

The 2021-22 Budget: Initial Comments on the Governor's May Revision

Key Takeaways

We Estimate the State Has a \$38 Billion Surplus to Allocate. We estimate the state has \$38 billion in discretionary state funds to allocate in the 2021-22 budget process, an estimate that is different than the Governor's figure—\$76 billion. The differences in our estimates stem from our differing definitions. The Governor's estimate includes constitutionally required spending on schools and community colleges, reserves, and debt payments. We do not consider these spending amounts part of the surplus because they must be allocated to specified purposes.

In Contrast to the Governor, Recommend Legislature Restore Budget Resilience. Despite a historic surge in revenues, the Governor continues to rely on budget tools from last year. Specifically, he uses \$12 billion in reserve withdrawals and borrowing to increase spending. The state will need these tools to respond to future challenges, when federal assistance might not be as significant. We urge the Legislature not to take a step back from its track record of prudent budget management.

State Appropriations Limit (SAL) Is Important Issue in May Revision. The Governor's May Revision estimates the state will collect \$16 billion in revenues in excess of the SAL this year. However, the ultimate amount of a potential excess will depend on decisions by the Legislature. Ultimately while the SAL will be an important consideration in this year's budget process, the Legislature has substantial discretion in how to meet the constitutional requirements.

Trade-Off Between Addressing Many Issues and Making More Significant Inroads on a Smaller Subset. The May Revision includes roughly 400 new proposals. While the surplus is large enough to make significant inroads in addressing a few key policy priorities, it is unlikely sufficient to do so across the number of issues contemplated in the May Revision. If the Legislature preferred to make surer substantial progress in a few key areas, it could allocate the surplus in a more targeted manner that reflect its top priorities.

Consider Withholding Some Decisions. The surplus, in combination with the federal fiscal recovery funds, represents resources equal to about half of pre-pandemic General Fund budgets. Departments' capacity to allocate this funding in a timely and effective manner likely will be significantly constrained. More importantly, the Legislature's time to deliberate over choices made in this budget is extremely limited. We recommend the Legislature delay some of those decisions and offer options for doing so.

INTRODUCTION

On May 14, 2021, Governor Newsom presented a revised state budget proposal to the Legislature. (This annual proposed revised budget is called the “May Revision.”) In this post, we provide a summary of the Governor’s revised budget, focusing on the overall condition and structure of the state General Fund—the budget’s main operating account. In the coming days, we will analyze the plan in more detail and provide additional comments in hearing testimony and online.

We begin with an overview of the condition of the General Fund under the administration’s estimates and proposals. We then describe the major spending-related decisions made by the Governor in allocating budget resources. Due to the additional complexity in this year’s budget, this discussion is not limited to the General Fund

surplus, but also covers flexible federal funding to the state and the State Appropriations Limit (SAL). Next, we describe the structure of the General Fund under the Governor’s May Revision. We conclude with our initial comments on this budget package. At the end of this report, we include Appendix tables that itemize select proposals by policy area based on our understanding at this time.

The information presented in this post is based on our best understanding of administration proposals as of Saturday, May 15, 2021. In many areas of the budget, our understanding of the administration’s proposals will continue to evolve as we receive more information. We only plan to update this post for very significant changes (that is, those greater than \$500 million).

GENERAL FUND CONDITION

Figure 1 shows the general fund condition under the Governor’s May Revision.

Excluding Policy Choices, Revenues Higher by \$51 Billion Compared to Governor’s Budget.

Reflecting very strong cash collections in recent months, the May Revision adjusts 2020-21 revenues (and transfers) up by \$26.8 billion to \$182 billion. This represents a 27 percent increase over 2019-20, the largest single year increase in over four decades. Much of these revenue gains carry over into the budget year, with 2021-21 revenues being adjusted up \$24.4 billion to \$179 billion. For additional discussion on revenues, see our related post *The 2021-22 Budget: May Revenue Outlook*.

Constitutionally Required Spending Higher by \$16 Billion.

