b>\$115,284</b>	<b>-</b>	<b>\$220,671</b>	<b>\$1,464</b>	<b>\$83,333</b>	<b>\$105,458</b>
<b>4150-Department of Managed Health Care</b>												
State Operations	-	74,493	-	74,493	-	-	83,782	-	83,782	-	-	86,670
<b>Totals,4150-Department of Managed Health Care</b>	<b>-</b>	<b>\$74,493</b>	<b>-</b>	<b>\$74,493</b>	<b>-</b>	<b>-</b>	<b>\$83,782</b>	<b>-</b>	<b>\$83,782</b>	<b>-</b>	<b>-</b>	<b>\$86,670</b>
<b>4170-Department of Aging</b>												
State Operations	4,224	235	-	4,459	6,572	4,591	255	-	4,846	8,634	4,911	255
Local Assistance	29,538	4,543	-	34,081	144,303	32,516	4,546	-	37,082	178,652	31,838	4,546
<b>Totals,4170-Department of Aging</b>	<b>\$33,762</b>	<b>\$4,778</b>	<b>-</b>	<b>\$38,540</b>	<b>\$150,875</b>	<b>\$37,107</b>	<b>\$4,801</b>	<b>-</b>	<b>\$41,908</b>	<b>\$187,286</b>	<b>\$36,749</b>	<b>\$4,801</b>
<b>4180-Commission on Aging</b>												
State Operations	-	-	-	-	460	-	-	-	-	483	-	-
<b>Totals,4180-Commission on Aging</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$460</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$483</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>4185-California Senior Legislature</b>												
State Operations	298	-	-	298	-	327	-	-	327	-	-	-
<b>Totals,4185-California Senior Legislature</b>	<b>\$298</b>	<b>-</b>	<b>-</b>	<b>\$298</b>	<b>-</b>	<b>\$327</b>	<b>-</b>	<b>-</b>	<b>\$327</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>4250-Children and Families Commission</b>												
State Operations	-	6,058	-	6,058	-	-	5,116	-	5,116	-	-	5,116
Local Assistance	-	385,552	-	385,552	-	-	374,607	-	374,607	-	-	369,753
<b>Totals,4250-Children and Families Commission</b>	<b>-</b>	<b>\$391,610</b>	<b>-</b>	<b>\$391,610</b>	<b>-</b>	<b>-</b>	<b>\$379,723</b>	<b>-</b>	<b>\$379,723</b>	<b>-</b>	<b>-</b>	<b>\$374,869</b>

**SCHEDULE 9 AT 2019-20 GOVERNOR'S BUDGET  
COMPARATIVE STATEMENT OF EXPENDITURES  
(Dollars In Thousands)**

	Actual 2017-18			Estimated 2018-19				Estimated 2019-20							
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Fund	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
4260-State Department of Health Care Services															
State Operations	203,063	21,774	--	224,837	327,832	246,858	33,287	--	280,245	467,752	237,675	34,703	--	272,378	448,476
Local Assistance	20,163,097	10,859,677	--	31,022,774	56,727,832	20,968,397	13,767,063	--	34,735,460	63,221,717	23,167,342	11,215,866	--	34,383,208	65,786,395
Totals,4260-State Department of Health Care Services	\$20,366,160	\$10,881,451	--	\$31,247,611	\$57,055,664	\$21,215,355	\$13,800,350	--	\$35,015,705	\$63,689,469	\$23,405,017	\$11,250,569	--	\$34,655,586	\$66,234,871
4265-Department of Public Health															
State Operations	93,206	447,674	--	540,880	286,375	103,299	498,443	--	601,742	330,452	97,215	561,694	--	658,909	310,716
Local Assistance	52,421	542,480	--	594,901	1,166,090	73,981	512,414	--	586,395	1,209,900	86,471	554,224	--	640,695	1,179,359
Capital Outlay	--	--	--	--	--	4,866	--	--	4,866	--	--	--	--	--	--
Totals,4265-Department of Public Health	\$145,627	\$990,154	--	\$1,135,781	\$1,432,465	\$182,146	\$1,010,857	--	\$1,193,003	\$1,540,352	\$183,686	\$1,115,918	--	\$1,299,604	\$1,490,075
4300-Department of Developmental Services															
State Operations	354,370	746	--	355,116	2,101	364,843	867	--	365,710	2,761	319,052	869	--	319,921	2,708
Local Assistance	3,714,771	3,277	--	3,718,048	52,951	4,087,870	3,143	--	4,091,013	54,276	4,450,181	3,132	--	4,453,313	54,276
Capital Outlay	205	--	--	205	--	3,450	--	--	3,450	--	--	--	--	--	--
Totals,4300-Department of Developmental Services	\$4,069,346	\$4,023	--	\$4,073,369	\$55,052	\$4,456,163	\$4,010	--	\$4,460,173	\$57,037	\$4,769,233	\$4,001	--	\$4,773,234	\$56,984
4440-Department of State Hospitals															
State Operations	1,527,716	--	--	1,527,716	--	1,766,643	--	--	1,766,643	--	1,825,789	--	--	1,825,789	--
Capital Outlay	9,514	--	--	9,514	--	27,730	--	--	27,730	--	113	--	--	113	--
Totals,4440-Department of State Hospitals	\$1,537,230	--	--	\$1,537,230	--	\$1,794,373	--	--	\$1,794,373	--	\$1,825,902	--	--	\$1,825,902	--
4560-Mental Hlth Svcs Ovrst and Acntblty Comm															
State Operations	--	13,491	--	13,491	--	--	39,566	--	39,566	--	--	16,567	--	16,567	--
Local Assistance	--	--	--	--	--	--	20,000	--	20,000	--	--	20,000	--	20,000	--
Totals,4560-Mental Hlth Svcs Ovrst and Acntblty Comm	--	\$13,491	--	\$13,491	--	--	\$59,566	--	\$59,566	--	--	\$36,567	--	\$36,567	--
4700-Dept of Community Services, Development															
State Operations	--	1,000	--	1,000	15,881	--	2,097	--	2,097	26,720	--	500	--	500	26,553
Local Assistance	--	12,100	--	12,100	233,771	--	43,359	--	43,359	260,846	--	9,500	--	9,500	260,846
Totals,4700-Dept of Community Services, Development	--	\$13,100	--	\$13,100	\$249,652	--	\$45,456	--	\$45,456	\$287,566	--	\$10,000	--	\$10,000	\$287,399
5160-Department of Rehabilitation															
State Operations	63,899	1,114	--	65,013	358,461	65,596	856	--	66,452	374,839	66,770	-6	--	66,764	379,473
Local Assistance	705	--	--	705	15,588	705	--	--	705	15,736	5,705	--	--	5,705	10,736
Totals,5160-Department of Rehabilitation	\$64,604	\$1,114	--	\$65,718	\$374,049	\$66,301	\$856	--	\$67,157	\$390,575	\$72,475	-\$6	--	\$72,469	\$390,209
5175-Department of Child Support Services															
State Operations	52,101	--	--	52,101	115,321	55,745	--	--	55,745	126,507	55,952	--	--	55,952	126,634
Local Assistance	261,209	--	--	261,209	378,188	264,249	--	--	264,249	408,954	283,300	--	--	283,300	446,352
Totals,5175-Department of Child Support Services	\$313,310	--	--	\$313,310	\$493,509	\$319,994	--	--	\$319,994	\$535,461	\$339,252	--	--	\$339,252	\$572,986
5180-Department of Social Services															
State Operations	176,573	40,588	--	217,161	371,087	200,363	40,432	--	240,795	427,496	206,810	40,723	--	247,533	427,359
Local Assistance	7,889,944	1,266	--	7,891,210	6,717,396	8,595,420	1,220	--	8,596,640	7,090,243	9,299,029	1,372	--	9,300,401	7,193,785
Totals,5180-Department of Social Services	\$8,066,517	\$41,854	--	\$8,108,371	\$7,089,083	\$8,795,783	\$41,652	--	\$8,837,435	\$7,517,739	\$9,505,839	\$42,095	--	\$9,547,934	\$7,621,144
5195-State-Local Realignment, 1991															
Local Assistance	--	5,597,696	--	5,597,696	--	--	5,882,556	--	5,882,556	--	--	6,140,307	--	6,140,307	--
Totals,5195-State-Local Realignment, 1991	--	\$5,597,696	--	\$5,597,696	--	--	\$5,882,556	--	\$5,882,556	--	--	\$6,140,307	--	\$6,140,307	--
5196-State-Local Realignment, 2011															
Local Assistance	--	4,885,958	--	4,885,958	--	--	5,130,618	--	5,130,618	--	--	5,349,773	--	5,349,773	--
Totals,5196-State-Local Realignment, 2011	--	\$4,885,958	--	\$4,885,958	--	--	\$5,130,618	--	\$5,130,618	--	--	\$5,349,773	--	\$5,349,773	--
5206-General Obligation Bonds-HHS															
State Operations	61,748	--	--	61,748	--	115,526	--	--	115,526	--	70,854	--	--	70,854	--
Totals,5206-General Obligation Bonds-HHS	\$61,748	--	--	\$61,748	--	\$115,526	--	--	\$115,526	--	\$70,854	--	--	\$70,854	--
TOTALS, HEALTH AND HUMAN SERVICES	\$34,687,482	\$23,030,795	--	\$57,718,277	\$66,911,825	\$37,097,685	\$26,653,923	--	\$63,661,608	\$74,221,258	\$40,302,020	\$24,525,617	--	\$64,827,637	\$76,818,252
State Operations	2,539,983	715,079	--	3,255,062	1,474,455	2,989,303	808,441	--	3,795,744	1,777,263	2,889,843	850,188	--	3,740,031	1,742,432
Local Assistance	32,137,780	22,315,716	--	54,453,496	65,437,370	34,072,336	25,757,482	--	59,829,818	72,443,995	37,412,064	23,675,429	--	61,087,493	75,075,820
Capital Outlay	9,719	--	--	9,719	--	36,046	--	--	36,046	--	113	--	--	113	--

**SCHEDULE 9 AT 2019-20 GOVERNOR'S BUDGET  
COMPARATIVE STATEMENT OF EXPENDITURES  
(Dollars In Thousands)**

	Actual 2017-18				Estimated 2018-19				Estimated 2019-20			
	General Fund	Special Funds	Budget Total	Federal Fund	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds
<b>CORRECTIONS AND REHABILITATION</b>												
<b>5225-Corrections and Rehabilitation</b>												
State Operations	11,348,139	237	--	1,652	12,092,404	1,182	--	12,093,586	2,047	12,121,076	1,182	--
Local Assistance	138,453	-1,000	--	--	146,880	-1,000	--	145,880	--	157,978	-1,000	--
Capital Outlay	49,847	--	--	--	38,293	--	--	38,293	--	92,676	--	--
<b>Totals, 5225-Corrections and Rehabilitation</b>	<b>\$11,536,439</b>	<b>- \$763</b>	<b>--</b>	<b>\$1,652</b>	<b>\$12,277,577</b>	<b>\$182</b>	<b>--</b>	<b>\$12,277,759</b>	<b>\$2,047</b>	<b>\$12,371,730</b>	<b>\$182</b>	<b>--</b>
<b>5227-Board of State and Community Corrections</b>												
State Operations	10,169	--	--	1,454	14,819	--	--	14,819	3,766	21,878	--	--
Local Assistance	53,949	1,877	--	7,946	166,872	41,772	--	208,644	43,598	44,418	50,755	--
<b>Totals, 5227-Board of State and Community Corrections</b>	<b>\$64,118</b>	<b>\$1,877</b>	<b>--</b>	<b>\$9,400</b>	<b>\$181,691</b>	<b>\$41,772</b>	<b>--</b>	<b>\$223,463</b>	<b>\$47,364</b>	<b>\$66,296</b>	<b>\$50,755</b>	<b>--</b>
<b>5228-Safe Neighborhoods and Schools Act</b>												
Local Assistance	45,573	-45,573	--	--	64,647	-64,647	--	--	--	78,467	-78,467	--
<b>Totals, 5228-Safe Neighborhoods and Schools Act</b>	<b>\$45,573</b>	<b>- \$45,573</b>	<b>--</b>	<b>--</b>	<b>\$64,647</b>	<b>- \$64,647</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>\$78,467</b>	<b>- \$78,467</b>	<b>--</b>
<b>5296-Enhancing Law Enforcement Activities</b>												
Local Assistance	--	489,900	--	--	--	489,900	--	489,900	--	489,900	--	--
<b>Totals, 5296-Enhancing Law Enforcement Activities</b>	<b>--</b>	<b>\$489,900</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>\$489,900</b>	<b>--</b>	<b>\$489,900</b>	<b>--</b>	<b>\$489,900</b>	<b>--</b>	<b>--</b>
<b>5396-Trial Court Security 2011 Realignment</b>												
Local Assistance	--	559,691	--	--	--	573,333	--	573,333	--	--	585,816	--
<b>Totals, 5396-Trial Court Security 2011 Realignment</b>	<b>--</b>	<b>\$559,691</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>\$573,333</b>	<b>--</b>	<b>\$573,333</b>	<b>--</b>	<b>--</b>	<b>\$585,816</b>	<b>--</b>
<b>5496-Local Community Corrections</b>												
Local Assistance	--	1,311,192	--	--	--	1,413,504	--	1,413,504	--	--	1,507,126	--
<b>Totals, 5496-Local Community Corrections</b>	<b>--</b>	<b>\$1,311,192</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>\$1,413,504</b>	<b>--</b>	<b>\$1,413,504</b>	<b>--</b>	<b>--</b>	<b>\$1,507,126</b>	<b>--</b>
<b>5596-Dist Attorney and Public Defender Svcs</b>												
Local Assistance	--	37,920	--	--	--	44,740	--	44,740	--	--	50,980	--
<b>Totals, 5596-Dist Attorney and Public Defender Svcs</b>	<b>--</b>	<b>\$37,920</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>\$44,740</b>	<b>--</b>	<b>\$44,740</b>	<b>--</b>	<b>--</b>	<b>\$50,980</b>	<b>--</b>
<b>5696-Juvenile Justice Programs</b>												
Local Assistance	--	162,066	--	--	--	175,708	--	175,708	--	--	188,191	--
<b>Totals, 5696-Juvenile Justice Programs</b>	<b>--</b>	<b>\$162,066</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>\$175,708</b>	<b>--</b>	<b>\$175,708</b>	<b>--</b>	<b>--</b>	<b>\$188,191</b>	<b>--</b>
<b>5796-Enhancing Law Enforcement Act Growth</b>												
Local Assistance	--	192,790	--	--	--	228,073	--	228,073	--	--	241,445	--
<b>Totals, 5796-Enhancing Law Enforcement Act Growth</b>	<b>--</b>	<b>\$192,790</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>\$228,073</b>	<b>--</b>	<b>\$228,073</b>	<b>--</b>	<b>--</b>	<b>\$241,445</b>	<b>--</b>
<b>5990-Federal Immigration Funding-Incarceratn</b>												
State Operations	-50,600	--	--	50,600	-50,600	--	--	-50,600	50,600	-50,600	--	--
<b>Totals, 5990-Federal Immigration Funding-Incarceratn</b>	<b>- \$50,600</b>	<b>--</b>	<b>--</b>	<b>\$50,600</b>	<b>- \$50,600</b>	<b>--</b>	<b>--</b>	<b>- \$50,600</b>	<b>\$50,600</b>	<b>- \$50,600</b>	<b>--</b>	<b>--</b>
<b>5996-General Obligation Bonds-DCR</b>												
State Operations	20,857	--	--	--	21,910	--	--	21,910	--	16,270	--	--
<b>Totals, 5996-General Obligation Bonds-DCR</b>	<b>\$20,857</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>\$21,910</b>	<b>--</b>	<b>--</b>	<b>\$21,910</b>	<b>--</b>	<b>\$16,270</b>	<b>--</b>	<b>--</b>
<b>Totals, 5996-General Obligation Bonds-DCR</b>	<b>\$11,616,387</b>	<b>\$2,709,100</b>	<b>--</b>	<b>\$61,652</b>	<b>\$12,495,225</b>	<b>\$2,902,565</b>	<b>--</b>	<b>\$15,397,790</b>	<b>\$100,011</b>	<b>\$12,482,163</b>	<b>\$3,035,928</b>	<b>--</b>
<b>TOTALS, CORRECTIONS AND REHABILITATION</b>	<b>11,328,585</b>	<b>237</b>	<b>--</b>	<b>53,706</b>	<b>12,078,533</b>	<b>1,182</b>	<b>--</b>	<b>12,079,715</b>	<b>56,413</b>	<b>12,108,624</b>	<b>1,182</b>	<b>--</b>
State Operations	237,975	2,708,863	--	7,946	378,399	2,901,383	--	3,279,782	43,598	280,863	3,034,746	--
Local Assistance	49,847	--	--	--	38,293	--	--	38,293	--	92,676	--	--
<b>EDUCATION</b>												
<b>6100-Department of Education</b>												
State Operations	164,211	1,581	2,006	167,798	175,912	4,167	3,212	183,291	180,600	189,752	4,324	3,214
Local Assistance	47,965,771	16,692	--	47,982,463	49,456,789	74,287	--	49,331,076	8,119,179	51,380,561	81,275	--
Capital Outlay	--	--	--	--	1,483	--	--	1,483	--	--	--	--
<b>Totals, 6100-Department of Education</b>	<b>\$48,129,982</b>	<b>\$18,273</b>	<b>\$2,006</b>	<b>\$48,160,261</b>	<b>\$74,674,933</b>	<b>\$79,454</b>	<b>\$3,212</b>	<b>\$49,715,850</b>	<b>\$8,299,779</b>	<b>\$51,570,313</b>	<b>\$85,599</b>	<b>\$3,214</b>
<b>6120-State Library</b>												
State Operations	15,583	360	--	15,943	17,848	335	--	18,183	7,309	16,401	331	--
Local Assistance	16,925	552	--	17,477	24,905	552	--	25,457	11,266	16,455	552	--
<b>Totals, 6120-State Library</b>	<b>\$32,508</b>	<b>\$912</b>	<b>--</b>	<b>\$33,420</b>	<b>\$42,753</b>	<b>\$887</b>	<b>--</b>	<b>\$43,640</b>	<b>\$18,575</b>	<b>\$32,856</b>	<b>\$883</b>	<b>--</b>
<b>Totals, 6120-State Library</b>	<b>\$48,129,982</b>	<b>\$18,273</b>	<b>\$2,006</b>	<b>\$48,160,261</b>	<b>\$74,674,933</b>	<b>\$79,454</b>	<b>\$3,212</b>	<b>\$49,715,850</b>	<b>\$8,299,779</b>	<b>\$51,570,313</b>	<b>\$85,599</b>	<b>\$3,214</b>
<b>TOTALS, CORRECTIONS AND REHABILITATION</b>	<b>\$11,616,387</b>	<b>\$2,709,100</b>	<b>--</b>	<b>\$61,652</b>	<b>\$12,495,225</b>	<b>\$2,902,565</b>	<b>--</b>	<b>\$15,397,790</b>	<b>\$100,011</b>	<b>\$12,482,163</b>	<b>\$3,035,928</b>	<b>--</b>
State Operations	11,328,585	237	--	53,706	12,078,533	1,182	--	12,079,715	56,413	12,108,624	1,182	--
Local Assistance	237,975	2,708,863	--	7,946	378,399	2,901,383	--	3,279,782	43,598	280,863	3,034,746	--
Capital Outlay	49,847	--	--	--	38,293	--	--	38,293	--	92,676	--	--
<b>EDUCATION</b>												
<b>6100-Department of Education</b>												
State Operations	164,211	1,581	2,006	167,798	175,912	4,167	3,212	183,291	180,600	189,752	4,324	3,214
Local Assistance	47,965,771	16,692	--	47,982,463	49,456,789	74,287	--	49,331,076	8,119,179	51,380,561	81,275	--
Capital Outlay	--	--	--	--	1,483	--	--	1,483	--	--	--	--
<b>Totals, 6100-Department of Education</b>	<b>\$48,129,982</b>	<b>\$18,273</b>	<b>\$2,006</b>	<b>\$48,160,261</b>	<b>\$74,674,933</b>	<b>\$79,454</b>	<b>\$3,212</b>	<b>\$49,715,850</b>	<b>\$8,299,779</b>	<b>\$51,570,313</b>	<b>\$85,599</b>	<b>\$3,214</b>
<b>6120-State Library</b>												
State Operations	15,583	360	--	15,943	17,848	335	--	18,183	7,309	16,401	331	--
Local Assistance	16,925	552	--	17,477	24,905	552	--	25,457	11,266	16,455	552	--
<b>Totals, 6120-State Library</b>	<b>\$32,508</b>	<b>\$912</b>	<b>--</b>	<b>\$33,420</b>	<b>\$42,753</b>	<b>\$887</b>	<b>--</b>	<b>\$43,640</b>	<b>\$18,575</b>	<b>\$32,856</b>	<b>\$883</b>	<b>--</b>
<b>Totals, 6120-State Library</b>	<b>\$48,129,982</b>	<b>\$18,273</b>	<b>\$2,006</b>	<b>\$48,160,261</b>	<b>\$74,674,933</b>	<b>\$79,454</b>	<b>\$3,212</b>	<b>\$49,715,850</b>	<b>\$8,299,779</b>	<b>\$51,570,313</b>	<b>\$85,599</b>	<b>\$3,214</b>
<b>TOTALS, CORRECTIONS AND REHABILITATION</b>	<b>\$11,616,387</b>	<b>\$2,709,100</b>	<b>--</b>	<b>\$61,652</b>	<b>\$12,495,225</b>	<b>\$2,902,565</b>	<b>--</b>	<b>\$15,397,790</b>	<b>\$100,011</b>	<b>\$12,482,163</b>	<b>\$3,035,928</b>	<b>--</b>
State Operations	11,328,585	237	--	53,706	12,078,533	1,182	--	12,079,715	56,413	12,108,624	1,182	--
Local Assistance	237,975	2,708,863	--	7,946	378,399	2,901,383	--	3,279,782	43,598	280,863	3,034,746	--
Capital Outlay	49,847	--	--	--	38,293	--	--	38,293	--	92,676	--	--
<b>EDUCATION</b>												
<b>6100-Department of Education</b>												
State Operations	164,211	1,581	2,006	167,798	175,912	4,167	3,212	183,291	180,600	189,752	4,324	3,214
Local Assistance	47,965,771	16,692	--	47,982,463	49,456,789	74,287	--	49,331,076	8,119,179	51,380,561	81,275	--
Capital Outlay	--	--	--	--	1,483	--	--	1,483	--	--	--	--
<b>Totals, 6100-Department of Education</b>	<b>\$48,129,982</b>	<b>\$18,273</b>	<b>\$2,006</b>	<b>\$48,160,261</b>	<b>\$74,674,933</b>	<b>\$79,454</b>	<b>\$3,212</b>	<b>\$49,715,850</b>	<b>\$8,299,779</b>	<b>\$51,570,313</b>	<b>\$85,599</b>	<b>\$3,214</b>
<b>6120-State Library</b>												
State Operations	15,583	360	--	15,943	17,848	335	--	18,183	7,309	16,401	331	--
Local Assistance	16,925	552	--	17,477	24,905	552	--	25,457	11,266	16,455	552	--
<b>Totals, 6120-State Library</b>	<b>\$32,508</b>	<b>\$912</b>	<b>--</b>	<b>\$33,420</b>	<b>\$42,753</b>	<b>\$887</b>	<b>--</b>	<b>\$43,640</b>	<b>\$18,575</b>	<b>\$32,856</b>	<b>\$883</b>	<b>--</b>
<b>Totals, 6120-State Library</b>	<b>\$48,129,982</b>	<b>\$18,273</b>	<b>\$2,006</b>	<b>\$48,160,261</b>	<b>\$74,674,933</b>	<b>\$79,454</b>	<b>\$3,212</b>	<b>\$49,715,850</b>	<b>\$8,299,779</b>	<b>\$51,570,313</b>	<b>\$85,599</b>	<b>\$3,214</b>
<b>TOTALS, CORRECTIONS AND REHABILITATION</b>	<b>\$11,616,387</b>	<b>\$2,709,100</b>	<b>--</b>	<b>\$61,652</b>	<b>\$12,495,225</b>	<b>\$2,902,565</b>	<b>--</b>	<b>\$15,397,790</b>	<b>\$100,011</b>	<b>\$12,482,163</b>	<b>\$3,035,928</b>	<b>--</b>
State Operations	11,328,585	237	--	53,706	12,078,533	1,182	--	12,079,715	56,413	12,108,624	1,182	--
Local Assistance	237,975	2,708,863	--	7,946	378,399	2,901,383	--	3,279,782	43,598	280,863	3,034,746	--
Capital Outlay	49,847	--	--	--	38,293	--	--	38,293	--	92,676	--	--
<b>EDUCATION</b>												
<b>6100-Department of Education</b>												
State Operations	164,211	1,581	2,006	167,798	175,912	4,167	3,212	183,291	180,600	189,752	4,324	3,214
Local Assistance	47,965,771	16,692	--	47,982,463	49,456,789	74,287	--	49,331,076	8,119,179	51,380,561	81,275	--
Capital Outlay	--	--	--	--	1,483	--	--	1,483	--	--	--	--
<b>Totals, 6100-Department of Education</b>	<b>\$48,129,982</b>	<b>\$18,273</b>	<b>\$2,006</b>	<b>\$48,160,261</b>	<b>\$74,674,933</b>	<b>\$79,454</b>	<b>\$3,212</b>	<b>\$49,715,850</b>	<b>\$8,299,779</b>	<b>\$51,570,313</b>	<b>\$85,599</b>	<b>\$3,214</b>
<b>6120-State Library</b>												
State Operations	15,583	360	--	15,943	17,848	335	--	18,183	7,309	16,401	331	--

**SCHEDULE 9 AT 2019-20 GOVERNOR'S BUDGET  
COMPARATIVE STATEMENT OF EXPENDITURES  
(Dollars In Thousands)**

	Actual 2017-18				Estimated 2018-19				Estimated 2019-20			
	General Fund	Special Funds	Budget Total	Federal Fund	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds
6125-Education Audit Appeals Panel	758		758	--	1,156		--	1,156	--	1,156		--
State Operations												
<b>Totals, 6125-Education Audit Appeals Panel</b>	<b>\$758</b>		<b>\$758</b>	--	<b>\$1,156</b>		--	<b>\$1,156</b>	--	<b>\$1,156</b>		--
6255-Summer School for the Arts	1,450		1,450	--	1,401		--	1,401	--	1,401		--
State Operations												
<b>Totals, 6255-Summer School for the Arts</b>	<b>\$1,450</b>		<b>\$1,450</b>	--	<b>\$1,401</b>		--	<b>\$1,401</b>	--	<b>\$1,401</b>		--
6300-Teachers Retirement System Contributions	--		--	--	3,000,000		--	3,000,000	--	1,117,000		--
State Operations												
Local Assistance	2,790,445		2,790,445	--	3,082,316		--	3,082,316	--	3,317,545		--
<b>Totals, 6300-Teachers Retirement System Contributions</b>	<b>\$2,790,445</b>		<b>\$2,790,445</b>	--	<b>\$6,082,316</b>		--	<b>\$6,082,316</b>	--	<b>\$4,434,545</b>		--
6305-Retirement Costs for Community Colleges	--		--	--	--		--	--	--	--		--
State Operations												
Local Assistance	-215,882		-215,882	--	-233,451		--	-233,451	--	-86,922		--
<b>Totals, 6305-Retirement Costs for Community Colleges</b>	<b>-\$215,882</b>		<b>-\$215,882</b>	--	<b>-\$233,451</b>		--	<b>-\$233,451</b>	--	<b>-\$86,922</b>		--
6350-School Facilities Aid Program	--		--	--	--		--	--	--	--		--
Local Assistance												
<b>Totals, 6350-School Facilities Aid Program</b>	<b>--</b>	<b>5,975</b>	<b>601,201</b>	--	<b>100,000</b>	<b>-62,500</b>	<b>701,036</b>	<b>738,536</b>	--	<b>750,000</b>	<b>60,719</b>	<b>1,603,000</b>
6360-Commission on Teacher Credentialing	100	24,931	25,031	--	--	30,991	--	30,991	--	--	29,207	--
State Operations												
Local Assistance	150,000		150,000	--	--	--	--	--	--	--	--	--
<b>Totals, 6360-Commission on Teacher Credentialing</b>	<b>\$150,100</b>	<b>\$24,931</b>	<b>\$175,031</b>	--	<b>--</b>	<b>\$30,991</b>	--	<b>\$30,991</b>	--	<b>--</b>	<b>\$29,207</b>	--
6396-General Obligation Bonds-K-12	2,469,031		2,469,031	--	2,471,930		--	2,471,930	--	2,301,731		--
State Operations												
<b>Totals, 6396-General Obligation Bonds-K-12</b>	<b>\$2,469,031</b>		<b>\$2,469,031</b>	--	<b>\$2,471,930</b>		--	<b>\$2,471,930</b>	--	<b>\$2,301,731</b>		--
K-12 Education	2,651,133	26,872	2,680,011	173,763	5,434,796	35,493	3,212	5,473,501	187,909	3,540,519	33,862	3,214
State Operations												
Local Assistance	50,707,259	23,219	51,331,679	7,312,067	52,424,648	12,339	701,036	53,136,023	8,130,445	55,206,400	142,546	1,603,000
Capital Outlay	--	--	--	--	1,483	--	--	1,483	--	--	--	--
<b>Totals, K-12 Education</b>	<b>\$53,368,392</b>	<b>\$50,091</b>	<b>\$54,011,690</b>	<b>\$7,485,830</b>	<b>\$57,860,927</b>	<b>\$47,832</b>	<b>\$704,248</b>	<b>\$58,613,007</b>	<b>\$8,318,354</b>	<b>\$58,746,919</b>	<b>\$176,408</b>	<b>\$1,606,214</b>
6440-University of California	3,569,900	195,510	3,765,410	3,761,924	3,708,238	134,754	--	3,842,992	3,916,500	3,868,494	131,960	--
State Operations												
<b>Totals, 6440-University of California</b>	<b>\$3,569,900</b>	<b>\$195,510</b>	<b>\$3,765,410</b>	<b>\$3,761,924</b>	<b>\$3,708,238</b>	<b>\$134,754</b>	--	<b>\$3,842,992</b>	<b>\$3,916,500</b>	<b>\$3,868,494</b>	<b>\$131,960</b>	--
6445-Institute for Regenerative Medicine	--	--	--	--	--	--	--	--	--	--	--	--
State Operations												
Local Assistance	--	--	--	--	--	--	--	--	--	--	--	--
<b>Totals, 6445-Institute for Regenerative Medicine</b>	<b>--</b>	<b>--</b>	<b>\$284,815</b>	<b>\$264,815</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>\$266,827</b>	<b>\$266,827</b>	<b>--</b>	<b>--</b>	<b>\$266,827</b>
6600-Hastings College of the Law	12,726		12,726	--	19,769		--	19,769	--	16,234		--
State Operations												
<b>Totals, 6600-Hastings College of the Law</b>	<b>\$12,726</b>		<b>\$12,726</b>	--	<b>\$19,769</b>		--	<b>\$19,769</b>	--	<b>\$16,234</b>		--
6610-California State University	3,474,230	2,000	3,476,230	1,457,799	3,776,128	2,000	2,000	3,778,128	1,499,522	4,212,299	2,000	--
State Operations												
<b>Totals, 6610-California State University</b>	<b>\$3,474,230</b>	<b>\$2,000</b>	<b>\$3,476,230</b>	<b>\$1,457,799</b>	<b>\$3,776,128</b>	<b>\$2,000</b>	<b>\$2,000</b>	<b>\$3,778,128</b>	<b>\$1,499,522</b>	<b>\$4,212,299</b>	<b>\$2,000</b>	<b>--</b>
6645-CSU Health Benefits, Retired Annuitants	285,305		285,305	--	311,289		--	311,289	--	331,067		--
State Operations												
<b>Totals, 6645-CSU Health Benefits, Retired Annuitants</b>	<b>\$285,305</b>		<b>\$285,305</b>	--	<b>\$311,289</b>		--	<b>\$311,289</b>	--	<b>\$331,067</b>		--
6870-Board of Governors of Community Colleges	15,338	94	17,752	--	18,359	99	2,402	20,860	--	23,682	99	2,403
State Operations												
Local Assistance	5,754,731	5,371	5,760,102	--	6,131,944	6,386	--	6,138,330	--	6,168,831	4,265	--
Capital Outlay	--	--	--	--	--	--	--	--	--	--	--	--
<b>Totals, 6870-Board of Governors of Community Colleges</b>	<b>\$5,770,069</b>	<b>\$5,465</b>	<b>\$5,795,173</b>	--	<b>\$6,150,303</b>	<b>\$6,485</b>	<b>\$99,675</b>	<b>\$6,256,463</b>	--	<b>\$6,182,513</b>	<b>\$4,364</b>	<b>\$361,151</b>
6874-General Obligation Bonds-HI Ed-CC	237,443		237,443	--	250,784		--	250,784	--	272,360		--
State Operations												
<b>Totals, 6874-General Obligation Bonds-HI Ed-CC</b>	<b>\$237,443</b>		<b>\$237,443</b>	--	<b>\$250,784</b>		--	<b>\$250,784</b>	--	<b>\$272,360</b>		--