The constitution requires the state to spend minimum annual

amounts on schools and community colleges (under Proposition 98) and budget reserves and debt payments (under Proposition 2). Mainly as a result of higher revenues, relative to January,

Figure 1			
General Fund Condition Summary			
<i>(In Millions)</i>			
	2019-20 Revised	2020-21 Revised	2021-22 Proposed
Prior-year fund balance	\$11,442	\$5,657	\$27,434
Revenues and transfers	140,400	187,020	175,921
Expenditures	146,185	165,243	196,795
Ending fund balance	\$5,657	\$27,434	\$6,561
Encumbrances	3,175	3,175	3,175
SFEU balance	\$2,482	\$24,259	\$3,386
Reserves			
BSA	\$17,350	\$12,494	\$15,939
SFEU	2,482	24,259	3,386
Safety net	900	450	450
Total Reserves	\$20,732	\$37,203	\$19,775

SFEU = Special Fund for Economic Uncertainties and BSA = Budget Stabilization Account.

constitutionally required spending is higher by nearly \$16 billion across the budget window.

Other Major Adjustments Reduce Costs by \$3 Billion. In addition to revenues and constitutional requirements, other budgetary costs are, on net, lower by \$3 billion compared to January. This relatively small number obscures many billions of dollars in budgetary changes. For example, relative to the Governor’s budget, the Legislature enacted about \$6.4 billion in spending increases and revenue reductions through early action. Partially offsetting this increase, baseline

costs associated with the state’s major safety net programs are lower by \$3.7 billion.

Total Reserves Would Reach Nearly \$20 Billion Under Governor’s May Revision.

Under the administration’s estimates and proposals, total reserves would reach \$19.8 billion in 2021-22. (This total differs somewhat from the administration’s estimate of total reserves because we exclude the dedicated reserve for schools and community colleges, which we do not consider part of General Fund reserves.)

MAJOR SPENDING CHOICES

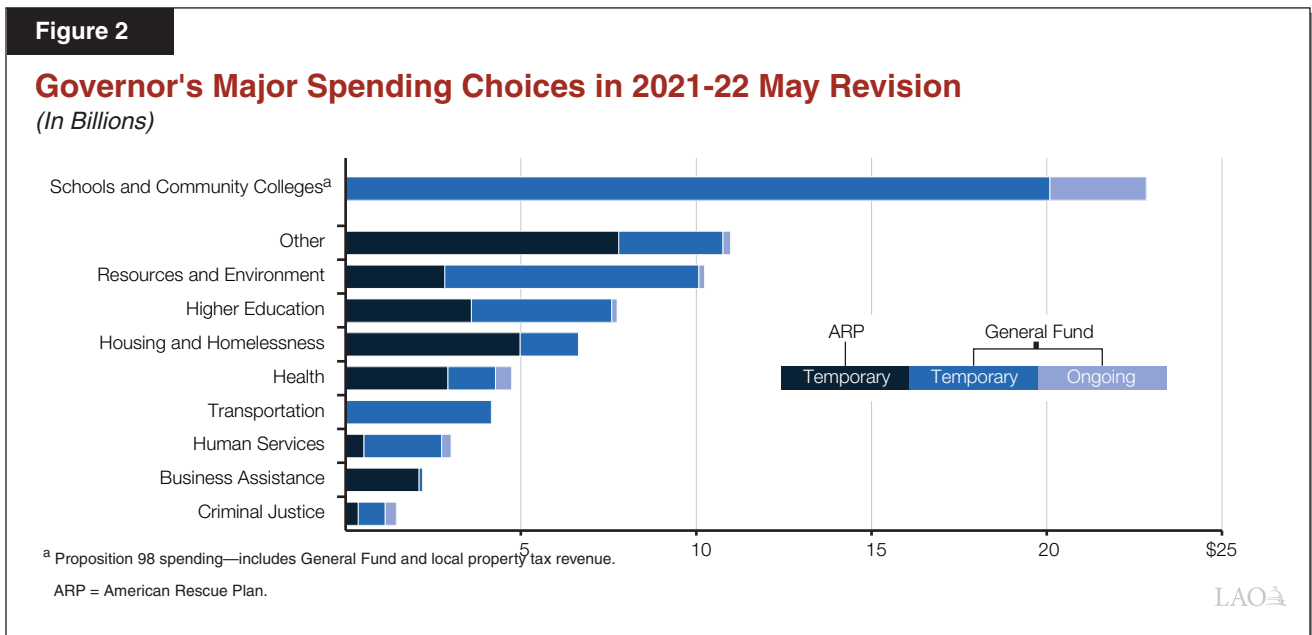
Figure 2 displays the major budgetary decisions that the Governor made in allocating state and federal money, totaling \$85 billion. It includes (1) the General Fund surplus, (2) school and community college spending, (3) the American Rescue Plan (ARP) fiscal relief funds, and (4) ARP capital projects funds. The remainder of this section discusses each of these funding amounts in turn. As the figure shows, schools and community colleges would receive the largest spending allocations. The major components of the other category are \$5.5 billion for broadband, \$1.1 billion to replenish the state Unemployment Insurance Trust Fund,