**SCHEDULE 9 AT 2019-20 GOVERNOR'S BUDGET  
COMPARATIVE STATEMENT OF EXPENDITURES  
(Dollars In Thousands)**

	Actual 2017-18				Estimated 2018-19				Estimated 2019-20						
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Fund	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
6878-Retirement Costs-HI Ed-CC															
State Operations	-	-	-	-	-	233,451	-	-	233,451	-	-	86,922	-	-	86,922
Local Assistance	215,882	-	-	215,882	-	239,362	-	-	239,362	-	-	258,161	-	-	258,161
Totals, 6878-Retirement Costs-HI Ed-CC	\$215,882	-	-	\$215,882	-	\$472,813	-	-	\$472,813	-	-	\$345,083	-	-	\$345,083
6980-Student Aid Commission															
State Operations	14,983	-	-	14,983	-	20,778	-	-	20,778	-	21,732	-	-	-	21,732
Local Assistance	1,169,767	4,856	-	1,174,623	-	1,316,522	5,631	-	1,322,153	-	1,604,290	5,631	-	-	1,609,921
Totals, 6980-Student Aid Commission	\$1,184,750	\$4,856	-	\$1,189,606	-	\$1,337,300	\$5,631	-	\$1,342,931	-	\$1,626,022	\$5,631	-	-	\$1,631,653
7996-General Obligation Bonds-HI Ed															
State Operations	317,375	-	-	317,375	-	321,739	-	-	321,739	-	326,675	-	-	-	326,675
Totals, 7996-General Obligation Bonds-HI Ed	\$317,375	-	-	\$317,375	-	\$321,739	-	-	\$321,739	-	\$326,675	-	-	-	\$326,675
Higher Education															
State Operations	7,927,300	197,604	17,402	8,142,306	5,219,723	8,660,535	136,853	19,229	8,816,617	5,416,022	9,159,465	134,059	19,230	9,312,754	5,477,022
Local Assistance	7,140,380	10,227	249,733	7,400,340	-	7,687,828	12,017	250,000	7,949,845	-	8,021,282	9,896	250,000	8,281,178	-
Capital Outlay	-	-	17,319	17,319	-	-	-	97,273	97,273	-	-	-	-	358,748	-
Totals, Higher Education	\$15,067,680	\$207,831	\$284,454	\$15,559,965	\$5,219,723	\$16,348,363	\$148,870	\$366,502	\$16,863,735	\$5,416,022	\$17,180,747	\$143,955	\$627,978	\$17,952,680	\$5,477,022
TOTALS, EDUCATION															
State Operations	\$68,426,072	\$257,922	\$887,661	\$69,571,655	\$12,705,553	\$74,209,290	\$196,702	\$1,070,750	\$75,476,742	\$13,734,376	\$75,927,666	\$320,363	\$2,234,192	\$78,482,221	\$13,459,170
Local Assistance	10,578,433	224,476	19,408	10,822,317	5,393,486	14,095,331	172,346	22,441	14,290,118	5,603,931	12,699,984	167,921	22,444	12,890,349	5,657,741
Capital Outlay	57,847,639	33,446	850,934	58,732,019	7,312,067	60,112,476	24,356	951,036	61,087,868	8,130,445	63,227,682	152,442	1,853,000	65,233,124	7,801,429
Totals, Higher Education	-	-	17,319	17,319	-	1,483	-	97,273	98,756	-	-	-	358,748	358,748	-
LABOR AND WORKFORCE DEVELOPMENT															
7100-Employment Development Department															
State Operations	125,749	162,074	-	287,823	584,522	103,908	151,279	-	255,187	714,788	79,479	168,916	-	248,395	679,588
Local Assistance	-	-	-	-	5,510,069	-	-	-	-	5,744,321	-	-	-	-	5,778,019
Totals, 7100-Employment Development Department	\$125,749	\$162,074	-	\$287,823	\$6,094,591	\$103,908	\$151,279	-	\$255,187	\$6,459,109	\$79,479	\$168,916	-	\$248,395	\$6,457,607
7120-Workforce Development Board															
State Operations	-	3,035	-	3,035	3,729	1,320	865	-	2,185	4,774	2,392	2,250	-	4,642	4,799
Local Assistance	-	-	-	-	-	29,900	9,500	-	39,400	-	18,600	29,750	-	48,350	-
Totals, 7120-Workforce Development Board	-	\$3,035	-	\$3,035	\$3,729	\$31,220	\$10,365	-	\$41,585	\$4,774	\$20,992	\$32,000	-	\$52,992	\$4,799
7300-Agricultural Labor Relations Board															
State Operations	8,287	1,013	-	9,300	-	9,424	1,233	-	10,657	-	9,689	1,233	-	10,922	-
Totals, 7300-Agricultural Labor Relations Board	\$8,287	\$1,013	-	\$9,300	-	\$9,424	\$1,233	-	\$10,657	-	\$9,689	\$1,233	-	\$10,922	-
7320-Public Employment Relations Board															
State Operations	11,367	-	-	11,367	-	14,403	-	-	14,403	-	14,751	-	-	14,751	-
Totals, 7320-Public Employment Relations Board	\$11,367	-	-	\$11,367	-	\$14,403	-	-	\$14,403	-	\$14,751	-	-	\$14,751	-
7350-Department of Industrial Relations															
State Operations	285	488,480	-	488,765	34,176	-	580,943	-	580,943	38,302	-	592,723	-	592,723	37,561
Totals, 7350-Department of Industrial Relations	\$285	\$488,480	-	\$488,765	\$34,176	-	\$580,943	-	\$580,943	\$38,302	-	\$592,723	-	\$592,723	\$37,561
TOTALS, LABOR AND WORKFORCE DEVELOPMENT															
State Operations	\$145,688	\$654,602	-	\$800,290	\$6,132,496	\$158,955	\$743,820	-	\$902,775	\$6,502,185	\$124,911	\$794,872	-	\$919,783	\$6,499,967
Local Assistance	145,688	654,602	-	800,290	622,427	129,055	734,320	-	863,375	757,864	106,311	765,122	-	871,433	721,948
Capital Outlay	-	-	-	-	5,510,069	29,900	9,500	-	39,400	5,744,321	18,600	29,750	-	48,350	5,778,019
GOVERNMENT OPERATIONS															
7501-Department of Human Resources															
State Operations	8,160	18	-	8,178	-	10,565	75	-	10,640	-	10,780	75	-	10,855	-
Totals, 7501-Department of Human Resources	\$8,160	\$18	-	\$8,178	-	\$10,565	\$75	-	\$10,640	-	\$10,780	\$75	-	\$10,855	-
7502-Department of Technology															
State Operations	4,765	-	-	4,765	-	4,919	-	-	4,919	-	4,920	-	-	4,920	-
Totals, 7502-Department of Technology	\$4,765	-	-	\$4,765	-	\$4,919	-	-	\$4,919	-	\$4,920	-	-	\$4,920	-
7503-State Personnel Board															
State Operations	1,208	-	-	1,208	-	1,607	-	-	1,607	-	2,488	-	-	2,488	-

**SCHEDULE 9 AT 2019-20 GOVERNOR'S BUDGET  
COMPARATIVE STATEMENT OF EXPENDITURES  
(Dollars In Thousands)**

	Actual 2017-18				Estimated 2018-19				Estimated 2019-20						
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Fund	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
Totals,7503-State Personnel Board	\$1,208	--	--	\$1,208	--	--	\$1,607	--	--	\$1,607	--	\$2,488	--	--	\$2,488
7600-Department of Tax and Fee Administration	289,567	73,819	--	363,386	39	368,632	98,431	--	--	467,063	261	361,134	98,827	--	459,961
Totals,7600-Department of Tax and Fee Administration	\$289,567	\$73,819	--	\$363,386	\$39	\$368,632	\$98,431	--	--	\$467,063	\$261	\$361,134	\$98,827	--	\$459,961
7730-Franchise Tax Board	753,709	19,629	--	773,338	--	808,115	22,925	--	--	831,040	--	802,513	23,500	--	826,013
Totals,7730-Franchise Tax Board	\$753,709	\$19,629	--	\$773,338	--	\$808,115	\$22,925	--	--	\$831,040	--	\$802,513	\$23,500	--	\$826,013
7760-Department of General Services	18,769	99,605	6,175	124,549	--	19,093	114,209	7,370	140,672	--	37,263	120,574	8,855	166,692	--
State Operations	910	--	--	910	--	680,416	-618,955	--	41,461	--	30,345	--	--	30,345	--
Totals,7760-Department of General Services	\$19,679	\$99,605	\$6,175	\$125,459	--	\$679,509	-\$504,746	\$7,370	\$162,133	--	\$67,608	\$120,574	\$8,855	\$197,037	--
7870-California Victim Compensation Board	130	28,381	--	28,511	868	134	34,888	--	35,022	1,848	134	34,898	--	35,032	1,851
Local Assistance	--	65,231	--	65,231	20,109	--	60,426	--	60,426	23,000	--	61,808	--	61,808	23,000
Totals,7870-California Victim Compensation Board	\$130	\$93,612	--	\$93,742	\$20,977	\$134	\$95,314	--	\$95,448	\$24,848	\$134	\$96,706	--	\$96,840	\$24,851
7900-Public Employees Retirement System	--	--	--	--	--	3,000,000	--	--	3,000,000	--	696	--	--	696	--
Totals,7900-Public Employees Retirement System	--	--	--	--	--	\$3,000,000	--	--	\$3,000,000	--	\$696	--	--	\$696	--
7910-Office of Administrative Law	2,143	--	--	2,143	--	2,265	--	--	2,265	--	2,257	--	--	2,257	--
Totals,7910-Office of Administrative Law	\$2,143	--	--	\$2,143	--	\$2,265	--	--	\$2,265	--	\$2,257	--	--	\$2,257	--
TOTALS, GOVERNMENT OPERATIONS	\$1,079,361	\$286,683	\$6,175	\$1,372,219	\$21,016	\$4,875,746	-\$288,001	\$7,370	\$4,595,115	\$25,109	\$1,252,530	\$339,682	\$8,855	\$1,601,067	\$25,094
State Operations	1,078,451	221,452	6,175	1,306,078	907	4,215,330	270,528	7,370	4,493,228	2,109	1,222,185	277,874	8,855	1,508,914	2,094
Local Assistance	--	65,231	--	65,231	20,109	--	60,426	--	60,426	23,000	--	61,808	--	61,808	23,000
Capital Outlay	910	--	--	910	--	680,416	-618,955	--	41,461	--	30,345	--	--	30,345	--
GENERAL GOVERNMENT	--	--	--	--	--	45	--	--	45	--	4,675	--	--	4,675	--
8120-Peace Officer Standards, Training Comm	--	1,828	--	1,828	--	25,000	--	--	25,000	--	30,225	--	--	30,225	--
Local Assistance	--	--	--	--	--	\$25,045	--	--	\$25,045	--	\$34,900	--	--	\$34,900	--
Totals, 8120-Peace Officer Standards, Training Comm	\$1,828	--	--	\$1,828	--	\$25,045	--	--	\$25,045	--	\$34,900	--	--	\$34,900	--
8140-State Public Defender	13,551	--	--	13,551	--	14,442	--	--	14,442	--	14,444	--	--	14,444	--
Totals, 8140-State Public Defender	\$13,551	--	--	\$13,551	--	\$14,442	--	--	\$14,442	--	\$14,444	--	--	\$14,444	--
8260-Arts Council	1,233	632	--	1,865	998	1,763	881	--	2,664	1,085	1,783	882	--	2,665	1,090
State Operations	14,285	1,403	--	15,688	99	23,100	1,405	--	24,505	100	24,300	1,405	--	25,705	100
Local Assistance	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Totals, 8260-Arts Council	\$15,518	\$2,035	--	\$17,553	\$1,097	\$24,883	\$2,286	--	\$27,169	\$1,185	\$26,083	\$2,287	--	\$28,370	\$1,190
8385-Citizens Compensation Commission	1	--	--	1	--	10	--	--	10	--	10	--	--	10	--
State Operations	--	--	--	--	--	\$10	--	--	\$10	--	\$10	--	--	\$10	--
Totals, 8385-Citizens Compensation Commission	\$1	--	--	\$1	--	\$10	--	--	\$10	--	\$10	--	--	\$10	--
8570-Department of Food and Agriculture	97,968	198,460	1,178	297,606	103,135	126,618	193,495	2,576	322,689	109,612	107,135	190,376	2,586	300,097	107,672
State Operations	9,010	199,480	--	208,490	--	9,510	155,677	29,613	194,800	--	9,010	94,677	6,687	110,374	--
Local Assistance	668	--	--	668	--	11,768	--	--	11,768	--	3,946	--	--	3,946	--
Totals, 8570-Department of Food and Agriculture	\$107,646	\$397,940	\$1,178	\$506,764	\$103,135	\$147,896	\$349,172	\$32,189	\$529,257	\$109,612	\$120,091	\$285,053	\$9,273	\$414,417	\$107,672
8620-Fair Political Practices Commission	11,131	--	--	11,131	--	12,539	--	--	12,539	--	12,715	--	--	12,715	--
State Operations	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Totals, 8620-Fair Political Practices Commission	\$11,131	--	--	\$11,131	--	\$12,539	--	--	\$12,539	--	\$12,715	--	--	\$12,715	--
8640-Political Reform Act of 1974	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
State Operations	--	--	--	--	--	--	--	--	--	--	2,938	--	--	2,938	--
Totals, 8640-Political Reform Act of 1974	--	--	--	--	--	--	--	--	--	--	2,938	--	--	2,938	--
8660-Public Utilities Commission	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
State Operations	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Totals, 8660-Public Utilities Commission	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

**SCHEDULE 9 AT 2019-20 GOVERNOR'S BUDGET  
COMPARATIVE STATEMENT OF EXPENDITURES  
(Dollars In Thousands)**

	Actual 2017-18				Estimated 2018-19				Estimated 2019-20			
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Fund	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	Special Funds	Selected Bond Funds
State Operations	-	255,690	-	255,690	7,047	-	317,552	-	317,552	9,646	-	333,046
Local Assistance	-	1,008,330	-	1,008,330	-	-	1,188,657	-	1,188,657	-	-	1,147,642
<b>Totals, 8860-Public Utilities Commission</b>	-	<b>\$1,264,020</b>	-	<b>\$1,264,020</b>	<b>\$7,047</b>	-	<b>\$1,506,209</b>	-	<b>\$1,506,209</b>	<b>\$9,646</b>	-	<b>\$1,480,688</b>
8780-Milton Marks Little Hoover Commission												
State Operations	1,027	-	-	1,027	-	1,084	-	-	1,084	-	1,085	-
<b>Totals, 8780-Milton Marks Little Hoover Commission</b>	<b>\$1,027</b>	-	-	<b>\$1,027</b>	-	<b>\$1,084</b>	-	-	<b>\$1,084</b>	-	<b>\$1,085</b>	-
8820-Comm on the Status of Women and Girls												
State Operations	552	-	-	552	-	505	-	-	505	-	519	-
<b>Totals, 8820-Comm on the Status of Women and Girls</b>	<b>\$552</b>	-	-	<b>\$552</b>	-	<b>\$505</b>	-	-	<b>\$505</b>	-	<b>\$519</b>	-
8855-California State Auditor's Office												
State Operations	16,422	-1,045	-	15,377	-	22,534	-	-	22,534	-	24,693	-
<b>Totals, 8855-California State Auditor's Office</b>	<b>\$16,422</b>	<b>-\$1,045</b>	-	<b>\$15,377</b>	-	<b>\$22,534</b>	-	-	<b>\$22,534</b>	-	<b>\$24,693</b>	-
8860-Department of Finance												
State Operations	35,695	-	-	35,695	-	40,857	440	-	41,297	-	40,901	-
<b>Totals, 8860-Department of Finance</b>	<b>\$35,695</b>	-	-	<b>\$35,695</b>	-	<b>\$40,857</b>	<b>\$440</b>	-	<b>\$41,297</b>	-	<b>\$40,901</b>	-
8880-Financial Information System for CA												
State Operations	87,159	14,374	-	101,533	-	60,849	1,275	-	62,124	-	47,852	-3,438
<b>Totals, 8880-Financial Information System for CA</b>	<b>\$87,159</b>	<b>\$14,374</b>	-	<b>\$101,533</b>	-	<b>\$60,849</b>	<b>\$1,275</b>	-	<b>\$62,124</b>	-	<b>\$47,852</b>	<b>-\$3,438</b>
8885-Commission on State Mandates												
State Operations	2,248	-	-	2,248	-	2,406	-	-	2,406	-	2,459	-
Local Assistance	34,510	2,226	-	36,736	-	315,241	2,170	-	317,411	-	52,094	2,340
<b>Totals, 8885-Commission on State Mandates</b>	<b>\$36,758</b>	<b>\$2,226</b>	-	<b>\$38,984</b>	-	<b>\$317,647</b>	<b>\$2,170</b>	-	<b>\$319,817</b>	-	<b>\$54,553</b>	<b>\$2,340</b>
8940-Military Department												
State Operations	69,628	1,387	-	71,015	100,430	65,070	1,570	-	66,640	113,363	70,051	1,617
Local Assistance	-	-	-	-	-	60	-	-	60	-	60	-
Capital Outlay	3,422	-	-	3,422	150	46,705	-	-	46,705	23,572	11,434	-
<b>Totals, 8940-Military Department</b>	<b>\$73,050</b>	<b>\$1,387</b>	-	<b>\$74,437</b>	<b>\$100,580</b>	<b>\$111,835</b>	<b>\$1,570</b>	-	<b>\$113,405</b>	<b>\$136,935</b>	<b>\$81,545</b>	<b>\$1,617</b>
8951-Federal Per Diem for Veterans Housing												
State Operations	-73,247	-	-	-73,247	73,247	-77,494	-	-	-77,494	77,494	-79,864	-
<b>Totals, 8951-Federal Per Diem for Veterans Housing</b>	<b>-\$73,247</b>	-	-	<b>-\$73,247</b>	<b>\$73,247</b>	<b>-\$77,494</b>	-	-	<b>-\$77,494</b>	<b>\$77,494</b>	<b>-\$79,864</b>	-
8955-Department of Veterans Affairs												
State Operations	373,870	465	294	374,629	2,115	414,101	439	425	414,965	2,780	420,051	439
Local Assistance	5,600	1,103	-	6,703	-	5,700	2,205	-	7,905	-	5,600	2,205
Capital Outlay	6,212	-4,500	192	1,904	2,758	7,386	571	8,753	16,710	19,077	917	-
<b>Totals, 8955-Department of Veterans Affairs</b>	<b>\$385,682</b>	<b>-\$2,932</b>	<b>\$486</b>	<b>\$383,236</b>	<b>\$4,873</b>	<b>\$427,187</b>	<b>\$3,215</b>	<b>\$9,178</b>	<b>\$439,580</b>	<b>\$21,857</b>	<b>\$426,568</b>	<b>\$2,644</b>
8998-General Obligation Bonds-Gen Govt												
State Operations	17,251	-	-	17,251	-	14,836	-	-	14,836	-	11,759	-
<b>Totals, 8998-General Obligation Bonds-Gen Govt</b>	<b>\$17,251</b>	-	-	<b>\$17,251</b>	-	<b>\$14,836</b>	-	-	<b>\$14,836</b>	-	<b>\$11,759</b>	-
Non-Agency Departments												
State Operations	654,489	471,791	1,472	1,127,752	286,972	700,185	515,652	3,001	1,218,838	313,980	683,206	522,922
Local Assistance	63,405	1,212,542	-	1,275,947	99	378,611	1,350,114	29,613	1,758,338	100	121,289	1,248,269
Capital Outlay	10,302	-4,500	192	5,994	2,908	65,859	571	8,753	75,183	42,649	16,297	-
<b>Totals, Non-Agency Departments</b>	<b>\$728,196</b>	<b>\$1,679,833</b>	<b>\$1,664</b>	<b>\$2,409,693</b>	<b>\$289,979</b>	<b>\$1,144,655</b>	<b>\$1,866,337</b>	<b>\$41,367</b>	<b>\$3,052,359</b>	<b>\$356,729</b>	<b>\$820,792</b>	<b>\$1,771,191</b>
9100-Tax Relief												
Local Assistance	411,612	-1,365	-	410,247	-	426,716	-2,505	-	424,211	-	415,001	-2,505
<b>Totals, 9100-Tax Relief</b>	<b>\$411,612</b>	<b>-\$1,365</b>	-	<b>\$410,247</b>	-	<b>\$426,716</b>	<b>-\$2,505</b>	-	<b>\$424,211</b>	-	<b>\$415,001</b>	<b>-\$2,505</b>
9210-Local Government Financing												
Local Assistance	138	-	-	138	-	37,186	-	-	37,186	-	37,451	-
<b>Totals, 9210-Local Government Financing</b>	<b>\$138</b>	-	-	<b>\$138</b>	-	<b>\$37,186</b>	-	-	<b>\$37,186</b>	-	<b>\$37,451</b>	-
9285-Trial Court Security-Court Construction												
Local Assistance	5,277	-	-	5,277	-	7,000	-	-	7,000	-	7,000	-
<b>Totals, 9285-Trial Court Security-Court Construction</b>	<b>\$5,277</b>	-	-	<b>\$5,277</b>	-	<b>\$7,000</b>	-	-	<b>\$7,000</b>	-	<b>\$7,000</b>	-
9286-Trial Court Security - Judgeships												
<b>Totals, 9286-Trial Court Security - Judgeships</b>	<b>\$5,277</b>	-	-	<b>\$5,277</b>	-	<b>\$7,000</b>	-	-	<b>\$7,000</b>	-	<b>\$7,000</b>	-

**SCHEDULE 9 AT 2019-20 GOVERNOR'S BUDGET  
COMPARATIVE STATEMENT OF EXPENDITURES  
(Dollars In Thousands)**

	Actual 2017-18				Estimated 2018-19				Estimated 2019-20			
	General Fund	Special Funds	Budget Total	Federal Fund	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds
Local Assistance	280	--	--	--	840	--	--	840	--	--	840	--
Totals, 9286-Trial Court Security - Judgeships	\$280	--	\$280	--	\$840	--	--	\$840	--	--	\$840	--
9300-Payment to Counties for Homicide Trials	9	--	9	--	1	--	--	1	--	--	1	--
Totals, 9300-Payment to Counties for Homicide Trials	\$9	--	\$9	--	\$1	--	--	\$1	--	--	\$1	--
9350-Shared Revenues	218	1,811,919	1,812,137	15,176	218	2,502,879	--	2,503,097	15,176	218	2,868,512	--
Totals, 9350-Shared Revenues	\$218	\$1,811,919	\$1,812,137	\$15,176	\$218	\$2,502,879	--	\$2,503,097	\$15,176	\$218	\$2,868,512	--
Tax Relief-Local Gov	417,534	1,810,554	2,228,088	15,176	471,961	2,500,374	--	2,972,335	15,176	460,511	2,866,007	--
Totals, Tax Relief-Local Gov	\$417,534	\$1,810,554	\$2,228,088	\$15,176	\$471,961	\$2,500,374	--	\$2,972,335	\$15,176	\$460,511	\$2,866,007	--
9600-Debt Service GO Bonds Commercial Paper	--	--	--	--	44,000	--	--	44,000	--	52,500	--	--
Totals, 9600-Debt Service GO Bonds Commercial Paper	--	--	--	--	\$44,000	--	--	\$44,000	--	\$52,500	--	--
9612-Enhanced Tobacco Asset-Backed Bonds	--	--	--	--	--	--	--	--	--	1	--	--
Totals, 9612-Enhanced Tobacco Asset-Backed Bonds	--	--	--	--	--	--	--	--	--	\$1	--	--
9620-Cash Management and Budgetary Loans	9,654	--	9,654	--	33,513	--	--	33,513	--	134,953	--	--
Totals, 9620-Cash Management and Budgetary Loans	\$9,654	--	\$9,654	--	\$33,513	--	--	\$33,513	--	\$134,953	--	--
9625-Interest Payments to the Federal Govt	5,250	399	5,649	--	15,000	1,001	--	16,001	--	31,000	2,001	--
Totals, 9625-Interest Payments to the Federal Govt	\$5,250	\$399	\$5,649	--	\$15,000	\$1,001	--	\$16,001	--	\$31,000	\$2,001	--
9650-Health, Dental Benefits for Annuitants	1,690,669	--	1,690,669	--	1,779,894	--	--	1,779,894	--	1,890,754	--	--
Totals, 9650-Health, Dental Benefits for Annuitants	\$1,690,669	--	\$1,690,669	--	\$1,779,894	--	--	\$1,779,894	--	\$1,890,754	--	--
9670-Victim Compensation Government Claims Bd	12,603	144	12,747	--	72,100	5,421	--	77,521	--	--	--	--
Totals, 9670-Victim Compensation Government Claims Bd	\$12,603	\$144	\$12,747	--	\$72,100	\$5,421	--	\$77,521	--	--	--	--
9800-Augmentation for Employee Compensation	--	--	--	--	15,000	--	--	15,000	--	611,329	411,577	--
Totals, 9800-Augmentation for Employee Compensation	--	--	--	--	\$15,000	--	--	\$15,000	--	\$611,329	\$411,577	--
9802-June to July Payroll Deferral	202,553	-67,083	135,470	--	944,509	606,807	--	1,551,316	--	--	--	--
Totals, 9802-June to July Payroll Deferral	\$202,553	-\$67,083	\$135,470	--	\$944,509	\$606,807	--	\$1,551,316	--	--	--	--
9840-Contingencies-Emergencies Augmentation	--	--	--	--	18,649	14,500	--	33,149	--	20,000	15,000	--
Totals, 9840-Contingencies-Emergencies Augmentation	--	--	--	--	\$18,649	\$14,500	--	\$33,149	--	\$20,000	\$15,000	--
9860-Capital Outlay Planning, Studies	1,000	--	1,000	--	2,000	--	--	2,000	--	2,000	--	--
Totals, 9860-Capital Outlay Planning, Studies	\$1,000	--	\$1,000	--	\$2,000	--	--	\$2,000	--	\$2,000	--	--
9885-Reserve for Liquidation of Encumbrances	-219,809	--	-219,809	--	--	--	--	--	--	--	--	--
Totals, 9885-Reserve for Liquidation of Encumbrances	-\$219,809	--	-\$219,809	--	--	--	--	--	--	--	--	--
9892-Supplemental Pension Payments	294,000	--	294,000	--	709,500	131,975	2,039	843,514	--	390,000	229,717	4,816
Totals, 9892-Supplemental Pension Payments	\$294,000	--	\$294,000	--	\$709,500	\$131,975	\$2,039	\$843,514	--	\$390,000	\$229,717	\$4,816
9894-Statewide Proposition 98 Reconciliation	-191,921	--	-191,921	--	-397,092	--	--	-397,092	--	-51,880	--	--
Totals, 9894-Statewide Proposition 98 Reconciliation	-\$191,921	--	-\$191,921	--	-\$397,092	--	--	-\$397,092	--	-\$51,880	--	--
9937-Section 3.60 Rate Adjustments	--	--	--	--	--	--	--	--	--	298,335	156,416	--
Totals, 9937-Section 3.60 Rate Adjustments	--	--	--	--	--	--	--	--	--	298,335	156,416	--

**SCHEDULE 9 AT 2019-20 GOVERNOR'S BUDGET  
COMPARATIVE STATEMENT OF EXPENDITURES  
(Dollars In Thousands)**

	Actual 2017-18				Estimated 2018-19				Estimated 2019-20			
	General Fund	Special Funds	Budget Total	Federal Fund	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds
Totals, 9997-Section 3.60 Rate Adjustments	--	--	--	--	--	--	--	--	--	\$298,335	\$156,416	--
9998-PERS General Fund Deferral Payment	626,570	--	626,570	--	681,747	--	--	681,747	--	--	--	--
State Operations	\$626,570	--	\$626,570	--	\$681,747	--	--	\$681,747	--	--	--	--
Totals, 9998-PERS General Fund Deferral Payment	\$626,570	--	\$626,570	--	\$681,747	--	--	\$681,747	--	--	--	--
9900-Statewide General Admin Exp (Pro Rate)	-710,124	601,930	-108,194	--	-775,910	677,071	--	-98,839	676,806	-765,679	112	-88,761
State Operations	-710,124	601,930	-108,194	--	-775,910	677,071	--	-98,839	676,806	-765,679	112	-88,761
Totals, 9900-Statewide General Admin Exp (Pro Rate)	-710,124	601,930	-108,194	--	-775,910	677,071	--	-98,839	676,806	-765,679	112	-88,761
9901-Various Departments	-495,391	--	-495,391	--	1,107,367	--	--	1,107,367	34,000	205,078	--	239,078
State Operations	-495,391	--	-495,391	--	1,107,367	--	--	1,107,367	34,000	205,078	--	239,078
Local Assistance	--	104,776	104,776	--	5,298	94,052	--	99,350	91,529	5,397	91,529	96,926
Totals, 9901-Various Departments	-495,391	\$104,776	-390,615	--	\$1,112,665	\$94,052	--	\$1,206,717	\$125,529	\$210,475	--	\$336,004
9910-General Fund Credits from Federal Funds	-161,184	--	-161,184	--	-200,392	--	--	-200,392	--	-182,521	--	-182,521
State Operations	-161,184	--	-161,184	--	-200,392	--	--	-200,392	--	-182,521	--	-182,521
Totals, 9910-General Fund Credits from Federal Funds	-161,184	--	-161,184	--	-200,392	--	--	-200,392	--	-182,521	--	-182,521
9935-PERS Deferral	-681,747	--	-681,747	--	--	--	--	--	--	--	--	--
State Operations	-681,747	--	-681,747	--	--	--	--	--	--	--	--	--
Totals, 9935-PERS Deferral	-681,747	--	-681,747	--	--	--	--	--	--	--	--	--
Statewide Expenditures	792,853	535,390	1,328,243	--	4,444,977	1,436,775	2,039	5,883,791	1,525,517	2,685,750	4,928	4,216,195
State Operations	792,853	535,390	1,328,243	--	4,444,977	1,436,775	2,039	5,883,791	1,525,517	2,685,750	4,928	4,216,195
Local Assistance	-191,921	104,776	-87,145	--	-391,794	94,052	--	-297,742	91,529	-46,483	--	45,046
Capital Outlay	1,000	--	1,000	--	2,000	--	--	2,000	--	2,000	--	2,000
Unclassified	-219,809	--	-219,809	--	--	--	--	--	--	--	--	--
Totals, Statewide Expenditures	\$382,123	\$640,166	\$1,022,289	--	\$4,055,183	\$1,530,827	\$2,039	\$5,586,049	\$1,617,046	\$2,641,267	\$4,928	\$4,263,241
TOTALS, GENERAL GOVERNMENT	\$1,527,853	\$4,130,553	\$5,658,406	\$305,155	\$5,671,799	\$5,897,538	\$43,406	\$11,612,743	\$371,905	\$3,922,570	\$6,254,244	\$14,626
State Operations	\$1,447,342	\$1,007,181	\$2,454,523	\$286,972	\$5,145,162	\$1,952,427	\$5,040	\$7,102,629	\$313,980	\$3,368,956	\$2,048,439	\$7,639
Local Assistance	\$289,018	\$3,127,872	\$3,416,890	\$15,275	\$458,778	\$3,944,540	\$29,613	\$4,432,931	\$15,276	\$535,317	\$4,205,805	\$6,687
Capital Outlay	\$11,302	-\$4,500	\$6,802	\$2,908	\$67,859	\$571	\$8,753	\$77,183	\$42,649	\$18,297	--	\$18,297
Unclassified	-\$219,809	--	-\$219,809	--	--	--	--	--	--	--	--	--
GRAND TOTAL	\$124,699,415	\$49,851,872	\$174,551,287	\$92,371,821	\$144,081,589	\$60,984,379	\$7,441,044	\$212,507,012	\$103,023,292	\$144,191,867	\$59,522,268	\$5,355,192
State Operations	\$32,416,400	\$15,475,148	\$47,891,548	\$9,266,265	\$44,735,439	\$17,994,193	\$741,772	\$63,471,404	\$10,411,086	\$38,490,945	\$17,835,933	\$303,183
Local Assistance	\$92,406,358	\$33,625,570	\$126,031,928	\$81,247,351	\$98,175,154	\$41,904,243	\$5,736,617	\$145,618,014	\$90,264,422	\$105,482,221	\$38,417,209	\$4,330,642
Capital Outlay	\$96,466	\$751,154	\$847,620	\$1,858,205	\$1,170,996	\$1,085,943	\$960,655	\$3,217,594	\$2,342,784	\$218,701	\$3,269,126	\$721,367
Unclassified	-\$219,809	--	-\$219,809	--	--	--	--	--	\$5,000	--	--	--

Note: Numbers may not add due to rounding

**SCHEDULE 10 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF FUND CONDITION STATEMENTS**

(Dollars In Thousands)

Fund	Beginning Reserve 2017-18	Revenues 2017-18	Expenditures 2017-18	Beginning Reserve 2018-19	Revenues 2018-19	Expenditures 2018-19	Beginning Reserve 2019-20	Revenues 2019-20	Expenditures 2019-20	Ending Reserve 2019-20
<b>GENERAL FUND</b>	<b>5,581,666</b>	<b>131,494,668</b>	<b>124,699,415</b>	<b>12,376,919</b>	<b>136,945,321</b>	<b>144,081,589</b>	<b>5,240,651</b>	<b>142,618,353</b>	<b>144,191,867</b>	<b>3,667,137</b>
<b>SPECIAL FUNDS</b>										
0002-Property Acquisition Law Money Account	2,875	4,399	6,174	1,100	4,307	4,214	1,193	4,307	4,354	1,146
0003-Motor Vehicle Parking Facilities Moneys Account	3,719	4,212	2,916	5,015	5,708	3,977	6,746	6,557	3,918	9,385
0004-Breast Cancer Fund	16	452	460	8	618	626	--	631	631	--
0006-Disability Access Account	17,286	16,033	9,615	23,704	15,156	10,596	28,264	15,803	11,934	32,133
0007-Breast Cancer Research Account, Breast Cancer Fund	19,793	8,566	19,154	9,205	8,793	14,090	3,908	8,611	11,893	626
0009-Breast Cancer Control Account, Breast Cancer Fund	10,959	6,766	10,691	7,034	9,039	12,387	3,686	8,909	12,338	257
0012-Attorney General Antitrust Account	603	2,563	2,733	433	5,101	5,113	421	5,101	5,037	485
0014-Hazardous Waste Control Account	39,013	54,344	70,403	22,954	59,404	70,174	12,184	60,007	68,579	3,612
0017-Fingerprint Fees Account	62,448	89,441	91,641	60,248	89,063	93,151	56,160	113,063	96,606	72,617
0018-Site Remediation Account	2,867	11,067	9,626	4,308	14,180	14,173	4,315	18,784	18,776	4,323
0020-California State Law Library Special Account	9	363	372	--	363	363	--	363	363	--
0022-State Emergency Telephone Number Account	60,840	61,980	86,166	36,654	61,553	102,120	-3,913	116,620	120,278	-7,571
0023-Farmworker Remedial Account	516	372	--	888	368	291	965	368	291	1,042
0024-State Board of Guide Dogs for the Blind Fund	93	6	99	--	--	--	--	--	--	--
0026-State Motor Vehicle Insurance Account	18,456	37,207	25,796	29,867	46,619	36,391	40,095	46,619	35,959	50,755
0028-Unified Program Account	5,080	5,883	8,478	2,485	8,652	9,681	1,456	8,652	9,592	516
0029-Nuclear Planning Assessment Special Account	-5	4,975	3,755	1,215	3,947	4,400	762	3,947	4,497	212
0032-Firearm Safety Account	5,101	774	353	5,522	774	364	5,932	774	367	6,339
0033-State Energy Conservation Assistance Account	16,959	2,314	2,383	16,890	40,924	39,026	18,788	2,400	436	20,752
0034-Geothermal Resources Development Account	--	1,688	1,374	314	1,322	1,374	262	1,322	1,374	210
0035-Surface Mining and Reclamation Account	1,996	4,262	4,709	1,549	4,474	4,915	1,108	4,827	4,848	1,087
0041-Aeronautics Account, State Transportation Fund	2,519	7,482	7,751	2,250	7,452	8,419	1,283	7,390	8,462	211
0042-State Highway Account, State Transportation Fund	2,500,731	3,652,429	3,602,545	2,550,615	3,849,812	4,039,606	2,360,821	4,327,892	4,496,427	2,192,286
0044-Motor Vehicle Account, State Transportation Fund	462,744	3,684,099	3,641,593	505,250	3,788,600	3,952,871	340,979	3,920,735	3,939,882	321,832
0046-Public Transportation Account, State Transportation Fund	429,888	1,295,654	865,113	860,429	1,412,711	1,316,373	956,767	1,554,819	1,729,750	781,836
0052-Local Airport Loan Account	30,807	-505	-1,131	31,433	-530	-478	31,381	-604	-84	30,861

**SCHEDULE 10 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF FUND CONDITION STATEMENTS**

(Dollars In Thousands)

Fund	Beginning Reserve 2017-18	Revenues 2017-18	Expenditures 2017-18	Beginning Reserve 2018-19	Revenues 2018-19	Expenditures 2018-19	Beginning Reserve 2019-20	Revenues 2019-20	Expenditures 2019-20	Ending Reserve 2019-20
0054-New Motor Vehicle Board Account	1,886	1,871	1,532	2,225	1,964	1,902	2,287	1,964	1,908	2,343
0055-Mass Transit Revolving Account, State Transportation Fund	1,000	--	--	1,000	--	--	1,000	--	--	1,000
0058-Rail Accident Prevention Response Fund	7	--	--	7	--	--	7	--	--	7
0061-Motor Vehicle Fuel Account, Transportation Tax Fund	30,167	5,652	35,819	--	45,474	45,474	--	40,913	40,913	--
0062-Highway Users Tax Account, Transportation Tax Fund	--	1,344,526	1,344,526	--	1,366,650	1,366,650	--	1,691,201	1,691,220	-19
0064-Motor Vehicle License Fee Account, Transportation Tax Fund	18,409	18,443	22,647	14,205	12,134	26,339	--	27,809	27,809	--
0065-Illegal Drug Lab Cleanup Account	2,219	19	849	1,389	3	844	548	3	--	551
0066-Sale of Tobacco to Minors Control Account	1,342	113	119	1,336	177	544	969	177	1,098	48
0067-State Corporations Fund	80,112	62,757	54,674	88,195	61,022	61,487	87,730	79,522	63,152	104,100
0069-Barbeeing and Cosmetology Contingent Fund	20,565	24,313	24,186	20,692	22,674	24,062	19,304	44,279	22,540	41,043
0070-Occupational Lead Poisoning Prevention Account	3,079	3,456	3,211	3,324	3,387	5,039	1,672	3,387	4,813	246
0071-Yosemite Foundation Account, California Environmental License Plate Fund	22	675	679	18	900	840	78	900	840	138
0072-California Collegiate License Plate Fund	1	32	32	1	38	38	1	38	38	1
0074-Medical Waste Management Fund	2,126	2,589	2,808	1,907	2,307	3,089	1,125	2,307	2,983	449
0075-Radiation Control Fund	3,573	30,647	27,443	6,777	28,035	28,384	6,428	28,035	29,016	5,447
0076-Tissue Bank License Fund	2,996	842	608	3,230	454	694	2,990	463	684	2,769
0078-Graphic Design License Plate Account	957	1,683	2,141	499	2,204	2,403	300	2,204	2,420	84
0080-Childhood Lead Poisoning Prevention Fund	77,951	22,304	30,116	70,139	20,968	34,604	56,503	20,968	43,990	33,481
0082-Export Document Program Fund	1,672	469	714	1,427	480	851	1,056	480	852	684
0083-Veterans Service Office Fund	1,869	1,123	888	2,104	1,156	991	2,269	1,156	991	2,434
0093-Construction Management Education Account (CMEA)	249	94	107	236	103	110	229	103	106	226
0098-Clinical Laboratory Improvement Fund	23,230	10,843	12,536	21,537	9,286	13,110	17,713	10,648	13,606	14,755
0099-Health Statistics Special Fund	9,842	27,255	25,485	11,612	30,179	29,570	12,221	30,251	30,833	11,639
0100-California Used Oil Recycling Fund	19,986	23,818	24,400	19,404	23,370	23,635	19,139	23,370	22,327	20,182
0102-State Fire Marshal Licensing and Certification Fund	1,644	3,724	3,465	1,903	4,950	4,652	2,201	4,950	4,555	2,596
0104-San Joaquin River Conservancy Fund	2,079	178	92	2,165	178	130	2,213	178	128	2,263

**SCHEDULE 10 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF FUND CONDITION STATEMENTS**

(Dollars in Thousands)

Fund	Beginning Reserve 2017-18	Revenues 2017-18	Expenditures 2017-18	Beginning Reserve 2018-19	Revenues 2018-19	Expenditures 2018-19	Beginning Reserve 2019-20	Revenues 2019-20	Expenditures 2019-20	Ending Reserve 2019-20
0106-Department of Pesticide Regulation Fund	20,292	102,275	108,120	14,447	103,944	110,995	7,396	108,999	112,068	4,327
0108-Acupuncture Fund	4,858	2,715	3,581	3,992	2,667	3,688	2,971	3,647	3,625	2,993
0111-Department of Agriculture Account, Department of Food and Agriculture Fund	109,366	157,009	184,365	82,010	169,648	179,847	71,811	167,262	187,015	52,058
0115-Air Pollution Control Fund	347,235	158,546	314,080	191,701	135,455	192,889	134,267	159,513	198,460	95,320
0117-Alcoholic Beverage Control Appeals Fund	3,933	1,382	1,119	4,196	1,477	1,404	4,269	1,517	1,422	4,364
0121-Hospital Building Fund	172,838	56,805	66,145	163,498	52,741	69,413	146,826	67,741	70,211	144,356
0122-Emergency Food Assistance Program Fund	210	540	383	367	545	358	554	557	540	571
0124-California Agricultural Export Promotion Account	40	10	10	40	10	10	40	10	10	40
0125-Assembly Operating Fund	69	58	--	127	--	--	127	--	--	127
0126-State Audit Fund	11,140	400	-1,045	12,585	400	--	12,985	400	--	13,385
0129-Water Device Certification Special Account	1,102	137	88	1,151	242	412	981	242	416	807
0131-Foster Family Home and Small Family Home Insurance Fund	1,454	--	-1,596	3,050	--	-51	3,101	--	-51	3,152
0132-Workers Compensation Managed Care Fund	590	9	22	577	10	83	504	10	82	432
0133-California Beverage Container Recycling Fund	276,396	1,237,654	1,216,522	297,528	1,252,340	1,242,234	307,634	1,287,231	1,233,887	360,978
0139-Driving Under-the-Influence Program Licensing Trust Fund	1,085	1,099	1,394	790	1,009	1,269	530	958	1,289	199
0140-California Environmental License Plate Fund	18,855	63,701	46,387	36,169	57,633	82,632	11,170	57,633	59,656	9,147
0141-Soil Conservation Fund	5,147	112	3,001	2,258	5,045	3,837	3,466	3,045	3,872	2,639
0142-Department of Justice Sexual Habitual Offender Fund	2,735	2,626	2,719	2,642	2,639	2,823	2,458	2,639	2,848	2,249
0143-California Health Data and Planning Fund	21,188	31,026	34,991	17,223	31,081	34,314	13,990	31,431	35,062	10,359
0144-California Water Fund	--	1,386	--	1,386	--	--	1,386	--	--	1,386
0152-State Board of Chiropractic Examiners Fund	2,022	3,726	4,463	1,285	4,036	4,631	690	4,596	4,714	572
0156-California Heritage Fund	53	--	--	53	--	--	53	--	--	53
0158-Travel Seller Fund	1,936	724	810	1,850	756	1,530	1,076	756	1,534	298
0159-State Trial Court Improvement and Modernization Fund	3,321	22,130	10,656	14,795	9,350	15,328	8,817	8,463	17,061	219
0160-Operating Funds of the Assembly and Senate	35	--	--	35	1,877	1,877	35	--	--	35
0163-Continuing Care Provider Fee Fund	2,549	1,503	1,504	2,548	1,208	1,560	2,196	1,180	1,581	1,795

**SCHEDULE 10 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF FUND CONDITION STATEMENTS**

(Dollars in Thousands)

Fund	Beginning Reserve 2017-18	Revenues 2017-18	Expenditures 2017-18	Beginning Reserve 2018-19	Revenues 2018-19	Expenditures 2018-19	Beginning Reserve 2019-20	Revenues 2019-20	Expenditures 2019-20	Ending Reserve 2019-20
0166-Certification Account, Consumer Affairs Fund	1,160	1,241	1,338	1,063	1,238	1,395	906	1,262	1,436	732
0168-Structural Pest Control Research Fund	885	150	3	1,032	168	3	1,197	170	3	1,364
0169-California Debt Limit Allocation Committee Fund	7,151	2,154	1,522	7,783	2,594	1,845	8,532	2,579	1,891	9,220
0170-Corrections Training Fund	59	76	--	135	--	--	135	--	-1	136
0171-California Debt and Investment Advisory Commission Fund	5,187	3,861	3,165	5,883	3,060	4,042	4,901	3,050	3,855	4,096
0172-Developmental Disabilities Program Development Fund	1,119	2,646	2,863	902	2,591	2,662	831	2,639	2,685	785
0174-Clandestine Drug Lab Clean-Up Account	1	1	--	2	--	--	2	--	--	2
0175-Dispensing Opticians Fund	261	572	407	426	618	451	593	630	575	648
0177-Food Safety Fund	10,498	9,348	10,136	9,710	8,754	11,690	6,774	8,754	12,211	3,317
0178-Driver Training Penalty Assessment Fund	1,399	--	--	1,399	--	--	1,399	--	158	1,241
0179-Environmental Laboratory Improvement Fund	981	3,249	3,805	425	4,268	3,985	708	4,268	4,048	928
0180-Northern California Veterans Cemetery Master Development Fund	143	--	--	143	--	--	143	--	--	143
0181-Registered Nurse Education Fund	2,528	1,901	1,934	2,495	2,080	2,216	2,359	2,080	2,216	2,223
0183-Environmental Enhancement and Mitigation Program Fund	27,848	7,693	2,189	33,352	7,693	11,884	29,161	7,693	7,069	29,785
0184-Employment Development Department Benefit Audit Fund	15,341	23,359	22,285	16,415	24,667	21,336	19,746	24,667	22,076	22,337
0185-Employment Development Department Contingent Fund	47,856	137,213	145,239	39,830	139,851	131,587	48,094	139,851	152,183	35,762
0186-Energy Resources Surcharge Fund	15,579	1,316	--	16,895	--	--	16,895	--	--	16,895
0191-Fair and Exposition Fund	6,229	269	1,766	4,732	258	1,803	3,187	258	1,885	1,560
0193-Waste Discharge Permit Fund	14,676	132,171	139,384	7,463	156,175	152,094	11,544	156,175	159,254	8,465
0194-Emergency Medical Services Training Program Approval Fund	39	242	223	58	236	254	40	236	256	20
0198-California Fire and Arson Training Fund	1,175	2,149	3,109	215	3,716	3,760	171	3,717	3,719	169
0200-Fish and Game Preservation Fund	58,081	120,747	128,355	50,473	117,349	121,327	46,495	117,788	121,614	42,669
0203-Genetic Disease Testing Fund	31,575	124,839	129,916	26,498	132,252	135,400	23,350	131,698	142,703	12,345
0205-Geology and Geophysics Account, Professional Engineers and Land Surveyors F	1,131	--	--	1,131	--	--	1,131	--	--	1,131
0207-Fish and Wildlife Pollution Account	840	176	321	695	280	321	654	280	350	584
0209-California Hazardous Liquid Pipeline Safety Fund	11,195	3,851	4,016	11,030	3,933	5,391	9,572	3,933	5,279	8,226

**SCHEDULE 10 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF FUND CONDITION STATEMENTS**

(Dollars In Thousands)

Fund	Beginning Reserve 2017-18	Revenues 2017-18	Expenditures 2017-18	Beginning Reserve 2018-19	Revenues 2018-19	Expenditures 2018-19	Beginning Reserve 2019-20	Revenues 2019-20	Expenditures 2019-20	Ending Reserve 2019-20
0210-Outpatient Setting Fund of the Medical Board of California	448	--	28	420	6	28	398	127	28	497
0211-California Waterfowl Habitat Preservation Account, Fish and Game Preservati	2,274	5	223	2,056	20	221	1,855	20	221	1,654
0212-Marine Invasive Species Control Fund	3,812	5,661	5,533	3,940	5,700	6,446	3,194	5,700	5,924	2,970
0213-Native Species Conservation and Enhancement Account, Fish and Game Preserva	660	71	189	542	144	34	652	144	3	793
0214-Restitution Fund	78,614	78,071	91,993	64,692	68,489	92,158	41,023	68,489	92,224	17,288
0215-Industrial Development Fund	38	1	8	31	-25	6	--	--	--	--
0217-Insurance Fund	33,893	273,585	275,533	31,945	287,429	307,412	11,962	305,632	303,521	14,073
0219-Lifetime License Trust Account, Fish and Game Preservation Fund	11,362	-11,362	--	--	--	--	--	--	--	--
0223-Workers Compensation Administration Revolving Fund	244,179	216,756	300,616	160,319	354,680	357,470	157,529	385,350	364,879	178,000
0226-California Tire Recycling Management Fund	99,488	37,777	44,805	92,460	33,234	74,609	51,085	33,079	46,547	37,617
0228-Secretary of States Business Fees Fund	1,588	52,148	52,736	1,000	72,016	72,016	1,000	58,002	58,002	1,000
0230-Cigarette and Tobacco Products Surtax Fund	8,413	-3,492	4,921	--	7,737	7,737	--	7,788	7,788	--
0231-Health Education Account, Cigarette and Tobacco Products Surtax Fund	9,582	57,577	57,615	9,544	59,772	54,420	14,896	59,215	71,105	3,006
0232-Hospital Services Account, Cigarette and Tobacco Products Surtax Fund	33,316	84,210	75,955	41,571	80,681	73,813	48,439	84,622	126,411	6,650
0233-Physician Services Account, Cigarette and Tobacco Products Surtax Fund	13,418	24,092	21,839	15,671	24,488	22,633	17,526	24,210	39,650	2,086
0234-Research Account, Cigarette and Tobacco Products Surtax Fund	11,140	14,448	22,372	3,216	14,998	13,613	4,601	14,858	17,358	2,101
0235-Public Resources Account, Cigarette and Tobacco Products Surtax Fund	1,304	6,887	6,661	1,530	7,086	5,931	2,685	6,946	9,149	482
0236-Unallocated Account, Cigarette and Tobacco Products Surtax Fund	16,359	54,115	47,611	22,863	54,954	50,814	27,003	54,328	79,459	1,872
0238-Northern California Veterans Cemetery Perpetual Maintenance Fund	396	139	39	496	81	71	506	81	71	516
0239-Private Security Services Fund	12,178	11,049	15,829	7,398	14,554	16,610	5,342	14,554	15,607	4,289
0240-Local Agency Deposit Security Fund	161	519	505	175	499	624	50	679	637	92

**SCHEDULE 10 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF FUND CONDITION STATEMENTS**

(Dollars In Thousands)

Fund	Beginning Reserve 2017-18	Revenues 2017-18	Expenditures 2017-18	Beginning Reserve 2018-19	Revenues 2018-19	Expenditures 2018-19	Beginning Reserve 2019-20	Revenues 2019-20	Expenditures 2019-20	Ending Reserve 2019-20
0241-Local Public Prosecutors and Public Defenders Training Fund	846	12	7	851	--	--	851	--	1	850
0242-Court Collection Account	1,348	117,245	117,595	998	112,074	108,404	4,668	109,068	106,433	7,303
0243-Narcotic Treatment Program Licensing Trust Fund	3,004	2,021	1,250	3,775	2,011	2,029	3,757	2,078	1,953	3,882
0244-Environmental Water Fund	--	3,024	--	3,024	--	--	3,024	--	--	3,024
0245-Mobile Home Parks and Special Occupancy Parks Revolving Fund	3,114	8,557	8,512	3,159	8,220	8,834	2,545	8,220	8,910	1,855
0247-Drinking Water Operator Certification Special Account	3,848	1,755	1,830	3,773	1,777	1,862	3,688	3,627	1,884	5,431
0256-Sexual Predator Public Information Account	337	102	187	252	102	187	167	102	187	82
0257-Earthquake Emergency Investigations Account, Disaster Assistance Fund	30	--	--	30	--	--	30	--	--	30
0260-Nursing Home Administrators State License Examining Fund	799	--	--	799	--	--	799	--	--	799
0261-Off Highway License Fee Fund	417	2,403	1,961	859	2,401	1,961	1,299	2,401	1,961	1,739
0262-Habitat Conservation Fund	73,777	11,067	61,793	23,051	11,219	11,638	22,632	11,149	11,407	22,374
0263-Off-Highway Vehicle Trust Fund	198,685	79,267	119,941	158,011	81,012	123,244	115,779	80,319	117,014	79,084
0264-Osteopathic Medical Board of California Contingent Fund	3,136	2,177	2,476	2,837	2,294	2,758	2,373	3,798	3,209	2,962
0266-Inland Wetlands Conservation Fund, Wildlife Restoration Fund	3,145	41	--	3,186	41	--	3,227	41	--	3,268
0267-Exposition Park Improvement Fund	4,433	11,957	11,530	4,860	10,768	11,446	4,182	9,866	10,832	3,216
0268-Peace Officers Training Fund	3,125	--	1,319	1,806	--	--	1,806	--	--	1,806
0269-Glass Processing Fee Account, California Beverage Container Recycling Fund	13,264	71,672	65,839	19,097	73,740	68,086	24,751	63,789	68,076	20,464
0270-Technical Assistance Fund	11,348	24,703	26,191	9,860	25,038	26,018	8,880	24,107	26,814	6,173
0271-Certification Fund	2,517	1,804	2,243	2,078	1,764	2,254	1,588	1,745	2,252	1,081
0272-Infant Botulism Treatment and Prevention Fund	12,868	8,035	5,733	15,170	7,825	10,949	12,046	8,737	14,364	6,419
0275-Hazardous and Idle-Deserted Well Abatement Fund	1,353	645	221	1,777	3,839	229	5,387	608	233	5,762
0276-Penalty Account, California Beverage Container Recycling Fund	5,432	241	68	5,605	241	28	5,818	241	15	6,044
0277-Bi-metal Processing Fee Account, California Beverage Container Recycling Fu	20,254	2,176	246	22,184	1,729	244	23,669	1,662	244	25,087
0278-PET Processing Fee Account, California Beverage Container Recycling Fund	18,287	57,480	57,390	18,377	54,449	49,527	23,299	46,544	49,521	20,322

**SCHEDULE 10 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF FUND CONDITION STATEMENTS**

(Dollars in Thousands)

Fund	Beginning Reserve 2017-18	Revenues 2017-18	Expenditures 2017-18	Beginning Reserve 2018-19	Revenues 2018-19	Expenditures 2018-19	Beginning Reserve 2019-20	Revenues 2019-20	Expenditures 2019-20	Ending Reserve 2019-20
0279-Child Health and Safety Fund	4,402	4,288	5,625	3,065	4,400	5,855	1,610	4,255	5,829	36
0280-Physician Assistant Fund	1,870	1,894	1,947	1,817	1,991	1,890	1,918	3,644	2,206	3,356
0281-Recycling Market Development Revolving Loan Subaccount, Integrated Waste Mgt	9,070	1,316	-42	10,428	1,234	8,286	3,376	1,468	1,890	2,954
0286-Lake Tahoe Conservancy Account	3,647	957	1,280	3,324	950	1,762	2,512	950	1,509	1,953
0288-The Registry of International Student Exchange Visitor Placement Organizati	122	14	--	136	14	--	150	14	--	164
0289-State HICAP Fund	5,689	4,082	2,508	7,263	4,248	2,528	8,983	4,248	2,533	10,698
0290-Board of Pilot Commissioners Special Fund	3,632	2,507	2,167	3,972	2,666	3,247	3,391	2,841	2,905	3,127
0293-Motor Carriers Safety Improvement Fund	702	1,899	1,589	1,012	1,929	1,992	949	1,929	2,006	872
0294-Removal and Remedial Action Account	2,154	1,908	3,353	709	4,200	3,315	1,594	4,200	3,278	2,516
0295-Board of Podiatric Medicine Fund	975	982	1,262	695	1,173	1,411	457	1,173	1,578	52
0298-Financial Institutions Fund	51,937	29,660	32,712	48,885	29,402	34,802	43,485	29,402	35,566	37,321
0299-Credit Union Fund	3,700	9,199	10,507	2,392	10,267	11,782	877	11,982	11,984	875
0300-Professional Forester Registration Fund	197	128	219	106	123	219	10	214	223	1
0305-Private Postsecondary Education Administration Fund	8,578	14,737	18,512	4,803	16,774	17,529	4,048	16,771	17,497	3,322
0306-Safe Drinking Water Account	6,857	25,142	25,790	6,209	24,885	26,856	4,238	25,631	28,395	1,474
0308-Earthquake Risk Reduction Fund of 1996	52	29	--	81	--	--	81	--	81	--
0309-Perinatal Insurance Fund	51,043	2,838	8,978	44,903	2,542	16,450	30,995	2,542	20,145	13,392
0310-Psychology Fund	4,297	3,980	5,414	2,863	7,985	5,651	5,197	7,919	5,633	7,483
0311-Traumatic Brain Injury Fund	370	800	1,114	56	800	856	--	--	--	--
0312-Emergency Medical Services Personnel Fund	2,563	2,417	3,065	1,915	2,429	3,022	1,322	2,429	3,157	594
0313-Major Risk Medical Insurance Fund	58,702	-57,857	90	755	--	--	755	--	--	755
0314-Diesel Emission Reduction Fund	4,262	138	--	4,400	85	--	4,485	85	--	4,570
0317-Real Estate Fund	43,314	52,224	57,098	38,440	50,800	56,447	32,793	61,834	57,545	37,082
0318-Collins-Dugan Calif Conservation Corps Reimbursement Acct	13,091	45,163	51,168	7,086	40,542	44,774	2,854	47,742	48,279	2,317
0319-Respiratory Care Fund	1,335	2,880	3,272	943	3,137	3,534	546	3,399	3,923	22
0320-Oil Spill Prevention and Administration Fund	34,296	52,643	57,375	29,564	52,288	56,233	25,619	52,288	58,795	19,112
0321-Oil Spill Response Trust Fund	12,181	539	322	12,398	1,893	93	14,198	36,893	107	50,984
0322-Environmental Enhancement Fund	796	112	670	238	112	291	59	237	275	21
0325-Electronic and Appliance Repair Fund	2,848	2,980	2,866	2,962	3,296	2,958	3,300	3,326	3,023	3,603
0326-Athletic Commission Fund	927	1,596	1,896	627	2,088	1,865	850	2,090	1,876	1,064