and \$305 million for the Employment Development Department to more quickly address workload.

General Fund Surplus

We estimate the Governor had a \$38 billion General Fund surplus to allocate in the 2021 May Revision. This surplus reflects the factors described above: higher revenues, higher constitutional spending, and net lower other spending. This section describes that surplus in more detail, with a focus on the spending choices the Governor made in allocating it.

What Is the General Fund Surplus? The Governor’s May Revision is the starting point for



legislative deliberation. Ultimately, the Legislature will make its own determination about how to allocate available funds in the budget. One of the goals of this post is to estimate how much capacity the budget has to make those allocations under the Governor's estimates of revenues. We answer this question by assessing which of the Governor's proposals are "discretionary." We define discretionary spending to mean spending, reserve deposits, debt payments, and tax reductions not already authorized or required under current law. (Our definition of discretionary excludes the cost to maintain current state services, such as base increases for the universities and employee compensation.)

Why Does This Figure Differ From the Governor's Estimate? The Governor and administration have cited a surplus estimate of

about \$76 billion, different than our estimate. The primary source of this difference is that the Governor's estimate of the surplus includes constitutionally required spending, whereas our estimate excludes it. For example, the Governor counts \$27 billion in constitutionally required spending on schools and community colleges, nearly \$8 billion in required reserve deposits, and \$3 billion in required debt payments in his calculation of the surplus. After excluding these amounts, our surplus estimates are nearly the same.

How Can These Monies Be Used? In a normal budget year, General Fund surplus monies are available to use for any public purposes. This is not necessarily the case in this May Revision. That is because the SAL, which limits how the state can

The State Appropriations Limit (SAL)

SAL Limits Use of Surplus. Each year, the state compares the appropriations limit to appropriations subject to the limit. If appropriations subject to the limit exceed the limit (on net) over any two-year period, there are excess revenues. The Legislature can use excess revenues in three ways: (1) appropriate more money for purposes excluded from the SAL (under the Governor's proposal, the common new spending for this purpose is capital outlay), (2) split the excess between additional school and community college district spending and taxpayer rebates, or (3) lower tax revenues. For more information on the SAL, please see our recent report: [The State Appropriations Limit](#).

How Does the Governor Use the Surplus for SAL-Related Purposes? Under the administration's estimates and proposals, \$23 billion of the surplus is split between two SAL-related purposes:

- **\$15 Billion in Discretionary Spending on Excluded Purposes.** The Governor's General Fund discretionary proposals include \$15 billion in discretionary SAL exclusions. These exclusions are entirely proposals for capital outlay projects of various kinds.
- **\$8 Billion Dedicated to Tax Rebates.** After making administrative changes and proposing excluded spending, the administration's estimates indicate the state would have excess revenues of \$16.2 billion across 2020-21 and 2021-22. The Governor allocates half of these excess revenues—\$8.1 billion—to taxpayer rebates for taxpayers with incomes less than \$75,000. The administration does not allocate the remaining half to schools and community colleges in this budget. (The State Constitution allows the state two years to make the payments.) The estimate of the amount owed to K-14 education could change substantially in the coming years as a result of changes in revenue estimates and legislative decisions.