**SCHEDULE 10 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF FUND CONDITION STATEMENTS**

(Dollars in Thousands)

Fund	Beginning Reserve 2017-18	Revenues 2017-18	Expenditures 2017-18	Beginning Reserve 2018-19	Revenues 2018-19	Expenditures 2018-19	Beginning Reserve 2019-20	Revenues 2019-20	Expenditures 2019-20	Ending Reserve 2019-20
0327-Court Interpreters Fund	977	233	459	751	222	163	810	220	214	816
0328-Public School Planning, Design, and Construction Review Revolving Fund	5,756	70,994	57,867	18,883	86,864	61,942	43,805	71,198	70,434	44,569
0329-Vehicle License Collection Account, Local Revenue Fund	--	14,000	14,000	--	14,000	14,000	--	14,000	14,000	--
0330-Local Revenue Fund	--	843	843	--	864	864	--	871	871	--
0331-Sales Tax Account, Local Revenue Fund	--	--	--	--	--	--	--	--	--	--
0332-Vehicle License Fee Account, Local Revenue Fund	--	--	--	--	--	--	--	--	--	--
0333-Sales Tax Growth Account, Local Revenue Fund	--	--	--	--	--	--	--	--	--	--
0334-Vehicle License Fee Growth Account	--	--	--	--	--	--	--	--	--	--
0335-Registered Environmental Health Specialist Fund	291	329	441	179	379	461	97	379	459	17
0336-Mine Reclamation Account	1,247	3,854	4,167	934	4,624	4,910	648	4,824	5,378	94
0338-Strong-Motion Instrumentation and Seismic Hazards Mapping Fund	11,196	15,018	12,550	13,664	13,326	13,194	13,796	13,326	14,629	12,493
0342-State School Fund	2,029	25,484	24,966	2,547	25,484	25,484	2,547	25,484	25,484	2,547
0347-School Land Bank Fund	69,389	912	674	69,627	900	1,260	69,267	900	1,435	68,732
0348-Senate Operating Fund	9	1	--	10	--	--	10	--	--	10
0349-Educational Telecommunication Fund	1,323	--	--	1,323	--	716	607	--	607	--
0351-Mental Health Subaccount, Sales Tax Account	--	1,163,270	1,163,270	--	1,167,254	1,167,254	--	1,166,178	1,166,178	--
0352-Social Services Subaccount, Sales Tax Account	--	2,018,529	2,018,529	--	2,152,263	2,152,263	--	2,361,745	2,361,745	--
0353-Health Subaccount, Sales Tax Account	--	--	--	--	--	--	--	--	--	--
0354-Caseload Subaccount, Sales Tax Growth Account	--	133,734	133,734	--	209,482	209,482	--	32,202	32,202	--
0361-General Growth Subaccount, Sales Tax Growth Account	--	--	--	--	--	--	--	139,588	139,588	--
0365-Historic Property Maintenance Fund	1,666	656	1,022	1,300	621	1,137	784	568	1,137	215
0367-Indian Gaming Special Distribution Fund	18,875	46,621	32,510	32,986	48,053	35,087	45,952	48,053	35,526	58,479
0371-California Beach and Coastal Enhancement Account, California Environmental	331	1,355	1,460	226	1,291	1,399	118	1,275	1,390	3
0375-Disaster Response-Emergency Operations Account, Special Fund for Economic U	23	--	--	23	--	--	23	--	--	23

**SCHEDULE 10 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF FUND CONDITION STATEMENTS**

(Dollars in Thousands)

Fund	Beginning Reserve 2017-18	Revenues 2017-18	Expenditures 2017-18	Beginning Reserve 2018-19	Revenues 2018-19	Expenditures 2018-19	Beginning Reserve 2019-20	Revenues 2019-20	Expenditures 2019-20	Ending Reserve 2019-20
0376-Speech-Language Pathology and Audiology and Hearing Aid Dispensers Fund	1,998	1,946	2,140	1,804	2,192	2,466	1,530	2,208	2,385	1,353
0378-False Claims Act Fund	3,443	20,655	21,110	2,988	17,540	19,158	1,370	17,540	17,757	1,153
0381-Public Interest Research, Development, and Demonstration Fund	15,000	287	708	14,579	175	1,106	13,648	175	790	13,033
0382-Renewable Resource Trust Fund	42,959	2,535	25,042	20,452	2,303	2,965	19,790	2,303	3,008	19,085
0384-The Salmon and Steelhead Trout Restoration Account	144	--	140	4	--	--	4	--	--	4
0386-Solid Waste Disposal Site Cleanup Trust Fund	3,651	6,090	2,924	6,817	5,290	5,690	6,417	5,290	5,667	6,040
0387-Integrated Waste Management Account, Integrated Waste Management Fund	36,704	49,860	45,235	41,329	47,381	63,727	24,983	47,321	57,482	14,822
0392-State Parks and Recreation Fund	43,325	190,727	223,884	10,168	256,114	264,126	2,156	249,490	250,679	967
0396-Self-Insurance Plans Fund	2,631	3,949	3,101	3,479	3,423	4,459	2,443	3,986	4,479	1,950
0399-Structural Pest Control Education and Enforcement Fund	918	444	403	959	463	403	1,019	468	403	1,084
0400-Real Estate Appraisers Regulation Fund	9,742	2,921	6,157	6,506	4,715	6,634	4,587	3,543	6,251	1,879
0407-Teacher Credentials Fund	14,935	27,476	21,642	20,769	28,956	26,442	23,283	30,341	26,377	27,247
0408-Test Development and Administration Account, Teacher Credentials Fund	4,673	5,471	4,519	5,625	5,782	6,041	5,366	6,065	6,385	5,046
0410-Transcript Reimbursement Fund	147	1	105	43	--	35	8	--	5	3
0412-Transportation Rate Fund	1,213	2,664	1,999	1,878	-1,308	--	570	--	-1	571
0421-Vehicle Inspection and Repair Fund	119,039	130,629	137,396	112,272	129,472	142,075	99,669	220,651	146,724	173,596
0425-Victim - Witness Assistance Fund	70	9	109	-30	--	--	-30	--	--	-30
0429-Local Jurisdiction Energy Assistance Account	265	3	--	268	1	--	269	1	--	270
0434-Air Toxics Inventory and Assessment Account	459	930	677	712	901	716	897	901	666	1,132
0436-Underground Storage Tank Tester Account	7	14	16	5	20	25	--	20	20	--
0437-State Assistance For Fire Equipment Account	1,862	--	1	1,861	100	100	1,861	100	100	1,861
0439-Underground Storage Tank Cleanup Fund	718,811	329,660	216,844	831,627	345,745	322,986	854,386	343,495	314,033	883,848
0442-California Olympic Training Account	--	--	--	--	--	--	--	--	--	--
0447-Wildlife Restoration Fund	1,724	3,689	5,050	363	7,440	6,134	1,669	4,295	4,910	1,054
0448-Occupancy Compliance Monitoring Account, Tax Credit Allocation Fee Account	24,961	6,105	4,905	26,161	6,270	5,898	26,533	63,440	5,663	84,310

**SCHEDULE 10 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF FUND CONDITION STATEMENTS**  
(Dollars in Thousands)

Fund	Beginning Reserve 2017-18	Revenues 2017-18	Expenditures 2017-18	Beginning Reserve 2018-19	Revenues 2018-19	Expenditures 2018-19	Beginning Reserve 2019-20	Revenues 2019-20	Expenditures 2019-20	Ending Reserve 2019-20
0449-Winter Recreation Fund	510	275	423	362	250	381	231	250	366	115
0452-Elevator Safety Account	28,219	19,931	24,075	24,075	22,066	29,773	16,368	25,066	28,821	12,613
0453-Pressure Vessel Account	706	4,851	3,984	1,573	5,329	5,881	1,021	5,811	5,919	913
0456-Expedited Site Remediation Trust Fund	1,617	-1,291	320	6	--	--	6	--	--	6
0457-Tax Credit Allocation Fee Account	36,344	6,524	2,660	40,208	6,540	3,511	43,237	41,554	4,037	80,754
0458-Site Operation and Maintenance Account, Hazardous Substances Account	2	197	408	-209	411	404	-202	551	312	37
0459-Telephone Medical Advice Services Fund	1,046	--	10	1,036	--	--	1,036	--	--	1,036
0460-Dealers Record of Sale Special Account	7,760	24,561	22,954	9,367	21,627	24,835	6,159	21,471	24,880	2,750
0461-Public Utilities Commission Transportation Reimbursement Account	32,566	25,035	16,378	41,223	17,497	21,571	37,149	12,441	24,941	24,649
0462-Public Utilities Commission Utilities Reimbursement Account	46,831	131,415	124,219	54,027	147,149	148,399	52,777	151,653	156,644	47,786
0464-California High-Cost Fund-A Administrative Committee Fund	33,841	36,197	40,157	29,881	37,164	49,288	17,757	34,961	49,324	3,394
0465-Energy Resources Programs Account	38,789	68,290	63,874	43,205	67,583	82,620	28,168	67,583	82,160	13,591
0467-State Notes Expense Account	250	--	--	250	--	--	250	--	--	250
0470-California High-Cost Fund-B Administrative Committee Fund	64,238	-6,569	15,047	42,622	61,331	22,385	81,568	10,478	22,395	69,651
0471-Universal Lifeline Telephone Service Trust Administrative Committee Fund	289,538	490,012	372,122	407,428	461,671	387,026	482,073	461,671	363,541	580,203
0475-Underground Storage Tank Fund	106	1	--	107	--	--	107	--	--	107
0478-Vectorborne Disease Account	172	186	183	175	132	217	90	132	220	2
0479-Energy Technologies Research, Development and Demonstration Account	2,916	24	--	2,940	13	--	2,953	13	--	2,966
0481-Garment Manufacturers Special Account	-20	254	--	234	380	500	114	386	500	--
0483-Deaf and Disabled Telecommunications Program Administrative Committee Fund	50,904	51,930	59,603	43,231	52,968	67,240	28,959	49,820	67,292	11,487
0485-Armory Discretionary Improvement Account	651	22	20	653	40	158	535	40	160	415
0487-Financial Responsibility Penalty Account	1,094	9	--	1,103	--	--	1,103	--	--	1,103
0492-State Athletic Commission Neurological Examination Account	579	17	55	541	22	56	507	22	59	470
0493-California Teleconnect Fund Administrative Committee Fund	86,152	112,128	80,990	117,290	83,749	128,108	72,931	73,699	108,457	38,173

**SCHEDULE 10 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF FUND CONDITION STATEMENTS**

(Dollars in Thousands)

Fund	Beginning Reserve 2017-18	Revenues 2017-18	Expenditures 2017-18	Beginning Reserve 2018-19	Revenues 2018-19	Expenditures 2018-19	Beginning Reserve 2019-20	Revenues 2019-20	Expenditures 2019-20	Ending Reserve 2019-20
0494-Other - Unallocated Special Funds	77,890	--	-67,083	144,973	--	621,308	-476,335	--	616,994	-1,093,329
0496-Developmental Disabilities Services Account	145	1	--	146	150	150	146	150	150	146
0497-Local Government Geothermal Resources Revolving Subaccount, Geothermal Reso	1,736	1,088	432	2,392	1,240	2,764	868	1,240	1,613	495
0557-Toxic Substances Control Account	36,380	78,814	83,122	32,072	139,778	138,583	33,267	162,764	173,870	22,161
0558-Farm and Ranch Solid Waste Cleanup and Abatement Account	737	1,017	482	1,272	1,017	1,913	376	1,017	1,226	167
0566-Department of Justice Child Abuse Fund	1,526	396	432	1,490	267	469	1,288	267	474	1,081
0567-Gambling Control Fund	55,341	23,046	17,640	60,747	23,046	21,530	62,263	52,046	17,063	97,256
0569-Gambling Control Fines and Penalties Account	7,272	253	248	7,277	253	297	7,233	253	300	7,186
0577-Abandoned Watercraft Abatement Fund	588	2,750	2,750	588	2,750	2,750	588	2,750	2,750	588
0582-High Polluter Repair or Removal Account	47,880	47,567	40,812	54,635	48,544	41,497	61,682	49,118	41,507	69,293
0585-Counties Children and Families Account, California Children and Families Tr	59,424	258,705	318,129	--	291,158	291,158	--	286,304	286,304	--
0587-Family Law Trust Fund	6,556	2,488	1,312	7,732	2,125	1,779	8,078	2,179	1,778	8,479
0593-Coastal Access Account, State Coastal Conservancy Fund	2,259	584	550	2,293	597	798	2,092	614	830	1,876
0623-California Children and Families First Trust Fund	4	43,959	11,704	32,259	15,900	15,902	32,257	14,092	14,093	32,256
0631-Mass Media Communications Account, California Children and Families Trust F	12,647	20,095	13,389	19,353	22,432	20,342	21,443	22,068	20,342	23,169
0634-Education Account, California Children and Families Trust Fund	67,346	17,366	20,045	64,667	18,735	23,951	59,451	18,431	23,951	53,931
0636-Child Care Account, California Children and Families Trust Fund	38,943	10,297	14,930	34,310	11,215	15,121	30,404	11,033	15,121	26,316
0637-Research and Development Account, California Children and Families Trust Fu	48,968	10,419	9,399	49,988	11,270	16,983	44,275	11,088	16,983	38,380
0638-Administration Account, California Children and Families Trust Fund	13,108	3,384	7,360	9,132	3,760	6,123	6,769	3,699	5,485	4,983
0639-Unallocated Account, California Children and Families Trust Fund	17,233	6,538	9,660	14,111	7,322	7,052	14,381	7,201	7,052	14,530
0642-Domestic Violence Training and Education Fund	726	699	413	1,012	663	634	1,041	663	643	1,061

**SCHEDULE 10 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF FUND CONDITION STATEMENTS**  
(Dollars in Thousands)

Fund	Beginning Reserve 2017-18	Revenues 2017-18	Expenditures 2017-18	Beginning Reserve 2018-19	Revenues 2018-19	Expenditures 2018-19	Beginning Reserve 2019-20	Revenues 2019-20	Expenditures 2019-20	Ending Reserve 2019-20
0643-Upper Newport Bay Ecological Reserve Maintenance and Preservation Fund	1	--	--	1	--	--	1	--	--	1
0648-Mobilehome-Manufactured Home Revolving Fund	7,469	21,683	21,748	7,404	20,866	23,307	4,963	20,866	23,849	1,980
0704-Accountancy Fund, Professions and Vocations Fund	31,789	10,478	14,781	27,486	10,022	15,284	22,224	10,312	16,940	15,596
0706-California Architects Board Fund	4,970	4,254	4,053	5,171	3,017	4,186	4,002	4,284	4,220	4,066
0717-Cemetery and Funeral Fund	3,573	4,003	4,721	2,855	4,025	4,972	1,908	4,091	5,148	851
0735-Contractors License Fund	16,182	65,627	68,650	13,159	67,894	72,295	8,758	67,470	73,096	3,132
0741-State Dentistry Fund	6,389	13,224	14,507	5,106	15,695	15,118	5,683	15,795	15,941	5,537
0750-State Funeral Directors and Embalmers Fund	1,513	--	--	1,513	--	--	1,513	--	--	1,513
0752-Home Furnishings and Thermal Insulation Fund	3,054	5,041	5,258	2,837	5,364	5,287	2,914	5,536	5,698	2,752
0755-Licensed Midwifery Fund	362	46	15	393	50	122	321	49	120	250
0757-California Board of Architectural Examiners - Landscape Architects Fund	2,102	517	1,062	1,557	578	1,118	1,017	921	1,126	812
0758-Contingent Fund of the Medical Board of California	28,728	65,928	66,491	28,165	57,752	69,167	16,750	57,491	68,999	5,242
0759-Physical Therapy Fund	2,078	5,685	5,286	2,477	5,888	5,152	3,213	5,897	5,638	3,472
0761-Board of Registered Nursing Fund, Professions and Vocations Fund	9,966	44,525	44,940	9,551	56,336	48,637	17,250	58,031	56,564	18,727
0763-State Optometry Fund, Professions and Vocations Fund	3,277	1,873	2,287	2,863	1,916	2,104	2,675	1,909	2,344	2,240
0767-Pharmacy Board Contingent Fund, Professions and Vocations Fund	8,084	25,574	25,044	8,614	23,942	27,559	4,997	24,624	28,239	1,382
0769-Private Investigator Fund	840	666	1,144	362	1,456	1,287	531	702	1,187	46
0770-Professional Engineer's, Land Surveyor's, and Geologist's Fund	10,042	8,826	10,913	7,955	9,085	12,990	4,050	8,911	11,141	1,820
0771-Court Reporters Fund	604	889	1,059	434	873	1,222	85	1,513	1,203	395
0773-Behavioral Science Examiners Fund, Professions and Vocations Fund	5,647	12,272	12,754	5,165	12,544	12,895	4,814	9,256	12,786	1,284
0775-Structural Pest Control Fund	2,154	4,571	5,305	1,420	4,514	5,508	426	5,208	5,530	104
0777-Veterinary Medical Board Contingent Fund	1,822	4,393	5,470	745	5,561	5,370	936	5,828	5,591	1,173
0779-Vocational Nursing and Psychiatric Technicians Fund	11,926	12,479	16,677	7,728	14,586	17,469	4,845	16,869	17,544	4,170
0780-Psychiatric Technicians Account, Vocational Nursing and Psychiatric Technic	1,064	--	--	1,064	--	--	1,064	--	-1	1,065
0932-Trial Court Trust Fund	75,126	1,303,737	1,318,385	60,478	1,291,619	1,288,349	63,748	1,303,284	1,366,835	197
0933-Managed Care Fund	15,272	74,965	78,730	11,507	83,415	89,722	5,200	94,586	93,258	6,528

**SCHEDULE 10 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF FUND CONDITION STATEMENTS**

(Dollars In Thousands)

Fund	Beginning Reserve 2017-18	Revenues 2017-18	Expenditures 2017-18	Beginning Reserve 2018-19	Revenues 2018-19	Expenditures 2018-19	Beginning Reserve 2019-20	Revenues 2019-20	Expenditures 2019-20	Ending Reserve 2019-20
0940-Bosco-Keene Renewable Resources Investment Fund	1,805	1,017	1,039	1,783	1,200	1,096	1,887	1,200	1,130	1,957
1003-Cleanup Loans and Environmental Assistance to Neighborhoods Account	2,605	-40	1,000	1,565	-40	500	1,025	-40	500	485
1006-Rural CUPA Reimbursement Account	1,794	--	988	806	--	--	806	--	--	806
1008-Firearms Safety and Enforcement Special Fund	23,505	3,711	10,152	17,064	6,645	11,301	12,408	11,701	11,326	12,783
1010-Natural Heritage Preservation Tax Credit Reimbursement Account	-725	--	--	-725	--	--	-725	--	--	-725
1011-Budget Stabilization Account	6,713,422	4,085,000	--	10,798,422	2,737,000	--	13,535,422	1,767,000	--	15,302,422
1017-Umbilical Cord Blood Collection Program Fund	11,413	3,195	7,500	7,108	3,240	2,500	7,848	3,240	2,500	8,588
1018-Lake Tahoe Science and Lake Improvement Account, General Fund	2,214	1,402	747	2,869	1,005	1,577	2,297	1,005	1,700	1,602
1019-Safety Net Reserve Fund	--	--	--	--	900,000	--	900,000	--	--	900,000
1023-CalWORKs Subaccount, Safety Net Reserve Fund	--	--	--	--	--	--	--	--	--	--
1027-Full-Day Kindergarten Facilities Account	--	--	--	--	--	-61,781	61,781	--	60,719	1,062
2501-Local Transportation Loan Account, State Highway Account, State Transportat	4,059	52	--	4,111	51	--	4,162	-4,162	--	--
2503-SR-710 Rehabilitation Account	--	--	--	--	1,000	500	500	1,000	1,000	500
2504-Advance Mitigation Account, State Transportation Fund	--	30,000	--	30,000	30,488	30,000	30,488	30,486	30,000	30,984
3001-Public Beach Restoration Fund	10,694	2,439	2,439	10,694	--	1,300	9,394	--	--	9,394
3002-Electrician Certification Fund	9,245	2,588	2,371	9,462	2,330	2,969	8,823	2,330	2,989	8,164
3004-Garment Industry Regulations Fund	3,790	2,529	2,929	3,390	2,705	3,545	2,550	2,705	3,548	1,707
3007-Traffic Congestion Relief Fund	351,027	75,000	120,804	305,223	75,000	155,934	224,289	50,000	134,849	139,440
3010-Pierces Disease Management Account	9,491	4,540	3,305	10,726	5,700	3,374	13,052	5,700	3,374	15,378
3013-California Central Coast State Veterans Cemetery at Fort Ord Operations Fun	52	138	164	26	642	643	25	83	70	38
3015-Gas Consumption Surcharge Fund	18,942	457,541	457,003	19,480	592,002	563,417	48,065	592,002	563,260	76,807
3016-Missing Persons DNA Data Base Fund	5,365	3,151	3,196	5,320	3,151	3,798	4,673	3,151	3,817	4,007
3017-Occupational Therapy Fund	2,588	1,800	2,384	2,004	2,033	2,568	1,469	2,126	2,580	1,015
3018-Drug and Device Safety Fund	1,587	5,341	5,358	1,570	6,672	7,490	752	6,672	7,415	9
3019-Substance Abuse Treatment Trust Fund	277	--	--	277	--	--	277	--	--	277
3020-Tobacco Settlement Fund	2,264	--	991	1,273	--	57	1,216	--	--	1,216

**SCHEDULE 10 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF FUND CONDITION STATEMENTS**  
(Dollars In Thousands)

Fund	Beginning Reserve 2017-18	Revenues 2017-18	Expenditures 2017-18	Beginning Reserve 2018-19	Revenues 2018-19	Expenditures 2018-19	Beginning Reserve 2019-20	Revenues 2019-20	Expenditures 2019-20	Ending Reserve 2019-20
3022-Apprenticeship Training Contribution Fund	21,361	16,112	11,076	26,397	13,800	13,075	27,122	13,800	14,002	26,920
3024-Rigid Container Account	98	50	65	83	162	181	64	162	178	48
3025-Abandoned Mine Reclamation and Minerals Fund Subaccount, Mine Reclamation A	2,080	733	1,277	1,536	827	1,152	1,211	827	901	1,137
3027-Trauma Care Fund	6	--	--	6	--	--	6	--	--	6
3030-Workers Occupational Safety and Health Education Fund	1,444	1,132	874	1,702	1,012	1,203	1,511	1,012	1,199	1,324
3033-California Memorial Scholarship Fund	478	--	--	478	-478	--	--	--	--	--
3034-Antiterrorism Fund	2,450	915	1,631	1,734	1,371	1,925	1,180	893	1,389	684
3035-Environmental Quality Assessment Fund	178	2	--	180	--	--	180	--	--	180
3036-Alcohol Beverage Control Fund	26,291	60,328	69,299	17,320	64,314	74,793	6,841	66,010	73,448	-597
3037-State Court Facilities Construction Fund	389,402	62,783	134,406	317,779	82,068	148,918	250,929	85,898	164,787	172,040
3039-Dentally Underserved Account, State Dentistry Fund	1,557	5	134	1,428	18	134	1,312	12	134	1,190
3042-Victims of Corporate Fraud Compensation Fund	13,433	2,198	1,835	13,796	1,844	1,607	14,033	1,844	1,619	14,258
3046-Oil, Gas, and Geothermal Administrative Fund	8,614	103,894	105,184	7,324	110,428	110,903	6,849	110,428	101,392	15,885
3053-Public Rights Law Enforcement Special Fund	2,876	13,844	13,896	2,824	18,021	19,466	1,379	19,021	19,579	821
3054-Health Care Benefits Fund	2,137	2,000	3,139	998	2,000	2,000	998	2,000	2,000	998
3056-Safe Drinking Water and Toxic Enforcement Fund	7,653	4,630	3,968	8,315	2,020	5,056	5,279	2,020	4,424	2,875
3057-Dam Safety Fund	675	20,789	14,472	6,992	17,025	20,707	3,310	20,705	20,209	3,806
3058-Water Rights Fund	4,294	21,007	21,750	3,651	23,516	24,704	2,363	27,237	27,012	2,588
3059-Fiscal Recovery Fund	171,530	-171,530	--	--	--	--	--	--	--	--
3060-Appellate Court Trust Fund	12,666	6,128	6,020	12,774	5,209	7,728	10,255	5,053	7,875	7,433
3062-Energy Facility License and Compliance Fund	15,054	3,111	2,497	15,668	5,100	4,822	15,946	5,100	4,979	16,067
3063-State Responsibility Area Fire Prevention Fund	44,912	51	5,533	39,430	--	43,901	-4,471	--	-21	-4,450
3064-Mental Health Practitioner Education Fund	178	390	146	422	404	402	424	829	829	424
3065-Electronic Waste Recovery and Recycling Account, Integrated Waste Management	100,292	84,573	74,278	110,587	80,122	93,430	97,279	78,223	92,978	82,524
3066-Court Facilities Trust Fund	15,395	100,331	105,390	10,336	99,422	104,030	5,728	98,401	104,030	99

**SCHEDULE 10 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF FUND CONDITION STATEMENTS**

(Dollars in Thousands)

Fund	Beginning Reserve 2017-18	Revenues 2017-18	Expenditures 2017-18	Beginning Reserve 2018-19	Revenues 2018-19	Expenditures 2018-19	Beginning Reserve 2019-20	Revenues 2019-20	Expenditures 2019-20	Ending Reserve 2019-20
3067-Cigarette and Tobacco Products Compliance Fund	10,644	10,533	8,209	12,968	9,178	12,410	9,736	9,178	12,369	6,545
3068-Vocational Nurse Education Fund	760	244	190	814	240	231	823	240	233	830
3069-Naturopathic Doctors Fund	531	301	453	379	361	454	286	444	490	240
3070-Nontoxic Dry Cleaning Incentive Trust Fund	699	35	77	657	100	429	328	100	424	4
3071-Car Wash Worker Restitution Fund	1,573	1,200	--	2,773	1,175	421	3,527	1,175	421	4,281
3072-Car Wash Worker Fund	4,311	1,339	509	5,141	1,295	789	5,647	1,295	815	6,127
3074-Medical Marijuana Program Fund	353	4	128	229	1	51	179	1	180	--
3075-Unlawful Sales Reduction Fund	85	--	--	85	1	--	86	1	--	87
3078-Labor and Workforce Development Fund	37,215	34,401	6,536	65,080	34,333	9,123	90,290	34,333	9,167	115,456
3079-Childrens Medical Services Rebate Fund	11,414	14,733	19,050	7,097	11,145	11,000	7,242	8,445	8,300	7,387
3080-AIDS Drug Assistance Program Rebate Fund	247,942	337,236	287,862	297,316	325,632	289,149	333,799	378,988	324,354	388,433
3081-Cannery Inspection Fund	2,578	2,491	2,717	2,352	2,605	3,045	1,912	2,605	3,112	1,405
3082-School Facilities Emergency Repair Account	11,950	--	5,988	5,962	--	83	5,879	--	--	5,879
3083-Welcome Center Fund	87	90	70	107	80	124	63	80	118	25
3084-State Certified Unified Program Agency Account	456	1,679	1,702	433	2,065	1,866	632	2,144	2,304	472
3085-Mental Health Services Fund	845,285	2,084,781	2,085,467	854,599	2,398,134	2,294,092	958,641	2,377,554	2,250,075	1,086,120
3086-DNA Identification Fund	3,225	52,916	48,791	7,350	52,098	54,359	5,089	51,098	55,910	277
3087-Unfair Competition Law Fund	16,389	12,813	23,433	5,769	26,050	26,177	5,642	26,050	31,362	330
3088-Registry of Charitable Trusts Fund	6,454	4,560	5,062	5,952	7,171	6,531	6,592	4,471	6,350	4,713
3089-Public Utilities Commission Public Advocates Office Account	7,257	30,147	31,857	5,547	35,508	36,757	4,298	45,079	47,151	2,226
3091-Certified Access Specialist Fund	1,688	402	372	1,718	409	405	1,722	409	423	1,708
3093-Transportation Deferred Investment Fund	50,147	--	15,809	34,338	--	9,220	25,118	-21,091	4,027	--
3095-Film Promotion and Marketing Fund	31	3	--	34	10	12	32	10	10	32
3096-Nondesignated Public Hospital Supplemental Fund	472	35	-1,978	2,485	1,035	525	2,995	518	--	3,513
3097-Private Hospital Supplemental Fund	1,478	10,403	-16,361	28,242	60,343	19,500	69,085	39,206	19,500	88,791
3098-State Department of Public Health Licensing and Certification Program Fund	36,082	143,650	153,511	26,221	160,139	174,570	11,790	198,178	200,014	9,954
3099-Mental Health Facility Licensing Fund	1,008	430	40	1,398	398	428	1,368	398	408	1,358
3101-Analytical Laboratory Account, Department of Food and Agriculture Fund	2,545	393	518	2,420	398	520	2,298	398	525	2,171

**SCHEDULE 10 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF FUND CONDITION STATEMENTS**  
(Dollars In Thousands)