Governor Includes Administrative and Proposed Statutory Changes. The May Revision includes three noteworthy administrative or statutory changes to the SAL. These three changes increase room under the SAL. First, the administration will stop counting vehicle registration fees as proceeds of taxes. Second, the administration makes an administrative correction of its treatment of school-related deferrals. Third, consistent with an option we presented in our recent report, the administration is proposing trailer bill language to absorb school districts' room. These changes are reasonable.

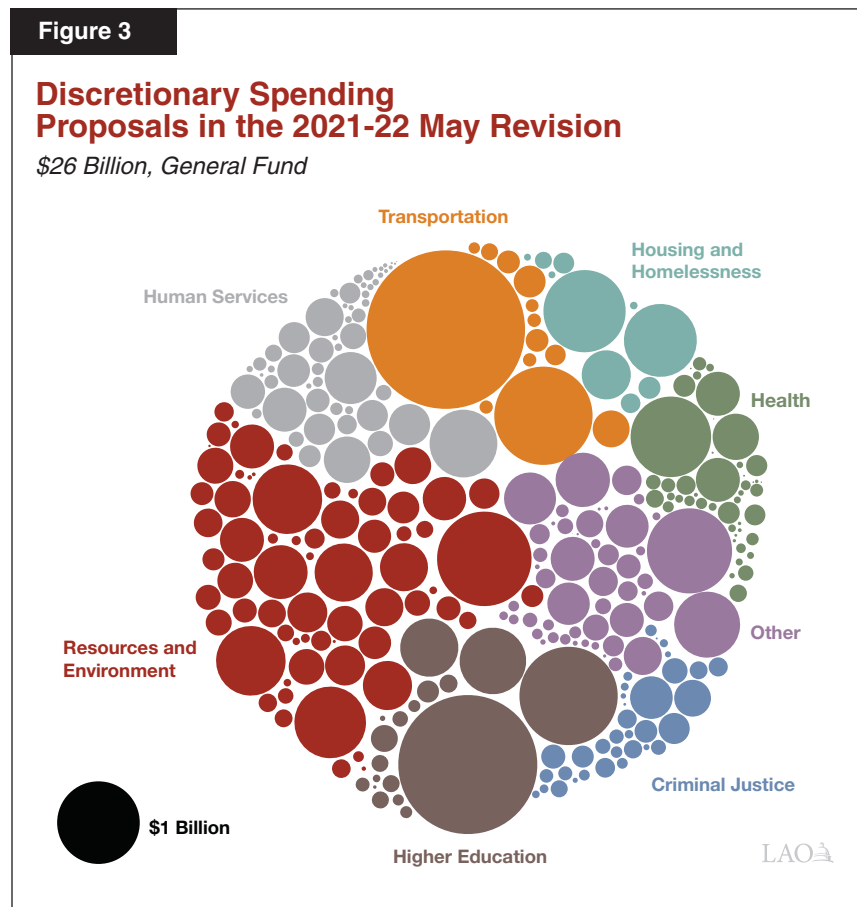
use revenues that exceed a specified threshold, is salient to the state budget process this year. As a result, the administration allocates \$23 billion towards purposes that meet SAL requirements. The remaining surplus is used more flexibly. The nearby box explains these dynamics in more detail.

The Governor Proposes Allocating \$26 Billion in Surplus Funds to Spending. Using the \$38 billion surplus, the Governor proposes roughly four hundred spending-related proposals, which would cost \$26 billion. (We describe how the Governor allocates the remainder of the surplus in the “Budget Structure” section.) Less than one-quarter of these proposals are unchanged from the Governor’s budget. The remaining three-quarters are either modified proposals or entirely new proposals in the May Revision. **Figure 3** shows these proposals by program area.

ARP Flexible Funding

What Are the ARP Flexible Funds? The ARP included \$350 billion in funding to state and local governments for fiscal recovery in the Coronavirus State Fiscal Recovery Fund. Of this total, California’s state government will receive about \$27 billion. In addition, California will receive \$550 million in Coronavirus Capital Projects Fund from the ARP, which also are available to the state on a more flexible basis.

How Can These Monies Be Used? The state is permitted to use the fiscal relief funds: (1) to respond to the public health emergency or negative economic impacts associated with the emergency; (2) to support essential work; (3) to backfill a reduction in revenue that has occurred since 2018-19; or (4) for water, sewer, or broadband infrastructure. The funds will be transferred soon,



but the state has until December 31, 2024 to use the funds. The U.S. Department of the Treasury recently released detailed guidance with more detail on how these funds can be used.

How the Governor Proposes Allocating the ARP Funds. Figure 4 shows how the Governor proposes allocating the flexible funds in the ARP by program area. (In addition to the amounts shown, the Governor proposes using \$1.5 billion of ARP fiscal relief funds to pay for the state share of direct coronavirus disease 2019 expenditures, resulting in lower General Fund costs by that amount.) This figure reflects our best understanding of the ARP at this time. However, we are still receiving information from the administration on the uses of ARP funds. The single largest proposal using ARP monies is \$5.5 billion for broadband access, affordability, and infrastructure. In addition, the Governor proposes allocating nearly \$5 billion to housing and homelessness and \$3.6 billion to higher education.

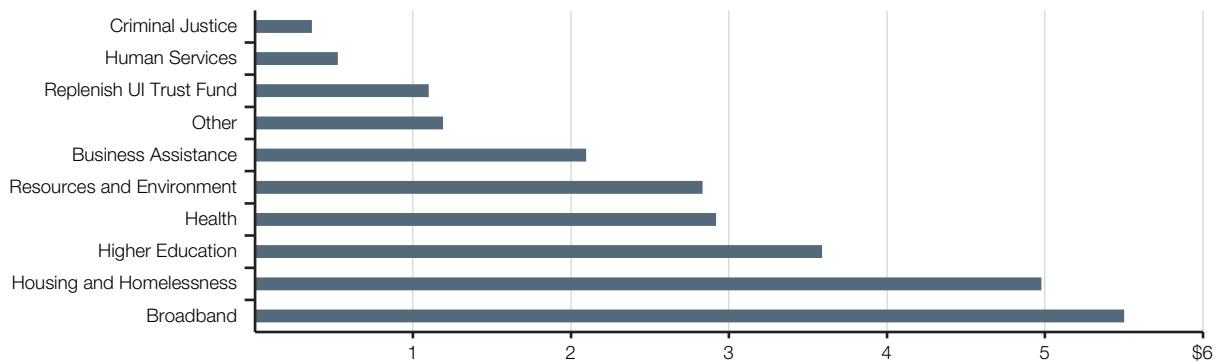
However, the administration also proposes control section language that would give the administration significant flexibility to reallocate these funds.

School and Community Colleges

Governor’s Major Spending Choices for Schools and Community Colleges. The State Constitution sets a minimum annual funding requirement for schools and community colleges. After setting aside early actions, the May Revision includes nearly \$23 billion in spending proposals to provide the constitutionally required funding increases to schools and community colleges. As shown in Figure 5 on the next page, the Governor proposes allocating nearly \$10 billion of this total to pay down deferred payments from previous years, \$5 billion (including \$2.1 billion ongoing) for high-poverty schools and districts, nearly \$1.4 billion for community colleges, and the remainder (roughly \$6 billion) for other K-12 spending.