Fund	Beginning Reserve 2017-18	Revenues 2017-18	Expenditures 2017-18	Beginning Reserve 2018-19	Revenues 2018-19	Expenditures 2018-19	Beginning Reserve 2019-20	Revenues 2019-20	Expenditures 2019-20	Ending Reserve 2019-20
3102-Acute Orphan Well Account, Oil, Gas, and Geothermal Administrative Fund	--	--	--	--	--	--	--	--	--	--
3103-Hatchery and Inland Fisheries Fund	6,029	23,906	21,995	7,940	21,925	22,178	7,687	21,925	24,417	5,195
3107-Transportation Debt Service Fund	--	1,489,278	1,489,278	--	1,566,933	1,566,933	--	2,167,773	1,683,571	484,202
3108-Professional Fiduciary Fund	220	565	573	212	605	586	231	624	612	243
3109-Natural Gas Subaccount, Public Interest Research, Development, and Demonstr	27,728	25,241	24,955	28,014	25,000	44,845	8,169	25,000	24,077	9,092
3110-Gambling Addiction Program Fund	1,105	401	162	1,344	278	157	1,465	278	156	1,587
3111-Retail Food Safety and Defense Fund	59	1	--	60	--	--	60	--	--	60
3112-Equality in Prevention and Services for Domestic Abuse Fund	28	24	--	52	24	--	76	24	--	100
3113-Residential and Outpatient Program Licensing Fund	6,639	7,578	6,622	7,595	5,690	7,173	6,112	6,809	7,712	5,209
3114-Birth Defects Monitoring Program Fund	3,444	3,111	4,821	1,734	3,173	2,762	2,145	3,149	2,789	2,505
3117-Alternative and Renewable Fuel and Vehicle Technology Fund	188,774	115,592	116,078	188,288	200,000	336,780	51,508	110,000	109,694	51,814
3119-Air Quality Improvement Fund	26,508	43,451	31,290	38,669	25,051	46,910	16,810	40,051	51,530	5,331
3120-State Fire Marshal Fireworks Enforcement and Disposal Fund	204	6	--	210	--	--	210	--	--	210
3121-Occupational Safety and Health Fund	48,037	76,272	82,870	41,439	97,298	98,381	40,356	97,852	99,058	39,150
3122-Enhanced Fleet Modernization Subaccount, High Polluter Repair or Removal Ac	29,435	33,675	39,362	23,748	32,963	40,738	15,973	33,179	40,770	8,382
3123-Coastal Act Services Fund	3,196	1,147	1,796	2,547	903	1,474	1,976	886	689	2,173
3131-California Bingo Fund	704	7	3	708	--	--	708	--	--	708
3132-Charity Bingo Mitigation Fund	5	--	--	5	--	--	5	--	--	5
3133-Managed Care Administrative Fines and Penalties Fund	4,108	-1,529	--	2,579	-59	--	2,520	--	--	2,520
3134-School District Account, Underground Storage Tank Cleanup Fund	2,716	88	249	2,555	118	2,194	479	118	--	597
3136-Foreclosure Consultant Regulation Fund	12	1	--	13	--	--	13	--	--	13
3137-Emergency Medical Technician Certification Fund	1,065	1,577	1,415	1,227	1,595	1,783	1,039	1,595	1,903	731
3138-Immediate and Critical Needs Account, State Court Facilities Construction F	240,143	254,034	240,893	253,284	234,256	265,057	222,483	304,234	226,464	300,253
3139-Specialized License Plate Fund	1,074	572	332	1,314	755	705	1,364	755	712	1,407

**SCHEDULE 10 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF FUND CONDITION STATEMENTS**  
(Dollars in Thousands)

Fund	Beginning Reserve 2017-18	Revenues 2017-18	Expenditures 2017-18	Beginning Reserve 2018-19	Revenues 2018-19	Expenditures 2018-19	Beginning Reserve 2019-20	Revenues 2019-20	Expenditures 2019-20	Ending Reserve 2019-20
3140-State Dental Hygiene Fund	2,014	1,809	2,171	1,652	1,850	2,231	1,271	1,862	2,442	691
3141-California Advanced Services Fund	132,612	18,976	68,624	82,964	59,409	81,140	61,233	55,884	81,284	35,833
3142-State Dental Assistant Fund	2,120	2,023	2,730	1,413	2,473	2,776	1,110	2,502	2,666	946
3144-Building Standards Administration Special Revolving Fund	5,868	3,806	2,013	7,661	3,000	2,469	8,192	3,000	2,374	8,818
3145-Underground Storage Tank Petroleum Contamination Orphan Site Cleanup Fund	17,595	241	2,374	15,462	327	4,460	11,329	327	10,000	1,656
3147-State Water Pollution Control Revolving Fund Small Community Grant Fund	14,437	9,653	7,975	16,115	8,453	8,000	16,568	8,453	8,000	17,021
3149-Local Safety and Protection Account, Transportation Tax Fund	704	--	--	704	--	--	704	--	--	704
3150-State Public Works Enforcement Fund	7,886	11,977	8,101	11,762	3,607	11,941	3,428	12,090	13,023	2,495
3151-Internal Health Information Integrity Quality Improvement Account	1	--	--	1	--	--	1	--	--	1
3152-Labor Enforcement and Compliance Fund	41,921	56,855	68,664	30,112	83,203	78,134	35,181	80,789	81,529	34,441
3153-Horse Racing Fund	2,235	13,805	14,182	1,858	14,251	14,505	1,604	14,251	14,531	1,324
3155-Lead-Related Construction Fund	914	531	614	831	575	797	609	575	826	358
3156-Children's Health and Human Services Special Fund	625,930	163,851	300,000	489,781	9,251	286	498,746	--	--	498,746
3157-Recreational Health Fund	528	7	--	535	--	--	535	--	--	535
3158-Hospital Quality Assurance Revenue Fund	477,252	4,916,481	3,901,934	1,491,799	5,700,082	6,278,128	913,753	4,029,098	4,361,047	581,804
3160-Wastewater Operator Certification Fund	3,158	1,051	1,046	3,163	713	1,589	2,287	743	1,602	1,428
3164-Renewable Energy Resources Development Fee Trust Fund	132	--	--	132	--	--	132	--	--	132
3165-Enterprise Zone Fund	5,121	65	428	4,758	58	3,562	1,254	58	1,144	168
3167-Skilled Nursing Facility Quality and Accountability Fund	2,295	313	--	2,608	123	-294	3,025	123	-933	4,081
3168-Emergency Medical Air Transportation and Children's Coverage Fund	7,226	6,048	7,429	5,845	7,693	7,576	5,962	8,207	8,090	6,079
3170-Heritage Enrichment Resource Fund	351	126	7	470	112	43	539	112	42	609
3171-Local Revenue Fund 2011	--	--	--	--	--	--	--	--	--	--
3172-Public Hospital Investment, Improvement, and Incentive Fund	--	801,443	791,804	9,639	843,923	843,924	9,638	666,000	666,000	9,638
3179-Mental Health Account, Local Revenue Fund 2011	--	--	--	--	--	--	--	--	--	--

**SCHEDULE 10 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF FUND CONDITION STATEMENTS**

(Dollars In Thousands)

Fund	Beginning Reserve 2017-18	Revenues 2017-18	Expenditures 2017-18	Beginning Reserve 2018-19	Revenues 2018-19	Expenditures 2018-19	Beginning Reserve 2019-20	Revenues 2019-20	Expenditures 2019-20	Ending Reserve 2019-20
3195-Carpet Stewardship Account, Integrated Waste Management Fund	766	383	386	763	834	420	1,177	834	432	1,579
3200-CalWORKs Maintenance of Effort Subaccount, Sales Tax Account	--	752,887	752,887	--	752,887	752,887	--	752,887	752,887	--
3201-Low Income Health Program MCE Out-of- Network Emergency Care Services Fund	12,353	163	--	12,516	236	--	12,752	--	--	12,752
3202-Architectural Paint Stewardship Account, Integrated Waste Management Fund	663	168	167	664	400	418	646	400	422	624
3205-Appliance Efficiency Enforcement Subaccount, Energy Resources Programs Acco	1,841	2,559	1,402	2,998	3,020	1,567	4,451	3,020	1,734	5,737
3209-Office of Patient Advocate Trust Fund	1,779	2,097	1,864	2,012	2,122	2,168	1,966	2,161	2,181	1,946
3210-Davis-Dolwig Account, California Water Resources Development Bond Fund	13	10,157	3,200	6,970	10,000	16,800	170	10,000	10,000	170
3211-Electric Program Investment Charge Fund	39,376	174,619	169,059	44,936	169,750	212,638	2,048	169,750	148,639	23,159
3212-Timber Regulation and Forest Restoration Fund	32,347	43,465	48,200	27,612	46,000	56,564	17,048	46,000	51,487	11,561
3213-Long-Term Care Quality Assurance Fund	199,373	312,796	381,010	131,159	773,642	899,759	5,042	563,399	503,268	65,173
3214-Support Services Account, Local Revenue Fund 2011	--	--	--	--	--	--	--	--	--	--
3215-Law Enforcement Services Account, Local Revenue Fund 2011	--	--	--	--	--	--	--	--	--	--
3216-Protective Services Subaccount, Support Services Account	--	2,258,028	2,258,028	--	2,336,173	2,336,173	--	2,450,178	2,450,178	--
3217-Behavioral Health Subaccount, Support Services Account	--	1,328,618	1,328,618	--	1,415,447	1,415,447	--	1,542,118	1,542,118	--
3218-Support Services Growth Subaccount, Sales and Use Tax Growth Account	--	--	--	--	--	--	--	--	--	--
3220-Law Enforcement Services Growth Subaccount, Sales and Use Tax Growth Account	--	--	--	--	--	--	--	--	--	--
3221-Trial Court Security Subaccount, Law Enforcement Services Account	--	550,340	550,340	--	559,691	559,691	--	573,333	573,333	--
3222-Enhancing Law Enforcement Activities Subaccount, Law Enforcement Services A	--	489,900	489,900	--	489,900	489,900	--	489,900	489,900	--

**SCHEDULE 10 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF FUND CONDITION STATEMENTS**

(Dollars In Thousands)

Fund	Beginning Reserve 2017-18	Revenues 2017-18	Expenditures 2017-18	Beginning Reserve 2018-19	Revenues 2018-19	Expenditures 2018-19	Beginning Reserve 2019-20	Revenues 2019-20	Expenditures 2019-20	Ending Reserve 2019-20
3223-Community Corrections Subaccount, Law Enforcement Services Account	--	1,241,062	1,241,062	--	1,311,193	1,311,193	--	1,413,505	1,413,505	--
3224-District Attorney and Public Defender Subaccount, Law Enforcement Services	--	33,245	33,245	--	37,919	37,919	--	44,739	44,739	--
3225-Juvenile Justice Subaccount, Law Enforcement Services Account	--	--	--	--	--	--	--	--	--	--
3226-Juvenile Reentry Grant Special Account, Juvenile Justice Subaccount	--	8,428	8,428	--	8,944	8,944	--	9,697	9,697	--
3227-Youthful Offender Black Grant Special Account, Juvenile Justice Subaccount	--	144,287	144,287	--	153,122	153,122	--	166,011	166,011	--
3228-Greenhouse Gas Reduction Fund 3229-Sales and Use Tax Growth Account, Local Revenue Fund 2011	1,967,602	3,072,894	1,664,864	3,375,632	2,734,194	4,782,415	1,327,411	2,356,057	2,410,258	1,273,210
3230-Juvenile Justice Growth Special Account, Law Enforcement Services Growth Su	--	9,351	9,351	--	13,642	13,642	--	12,483	12,483	--
3231-Enhancing Law Enforcement Activities Growth Special Account, Enhancing Law	--	192,790	192,790	--	228,073	228,073	--	241,445	241,445	--
3232-District Attorney and Public Defender Growth Special Account, Law Enforceme	--	4,675	4,675	--	6,821	6,821	--	6,241	6,241	--
3233-Community Corrections Growth Special Account, Law Enforcement Services Grow	--	70,130	70,130	--	102,311	102,311	--	93,621	93,621	--
3234-Trial Court Security Growth Special Account, Law Enforcement Services Growth	--	9,351	9,351	--	13,642	13,642	--	12,483	12,483	--
3235-Behavioral Health Services Growth Special Account, Support Services Growth	--	86,829	86,829	--	126,672	126,672	--	115,912	115,912	--
3236-Protective Services Growth Special Account, Support Services Growth Subacco	--	78,145	78,145	--	114,004	114,004	--	104,319	104,319	--
3237-Cost of Implementation Account, Air Pollution Control Fund	8,952	69,025	65,955	12,022	84,058	86,475	9,605	84,058	88,794	4,869
3238-State Parks Revenue Incentive Subaccount, State Parks and Recreation Fund	16,573	4,340	9,176	11,737	--	4,502	7,235	--	4,502	2,733

**SCHEDULE 10 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF FUND CONDITION STATEMENTS**  
(Dollars In Thousands)

Fund	Beginning Reserve 2017-18	Revenues 2017-18	Expenditures 2017-18	Beginning Reserve 2018-19	Revenues 2018-19	Expenditures 2018-19	Beginning Reserve 2019-20	Revenues 2019-20	Expenditures 2019-20	Ending Reserve 2019-20
3239-Women and Childrens Residential Treatment Services Special Account	--	5,104	5,104	--	5,104	5,104	--	5,104	5,104	--
3240-Secondhand Dealer and Pawnbroker Fund	2,579	662	357	2,884	662	698	2,848	662	695	2,815
3244-Political Disclosure, Accountability, Transparency, and Access Fund	808	539	93	1,254	533	1,269	518	533	107	944
3245-Disability Access and Education Revolving Fund	677	1,094	466	1,305	967	750	1,522	967	774	1,715
3246-Fair Employment and Housing Enforcement and Litigation Fund	293	503	2	794	913	458	1,249	325	262	1,312
3248-Family Support Subaccount, Sales Tax Account	--	450,130	450,130	--	450,130	450,130	--	450,130	450,130	--
3249-Child Poverty and Family Supplemental Support Subaccount, Sales Tax Account	--	104,422	104,422	--	104,422	104,422	--	104,422	104,422	--
3251-Prepaid Mobile Telephony Services Surcharge Fund	50	2,549	1,499	1,100	2,175	2,038	1,237	2,177	1,532	1,882
3252-CURES Fund	2,951	1,820	1,733	3,038	1,828	1,801	3,065	1,828	1,235	3,658
3254-Business Programs Modernization Fund	3,658	2,076	893	4,841	1,810	3,684	2,967	1,810	187	4,590
3255-Home Care Fund	5,995	7,625	8,438	5,182	4,446	6,994	2,634	7,746	7,365	3,015
3256-Specialized First Aid Training Program Approval Fund	59	12	--	71	7	--	78	7	--	85
3257-Used Mattress Recycling Fund	2,025	--	-1	2,026	--	--	2,026	--	12	2,014
3259-Recidivism Reduction Fund	15,817	--	--	15,817	-9,000	--	6,817	--	--	6,817
3260-Regional Railroad Accident Preparedness and Immediate Response Fund	1,356	--	123	1,233	--	466	767	--	54	713
3261-Vessel Operator Certification Account, Harbors and Watercraft Revolving Fun	3,457	--	1,110	2,347	--	1,090	1,257	--	1,110	147
3262-Expedited Claim Account, Underground Storage Tank Cleanup Fund	90,613	--	17,631	72,982	--	72,982	--	--	--	--
3263-College Access Tax Credit Fund	7,169	3,489	4,921	5,737	3,489	5,755	3,471	3,489	5,716	1,244
3264-Site Cleanup Subaccount	26,676	25,733	12,558	39,851	25,500	20,572	44,779	25,500	20,729	49,550
3265-Prepaid MTS PUC Account	--	--	--	--	--	--	--	--	--	--
3266-Prepaid MTS 911 Account	--	--	--	--	--	--	--	--	--	--
3268-Senior Citizens and Disabled Citizens Property Tax Postponement Fund	19,971	-2,955	1,013	16,003	-847	156	15,000	-59	182	14,759
3270-Local Charges for Prepaid Mobile Telephony Service Fund	--	6,087	5,277	810	6,087	6,104	793	6,087	604	6,276
3272-California Domestic Violence Prevention Fund	-1	--	--	-1	--	--	-1	--	--	-1

**SCHEDULE 10 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF FUND CONDITION STATEMENTS**

(Dollars In Thousands)

Fund	Beginning Reserve 2017-18	Revenues 2017-18	Expenditures 2017-18	Beginning Reserve 2018-19	Revenues 2018-19	Expenditures 2018-19	Beginning Reserve 2019-20	Revenues 2019-20	Expenditures 2019-20	Ending Reserve 2019-20
3273-Employment Opportunity Fund	3,946	--	1,825	2,121	--	2,121	--	--	--	--
3274-Social Services Subaccount, Vehicle License Fee Account	--	114,949	114,949	--	172,864	172,864	--	208,325	208,325	--
3275-County Medical Services Program Subaccount, Vehicle License Fee Account	--	31,618	31,618	--	47,335	47,335	--	48,890	48,890	--
3276-CalWORKs Maintenance of Effort Subaccount, Vehicle License Fee Account	--	367,663	367,663	--	367,663	367,663	--	367,664	367,664	--
3278-Mental Health Subaccount, Vehicle License Fee Account	--	95,063	95,063	--	95,260	95,260	--	95,379	95,379	--
3279-Health Subaccount, Vehicle License Fee Account	--	929,995	929,995	--	829,589	829,589	--	994,063	994,063	--
3280-General Growth Subaccount, Vehicle License Fee Growth Account	--	124,221	124,221	--	75,378	75,378	--	85,961	85,961	--
3281-Family Support Subaccount, Vehicle License Fee Account	--	220,507	220,507	--	323,075	323,075	--	167,577	167,577	--
3282-Child Poverty and Family Supplemental Support Subaccount, Vehicle License F	--	205,942	205,942	--	254,172	254,172	--	283,438	283,438	--
3283-County Medical Services Program Subaccount, Sales Tax Account	--	--	--	--	--	--	--	--	--	--
3285-Electronic Recording Authorization Fund	26	223	249	--	331	300	31	331	300	62
3286-Safe Neighborhoods and Schools Fund	396	-29,370	-30,240	1,266	-41,772	-41,655	1,149	-50,755	-50,586	980
3287-Second Chance Fund	286	29,370	1,877	27,779	41,772	41,781	27,770	50,755	50,775	27,750
3288-Cannabis Control Fund	13,521	89,880	92,875	10,526	172,827	152,717	30,636	124,608	149,421	5,823
3290-Road Maintenance and Rehabilitation Account, State Transportation Fund	--	1,352,441	920,843	431,598	2,949,368	2,322,180	1,058,786	2,977,152	3,244,258	791,680
3291-Trade Corridor Enhancement Account, State Transportation Fund	--	155,573	--	155,573	309,982	163,752	301,803	321,707	242,128	381,382
3292-State Project Infrastructure Fund	128,091	--	2	128,089	-1,877	-618,955	745,167	--	--	745,167
3293-Health and Human Services Special Fund	121,548	2,343,697	2,391,511	73,734	3,302,958	2,526,905	849,787	--	806,432	43,355
3295-Education and Research Account	--	--	--	--	400	--	400	200	200	400
3297-Major League Sporting Event Raffle Fund	297	527	309	515	537	338	714	596	1,304	6
3299-Oil and Gas Environmental Remediation Account	--	60	54	6	500	54	452	500	60	892
3301-Lead-Acid Battery Cleanup Fund	5,141	4,848	1,237	8,752	2,006	10,342	416	12,006	10,647	1,775

**SCHEDULE 10 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF FUND CONDITION STATEMENTS**

(Dollars in Thousands)

Fund	Beginning Reserve 2017-18	Revenues 2017-18	Expenditures 2017-18	Beginning Reserve 2018-19	Revenues 2018-19	Expenditures 2018-19	Beginning Reserve 2019-20	Revenues 2019-20	Expenditures 2019-20	Ending Reserve 2019-20
3302-Safe Energy Infrastructure and Excavation Fund	--	7,406	2,595	4,811	1,485	3,711	2,585	7,000	4,130	5,455
3303-Ammunition Safety and Enforcement Special Fund	23,781	352	7,723	16,410	346	11,095	5,661	20,056	14,937	10,780
3304-California Healthcare, Research and Prevention Tobacco Tax Act of 2016 Fund	466,551	-193,190	677	272,684	1,349	1,327	272,706	1,056	1,574	272,188
3305-Healthcare Treatment Fund	--	1,183,192	911,618	271,574	1,023,841	935,138	360,277	1,006,613	1,053,518	313,372
3306-Graduate Medical Education Account, CA Healthcare, Research and Prevention	--	50,000	50,000	--	40,000	40,000	--	36,542	36,542	--
3307-State Dental Program Account, California Healthcare, Research and Prevention	--	37,500	35,045	2,455	30,000	30,048	2,407	27,406	28,768	1,045
3308-Tobacco Law Enforcement Account, California Healthcare, Research and Preven	--	60,000	49,080	10,920	--	--	10,920	--	--	10,920
3309-Tobacco Prevention and Control Programs Account, California Healthcare, Res	--	222,207	195,558	26,649	--	--	26,649	--	--	26,649
3310-Medical Research Program Account, California Healthcare, Research and Preve	--	88,176	81,956	6,220	62,429	58,581	10,068	61,379	58,581	12,866
3311-Health Care Services Plan Fines and Penalties Fund	--	60,966	8,850	52,116	6,496	10,719	47,893	1,521	9,138	40,276
3312-Natural Resources and Parks Preservation Fund	--	--	--	--	--	-100,000	100,000	--	100,000	--
3313-Southern California Veterans Cemetery Master Development Fund	--	--	-4,500	4,500	--	--	4,500	--	--	4,500
3314-California Cannabis Tax Fund	--	83,591	--	83,591	235,125	53,032	265,684	454,977	63,905	656,756
3315-Household Movers Fund, Professions and Vocations Fund	--	--	--	--	3,909	2,502	1,407	2,707	2,276	1,838
3318-Department of Public Health Subaccount, Tobacco Law Enforcement Account, CA	--	--	--	--	6,000	6,000	--	5,481	5,319	162
3319-Department of Tax and Fee Administration Subaccount, Tobacco Law Enforcement	--	--	--	--	6,000	4,551	1,449	6,000	4,504	2,945
3320-Department of Justice Subaccount, Tobacco Law Enforcement Account, CA Health	--	--	--	--	36,000	36,000	--	32,887	32,887	--

**SCHEDULE 10 AT 2019-20 GOVERNOR'S BUDGET  
SUMMARY OF FUND CONDITION STATEMENTS**

(Dollars In Thousands)

Fund	Beginning Reserve 2017-18	Revenues 2017-18	Expenditures 2017-18	Beginning Reserve 2018-19	Revenues 2018-19	Expenditures 2018-19	Beginning Reserve 2019-20	Revenues 2019-20	Expenditures 2019-20	Ending Reserve 2019-20
3321-Department of Education Subaccount, Tobacco Prevention and Control Programs	--	--	--	--	24,969	24,347	622	23,938	24,216	344
3322-Department of Public Health Subaccount, Tobacco Prevention and Control Prog	--	--	--	--	137,969	129,650	8,319	135,647	137,004	6,962
3323-Medi-Cal Emergency Medical Transport Fund	--	--	--	--	70,009	63,121	6,888	70,009	70,030	6,867
3328-Pharmaceutical and Sharps Stewardship Fund	--	--	--	--	--	--	--	1,899	1,899	--
3329-Mobilehome Dispute Resolution Fund	--	--	--	--	1,877	--	1,877	3,754	1,057	4,574
3331-Medi-Cal Drug Rebate Fund	--	--	--	--	--	--	--	1,440,526	1,440,526	--
8059-State Community Corrections Performance Incentive Fund	365	--	53	312	--	3	309	--	7	302
8080-Clean Energy Job Creation Fund	84,428	--	-35,171	119,599	-113,524	--	6,075	--	--	6,075
<b>Totals, Special Funds</b>	<b>\$23,791,456</b>	<b>\$57,002,291</b>	<b>\$49,851,872</b>	<b>\$30,941,875</b>	<b>\$62,709,596</b>	<b>\$60,984,379</b>	<b>\$32,667,092</b>	<b>\$59,592,840</b>	<b>\$59,522,268</b>	<b>\$32,737,664</b>
<b>GRAND TOTALS</b>	<b>\$29,373,122</b>	<b>\$188,496,959</b>	<b>\$174,551,287</b>	<b>\$43,318,794</b>	<b>\$199,654,917</b>	<b>\$205,065,968</b>	<b>\$37,907,743</b>	<b>\$202,211,193</b>	<b>\$203,714,135</b>	<b>\$36,404,801</b>

Note : Numbers may not add due to rounding

# SCHEDULE 11 AT 2019-20 GOVERNOR'S BUDGET STATEMENT OF GENERAL OBLIGATION BOND & COMMERCIAL PAPER DEBT OF THE STATE OF CALIFORNIA (Dollars in Thousands)

(This statement does not include bonds issued under authority of state instrumentalities that are not general obligations of the State of California)

General Obligation Bonds										
As of December 1, 2018										
Fund	Bond Act	Final Maturity	As of December 1, 2018				Proposed Sales		Resolution Authority	As of December 1, 2018 Commercial Paper Outstanding
			Authorized	Unissued	Outstanding	Redeemed **	July-Dec 2019	Jan-June 2020		
<b>LEGISLATIVE, JUDICIAL, EXECUTIVE</b>										
6032	Voting Modernization (2002)		\$200,000	\$64,495	\$0	\$135,505	\$0	\$0	\$64,495	\$0
	Total, Legislative, Judicial, Executive		\$200,000	\$64,495	\$0	\$135,505	\$0	\$0	\$64,495	\$0
<b>BUSINESS, CONSUMER SERVICES &amp; HOUSING</b>										
0714	Housing & Homeless (1990)	2022	\$150,000	\$0	\$880	\$149,120	\$0	\$0	\$0	\$0
6037	Housing and Emergency Shelter (2002)	2040	2,100,000	71,395	358,060	1,670,545	0	0	64,395	2,745
6066	Housing and Emergency Shelter (2006)	2044	2,850,000	368,135	1,226,400	1,255,465	56,200	29,726	296,935	66,925
6082	Veterans Housing and Homeless Prevention (2014)	2031	600,000	563,670	7,860	28,470	58,868	58,868	126,400	27,365
	Total, Business, Consumer Services & Housing		\$5,700,000	\$1,003,200	\$1,593,200	\$3,103,600	\$115,068	\$68,594	\$489,730	\$99,035
<b>TRANSPORTATION</b>										
0703	* Clean Air & Transp Improv (1990)	2040	\$1,990,000	\$4,985	\$513,855	\$1,471,160	\$4,985	\$0	\$4,985	\$0
6053	Highway Safe, Traffic Red, Air Qual, Port Sec (2006)	2047	19,925,000	1,057,305	16,239,835	2,627,860	10,614	20,500	254,900	17,130
0756	Passenger Rail & Clean Air (1990)	2022	1,000,000	0	8,390	991,610	0	0	0	0
6043	Safe, Reliable High-Speed Passenger Train Bond Act (2008)	2048	9,950,000	6,573,190	2,665,785	711,025	325,209	679,526	6,573,190	36,390
0653	Seismic Retrofit (1996)	2039	2,000,000	0	885,445	1,114,555	0	0	0	0
	Total, Transportation		\$34,865,000	\$7,635,480	\$20,313,310	\$6,916,210	\$340,808	\$700,026	\$6,833,075	\$53,520
<b>NATURAL RESOURCES</b>										
6088	Ca Drought, Water, Parks, Climate, Coastal Protection (2018)		\$4,100,000	\$4,077,440	\$0	\$22,560	\$150,000	\$200,000	\$377,440	\$22,560
0722	* Ca Park & Recreational Facil (1984) <sup>1/</sup>	2027	368,900	0	7,615	361,285	0	0	0	0
0721	* Ca Parklands (1980)	2024	285,000	0	1,410	283,590	0	0	0	0
0707	* Ca Safe Drinking Water (1976) <sup>1/</sup>	2027	172,500	0	2,080	170,420	0	0	0	0
0707	* Ca Safe Drinking Water (1984)	2027	75,000	0	1,205	73,795	0	0	0	0
0707	* Ca Safe Drinking Water (1986)	2030	100,000	0	14,870	85,130	0	0	0	0
0793	Ca Safe Drinking Water (1988)	2040	75,000	0	19,160	55,840	0	0	0	0
6001	Ca Safe Drinking Water (2000) <sup>2/</sup>	2040	1,884,000	43,346	1,203,910	636,744	0	0	43,346	0
6051	Ca Safe Drinking Water (2006) <sup>2/5</sup>	2047	5,266,357	1,341,362	3,208,920	716,075	170,227	102,967	637,225	196,745
0786	* Ca Wildlife, Coast, & Park Land Cons (1988) <sup>1/</sup>	2032	768,670	0	75,505	693,165	0	0	0	0
0740	* Clean Water (1984)	2024	325,000	0	6,240	318,760	0	0	0	0
6029	Clean Water, Clean Air, and Parks (2002) <sup>5/</sup>	2046	2,596,643	170,788	1,934,420	491,435	12,098	8,851	155,038	27,485
0716	* Community Parklands (1986)	2022	100,000	0	1,435	98,565	0	0	0	0
6052	Disaster Prep and Flood Prevent (2006) <sup>2/</sup>	2047	3,990,000	1,236,202	2,574,995	178,803	160,709	179,612	372,777	18,710
0748	* Fish & Wildlife Habitat Enhance (1984)	2033	85,000	0	3,820	81,180	0	0	0	0
0402	Safe, Clean, Reliable Water Supply (1996) <sup>2/</sup>	2040	969,500	62,915	423,750	482,835	0	0	62,915	0
0005	Safe Neighborhood Parks (2000)	2040	2,100,000	49,005	1,239,620	811,375	4,243	5,201	49,005	16,155
0742	* State, Urban & Coastal Park (1976)	2029	280,000	0	2,545	277,455	0	0	0	0
0744	* Water Conserv & Water Quality (1986) <sup>2/</sup>	2031	136,500	230	18,995	117,275	0	0	230	0
0790	Water Conserv (1988)	2036	60,000	5,235	13,685	41,080	0	0	5,235	0
6031	Water Security, Coastal & Beach Protection (2002) <sup>2/</sup>	2043	3,345,000	274,339	2,443,350	627,311	11,920	8,218	118,429	28,400
6083	Water Quality, Supply, and Infrastructure Improvement (2014) <sup>5/</sup>	2047	7,465,000	6,754,590	539,425	170,985	420,071	410,742	913,835	113,855
	Total, Natural Resources		\$34,548,070	\$14,015,452	\$13,736,955	\$6,795,663	\$929,268	\$915,591	\$2,735,475	\$423,910
<b>ENVIRONMENTAL PROTECTION</b>										
0737	* Clean Water & Water Conserv (1978)	2028	\$375,000	\$0	\$2,900	\$372,100	\$0	\$0	\$0	\$0
0764	Clean Water & Water Reclam (1988)	2029	65,000	0	12,670	52,330	0	0	0	0
	Total, Environmental Protection		\$440,000	\$0	\$15,570	\$424,430	\$0	\$0	\$0	\$0
<b>HEALTH AND HUMAN SERVICES</b>										
6046	Children's Hospital Projects (2004)	2040	\$750,000	\$46,545	\$512,065	\$191,390	\$0	\$0	\$46,545	\$160
6079	Children's Hospital Projects (2008)	2047	980,000	175,490	730,290	74,220	0	0	175,490	37,100
6090	Children's Hospital Bond Act of 2018 <sup>7/</sup>		1,500,000	1,500,000	0	0	0	83,000	0	0
	Total, Health and Human Services		\$3,230,000	\$1,722,035	\$1,242,355	\$265,610	\$0	\$63,000	\$222,035	\$37,260
<b>YOUTH AND ADULT CORRECTIONAL</b>										
0711	* Co Corr Facil Cap Expend (1986)	2022	\$495,000	\$0	\$7,685	\$487,315	\$0	\$0	\$0	\$0
0796	Co Corr Facil Cap Expend & Youth Facil (1988)	2029	500,000	0	36,775	463,225	0	0	0	0
0746	* New Prison Construction (1986)	2034	500,000	0	935	499,065	0	0	0	0
0747	New Prison Construction (1988)	2030	817,000	1,245	3,125	812,630	0	0	1,245	35
0751	New Prison Construction (1990)	2029	450,000	605	2,965	446,430	0	0	307	0
	Total, Youth and Adult Correctional		\$2,762,000	\$1,850	\$51,485	\$2,708,665	\$0	\$0	\$1,552	\$35
<b>EDUCATION--K-12</b>										
0794	Ca Library Constr & Renov (1988) <sup>1/</sup>	2030	\$724,005	\$0	\$7,540	\$64,865	\$0	\$0	\$0	\$0

**SCHEDULE 11 AT 2019-20 GOVERNOR'S BUDGET**  
**STATEMENT OF GENERAL OBLIGATION BOND & COMMERCIAL PAPER DEBT OF THE STATE OF CALIFORNIA**  
(Dollars in Thousands)

(This statement does not include bonds issued under authority of state instrumentalities that are not general obligations of the State of California)

General Obligation Bonds										
As of December 1, 2018						Proposed Sales				
Fund	Bond Act	Final Maturity	Authorized	Unissued	Outstanding	Redeemed **	July-Dec 2019	Jan-June 2020	Resolution Authorization	As of December 1, 2018 Commercial Paper Outstanding
6000	Ca Library Constr & Renov (2000)	2040	350,000	5,040	206,415	138,545		0	5,040	0
0119	Class Size Reduction K-U Pub. Ed. Facil (1998) K-12	2033	6,700,000	615	3,059,190	3,640,195		0		10,785
0657	Public Education Faci (1996) K-12 <sup>6d</sup>	2034	2,012,035		637,125	1,374,910		0		0
6036	Public Education Faci (2002) K-12	2046	11,400,000	6,240	8,079,895	3,313,865		0	6,240	14,045
6044	Public Education Faci (2004) K-12	2046	10,000,000	22,200	7,282,020	2,695,780		0	22,200	20,755
6057	Public Education Faci (2006) K-12	2048	7,329,000	196,620	6,250,045	882,335		286		196,620
6086	Public Education Faci (2016) K-12	2048	7,000,000	6,021,710	908,910	69,380	593,724	750,000	21,710	35,325
0739	* School Bldg & Earthquake (1974)	2026	150,000	0	10,640	139,360		0		0
0708	School Facilities (1990)	2033	800,000	0	84,510	715,490		0		0
0745	School Facilities (1992)	2036	1,900,000	10,280	298,160	1,591,560		0	10,280	0
0776	1988 School Faci Bond Act (Nov) <sup>1f</sup>	2032	797,745	0	26,580	771,165		0		0
0774	1990 School Faci Bond Act (Jun) <sup>1f</sup>	2032	797,875	0	55,345	742,530		0		0
0765	1992 School Faci Bond Act (Nov) <sup>1f</sup>	2035	898,211	0	145,520	752,691		0		0
Total, Education-K-12			\$50,207,271	\$6,262,705	\$27,051,895	\$16,892,671	\$594,010	\$750,000	\$262,705	\$87,445
HIGHER EDUCATION										
0574	Class Size Reduction K-U Pub. Ed. Facil (1998) HI-Ed	2039	\$2,500,000	\$0	\$1,417,450	\$1,082,550	\$0	\$0	\$0	\$0
0785	Higher Education Faci (1988)	2032	600,000	0	14,825	585,175		0		0
0791	Higher Education Faci (Jun 1990)	2040	450,000	540	29,800	419,660		0	540	0
0705	Higher Education Faci (Jun 1992)	2040	900,000	0	181,445	718,555		0		0
0658	Public Education Faci (1996) HI-Ed	2032	975,000	4,650	379,975	590,375		500	4,650	530
6028	Public Education Faci (2002) HI-Ed	2039	1,650,000	0	1,152,530	497,470		0		0
6041	Public Education Faci (2004) HI-Ed	2040	2,300,000	58,019	1,824,805	417,176		0	58,019	0
6048	Public Education Faci (2006) HI-Ed	2043	3,087,000	38,775	2,816,070	232,155		0	38,775	840
6087	Public Education Faci (2016) CCC	2047	2,000,000	1,975,765	15,550	8,685	30,522	79,803	375,765	7,355
6047	Stem Cell Research and Cures (2004)	2039	3,000,000	473,650	1,218,445	1,307,905	59,879	20,790	69,175	91,535
Total, Higher Education			\$17,462,000	\$2,551,399	\$9,050,895	\$5,859,706	\$90,401	\$104,441	\$546,924	\$100,280
GENERAL GOVERNMENT										
0768	Earthquake Safety & Public Bldg. Rehab (1990)	2029	\$300,000	\$7,490	\$33,160	\$259,350	\$0	\$0	\$7,490	\$635
0701	Veterans' Homes (2000)	2039	50,000	975	32,170	16,855	0	0	975	0
6089	Veterans and Affordable Housing Bond Act of 2018 <sup>7f</sup>		3,000,000	3,000,000	0	0	0	0	0	0
Total, General Government			\$3,350,000	\$3,008,465	\$65,330	\$276,205	\$0	\$0	\$8,465	\$635
Total, All Agencies			\$152,764,341	\$36,265,081	\$73,120,995	\$43,378,265	\$2,069,555	\$2,641,652	\$11,164,456	\$802,100
SELF-LIQUIDATING BONDS <sup>3f</sup>										
*	Ca Water Resources Dev (1999)	2024	\$1,750,000	\$167,600	\$44,980	\$1,537,420	\$0	\$0	\$0	\$0
	Veterans Bonds <sup>47f</sup>	2048	3,960,000	1,001,755	719,160	2,239,085	0	0	1,755	0
Total, Self-Liquidating Bonds			\$5,710,000	\$1,169,355	\$764,140	\$3,776,505	\$0	\$0	\$1,755	\$0
Total			\$158,474,341	\$37,434,436	\$73,885,135	\$47,154,770	\$2,069,555	\$2,641,652	\$11,166,211	\$802,100

\* Bond acts not legally permitted to utilize commercial paper

\*\* Reflects the amount of authorization for each bond act that has been reduced as a result of general obligation bonds redeemed or commercial paper redeemed or issued

<sup>1f</sup> Chapter 39, Statutes of 2012 (SB 1018), reduced the voter authorized amount

<sup>2f</sup> Chapter 188, Statutes of 2014 (AB 1471), reduced the voter authorized amount

<sup>3f</sup> The Self-Liquidating bonds are public service enterprises that have dedicated revenues to finance the respective debt service expenditures.

<sup>4f</sup> Chapter 727, Statutes of 2013 (AB 639), reduced the voter authorized amount

<sup>5f</sup> Chapter 852, Statutes of 2017 (SB 5), reduced the voter authorized amount

<sup>6f</sup> Chapter 39, Statutes of 2012 (SB 1018) & Chapter 28, Statutes of 2013 (SB 71), reduced the voter authorized amount

<sup>7f</sup> The election results have not been certified by the Secretary of State as of this date.

Source: State Treasurer's Office

**SCHEDULE 12A AT 2019-20 GOVERNOR'S BUDGET  
STATE APPROPRIATIONS LIMIT SUMMARY**  
(Dollars in Millions)

	2017-18			2018-19			2019-20		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
<b>Schedule 8</b>									
Revenues and Transfers	\$131,495	\$57,002	\$188,497	\$136,945	\$62,710	\$199,655	\$142,618	\$59,593	\$202,211
Less/Add: Transfers	4,369	-4,368	1	4,042	-4,048	-6	3,494	-3,194	300
<b>Schedule 12B</b>									
Less: Revenues to Excluded Funds	-	-21,553	-21,553	-	-23,156	-23,156	-	-22,293	-22,293
<b>Schedule 12C</b>									
Less: Non-Tax Revenues to Included Funds	-1,120	-1,550	-2,670	-1,037	-2,242	-3,279	-1,026	-2,296	-3,322
<b>Schedule 12D</b>									
Add: Transfers from Other Funds to Included Funds	398	-349	49	261	-201	60	329	-251	78
<b>TOTAL, SAL REVENUES AND TRANSFERS</b>	<b>\$135,142</b>	<b>\$29,182</b>	<b>\$164,324</b>	<b>\$140,211</b>	<b>\$33,063</b>	<b>\$173,274</b>	<b>\$145,415</b>	<b>\$31,559</b>	<b>\$176,974</b>
<b>Schedule 12E</b>									
Less: Exclusions	-54,539	-10,711	-65,250	-57,818	-12,550	-70,368	-57,256	-13,629	-70,885
<b>TOTAL, SAL APPROPRIATIONS</b>			<b>\$99,074</b>			<b>\$102,906</b>			<b>\$106,089</b>
<b>CALCULATION OF LIMIT ROOM</b>									
Appropriations Limit (Sec. 12.00)			\$103,390			\$107,818			\$113,562
Less: Total SAL Appropriations			99,074			102,906			106,089
Appropriation Limit Room			<b>\$4,316</b>			<b>\$4,912</b>			<b>\$7,473</b>

**SCHEDULE 12B AT 2019-20 GOVERNOR'S BUDGET  
REVENUES TO EXCLUDED FUNDS**

(Dollars in Thousands)

	<b>Actual 2017-18</b>	<b>Estimated 2018-19</b>	<b>Estimated 2019-20</b>
<b>MAJOR REVENUES:</b>			
4110400-Cigarette Tax	\$2,066,646	\$2,023,781	\$1,981,665
4114000-Mobilehome In-Lieu Tax	1,888	1,888	1,888
4115600-Motor Vehicles - Other Fees	188,701	180,202	180,530
<b>Total, MAJOR TAXES AND LICENSES</b>	<b>\$2,257,235</b>	<b>\$2,205,871</b>	<b>\$2,164,083</b>
<b>MINOR REVENUES:</b>			
<b>REGULATORY TAXES AND LICENSES:</b>			
4120000-Beverage Container Redemption Fees	\$1,362,817	\$1,376,062	\$1,393,030
4120400-Building Construction Filing Fees - Physically Handicapped	5,071	15,154	15,801
4120800-Corporation Fees - Domestic Corporations	11,329	10,990	10,990
4121000-Corporation Fees - Foreign Corporations	1,262	1,254	1,254
4121200-Delinquent Fees	7,808	8,383	9,457
4121600-Elevator and Boiler Inspection Fees	23,004	25,570	29,052
4121800-Employment Agency Filing Fees	546	548	548
4122000-Employment Agency License Fees	5,174	6,406	6,412
4122200-Energy Resources Surcharge	549,141	681,968	681,968
4122600-Explosive Permit Fees	1	--	--
4122800-Filing Financing Statements	2,371	2,358	2,354
4123000-Fish and Game - Licenses, Tags, and Permits	108,900	112,865	111,736
4123200-Fish and Game - Taxes	2,338	2,406	2,484
4123400-Genetic Disease Testing Fees	127,655	135,363	134,785
4123720-Horse Racing Licenses	14,068	14,503	14,503
4123800-Industrial Homework Fees	1	1	1
4124000-Insurance Company - Examination Fees	23,113	25,150	26,829
4124200-Insurance Company - License Fees and Penalties	57,805	60,034	65,543
4124400-Insurance Company - General Fees	33,808	33,836	35,873
4124600-Insurance Company - Proposition 103 Fees	33,630	33,832	36,450
4124800-Insurance Fraud Assessment - Automobile	52,449	53,604	54,782
4125000-Insurance Fraud Assessment - General	14,167	13,993	14,225
4125200-Insurance Fraud Assessment - Workers Compensation	59,300	67,223	72,752
4125400-Liquor License Fees	60,077	64,063	65,759
4125600-New Motor Vehicle Dealer License Fee	1,867	1,959	1,959
4125800-Notary Public License Fees	976	960	960
4126000-Off Highway Vehicle Fees	15,648	17,000	17,000
4126400-Processing Fee	346	369	369
4126600-Public Utilities Commission - Quarterly Fees	186,292	197,532	206,621
4126800-Public Utilities Commission - Penalties on Quarterly Fees	2	2	2
4127000-Real Estate - Examination Fees	4,353	4,333	4,333
4127200-Real Estate - License Fees	39,960	38,909	38,343
4127300-Refinery Fees	--	4,293	4,293
4127400-Renewal Fees	320,185	335,279	388,962
4128000-Subdivision Filing Fees	8,299	8,788	8,788
4128400-Teacher Credential Fees	26,353	27,671	29,054
4128600-Teacher Examination Fees	5,392	5,662	5,945
4129000-Other Fees and Licenses	10,334	26,115	32,992
4129200-Other Regulatory Fees	7,705,422	9,246,580	7,428,352
4129400-Other Regulatory Licenses and Permits	692,513	790,830	824,304
4129600-Other Regulatory Taxes	120,584	131,025	128,290
<b>Total, REGULATORY TAXES AND LICENSES</b>	<b>\$11,694,361</b>	<b>\$13,582,873</b>	<b>\$11,907,155</b>
<b>REVENUE FROM LOCAL AGENCIES:</b>			
4130000-Architecture Public Building Fees	\$81,135	\$86,863	\$71,197
4131000-Crimes of Public Offense Fines	16,806	10,000	10,000
4131500-Felony Conviction Penalties	49,966	50,000	50,000
4132000-Fingerprint Identification Card Fees	88,545	88,545	88,545
4132500-Fish and Game Fines	64	513	513
4133000-Fish and Game Fines - Additional Assessments	68	57	57
4134500-Local Agencies - Cost Recoveries	--	100	100
4135000-Local Agencies - Miscellaneous Revenue	1,431,286	1,480,454	1,302,389
4136500-Traffic Violation Penalties	72	--	--
<b>Total, REVENUE FROM LOCAL AGENCIES</b>	<b>\$1,667,942</b>	<b>\$1,716,532</b>	<b>\$1,522,801</b>
<b>SERVICES TO THE PUBLIC:</b>			

**SCHEDULE 12B AT 2019-20 GOVERNOR'S BUDGET  
REVENUES TO EXCLUDED FUNDS**

(Dollars in Thousands)

	<b>Actual 2017-18</b>	<b>Estimated 2018-19</b>	<b>Estimated 2019-20</b>
4140000-Document Sales	\$853	\$884	\$923
4140500-Emergency Telephone User's Surcharge	60,524	60,141	115,210
4142500-License Plate Fees - Personalized Plates	70,323	70,947	70,982
4143500-Miscellaneous Services to the Public	116,156	115,555	122,967
4144000-Parental Fees	2,622	2,589	2,637
4144500-Parking Lot Revenues	13,200	13,846	13,914
4145500-Secretary of State - Fees	41,477	39,582	39,574
4146000-State Beach and Park Service Fees	120,630	124,158	125,343
<b>Total, SERVICES TO THE PUBLIC</b>	<b>\$425,785</b>	<b>\$427,702</b>	<b>\$491,550</b>
<b>USE OF PROPERTY AND MONEY:</b>			
4150000-Geothermal Resources Well Fees	\$3,722	\$3,722	\$3,722
4150500-Interest Income - Interfund Loans	2,397	1,332	1,359
4151000-Interest Income - Other Loans	5,209	6,003	4,661
4151500-Miscellaneous Revenue - Use of Property and Money	20,389	19,924	19,924
4152500-Rental of State Property	16,368	11,835	10,792
4154000-Royalties - Federal Land	29,712	29,861	30,214
4160000-Investment Income - Condemnation Deposits Fund	937	--	--
4161000-Investment Income - Other	-91,732	--	--
4162000-Investment Income - Pooled Money Investments	262	356	356
4163000-Investment Income - Surplus Money Investments	175,447	223,186	222,766
<b>Total, USE OF PROPERTY AND MONEY</b>	<b>\$162,711</b>	<b>\$296,219</b>	<b>\$293,794</b>
<b>MISCELLANEOUS:</b>			
4170400-Capital Asset Sales Proceeds	\$162	\$1,612	\$1,612
4170600-Carbon Allowances Auction Proceeds	2,913,175	2,575,000	2,100,000
4170700-Civil and Criminal Violation Assessment	122,020	121,431	124,447
4170800-Confiscated Property Sales	27	9	9
4171000-Cost Recoveries - Delinquent Receivables	219	211	211
4171100-Cost Recoveries - Other	138,867	136,402	131,910
4171200-Court Filing Fees and Surcharges	551,612	553,543	568,737
4171300-Donations	8,307	8,153	8,164
4171400-Escheat - Unclaimed Checks, Warrants, Bonds, and Coupons	11,194	6,240	6,246
4171500-Escheat - Unclaimed Property	37	20	20
4172000-Fines and Forfeitures	196,470	184,710	183,783
4172240-Fines and Penalties - External - Other	72	--	--
4172500-Miscellaneous Revenue	633,725	667,597	2,130,860
4172800-Parking Violations	1,593	1,591	1,591
4172900-Penalty Assessments - Criminal Fines	176,498	170,232	157,702
4173000-Penalty Assessments - Other	208,481	199,476	198,660
4173100-Personal Income Tax - Penalties and Interest	34,422	23,598	23,598
4173400-Settlements and Judgments - Anti-Trust Actions - Attorney General	2,556	5,100	5,100
4173500-Settlements and Judgments - Other	55,354	60,857	61,209
4173600-State Public Land Sales	--	2,000	2,000
4173800-Traffic Violations	21,533	21,053	19,569
4173900-Tribal Gaming Revenues	46,362	48,000	48,000
4174000-Unclaimed Contributions	100	--	--
4174100-Unemployment and Disability Insurance Contributions - Penalties and Interest	129,841	139,703	139,703
4180100-Prior Year Revenue Adjustments	92,151	--	--
<b>Total, MISCELLANEOUS</b>	<b>\$5,344,778</b>	<b>\$4,926,538</b>	<b>\$5,913,131</b>
<b>TOTAL, MINOR REVENUES</b>	<b>\$19,295,577</b>	<b>\$20,949,864</b>	<b>\$20,128,431</b>
<b>TOTALS, Revenue to Excluded Funds (MAJOR and MINOR)</b>	<b>\$21,552,812</b>	<b>\$23,155,735</b>	<b>\$22,292,514</b>

**SCHEDULE 12C AT 2019-20 GOVERNOR'S BUDGET**  
**NON-TAX REVENUES IN FUNDS SUBJECT TO LIMIT**  
(Dollars in Thousands)

	Actual 2017-18		Estimated 2018-19		Estimated 2019-20	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
<b>MAJOR REVENUES:</b>						
4113000-Identification Card Fees	--	\$31,444	--	\$31,758	--	\$32,076
4113800-Lien Sale Application Fees	--	1,034	--	1,034	--	1,034
4115000-Motor Vehicles - Driver's License Fees	2	281,043	--	283,291	--	285,557
4115450-Transportation Improvement Fee	--	799,832	--	1,500,000	--	1,549,739
4115600-Motor Vehicles - Other Fees	--	75,248	--	72,713	--	74,697
<b>Total, MAJOR TAXES AND LICENSES</b>	<b>\$2</b>	<b>\$1,188,601</b>	<b>--</b>	<b>\$1,888,796</b>	<b>--</b>	<b>\$1,943,103</b>
<b>MINOR REVENUES:</b>						
<b>REGULATORY TAXES AND LICENSES:</b>						
4120600-Candidate Filing Fee	1,488	--	120	--	1,597	--
4123000-Fish and Game - Licenses, Tags, and Permits	--	900	--	1,071	--	1,071
4123600-Highway Carriers Uniform Business License Tax	342	--	--	--	--	--
4123720-Horse Racing Licenses	987	--	987	--	987	--
4123740-Horse Racing Miscellaneous	5	--	5	--	5	--
4125400-Liquor License Fees	--	442	--	669	--	901
4126000-Off Highway Vehicle Fees	--	5,626	--	5,626	--	5,626
4129200-Other Regulatory Fees	1,757	7,447	1,521	7,521	1,575	7,597
4129400-Other Regulatory Licenses and Permits	4,622	41,821	4,728	35,794	4,728	35,908
4129600-Other Regulatory Taxes	--	17,243	--	19,625	--	19,625
<b>Total, REGULATORY TAXES AND LICENSES</b>	<b>\$9,201</b>	<b>\$73,479</b>	<b>\$7,361</b>	<b>\$70,306</b>	<b>\$8,892</b>	<b>\$70,728</b>
<b>REVENUE FROM LOCAL AGENCIES:</b>						
4131000-Crimes of Public Offense Fines	57	--	58	--	58	--
4134500-Local Agencies - Cost Recoveries	27,733	13,048	25,896	13,048	27,168	13,048
4135000-Local Agencies - Miscellaneous Revenue	168,529	15	169,165	15	168,886	15
4135500-Narcotic Fines	1,578	--	1,000	--	1,000	--
<b>Total, REVENUE FROM LOCAL AGENCIES</b>	<b>\$197,897</b>	<b>\$13,063</b>	<b>\$196,119</b>	<b>\$13,063</b>	<b>\$197,112</b>	<b>\$13,063</b>
<b>SERVICES TO THE PUBLIC:</b>						
4140000-Document Sales	124	3,729	149	3,778	149	3,807
4142500-License Plate Fees - Personalized Plates	--	2	--	2	--	2
4143000-Medicare Receipts - Federal Government	8,126	--	4,740	--	3,423	--
4143500-Miscellaneous Services to the Public	1,252	86,890	973	87,759	3,838	88,637
4144500-Parking Lot Revenues	--	471	--	471	--	471
4145000-Pay Patients Board Charges	5,412	--	2,870	--	1,659	--
4145500-Secretary of State - Fees	88	--	150	--	150	--
<b>Total, SERVICES TO THE PUBLIC</b>	<b>\$15,002</b>	<b>\$91,092</b>	<b>\$8,882</b>	<b>\$92,010</b>	<b>\$9,219</b>	<b>\$92,917</b>
<b>USE OF PROPERTY AND MONEY</b>						
4151500-Miscellaneous Revenue - Use of Property and Money	1,520	1,087	1,799	542	1,799	647
4152000-Oil and Gas Leases - 1 Percent Revenue, Cities, and Counties	504	--	335	--	248	--
4152500-Rental of State Property	20,612	56,080	19,895	51,813	19,998	52,300
4155000-Royalties - State Lands	98,202	--	140,237	--	149,224	--
<b>Total, USE OF PROPERTY AND MONEY</b>	<b>\$120,838</b>	<b>\$57,167</b>	<b>\$162,266</b>	<b>\$52,355</b>	<b>\$171,269</b>	<b>\$52,947</b>
<b>MISCELLANEOUS:</b>						
4170100-Abandoned Property Revenue	441,679	--	397,037	--	390,212	--
4170400-Capital Asset Sales Proceeds	135	--	--	--	--	--
4170700-Civil and Criminal Violation Assessment	837	3,469	583	3,469	583	3,469
4170800-Confiscated Property Sales	7,405	--	7,944	--	7,944	--
4171000-Cost Recoveries - Delinquent Receivables	2	151	10,276	26	10,276	26
4171100-Cost Recoveries - Other	43,087	7,633	45,446	14,660	46,182	12,290
4171200-Court Filing Fees and Surcharges	1	363	17	363	17	363
4171300-Donations	--	--	1	--	1	--
4171400-Escheat - Unclaimed Checks, Warrants, Bonds, and Coupons	79,684	2,000	56,144	2,250	57,054	2,161
4172000-Fines and Forfeitures	2,038	--	2,393	--	2,393	--
4172200-Fine and Penalties - Horse Racing	229	--	229	--	229	--
4172400-Forest Product Sales	--	43,474	--	46,000	--	46,000
4172500-Miscellaneous Revenue	55,701	3,570	47,687	8,250	46,018	4,512
4172800-Parking Violations	17,129	--	15,577	--	15,577	--
4173000-Penalty Assessments - Other	72,358	4,104	63,354	5,912	47,896	6,418
4173200-Proceeds from Estates of Deceased Persons	116	--	215	--	215	--
General	--	55	--	--	--	--
4173500-Settlements and Judgments - Other	24,394	7	10,019	--	10,019	--
4173600-State Public Land Sales	--	51,372	--	33,756	--	37,603
4173800-Traffic Violations	--	10,249	--	10,249	--	10,249
4173900-Tribal Gaming Revenues	31,328	--	4,361	--	4,361	--
4174200-Uninsured Motorist Fees	757	198	757	204	757	204
<b>Total, MISCELLANEOUS</b>	<b>\$776,880</b>	<b>\$126,645</b>	<b>\$662,040</b>	<b>\$125,139</b>	<b>\$639,734</b>	<b>\$123,295</b>
<b>TOTAL, MINOR REVENUES</b>	<b>\$1,119,818</b>	<b>\$361,446</b>	<b>\$1,036,668</b>	<b>\$352,873</b>	<b>\$1,026,226</b>	<b>\$352,950</b>
<b>TOTALS, Non-Tax Revenues (MAJOR AND MINOR)</b>	<b>\$1,119,820</b>	<b>\$1,550,047</b>	<b>\$1,036,668</b>	<b>\$2,241,669</b>	<b>\$1,026,226</b>	<b>\$2,296,053</b>

**SCHEDULE 12D AT 2019-20 GOVERNOR'S BUDGET**  
**STATE APPROPRIATIONS LIMIT**  
**TRANSFER FROM OTHER FUNDS TO INCLUDED FUNDS**  
(Dollars in Thousands)

	Actual 2017-18		Estimated 2018-19		Estimated 2019-20	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
Revenue Transfer from California Environmental License Plate Fund (0140) to Motor Vehicle Account, State Transportation Fund (0044) per Public Resources Code Section 21191	-	\$2,424	-	\$1,405	-	\$1,405
Revenue Transfer from College Access Tax Credit Fund (3263) to the General Fund (0001) per Revenue and Taxation Code Section 17053.86 (Ch. 367/2014)	\$10,000	-	-	-	-	-
Revenue Transfer from College Access Tax Credit Fund (3263) to the General Fund (0001) per Revenue and Taxation Code Sections 17053.86 (Ch. 367/2014) and 17053.87 (Ch. 527/2017)	-4,631	-	\$5,369	-	\$5,369	-
Revenue Transfer from College Access Tax Credit Fund (3263) to the General Fund (0001) per Revenue and Taxation Code Sections 17053.86 (Ch. 367/2014) and 17053.87 (Ch. 527/2017)	-2,162	-	-2,162	-	-2,162	-
Revenue Transfer from Fiscal Recovery Fund (3059) to General Fund (0001) per Government Code Section 99010	171,912	-171,912	-	-	-	-
Revenue Transfer from Motor Vehicle Account, State Transportation Fund (0044) to General Fund (0001) per Government Code Section 16475	41	-41	3	-3	3	-3
Revenue Transfer from Motor Vehicle Account, State Transportation Fund (0044) to General Fund (0001) per Item 2740-011-0044, Budget Acts	84,044	-84,044	89,288	-89,288	91,906	-91,906
Revenue Transfer from Motor Vehicle Fuel Account, Transportation Tax Fund (0061) to General Fund (0001) per Revenue and Taxation Code Section 8352.4(b)	18,714	-18,714	33,288	-33,288	48,721	-48,721
Revenue Transfer from Motor Vehicle Fuel Account, Transportation Tax Fund (0061) to General Fund (0001) per Revenue and Taxation Code Section 8352.5(b)	25,417	-25,417	25,421	-25,421	37,206	-37,206
Revenue Transfer from Motor Vehicle Fuel Account, Transportation Tax Fund (0061) to General Fund (0001) per Revenue and Taxation Code Section 8352.6(a)(2)	42,807	-42,807	44,424	-44,424	65,019	-65,019
Revenue Transfer from Motor Vehicle Fuel Account, Transportation Tax Fund (0061) to General Fund (0001) per Revenue and Taxation Code Section 8352.6(a)(3)	9,996	-9,996	9,996	-9,996	9,996	-9,996
Revenue Transfer from the Business Fees Fund (0228) to the General Fund (0001) Per Government Code Section 12176.	35,664	-	11,310	-	25,312	-
Revenue Transfer from the California Olympic Training Account (0442) to the General Fund (0001) per Government Code Section 7592	53	-	55	-	55	-
Revenue Transfer from the Senior Citizens and Disabled Citizens Property Tax Postponement Fund (3268) to the General Fund (0001) per Government Code Section 16180(b)	5,745	-	3,577	-	3,575	-
Revenue transfer from Site Operation and Maintenance Account, Hazardous Substance Account (0458) to Toxic Substances Control Account (0557) per Item 3960-011-0458, Annual Budget Act.	-	140	-	140	-	-
Revenue transfer from the Expedited Site Remediation Trust Fund (0456) to the Toxic Substances Control Account (0557) per Item 3960-011-0456, Budget Act of 2017	-	1,295	-	-	-	-
Transfer from the Greenhouse Gas Reduction Fund (3228) to the General Fund (0001) per Revenue and Taxation Code 6377.1	-	-	40,806	-	43,943	-
<b>TOTAL TRANSFERS</b>	<b>\$397,600</b>	<b>-\$349,072</b>	<b>\$261,375</b>	<b>-\$200,875</b>	<b>\$328,943</b>	<b>-\$251,446</b>

**SCHEDULE 12E AT 2019-20 GOVERNOR'S BUDGET**  
**STATE APPROPRIATIONS LIMIT**  
**EXCLUDED APPROPRIATIONS**  
(Dollars in Millions)