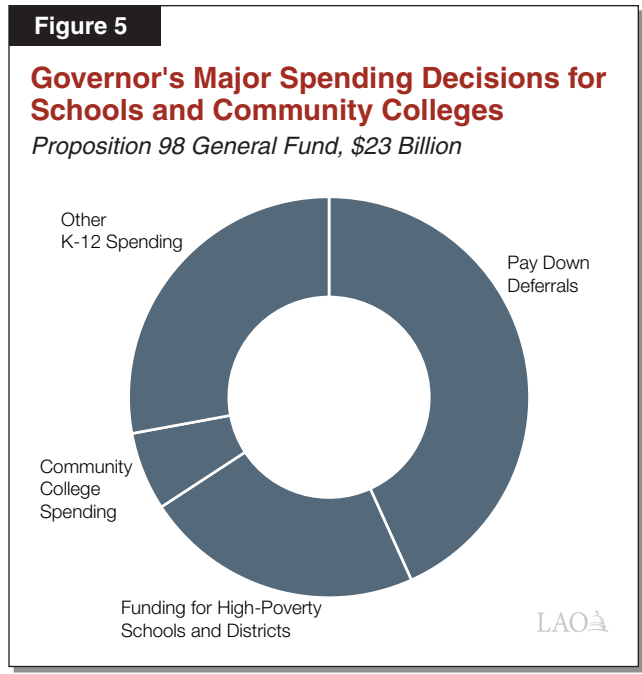
Figure 4

How the Governor Proposes Allocating Flexible ARP Funding (In Billions)



Includes Coronavirus State Fiscal Recovery Fund and Coronavirus Capital Projects Fund.
 Includes only allocations for new policy proposals (excludes backfill of existing COVID-19 costs).
 Reflects our best understanding as of May 15, 2021.
 ARP = American Rescue Plan; UI = Unemployment Insurance; and COVID-19 = coronavirus disease 2019.





BUDGET STRUCTURE

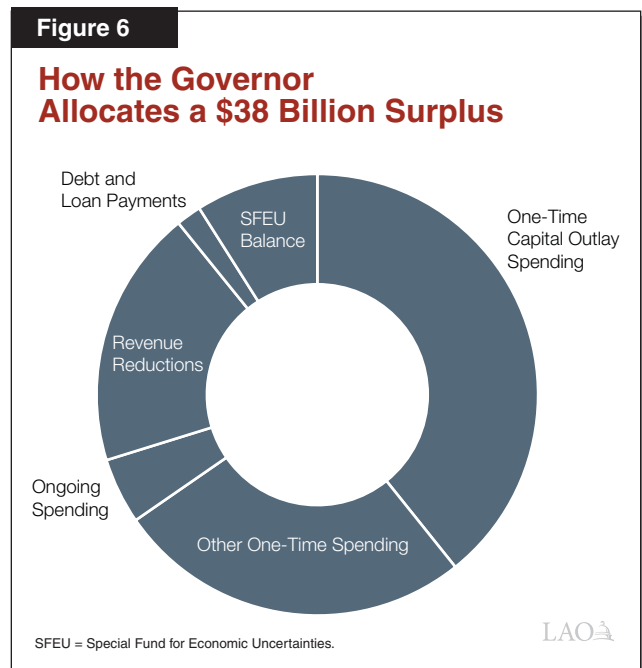
This section and **Figure 6** describe the allocation of the \$38 billion General Fund surplus, which excludes spending on schools and community colleges. The Governor allocates: \$25 billion to one-time or temporary spending, including nearly \$15 billion for capital outlay; \$7 billion to revenue-related reductions; \$3.4 billion to the Special Fund for Economic Uncertainties (SFEU) balance; and nearly \$2 billion to ongoing spending increases, although these costs would grow substantially over time. (In addition, the Constitution requires the state to set aside \$11 billion for reserves and debt payments. We also describe those below.)

One-Time Spending

The Governor proposes spending \$25 billion of General Fund surplus monies on a one-time or temporary basis. The majority of these one-time proposals (\$15 billion) meet the definition of capital outlay for the purposes of the SAL and are excludable.

Governor Proposes \$15 Billion in Spending on Capital Outlay. The Governor proposes allocating \$15 billion of General Fund to capital outlay. (To define capital outlay, due to the importance of

the SAL in state budgeting this year, we use the more expansive definition found in Government Code 7914, rather than the traditional budgetary definition.) For example, the Governor's General Fund proposals include \$2.6 billion for transit and rail projects, \$2 billion for affordable college



student housing, \$550 million for the Homekey program, and \$500 million for zero-emission vehicle fueling infrastructure. If the Legislature wants to make different decisions about this spending (without statutory changes or fund shifts), it can either: (1) use the funds to make tax rebates and additional payments to schools, (2) spend on other SAL-excluded purposes, or (3) use the funds to reduce taxes.