	<b>Fund</b>	<b>Actual 2017-18</b>	<b>Estimated 2018-19</b>	<b>Estimated 2019-20</b>
<b>DEBT SERVICE:</b>				
9600 Bond Interest and Redemption (9600-510-0001)	General	\$4,993	\$5,235	\$5,186
(9600-510-3107)	Special	1,489	1,567	1,684
No Place Like Home bond (0977-601-3085)	Special	-	140	140
<b>TOTAL -- DEBT SERVICE</b>		<b>\$6,482</b>	<b>\$6,942</b>	<b>\$7,010</b>
<b>QUALIFIED CAPITAL OUTLAY PROJECTS:</b>				
Various (Ch. 3 Except DOT)	General	\$96	\$1,171	\$219
Various (Ch. 3 Except DOT)	Special	20	19	5
Various Qualified Capital Outlay Projects	General	213	789	636
Various Qualified Capital Outlay Projects	Special	1,266	1,311	1,312
Lease-Revenue Bonds (Capital Outlay)	General	659	664	651
Lease-Revenue Bonds (Capital Outlay)	Special	6	7	7
<b>TOTAL -- CAPITAL OUTLAY</b>		<b>\$2,260</b>	<b>\$3,961</b>	<b>\$2,830</b>
<b>SUBVENTIONS:</b>				
6100 K-12 / LCFF Apportionments	General	\$31,989	\$33,903	\$36,234
6100 K-12 Education Protection Account	General	6,809	7,635	6,122
6100 County Offices of Education Apportionments	General	418	448	438
6100 Subventions Not Counted in Local Limits	General	-12,083	-15,425	-16,532
6870 Community Colleges Apportionments	General	2,508	2,705	3,106
6870 Community Colleges Education Protection Account	General	842	944	757
<b>SUBVENTIONS -- EDUCATION</b>		<b>\$30,483</b>	<b>\$30,210</b>	<b>\$30,125</b>
5195 1991 State-Local Realignment Vehicle License Collection Account	Special	\$14	\$14	\$14
Vehicle License Fees	Special	2,085	2,163	2,249
5196 2011 State-Local Realignment Vehicle License Fees	Special	700	730	758
9100 Tax Relief (9100-101-0001)	General	412	420	415
9210 Property Tax Backfill (9210-102-0001)	General	-	33	31
<b>SUBVENTIONS -- OTHER</b>		<b>\$3,211</b>	<b>\$3,360</b>	<b>\$3,467</b>
<b>COURT AND FEDERAL MANDATES:</b>				
Various Court and Federal Mandates (HHS)	General	\$13,307	\$14,677	\$15,387
Various Court and Federal Mandates	General	4,376	4,619	4,606
Various Court and Federal Mandates	Special	250	261	265
<b>TOTAL -- MANDATES</b>		<b>\$17,933</b>	<b>\$19,557</b>	<b>\$20,258</b>
<b>SCA2/SB1</b>				
Retail Sales and Use Tax: Diesel	Special	\$209	\$352	\$400
<b>TOTAL -- SCA2/SB1</b>		<b>\$209</b>	<b>\$352</b>	<b>\$400</b>
<b>PROPOSITION 111:</b>				
Motor Vehicle Fuel Tax: Gasoline	Special	\$4,158	\$5,061	\$5,867
Motor Vehicle Fuel Tax: Diesel	Special	514	925	928
<b>TOTAL -- PROPOSITION 111</b>		<b>\$4,672</b>	<b>\$5,986</b>	<b>\$6,795</b>
<b>TOTAL EXCLUSIONS:</b>		<b>\$65,250</b>	<b>\$70,368</b>	<b>\$70,885</b>
General Fund		\$54,539	\$57,818	\$57,256
Special Funds		\$10,711	\$12,550	\$13,629

**SCHEDULE 13 AT 2019-20 GOVERNOR'S BUDGET  
PROPOSITION 98 FINAL CERTIFICATION**

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
<b>State Appropriations Limit General Fund Revenues</b>	84,598,200	90,072,200	82,986,600	95,819,600	101,476,300	112,448,300	117,385,500	122,359,300
Proposition 98 General Fund	36,932,903	35,519,451	33,134,890	41,590,498	43,145,445	50,011,382	49,263,071	50,239,596
Education Protection Account				(7,314,000)	(7,060,941)	(8,712,187)	(8,092,019)	(7,537,735)
Local Revenues	14,622,365	14,138,769	14,125,943	16,297,352	15,895,576	17,113,990	19,678,832	21,403,394
<b>Total State and Local Prop 98</b>	51,555,268	49,658,220	47,260,833	57,887,850	59,041,021	67,125,372	68,941,903	71,642,990
Prop 98 Test	2	1	1	1	2	1	2	3
Appropriations over/(under) the Prop 98 Guarantee	-1,700,639	71,508	-47,619	208,646	-171,937	-31,511	169,758	-633
<b>Proposition 98 Factors</b>								
K-14 Appropriations	49,854,629	49,729,728	47,213,214	58,096,496	58,869,084	67,093,861	69,111,661	71,642,357
K-12 Average Daily Attendance	5,935,005	5,948,004	5,966,632	5,962,946	5,994,733	5,982,658	5,973,762	5,962,234
Full-time Equivalent Students	1,163,070	1,191,137	1,099,469	1,099,064	1,106,773	1,128,070	1,137,331	1,124,320
Civilian Population	37,047,928	37,375,428	37,717,744	38,079,772	38,408,868	38,747,564	39,014,832	39,344,852
K-12 Average Daily Attendance (% growth)	0.00%	0.22%	0.31%	0.00%	0.53%	0.00%	0.00%	-0.19%
Per Capita Personal Income (Test 2)(% growth)	0.62%	-2.54%	2.51%	3.77%	5.12%	-0.23%	3.82%	5.37%
Per Capita General Fund plus 0.5% (Test 3)(% growth)	6.20%	6.04%	-8.20%	14.87%	5.50%	10.34%	4.18%	3.86%
Test 1 Percentage	40.76%	40.97%	39.93%	38.11%	39.21%	39.44%	38.48%	38.14%
Spike Protection					2,227,248		720,149	
<b>Proposition 98 Re-benchings (included in calculation):</b>								
One-Time:	-23,737	-260,326	-188,795	-1,363,367	-318,000	-98,100	-126,500	-124,400
Ongoing:	0	0	-482,274	-601,914	0	0	-1,105,500	-419,000

# Finance Glossary of Accounting and Budgeting Terms

The following terms are used frequently throughout the Governor's Budget, the Governor's Budget Summary, the annual Budget (Appropriations) Bill, the Enacted Budget, and other documents. Definitions are provided for terms that are common to many of these publications. For definitions of terms unique to a specific program area, please refer to the individual budget presentation. Certain terms may be interpreted or used differently depending on the context, the audience, or the purpose.

## **Abatement**

A reduction to an expenditure that has already been made. In state accounting, only specific types of receipts are accounted for as abatements, including refund of overpayment of salaries, rebates from vendors or third parties for defective or returned merchandise, jury duty and witness fees, and property damage or loss recoveries. (See SAM 10220 for more detail.)

## **Abolishment of Fund**

The closure of a fund pursuant to the operation of law. Funds may also be administratively abolished by the Department of Finance with the concurrence of the State Controller's Office. When a special fund is abolished, all of its assets and liabilities are transferred by the State Controller's Office to a successor fund, or if no successor fund is specified, then to the General Fund. (GC 13306, 16346.)

## **Account**

A classification code used in FI\$Cal (PeopleSoft) to identify an asset, liability, fund balance, receipt, expenditure, transfer, or statistical measurement in a transaction. Accounts combine several codes in the Uniform Codes Manual such as the general ledger code, receipt and object of expenditure codes into a single account code. (See also "Chart of Account Crosswalk" and "Uniform Codes Manual.")

## **Accruals**

Revenues or expenditures that have been recognized for that fiscal year but not received or disbursed until a subsequent fiscal year. Annually, accruals are included in the revenue and expenditure amounts reported in departments' budget documents and year-end financial reports. For budgetary purposes, departments' expenditure accruals also include payables and outstanding encumbrances at the end of the fiscal year for obligations attributable to that fiscal year.

## **Accrual Basis of Accounting**

The basis of accounting in which transactions are recognized in the fiscal year when they occur, regardless of when cash is received or disbursed. Revenue is recognized in the fiscal year when earned, and expenditures are recognized in the fiscal year when obligations are created (generally when goods/services are ordered or when contracts are signed). Also referred to as the full accrual basis of accounting.

**Administration**

Refers to the Governor's Office and those individuals, departments, and offices reporting to it (e.g., the Department of Finance).

**Administration Program Costs**

The indirect costs of a program, typically a share of the costs of the administrative units serving the entire department (e.g., the Director's Office, Legal, Personnel, Accounting, and Business Services). "Distributed Administration" costs represent the distribution of the indirect costs to the various program activities of a department. In most departments, all administrative costs are distributed. (See also "Indirect Costs" and "Statewide Cost Allocation Plan.")

**Administratively Established Positions**

Positions authorized by the Department of Finance during a fiscal year that were not included in the Budget. Such positions terminate at the end of the fiscal year, or in order to continue, must meet certain criteria under Budget Act Control Section 31.00. (CS 31.00.)

**Agency**

A legal or official reference to a government organization at any level in the state organizational hierarchy. (See the UCM for the hierarchy of State Government Organizations.)

or:

A government organization belonging to the highest level of the state organizational hierarchy as defined in the UCM. An organization whose head (Agency Secretary) is designated by Governor's order as a cabinet member.

**Allocation**

A distribution of funds or costs from one account or appropriation to one or more accounts or appropriations (e.g., the allocation of employee compensation funding from the statewide 9800 Budget Act items to departmental appropriation items). (SAM 9200 et seq.)

**Allotment**

The approved division of an amount (usually of an appropriation) to be expended for a particular purpose during a specified time period. An allotment is generally authorized on a line item expenditure basis by program or organization. (SAM 8300 et seq.)

**Amendment**

A proposed or accepted change to a bill in the Legislature, the California Constitution, statutes enacted by the Legislature, or ballot initiative.

**A-Pages**

A common reference to the Governor's Budget Summary. Budget highlights now contained in the Governor's Budget Summary were once contained in front of the Governor's Budget on pages A-1, 2, etc., and were, therefore, called the A-Pages.

**Appropriated Revenue**

Revenue which, as it is earned, is reserved and appropriated for a specific purpose. An example is student fees received by state colleges that are by law appropriated for the support of the colleges. The revenue does not become available for expenditure until it is earned.

**Appropriation**

Authorization for a specific agency to make expenditures or create obligations from a specific fund for a specific purpose. Appropriations are usually limited in amount and period of time during which the expenditure is to be recognized. For example, appropriations made by the Budget Act are available for encumbrance for one year, unless otherwise specified. Appropriations made by other legislation are available for encumbrance for three years, unless otherwise specified, and appropriations stating "without regard to fiscal year" shall be available from year-to-year until fully expended. Legislation or the California Constitution can provide continuous appropriations, and voters can also make appropriations by approving ballot measures. An appropriation shall be available for encumbrance during the period specified therein, or if not specified, for a period of three years after the date upon which it first became available for encumbrance. Except for federal funds, liquidation of encumbrances must be within two years of the expiration date of the period of availability for encumbrance, at which time the undisbursed (i.e., unliquidated) balance of the appropriation is reverted into the fund. Federal funds have four years to liquidate. (GC 16304, 16304.1.)

**Appropriation Without Regard to Fiscal Year (AWRTFY)**

An appropriation for a specified amount that is available from year-to-year until fully expended.

**Appropriations Limit, State (SAL)**

The constitutional limit on the growth of certain appropriations from tax proceeds, generally set to the level of the prior year's appropriation limit as adjusted for changes in cost of living and population. Other adjustments may be made for such reasons as the transfer of services from one government entity to another. (Article XIII B, § 8; GC 7900 et seq; CS 12.00.)

**Appropriation Schedule**

The detail of an appropriation (e.g., in the Budget Act), showing the distribution of the appropriation to each of the programs or projects thereof.

**Assembly**

California's lower house of the Legislature composed of 80 members. As a result of Proposition 140 (passed in 1990) and Proposition 28 (passed in 2012), members elected in or after 2012 may serve 12 years in the Legislature in any combination of four-year state Senate or two-year state Assembly terms. (Article IV, § 2 (a).)

**Audit**

Typically a review of financial reports or performance activity (such as of an agency or program) to determine conformity or compliance with applicable laws, regulations, and/or standards. The state has three central organizations that perform

audits of state agencies: the State Controller's Office, the Department of Finance, and the California State Auditor. Many state departments also have internal audit units to review their own internal functions and program activities. (*SAM 20000, etc.*)

### **Augmentation**

An increase to a previously authorized appropriation or allotment. This increase can be authorized by Budget Act provisional language, control sections, or other legislation. Usually, a Budget Revision or an Executive Order is processed to the State Controller's Office to implement the increase.

### **Authorized**

Given the force of law (e.g., by statute). For some action or quantity to be authorized, it must be possible to identify the enabling source and date of authorization.

### **Authorized Positions**

In the Salaries and Wages publication, the past year total authorized positions represent the number of actual positions filled for that year as reported by the State Controller's Office. For current year, total authorized positions include all regular ongoing positions approved in the Budget Act for that year, adjustments to limited-term positions and temporary help, and positions authorized through enacted legislation. For budget year, the number of authorized positions is the same as current year except for adjustments to remove expiring positions. (*GC 19818*)

### **Availability Period**

The time period during which an appropriation may be encumbered (i.e., committed for expenditure), usually specified by the law creating the appropriation. If no specific time is provided in legislation, the period of availability is three years. Unless otherwise provided, Budget Act appropriations are available for one year. However, based on project phase, capital outlay projects may have up to three years to encumber. An appropriation with the term "without regard to fiscal year" has an unlimited period of availability and may be encumbered at any time until the funding is exhausted.

(See also "Encumbrances.")

### **Balance Available**

In regard to a fund, it is the excess of resources over uses. For budgeting purposes, the balance available in a fund condition is the carry-in balance, net of any prior year adjustments, plus revenues and transfers, minus expenditures. For accounting purposes, the balance available in a fund is the net of assets over liabilities and reserves that are available for expenditure.

For appropriations, it is the unobligated, or unencumbered, balance still available.

### **Baseline Budget**

Also referred to as Workload Budget. (See "Workload Budget.")

**Bill**

A draft of a proposed law presented to the Legislature for enactment. (A bill has greater legal formality and standing than a resolution.)

or:

An invoice, or itemized statement, of an amount owing for goods and services received.

**Bond Funds**

For legal basis budgeting purposes, funds used to account for the receipt and disbursement of non-self-liquidating general obligation bond proceeds. These funds do not account for the debt retirement because the liability created by the sale of bonds is not a liability of bond funds. Depending on the provisions of the bond act, either the General Fund or a sinking fund pays the principal and interest on the general obligation bonds. The proceeds and debt of bonds related to self-liquidating bonds are included in non-governmental cost funds. (SAM 14400.)

**Budget**

A plan of operation expressed in terms of financial or other resource requirements for a specific period of time. (GC 13320, 13335; SAM 6120.)

**Budget Act (BA)**

An annual statute authorizing state departments to expend appropriated funds for the purposes stated in the Governor's Budget and amended by the Legislature. (SAM 6333.)

**Budget Bill**

Legislation presenting the Governor's spending proposal for the next fiscal year. The Budget Bill is prepared by the Department of Finance and submitted to each house of the Legislature in January (accompanying the Governor's Budget). The Budget Bill's authors are typically the budget committee chairpersons.

The California Constitution requires the Legislature to pass the Budget Bill and send it to the Governor for signature by June 15 each year. The Budget Bill becomes the Budget Act upon signature by the Governor, after any line-item vetoes. (Art. IV, § 12(c); GC 13338; SAM 6325, 6333.)

**Budget Change Proposal (BCP)**

A proposal to change the level of service or funding sources for activities authorized by the Legislature, propose new program activities not currently authorized, or to eliminate existing programs. The Department of Finance annually issues a Budget Letter with specific instructions for preparing BCPs. (SAM 6120.)

## **Budget Cycle**

The period of time required to prepare the state financial plan and enact that portion of it applying to the budget year. Significant events in the cycle include:

- Preparation of the Governor's proposed budget (most activities occur between July 1 and January 10).
- Submission of the Governor's Budget and the Budget Bill to the Legislature (by January 10).
- Submission to the Legislature of proposed adjustments to the Governor's Budget
  - April 1—adjustments other than Capital Outlay and May Revision.
  - May 1—Capital Outlay appropriation adjustments.
  - May 14—May Revision adjustments for changes in General Fund revenues, expenditure adjustments to reflect updated revenue, and funding for Proposition 98, caseload, and population.
- Review and revision of the Governor's Budget by the Legislature.
- Return of the revised budget to the Governor by June 15, for signature after any line-item vetoes.
- Signing of the budget by the Governor. (*Art. IV. § 10, GC 13308, SAM 6150.*)

## **Budget Letter**

Budget and accounting policies and instructions issued by the Department of Finance to supplement the budgeting and accounting chapters of the State Administrative Manual.

## **Budget Period**

The FI\$Cal (PeopleSoft) Terminology for Fiscal Year. (See also "Fiscal Year.")

## **Budget—Program**

A program budget expresses the operating plan in terms of the costs of activities (programs) to be undertaken to achieve specific goals and objectives.

The Governor's Budget is a program budget, but also includes detailed categorization of proposed expenditures for goods and services (Expenditures by Category) related to the state operations of each department. (*GC 13336; SAM 6210, 6220.*)

## **Budget Position Transparency and Expenditure by Category Redistribution**

On a biennial basis beginning with the 2016-17 Budget, the salaries and wages associated with historically vacant positions have been reallocated to expenditure categories where resources are actually being expended in the current and budget years. Reductions in Regular Ongoing Positions as a result of this process are for display purposes only and do not impact departments' ability to hire up to their legislatively authorized staffing level.

Budget Position Transparency represents a department's historically vacant positions and associated salaries and wages expenditures that are being reallocated.

Expenditure by Category Redistribution represents the reallocation of the salaries and wages dollars to staff benefits and/or operating expenses and equipment.

**Budget Request**

A term used in the FI\$Cal (Hyperion) System reflecting any change to the currently enacted budget or proposed budget. This may be a Budget Change Proposal, revenue estimate change, or legislative action. A budget request is a way for each department to submit incremental requests for, or to make adjustments to, funding.

**Budget Revision (BR)**

A document prepared by the department that cites a legal authority to authorize a change in an appropriation. A BR must be approved by the Department of Finance. Typically, BRs either increase the appropriation or make adjustments to the categories or programs within the appropriation as scheduled. (SAM 6533, 6542, 6545.)

**Budget Year (BY)**

The next state fiscal year, beginning July 1 and ending June 30, for which the Governor's Budget is submitted (i.e., the year following the current fiscal year). (See also "Fiscal Year.")

**Business Unit**

The four-digit code assigned to each state governmental entity (or a program) for fiscal system purposes. The business unit is the first segment of the budget item/appropriation number. (UCM.)

**CALSTARS**

The acronym for the California State Accounting and Reporting System, a state accounting system. Departments using CALSTARS will transition to FI\$Cal.

**Capital Outlay (CO)**

A character representing expenditures of funds to acquire land, plan and construct new buildings, expand or modify existing buildings, and/or purchase equipment related to such construction. (CS 3.00.)

**Carryover**

The unencumbered balance of an appropriation that continues to be available for expenditure in years subsequent to the year of enactment. For example, if an appropriation has multiple years available to encumber, any unencumbered balance at the end of the first year is carried over to the following fiscal year.

**Cash Basis of Accounting**

The basis of accounting in which revenues and expenditures are recognized when cash is received or disbursed.

**Cash Flow Statement**

A statement of cash receipts and disbursements for a specified period of time.

**Category (as used in FI\$Cal/Hyperion)**

A grouping of related types of expenditures, such as personal services, operating expenses and equipment, special items of expense, unclassified, local costs, capital costs, and internal cost recovery; or, revenues (including revenue transfers). The Governor's Budget includes an "Expenditures by Category" section for each department at this level. (UCM.)

**Changes in Authorized Positions**

A schedule in the Governor's Budget that reflects staffing changes made subsequent to the adoption of the current year budget and enacted legislation. This schedule documents changes in positions for various reasons. Some examples are: actual expenditures in the past year, as well as transfers, positions established, selected re-classifications, and proposed new positions included in BCPs, for the current or budget year.

**Chapter**

The reference assigned by the Secretary of State to an enacted bill, numbered sequentially in order of enactment each calendar year. The enacted bill is then referred to by this "chapter" number and the year in which it became law. For example, *Chapter 1, Statutes of 2017*, would refer to the first bill enacted in 2017.

**Character of Expenditures**

A classification identifying the major purpose of an expenditure, such as state operations, local assistance, capital outlay, or unclassified. (UCM.)

**Chart of Account (COA) Crosswalk**

A detailed guide found on the Department of Finance's website that crosswalks the Account Category Code used by FI\$Cal departments to the codes in the Uniform Codes Manual for general ledger, receipts and object of expenditures. (See also "Account" and "Uniform Codes Manual.")

**Claim Schedule**

A manual request from a state department to the State Controller's Office to disburse payment from a legal appropriation or account for a lawful state obligation. The claim schedule identifies the appropriation or account to be charged, the payee(s), the amount(s) to be paid, and an affidavit attesting to the validity of the request. Claims against the state for which there is no provision for payment (e.g., no appropriation available for payment), will be submitted to the Department of General Services. (See also "Voucher.") (SAM 7340)

**COBCP**

Capital outlay budgets are zero-based each year; therefore, the department must submit a written capital outlay budget change proposal for each new project, or subsequent phase of an existing project, for which the department requests funding. (SAM 6818.)

**Conference Committee**

A committee of three members (two from the majority party, and one from the minority party) from each house, appointed to meet and resolve differences between versions of a bill (e.g., when one house of the Legislature does not concur with bill amendments made by the other house). If resolution cannot be reached, another conference committee can be selected, but no more than three different conference committees can be appointed on any one bill. Budget staff commonly refer to the conference committee on the annual budget bill as the "Conference Committee." (SAM 6340.)

**Continuing Appropriation**

An appropriation for a set amount that is available for more than one year. (SAM 8382.)

**Continuous Appropriation**

Constitutional or statutory expenditure authorization that is renewed each year without further legislative action. The amount available may be a specific, recurring sum each year; all or a specified portion of the proceeds of specified revenues that have been dedicated permanently to a certain purpose; or, whatever amount is designated for the purpose as determined by formula, e.g., school apportionments. Note: Government Code section 13340 sunsets statutory continuous appropriations on June 30 with exceptions specified in the section and other statutes. Control Section 30.00 of the annual Budget Act traditionally extends the continuous appropriations for one additional fiscal year. (GC 13340.)

**Control Sections**

Sections of the Budget Act (i.e., 1.00 to the end) providing specific controls on the appropriations itemized in Section 2.00 of the Budget Act. (See more detail under "Sections.")

**Cost-of-Living Adjustments (COLA)**

Increases provided in state-funded programs that include periodic adjustments predetermined in state law (statutory, such as K-12 education apportionments), or established at optional levels (discretionary) by the Administration and the Legislature each year through the budget process.

**Current Year (CY)**

A term used in budgeting and accounting to designate the operations of the present fiscal year in contrast to past or future periods. (See also "Fiscal Year.")

**Debt Service**

The amount of money required to pay interest on outstanding bonds and the principal of maturing bonds.

**Department**

A governmental organization, usually belonging to the third-level of the state organizational hierarchy, as defined in the Uniform Codes Manual. (UCM.)

## **Department of Finance**

The Department is a fiscal control agency. The Director of Finance is appointed by the Governor and serves as the chief fiscal policy advisor. The Director sits as a member of the Governor's cabinet and senior staff.

Principal functions are as follows:

- Establish appropriate fiscal and accounting policies to carry out the state's programs.
- Prepare, explain, and administer the state's annual financial plan (budget), which the Governor is required under the State Constitution to present to the Legislature by January 10 of each year.
- Analyze legislation that has a fiscal impact.
- Maintain the California State Accounting and Reporting System (CALSTARS).
- Provide fiscal and accounting training, advice, and consulting services to state departments.
- Monitor/audit expenditures by state departments to ensure compliance with law, approved standards, and policies.
- Develop economic forecasts and revenue estimates.
- Develop population and enrollment estimates and projections.
- Review expenditures for information technology activities of departments.

(GC 13000 et seq.)

## **Detailed Budget Adjustments**

Department Detailed Budget Adjustments are included in departmental budget displays to provide the reader a snapshot of proposed expenditure and position adjustments, why those changes are being proposed, and their dollar and position impact.

## **Detail of Appropriations and Adjustments**

A budget display for each organization that reflects appropriations and adjustments by fund source for each character of expenditure (i.e., state operations, local assistance, and capital outlay). (SAM 6478.)

## **Employee Compensation/Retirement**

Salary, benefit, employer retirement rate contribution adjustments, and any other related statewide compensation adjustments for state employees. Various 9800 Items of the Budget Act appropriate funds for compensation increases for most state employees (excluding Higher Education and some others); that is, they appropriate the incremental adjustment proposed for the salary and benefit adjustments for the budget year. The base salary and benefit levels are included in individual agency/departmental budgets.

## **Enacted Budget**

A publication produced by Finance to reflect budget details as enacted. It is similar in detail as in the Governor's Budget. A PDF of this publication is available on Finance's eBudget website.

**Enactment Year (ENY)**

See Year of Appropriation (YOA).

**Encumbrance**

The commitment of all or part of an appropriation. Encumbrances represent valid obligations related to unfilled purchase orders or unfulfilled contracts. Outstanding encumbrances are recognized as budgetary expenditures in the individual department's budget documents and their individual annual financial reports. For the General Fund budgetary purposes, the Department of Finance makes a statewide adjustment to remove the total outstanding encumbrances from overall General Fund expenditures and show the amount as a reserve in the fund balance, in accordance with Government Code section 13307. For other funds, such encumbrance adjustments are not made in the budget totals, and encumbrances are treated as budgetary expenditures that decrease the fund balance of these funds.

**Enrolled Bill Report (EBR)**

An analysis prepared by Finance on legislative measures passed by both houses and referred to the Governor, to provide the Governor's Office with information concerning the measure, with a recommendation for action by the Governor. While approved bill analyses become public information, EBRs do not. Note that EBRs are not prepared for Constitutional Amendments, or for Concurrent, Joint, or single house resolutions, because these are not acted upon by the Governor. (SAM 6965.)

**Enrollment, Caseload, and Population Adjustments**

These adjustments are generally formula or population driven and are components of the workload budget. (See Workload Budget.)

**Executive Branch**

One of the three branches of state government, responsible for implementing and administering the state's laws and programs. The Governor's Office and those individuals, departments, and offices reporting to it (the Administration), are part of the Executive Branch.

**Executive Order (EO)**

A budget document issued by the Department of Finance ordering the State Controller's Office to make an adjustment in their accounts. The adjustments are typically authorized by Budget Act provisional language, Budget Act control sections, and other statutes. An EO is used when the adjustment makes increases or decreases on a statewide basis, involves two or more appropriations, or makes certain transfers or loans between funds.

**Exempt Employees**

State employees exempt from civil service pursuant to subdivision (e), (f), or (g), of Section 4 of Article VII of the California Constitution. Examples include department directors and other gubernatorial appointees. (SAM 0400.)

**Expenditure**

Expenditures reported on a department's year-end financial reports and "past year" budget documents consist of amounts paid and accruals (including outstanding encumbrances and payables) for obligations created for the last fiscal year. "Current year" and "budget year" expenditures in budget documents are estimates for the respective fiscal year. (See "Encumbrance," also referred to as "budgetary expenditures.")

**Expenditure Authority**

The authorization to make an expenditure (usually by a budget act appropriation, provisional language, or other legislation).

**Expenditures by Category**

A budget display for each department that reflects actual past year, estimated current year, and proposed budget year expenditures presented by character of expenditure (e.g., state operations and/or local assistance) and category of expenditure (e.g., personal services, operating expenses and equipment).

**3-year Expenditures and Positions**

A display at the start of each departmental budget that presents the various departmental programs by title, dollar totals, positions, and source of funds for the past, current, and budget years.

**Federal Fiscal Year**

The 12-month accounting period of the federal government, beginning on October 1 and ending the following September 30. For example, a reference to federal fiscal year 2019 means the period beginning October 1, 2018 and ending September 30, 2019.

**Federal Funds**

For legal basis budgeting purposes, classification of funds into which money received in trust from an agency of the federal government will be deposited and expended by a state department in accordance with state and/or federal rules and regulations. State departments must deposit federal grant funds in the Federal Trust Fund or other appropriate federal fund in the State Treasury.

*(GC 13326 (Finance approval), 13338 approp. of FF, CS 8.50.)*

**Feeder Funds**

For legal basis accounting purposes, funds into which certain taxes or fees are deposited upon collection. In some cases, administrative costs, collection expenses, and refunds are paid. The balance of these funds is transferable at any time by the State Controller's Office to the receiving fund, in most cases, the General Fund.

**Final Budget**

Generally refers to the Governor's Budget as amended by actions taken on the Budget Bill (e.g., legislative changes, Governor's vetoes). Note: subsequent legislation (law enacted after the Budget Bill is chaptered) may add, delete, or change appropriations, or require other actions that affect a budget appropriation.

**Final Budget Summary**

A document produced by the Department of Finance after enactment of the Budget Act, which reflects the Budget Act, any vetoes to language and/or appropriations, technical corrections to the Budget Act, and summary budget information. (See also "Budget Act" and "Final Change Book.") (SAM 6130, 6350.)

**Final Change Book**

A document produced by the Department of Finance after enactment of the Budget Act. It includes detailed fiscal information on the changes made to the budget bill that accompanies the Governor's Budget as submitted to the legislature on or before January 10 of each year. It contains a detailed list of changes in Budget Act items, non-Budget Act items, and control sections for state operations, local assistance, capital outlay, and unclassified items. The Final Change Book also includes fiscal summaries. (SAM 6355)

**Finance Letter (FL)**

Proposals made by the Director of Finance to the chairpersons of the budget committees in each house to amend the Budget Bill and the Governor's Budget from that submitted on January 10 to reflect a revised plan of expenditure for the budget year and/or current year. Specifically, the Department of Finance is required to provide the Legislature with updated expenditure and revenue information for all policy adjustments by April 1, capital outlay technical changes by May 1, and changes for enrollment, caseload, population, updated revenues, and Proposition 98 by May 14. (GC 13308.)

**FI\$Cal**

The acronym for the Financial Information System for California, the state's integrated financial management system. Departments using CALSTARS will transition to FI\$Cal. (GC 11850.)

**Fiscal Committees**

Committees of members in each house of the Legislature that review the fiscal impact of proposed legislation, including the Budget Bill. Currently, the fiscal committees include the Senate Budget and Fiscal Review Committee, the Senate Appropriations Committee, the Assembly Appropriations Committee, and the Assembly Budget Committee. The Senate Budget and Fiscal Review Committee and the Assembly Budget Committee are broken into subcommittees responsible for specific state departments and/or subject areas. Both houses also have Revenue and Taxation Committees that are often considered fiscal committees.

**Fiscal Impact Analysis**

Typically refers to a section of an analysis (e.g., bill analysis) that identifies the costs and revenue impact of a proposal, and to the extent possible, a specific numeric estimate for applicable fiscal years.

**Fiscal Year (FY)**

A 12-month period during which revenue is earned and received, obligations are incurred, encumbrances are made, appropriations are expended, and for which other fiscal transactions are recognized. In California state government, the fiscal

year begins July 1 and ends the following June 30. If reference is made to the state's FY 2018-19, this is the time period beginning July 1, 2018 and ending June 30, 2019. (GC 13290.)

**Floor**

The Assembly or Senate chambers, the term used to describe the location of a bill, or the type of session. Matters may be referred to as "on the floor."

**Form 9**

A request by a department for space planning services (e.g., new or additional space, lease extensions, or renewals desired by an agency in non-institutional buildings, whether state-owned or state-leased, relocatable buildings, and trailers) and also reviewed by the Department of Finance. (SAM 6453.)

**Form 22**

A department's request to transfer money to the Architectural Revolving Fund (e.g., for building improvements), reviewed by the Department of Finance. (GC 14957; SAM 1321.1.)

**Fund**

A legal budgeting and accounting entity that provides for the segregation of moneys or other resources in the State Treasury for obligations in accordance with specific restrictions or limitations. A separate set of accounts must be maintained for each fund to show its assets, liabilities, reserves, and balance, as well as its revenue and expenditures.

**Fund Balance**

For accounting purposes, the excess of a fund's assets over its liabilities. For budgeting purposes, the excess of a fund's resources over its expenditures.

**Fund Condition Statement**

A budget display, included in the Governor's Budget, summarizing the operations of a fund for the past, current, and budget years. The display includes the beginning balance, prior year adjustments, revenue, transfers, loans, expenditures, the ending balance, and any reserves. Fund Condition Statements are required for all special funds. The Fund Condition Statement for the General Fund is Summary Schedule 1. Other funds are displayed at the discretion of the Department of Finance.

**General Fund (GF)**

For legal basis accounting and budgeting purposes, the predominant fund for financing state government programs, used to account for revenues that are not specifically designated to be accounted for by any other fund. The primary sources of revenue for the General Fund are personal income tax, sales and use tax, and corporation taxes. The major uses of the General Fund are education (K-12 and higher education), health and human services programs, and correctional programs.

**Generally Accepted Accounting Principles (GAAP)**

The accounting principles, rules, conventions, and procedures that are used for accounting and financial reporting. GAAP for governments are set by the Governmental Accounting Standards Board (GASB), the accounting and financial reporting standards setting body for state and local governments.

**Governmental Cost Funds**

For legal basis accounting and budgeting purposes, funds that derive revenue from taxes, licenses, and/or fees.

**Governor's Budget**

The publication the Governor presents to the Legislature by January 10 each year. It contains recommendations and estimates for the state's financial operations for the budget year. It also displays the actual revenues and expenditures of the state for the prior fiscal year, and updates estimates for the current year revenues and expenditures. This publication is also produced in a web format known as the Governor's Proposed Budget Detail on the Department of Finance's website.

*(Article IV, § 12; SAM 6120, et seq.)*

**Governor's Budget Summary**

A companion publication to the Governor's Budget that outlines the Governor's policies, goals, and objectives for the budget year. It provides a perspective on significant fiscal and/or structural proposals. This publication is also produced in a web format known as the Governor's Proposed Budget Summary on the Department of Finance's website.

**Grants**

Typically used to describe amounts of money received by an organization for a specific purpose but with no obligation to repay (in contrast to a loan, although the award may stipulate repayment of funds under certain circumstances). For example, the state receives some federal grants for the implementation of health and community development programs, and the state also awards various grants to local governments, private organizations, and individuals according to criteria applicable to a given program.

**Indirect Costs**

A cost that cannot be easily identified to a specific cost objective (e.g., program, organizational unit, project), but it is used for a common or joint purpose. Indirect costs benefit more than one cost objective and, therefore, must be allocated.

**Initiative**

The power of the electors to propose statutes or Constitutional amendments and to adopt or reject them. An initiative must be limited to a single subject and be filed with the Secretary of State with the appropriate number of voter signatures in order to be placed on the ballot. *(Article II, § 8.)*

**Item**

A coding scheme or structure for an appropriation reflecting the respective Business Unit, reference number, and fund (if applicable). (See "Appropriation.")

**Judgments**

Usually refers to decisions made by courts against the state. Payment of judgments is subject to a variety of controls and procedures.

**Language Sheets**

Copies of the current Budget Act appropriation items provided to the Department of Finance and departmental staff each fall to update for the proposed Governor's Budget. These updated language sheets become the proposed Budget Bill. In the spring, language sheets for the Budget Bill are updated to reflect revisions to the proposed appropriation amounts, Item schedule(s) and provisions, and become the Budget Act.

**Legislative Analyst's Office (LAO)**

A non-partisan organization that provides advice to the Legislature on fiscal and policy matters. For example, the LAO annually publishes a detailed analysis of the Governor's Budget, which becomes the initial basis for legislative hearings on the Budget Bill. (SAM 7360.)

**Legislative Counsel Bureau**

A staff of attorneys who draft legislation (bills) and proposed amendments, and review, analyze, and render opinions on legal matters for the legislative members.

**Legislative Counsel's Digest**

A summary of what a legislative measure does, contrasting existing law and the proposed change. This summary appears on the first page of a bill.

**Legislature, California**

A two-house body of elected representatives vested with the responsibility and power to make laws affecting the state (except as limited by the veto power of the Governor). (See also "Assembly" and "Senate.")

**Line Item**

See "Object of Expenditure."

**Local Assistance (LA)**

The character of expenditures made for the support of local government or other locally administered activities.

**Major Regulation**

Any proposed rulemaking action adopting, amending, or repealing a regulation subject to review by the Office of Administrative Law (OAL) that will have an economic impact on California business enterprises and individuals in an amount exceeding 50 million dollars in any 12-month period between the date the major regulation is estimated to be filed with the Secretary of State through 12 months after the major regulation is estimated to be fully implemented (as estimated by the agency), computed without regard to any offsetting benefits or costs that might result directly or indirectly from that adoption, amendment, or repeal. An agency proposing a major regulation must submit a Standardized Regulatory Impact Assessment to the Department of Finance for review, and the agency must include

Finance's comments and the agency's response when transmitting the proposed major regulation to OAL. (GC sections 11346-11348 of Article 5, Chapter 3.5, Part 1, Division 3, Title 2; SAM 6600-6616; California Code of Regulation, title 1, sections 2000-2004.)

**Mandates**

See "State-Mandated Local Program." (UCM.)

**May Revision**

An annual update to the Governor's Budget containing a revised estimate of General Fund revenues for the current and ensuing fiscal years, any proposals to adjust expenditures to reflect updated revenue estimates, and all proposed adjustments to Proposition 98, presented by the Department of Finance to the Legislature by May 14 of each year. (See also "Finance Letter.") (SAM 6130; GC 13308.)

**Merit Salary Adjustment (MSA)**

A cost factor resulting from the periodic increase in salaries paid to personnel occupying authorized positions. Personnel generally receive a salary increase of five percent per year up to the upper salary limit of the classification, contingent upon the employing agency certifying that the employee's job performance meets the level of quality and quantity expected by the agency, considering the employee's experience in the position.

Merit salary adjustments for employees of the University of California and the California State University are determined in accordance with rules established by the regents and the trustees, respectively.

Funding typically is not provided for MSAs in the budget; given normal attrition rates, additional costs usually must be absorbed within existing resources. (GC 19832.)

**Minor Capital Outlay**

Construction projects, or equipment acquired to complete a construction project, estimated to cost less than \$656,000 plus any escalation per Public Contract Code section 10108. (SAM 6807.)

**Modified Accrual Basis**

The basis of accounting in which revenues are recognized if the underlying transaction has occurred as of the last day of the fiscal year and the amount is measurable and available to finance expenditures of the current period (i.e., the actual collection will occur either during the current period, or after the end of the current period, to be used to pay current year-end liabilities). Expenditures are recognized when the obligations are created, except for amounts payable from future fiscal year appropriations. This basis is generally used for the General Fund and special funds.

**Non-Add**

Refers to a numerical value that is displayed in parentheses for informational purposes, but is not included in computing totals, usually because the amounts are already accounted for in the budget system or display.

**Non-Governmental Cost Funds**

For legal basis purposes, used to budget and account for revenues other than general and special taxes, licenses, and fees, or certain other state revenues. Generally, expenditures of these funds do not represent a cost of government.

**Object of Expenditure (Objects)**

A classification of expenditures based on the type of goods or services received. For example, the budget category of Personal Services includes the objects of Salaries and Wages and Staff Benefits. The Governor's Budget includes an "Expenditures by Category" section for each department at this level. These objects may be further subdivided into line items/object details such as State Employees' Retirement and Workers' Compensation. (See also "Account.") (UCM.)

**Obligations**

Amounts that a governmental unit may legally be required to pay out of its resources. Budgetary authority must be available before obligations can be created. For budgetary purposes, obligations include payables for goods or services received, but not yet paid for, and outstanding encumbrances (i.e., commitments for goods and services not yet received nor paid for).

**One-Time Cost**

A proposed or actual expenditure that is non-recurring (usually only in one annual budget) and not permanently included in baseline expenditures. Departments make baseline adjustments to remove prior year one-time costs and appropriately reduce their expenditure authority in subsequent years' budgets.

**Operating Expenses and Equipment (OE&E)**

A category of a support appropriation that includes objects of expenditure/accounts such as general expenses, printing, communication, travel, data processing, equipment, and accessories for the equipment. (SAM 6451.)

**Out-of-State Travel (OST) blanket**

A request by a state agency for Governor's Office approval of the proposed out-of-state trips to be taken by that agency's personnel during the fiscal year. (SAM 0760-0765.)

**Overhead**

Those elements of cost necessary in the production of an article or the performance of a service that are of such a nature that the amount applicable to the product or service cannot be determined directly. Usually they relate to those costs that do not become an integral part of the finished product or service, such as rent, heat, light, supplies, management, or supervision. (See also "Indirect Costs.")

**Overhead Unit**

An organizational unit that benefits the production of an article or a service but that cannot be directly associated with an article or service to distribute all of its expenditures to elements and/or work authorizations. The cost of overhead units are distributed to operating units or programs within the department. (See "Administration Program Costs.")

**Past Year**

The most recently completed fiscal year. (See also "Fiscal Year.")

**Performance Budget**

A budget wherein proposed expenditures are organized and tracked primarily by measurable performance objectives for activities or work programs. A performance budget may also incorporate other bases of expenditure classification, such as character and object, but these are given a subordinate status to activity performance.

**Personal Services**

A category of expenditure that includes such objects of expenditures as the payment of salaries and wages of state employees and employee benefits, including the state's contribution to the Public Employees' Retirement Fund, insurance premiums for workers' compensation, and the state's share of employees' health insurance. (See also "Object of Expenditure.") (SAM 6403.)

**Plan of Financial Adjustment (PFA)**

A plan proposed by a department, approved by the Department of Finance, and accepted by the State Controller's Office (SCO), to permit the SCO to allocate costs paid from one item to one or more items within a department's appropriations. A PFA might be used, for example, to allow the department to pay all administrative costs out of its main item and then transfer the appropriate costs to the correct items for their share of the costs paid. The SCO transfers the funds upon receipt of a letter (transaction request) from the department stating the amount to be transferred based on the criteria for cost distribution in the approved PFA. (SAM 8452 et seq.)

**Pooled Money Investment Account (PMIA)**

A State Treasurer's Office accountability account maintained by the State Controller's Office to account for short-term investments purchased by the State Treasurer's Office as designated by the Pooled Money Investment Board on behalf of various funds.

**Pooled Money Investment Board (PMIB)**

A board comprised of the Director of Finance, the State Treasurer, and the State Controller, the purpose of which is to design an effective cash management and investment program, using all monies flowing through the Treasurer's bank accounts and keeping all available monies invested, consistent with the goals of safety, liquidity, and yield. (SAM 7350.)

**Positions**

See "Authorized Positions."

**Price Increase**

A budget adjustment to reflect the inflation factors for specified operating expenses consistent with the budget instructions from the Department of Finance.

**Prior Year Adjustment**

In a Fund Condition Statement in the Governor's Budget, an adjustment for the difference between previously estimated accruals used in the development of the last Governor's Budget and actual expenditures or revenues. The adjustment amount is generally included to realign the beginning fund balance to ensure accurate fund balances.

**Pro Rata**

The amount of state administrative costs, paid from the General Fund and the Central Service Cost Recovery Fund (e.g., amounts expended by central service departments such as the State Treasurer's Office, State Personnel Board, State Controller's Office, and Department of Finance for the general administration of state government), that are chargeable to and recovered from special funds (other than the General Fund, Central Service Cost Recovery Fund, and federal funds) as determined by the Department of Finance. (GC 11010, 11270-11275, 13332.03; SAM 8753, 8754.)

**Program Budget**

See "Budget—Program or Traditional."

**Program Cost Accounting**

A level of accounting that identifies costs by activities performed in achievement of a purpose in contrast to the traditional line-item format. The purpose of accounting at this level is to produce cost data sufficiently accurate for allocating and managing program resources. (SAM 7261.)

**Programs**

Activities of a business unit grouped on the basis of common objectives. Programs can be further divided into subprograms.

**Project Approval Lifecycle**

The process to assess the full implications of a proposed information technology project that contains analyses of options, cost estimates, and other information. (SAM 4920-4928.)

**Proposed New Positions**

A request for an authorization to expend funds to employ additional people to perform work. Proposed new positions may be for an authorization sufficient to employ one person, or for a sum of funds (blanket) from which several people may be employed. (See also "Changes in Authorized Positions.")

**Proposition 98**

An initiative passed in November 1988, and amended in the June 1990 election, that provides a minimum funding guarantee for school districts, community college districts, and other state agencies that provide direct elementary and secondary instructional programs for kindergarten through grade 14 (K-14), beginning with fiscal year 1988-89. The term is also used to refer to any expenditures that fulfill the guarantee. (*Article XVI, § 8.*)

**Provision**

Language in a bill or act that imposes requirements or constraints upon actions or expenditures of the state. Provisions are often used to constrain the expenditure of appropriations but may also be used to provide additional or exceptional authority. (Exceptional authority usually begins with the phrase "Notwithstanding...".)

**Public Service Enterprise Funds**

For legal basis accounting purposes, the fund classification that identifies funds used to account for the transactions of self-supporting enterprises that render goods or services for a direct charge to the user (primarily the general public). Self-supporting enterprises that render goods or services for a direct charge to other state departments or governmental entities, account for their transactions in a Working Capital and Revolving Fund. (*UCM, Fund Codes—Structure (Source Classification).*)

**Reappropriation**

The extension of an appropriation's availability for encumbrance and/or expenditure beyond its set termination date and/or for a new purpose. Reappropriations are typically authorized by statute for one year at a time, but may be for some greater or lesser period.

**Recall**

The power of the electors to remove an elected officer. (*Article II, § 13.*)

**Redemption**

The act of redeeming a bond or other security by the issuing agency.

**Reference Code**

A three-digit code identifying whether the item is from the Budget Act or some other source (e.g., legislation), and its character (e.g., state operations). This is the middle segment of the budget item/appropriation number. (*UCM, Fund Source/Appropriation Coding.*)

**Referendum**

The power of the electors to approve or reject statutes or parts of statutes, with specified exceptions and meeting specified deadlines and number of voters' signatures. (*Article II, § 9.*)

**Refund to Reverted Appropriations**

A receipt account to record the return of monies (e.g., abatements and reimbursements) to appropriations that have reverted. (*SAM 7680*)

**Reimbursement Warrant (or Revenue Anticipation Warrant)**

A warrant that has been sold by the State Controller's Office as a result of a cash shortage in the General Fund, the proceeds of which will be used to reimburse the General Cash Revolving Fund. The Reimbursement Warrant may or may not be registered by the State Treasurer's Office. The registering does not affect the terms of repayment or other aspects of the Reimbursement Warrant. (GC 17240-17255)

**Reimbursements**

An amount received as a payment for the cost of services performed/to be performed, or of other expenditures made for, or on behalf of, another entity (e.g., one department reimbursing another for administrative work performed on its behalf). Reimbursements represent the recovery of an expenditure. Reimbursements are available for expenditure up to the budgeted amount (scheduled in an appropriation), and a budget revision must be prepared and approved by the Department of Finance before any reimbursements in excess of the budgeted amount can be expended. (SAM 6463.)

**Reserve**

An amount of a fund balance set aside to provide for expenditures from the unencumbered balance for continuing appropriations, economic uncertainties, future apportionments, pending salary or price increase appropriations, and appropriations for capital outlay projects.

**Revenue**

Any addition to cash or other current assets (e.g., accounts receivables) that does not increase any liability or reserve and does not represent the reduction or recovery of an expenditure (e.g., reimbursements/abatements). Revenues are a type of receipt generally derived from taxes, licenses, fees, or investment earnings. Revenues are deposited into a fund for future appropriation, and are not available for expenditure until appropriated. (UCM, Receipt Codes.)

**Revenue Anticipation Notes (RANs)**

A cash management tool generally used to eliminate cash flow imbalances in the General Fund within a given fiscal year. RANs are not a budget deficit-financing tool.

**Revenue Anticipation Warrant (RAW)**

See "Reimbursement Warrant."

**Reversion**

The return of the unused portion of an appropriation to the fund from which the appropriation was made, normally two years (four years for federal funds) after the last day of an appropriation's availability period. The Budget Act often provides for the reversion of unused portions of appropriations when such reversion is to be made prior to the statutory limit. The reversion may also occur upon order of Finance. (GC 16304, 16304.1)

**Reverted Appropriation**

An appropriation that is reverted to its fund source after the date its liquidation period has expired.

**Revolving Fund**

Generally refers to a cash account known as an office revolving fund (ORF). It is not a fund but an advance from a primary support item. Departments may use the cash advance to disburse ORF checks for immediate needs, as specified in SAM. The cash account is subsequently replenished by a State Controller's Office transfer from a department appropriation. The size of departmental revolving funds is subject to Department of Finance approval within statutory limits. (SAM 8100, et seq.)

**SAL**

See "Appropriations Limit, State."

**Salaries and Wages Supplement**

An annual publication, issued shortly after the Governor's Budget, containing a summary of all positions by department, unit, and classification for the past, current, and budget years, as of July 1 of the current year. This publication is also displayed on the Department of Finance's website. (See "Schedule 7A.")

**Schedule**

The detail of an appropriation in the Budget Bill or Act, showing its distribution to each of the programs, or projects thereof.

or:

A supplemental schedule submitted by departments to detail certain expenditures.

or:

A summary listing in the Governor's Budget.

**Schedule 7A**

A summary version of the State Controller's Office detailed Schedule 8 position listing for each department. The information reflected in this schedule is the basis for the "Salaries and Wages Supplement" displayed on the Department of Finance's website. (See "Salaries and Wages Supplement") (SAM 6415-6418.)

**Schedule 8**

A detailed listing generated from the State Controller's Office payroll records for a department's past, current, and budget year positions as of June 30 and updated for July 1. This listing must be reconciled with each department's personnel records and becomes the basis for centralized payroll and position control. The reconciled data should coincide with the level of authorized positions for the department per the final Budget. (SAM 6424-6429, 6448.)

**Schedule of Federal Funds and Reimbursements, Supplementary**

A supplemental schedule (DF-301) submitted by departments during budget preparation that displays federal expenditures by source. (SAM 6460.)

**Schedule of Operating Expenses and Equipment, Supplementary**

A supplemental schedule (DF-300) submitted by departments during budget preparation that details by object the expenses included in the Operating Expenses and Equipment category. (SAM 6454, 6457.)

**Section 1.50**

Section of the Budget Act that (1) specifies a certain format and style for the codes used in the Budget Act, (2) authorizes the Department of Finance to revise codes used in the Budget Act to provide compatibility with the Governor's Budget and records of the State Controller's Office, and (3) authorizes the Department of Finance to revise the schedule of an appropriation in the Budget Act or in other spending authority outside of the Budget Act for technical changes that are consistent with legislative intent. Examples of such technical changes to the schedule of an appropriation include the distribution of any unallocated amounts within an appropriation, adjustments of schedules to facilitate departmental accounting operations, and the augmentation of reimbursement amounts when the Legislature has approved the budget for the department providing the reimbursement. The Section also authorizes Finance to make certain technical corrections related to the implementation of and conversion into FI\$Cal.

**Section 1.80**

Section of the Budget Act that includes periods of availability for Budget Act appropriations.

**Section 8.50**

A Control Section of the Budget Act that provides the authority to increase federal fund spending authority.

**Section 26.00**

A Control Section of the Budget Act that provides the authority for the transfer of funds from one program or function within a schedule to another program or function within the same schedule, subject to specified limitations and reporting requirements to the Legislature. (SAM 6548.)

**Section 28.00**

A Control Section of the Budget Act that authorizes the Director of Finance to approve the augmentation or reduction of items of expenditure for the receipt of unanticipated federal funds or other non-state funds, and that specifies the related reporting requirements to the Legislature. Appropriation authority for unanticipated federal funds is contained in Section 8.50. (SAM 6551-6557.)

**Section 28.50**

A Control Section of the Budget Act that authorizes the Department of Finance to augment or reduce the reimbursement line of an appropriation schedule for reimbursements received from other state agencies. It also contains specific reporting requirements to the Legislature. (SAM 6551-6557.)

**Section 30.00**

A Control Section of the Budget Act that amends Government Code section 13340 to sunset continuous appropriations.

**Section 31.00**

A Control Section of the Budget Act that grants departments the authority to administratively establish or reclassify positions. This section states that administratively establishing positions outside of the budget process requires both Finance's approval and legislative notification. Administratively established positions are to be temporary and expire June 30 of the current year, unless extended by Finance and the Legislature during the following budget cycle. Additionally, Section 31.00 requires Finance to review all reclassification requests involving a position meeting a specified threshold.

**Senate**

The upper house of California's Legislature consisting of 40 members. As a result of Proposition 140 (1990, term limits) and Proposition 28 (2012, limits on Legislators' terms in office), members elected in or after 2012 may serve 12 years in the Legislature in any combination of four-year state Senate or two-year state Assembly terms. (*Article IV, § 2 (a).*)

**Service Revolving Fund**

A fund used to account for and finance many of the client services rendered by the Department of General Services. Amounts expended by the fund are reimbursed by sales and services priced at rates sufficient to keep the fund solvent. (*SAM 8471.*)

**Settlements**

Refers to any proposed or final settlement of a legal claim (usually a suit) against the state. Approval of settlements and payments for settlements are subject to numerous controls. (See also "Judgments.") (*GC 965.*)

**Shared Revenue**

A state-imposed tax, such as the gasoline tax, which is shared with local governments in proportion, or substantially in proportion, to the amount of tax collected or produced in each local unit. The tax may be collected either by the state and shared with the localities, or collected locally and shared with the state.

**Sinking Fund**

A fund or account in which money is deposited at regular intervals to provide for the retirement of bonded debt.

**Special Fund for Economic Uncertainties**

A fund in the General Fund (a similar reserve is included in each special fund), authorized by statute and Budget Act Control Section 12.30, to provide for emergency situations. (*GC 16418, 16418.5.*)

**Special Funds**

For legal basis budgeting purposes, funds created by statute, or administratively per Government Code section 13306, used to budget and account for taxes, licenses, and fees that are restricted by law for particular activities of the government.

**Special Items of Expense**

An expenditure/account category that covers non-recurring large expenditures or special purpose expenditures that generally require a separate appropriation (or otherwise require separation for clarity). (SAM 6469; UCM.)

**Sponsor**

An individual, group, or organization that initiates or brings to a legislator's attention a proposed law change.

**Spot Bill**

An introduced bill that makes non-substantive changes in a law, usually with the intent to amend the bill at a later date to include substantive law changes. This procedure provides flexibility to meet the deadline for the introduction of bills.

**Staff Benefits**

An object of expenditure representing the state costs of contributions for employees' retirement, OASDI, health benefits, and non-industrial disability leave benefits. (SAM 6412; UCM.)

**State-Mandated Local Program**

State reimbursements to local governments for the cost of activities required by legislative and executive acts. This reimbursement requirement was established by Chapter 1406, Statutes of 1972 (SB 90) and further ratified by the adoption of Proposition 4 (a constitutional amendment) at the 1979 general election. (Article XIII B, § 6; SAM 6601.)

**State Operations (SO)**

A character of expenditure representing expenditures for the support of state government, exclusive of capital investments and expenditures for local assistance activities.

**Statewide Cost Allocation Plan (SWCAP)**

The amount of state administrative costs (e.g., amounts expended by central service departments such as the State Treasurer's Office, the State Personnel Board, the State Controller's Office, and the Department of Finance for the general administration of state government) chargeable to and recovered from federal funds, as determined by the Department of Finance. These statewide administrative costs are for administering federal programs, which the federal government allows reimbursement. (GC 13332.01-13332.02; SAM 8753, 8755-8756 et seq.)

**Statute**

A written law enacted by the Legislature and signed by the Governor (or a vetoed bill overridden by a two-thirds vote of both houses), usually referred to by its chapter number and the year in which it is enacted. Statutes that modify a state code are "codified" into the respective Code (e.g., Government Code, Health and Safety Code). (See also "Bill" and "Chapter.") (*Article IV, § 9.*)

**Subcommittee**

The smaller groupings into which Senate or Assembly committees are often divided. For example, the fiscal committees that hear the Budget Bill are divided into subcommittees generally by departments/subject area (e.g., Education, Resources, General Government).

**Subventions**

Typically used to describe amounts of money expended as local assistance based on a formula, in contrast to grants that are provided selectively and often on a competitive basis. For the purposes of Article XIII B, state subventions include only money received by a local agency from the state, the use of which is unrestricted by the statutes providing the subvention. (*GC 7903.*)

**Summary Schedules**

Various schedules in the Governor's Budget Summary that summarize state revenues, expenditures, and other fiscal and personnel data for the past, current, and budget years.

**Sunset Clause**

Language contained in a law that states the expiration date for that statute.

**Tax Expenditures**

Subsidies provided through the taxation systems by creating deductions, credits, and exclusions of certain types of income or expenditures that would otherwise be taxable.

**Technical**

In the budget systems, refers to an amendment that clarifies, corrects, or otherwise does not materially affect the intent of a bill.

**Tort**

A civil wrong, other than a breach of contract, for which the court awards damages. Traditional torts include negligence, malpractice, and assault and battery. Recently, torts have been broadly expanded such that interference with a contract and civil rights claims can be torts. Torts result in either settlements or judgments. (*GC 948, 965-965.9; SAM 6472, 8712; Budget Act Items 9670.*)

**Traditional Budget**

See "Budget—Program or Traditional."

**Transfers**

As displayed in fund condition statements, transfers reflect the movement of resources from one fund to another based on statutory authorization or specific legislative transfer appropriation authority.

**Trigger**

An event that causes an action or actions. Budget "trigger" mechanisms have been enacted in statute under which various budgeted programs are automatically reduced if revenues fall below expenditures by a specific amount.

**Unanticipated Cost/Funding Shortage**

A lack or shortage of (1) cash in a fund, (2) expenditure authority due to an insufficient appropriation, or (3) expenditure authority due to a cash problem (e.g., reimbursements not received on a timely basis). (See Budget Act Items 9840 and 9850.)

**Unencumbered Balance**

The balance of an appropriation not yet committed for specific purposes. (See "Encumbrance.")

**Uniform Codes Manual (UCM)**

A document maintained by the Department of Finance that sets standards for codes and various other information used in state fiscal reporting systems. These codes identify, for example, business units, programs, funds, receipts, line items, and objects of expenditure. Departments using FISCAL use Accounts that combine the UCM general ledger code, receipt and object of expenditure codes in a single classification code. (See also "Account" and "Chart of Account Crosswalk")

**Unscheduled Reimbursements**

Reimbursements collected by an agency that were not budgeted and are accounted for by a separate reimbursement category of an appropriation. To expend unscheduled reimbursements, a budget revision must be approved by the Department of Finance, subject to any applicable legislative reporting requirements (e.g., CS 28.50).

**Urgency Statute/Legislation**

A measure that contains an "urgency clause" requiring it to take effect immediately upon the signing of the measure by the Governor and the filing of the signed bill with the Secretary of State. Urgency statutes are generally those considered necessary for immediate preservation of the public peace, health, or safety, and such measures require approval by a two-thirds vote of the Legislature, rather than a majority. (*Article IV, § 8 (d)*). However, the Budget Bill and other bills providing for appropriations related to the Budget Bill may be passed by a majority vote to take effect immediately upon being signed by the Governor or upon a date specified in the legislation. (*Article IV § 12 (e) (1)*.)

**Veto**

The Governor's Constitutional authority to reduce or eliminate one or more items of appropriation while approving other portions of a bill. (*Article IV, § 10 (e)*; SAM 6345.)

**Voucher**

A request from a state department using FI\$Cal to the State Controller's Office to disburse payment from a legal appropriation or account for a lawful state obligation. The voucher identifies the appropriation or account to be charged, the payee, the amount(s) to be paid, and an affidavit attesting to the validity of the request.

**Warrant**

An order drawn by the State Controller directing the State Treasurer to pay a specified amount, from a specified fund, to the person or entity named. A warrant generally corresponds to a bank check but is not necessarily payable on demand and may not be negotiable. (SAM 8400 et seq.)

**Without Regard to Fiscal Year (WRTFY)**

Where an appropriation has no period of limitation on its availability.

**Working Capital and Revolving Fund**

For legal basis accounting purposes, fund classification for funds used to account for the transactions of self-supporting enterprises that render goods or services for a direct charge to the user, which is usually another state department/entity. In contrast, self-supporting enterprises that render goods or services for a direct charge to the public account for their transactions in a Public Service Enterprise Fund.

**Workload Budget**

Workload Budget means the budget year cost of currently authorized services, adjusted for changes in enrollment, caseload, population, statutory cost-of-living adjustments, chaptered legislation, one-time expenditures, full-year costs of partial-year programs, costs incurred pursuant to Constitutional requirements, federal mandates, court-ordered mandates, state employee merit salary adjustments, and state agency operating expense and equipment cost adjustments. (GC 13308.05.) This definition is related to the calculation of the workload budget required by Section 36 of Article 13 of the California Constitution.

**Year of Appropriation (YOA)**

Refers to the first fiscal year of enactment or availability, whichever is later. Also referred to as the Enactment Year, or ENY.

**Year of Budget (YOB)**

The fiscal year revenues and expenditures are recognized. For revenues, this is generally the fiscal year when revenues are earned, measurable, and "available." For expenditures, this is generally the fiscal year when obligations, including encumbrances, have been created during the availability period of the appropriation. When the availability period of encumbrance of an appropriation is one year (e.g., most Budget Act items), the YOB is the same as the year of appropriation (YOA) and the year of completion (YOC). However, when the availability period is more than one year, the YOB may be any fiscal year during the availability period, including the YOA or the YOC, as appropriate. For example, an appropriation created in 2016-17 and is available for three years, the YOA is 2016 and the YOC is 2018. If an obligation is created in 2017-18, the YOB for this obligation is 2017. In FI\$Cal (PeopleSoft), the YOB is referred to as Budget Period. The rules of

recognition are not the same for all funds depending on the appropriate basis of accounting for the fund types or other factors.

**Year of Completion (YOC)**

The last fiscal year for which the appropriation is available for expenditure or encumbrance.

*\* Abbreviations used in the references cited:*

<i>Article</i>	<i>Article of California Constitution</i>
<i>BA</i>	<i>Budget Act</i>
<i>CS</i>	<i>Control Section of Budget Act</i>
<i>GC</i>	<i>Government Code</i>
<i>SAM</i>	<i>State Administrative Manual</i>
<i>UCM</i>	<i>Uniform Codes Manual</i>