Governor Proposes \$10 Billion in Spending on One-Time or Temporary Programmatic Activities. The Governor proposes spending \$9.8 billion on a one-time or temporary basis for a variety of programmatic expansions that do not meet the definition of capital outlay. The largest proposals include \$500 million for Golden State teacher grants and a \$500 million endowment for learning-aligned employment.

Reserves and Debt

\$11 Billion in Constitutional Reserve and Debt Requirements. Under the administration’s revenue estimates, the Constitution would require the state to deposit \$7.6 billion into the Budget Stabilization Account (BSA) and spend an additional \$3.4 billion to pay down debts. The BSA deposits would be required regardless of whether or not the state had made withdrawals from the BSA in 2020. That is, they are large because of revenue revisions, not due to restoring withdrawals made last year to address the anticipated budget problem.

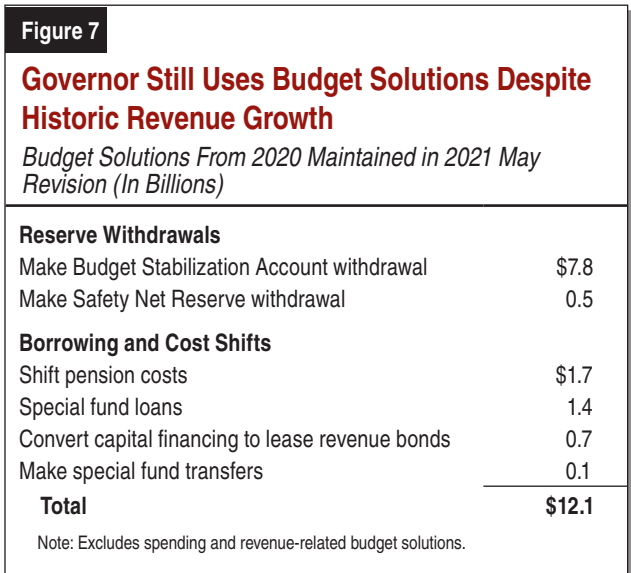
Using Surplus, Governor Repays \$700 Million in Loans and Proposes SFEU Balance of \$3.4 Billion. In addition to fulfilling the constitutional requirements, the Governor dedicates about \$700 million in discretionary resources to repay special fund loans and sets the balance of the SFEU at \$3.4 billion for the end of 2021-22. This is somewhat higher than the enacted balance of the SFEU from June 2020. Notably, however, the administration’s multiyear estimates include a *negative* SFEU balance of \$6 billion in 2022-23.

Despite Sizeable Surplus, Governor Maintains Borrowing and Reserve Withdrawals. The Legislature passed the 2020-21 budget in the

face of major uncertainty. While there was little precedent to work from, revenues were expected to fall sharply. The Legislature took \$54 billion in actions to address that problem (for example, it withdrew funds from reserves, shifted costs, reduced spending, and increased revenues). However, under the administration’s estimates, General Fund tax revenues actually *grew* between 2019-20 and 2020-21 by 27 percent, the largest increase in four decades. While the Governor’s proposals this year eliminate most of the spending-related budget solutions, they still maintain significant budgetary borrowing and reserves withdrawals. Put another way, \$12 billion of spending in the May Revision is attributable to reserve withdrawals and borrowing from 2020 (see **Figure 7**).

Tax Reductions

Governor Proposes \$7.1 Billion to Tax- and Revenue-Related Reductions. The most significant of these proposals is \$8.1 billion in tax rebates to households with incomes of \$75,000 or less. (As referenced in the box earlier, these payments would satisfy half of the constitutional requirement under the SAL.) Partially offsetting the cost of the rebates is additional revenue from a proposal for a new elective tax on certain businesses. This proposal gives certain business owners a new option for restructuring their state income taxes that would enable them to reduce their federal income taxes but result in somewhat increased state tax liability.



Ongoing Spending

Governor Proposes \$1.8 Billion in Spending on Ongoing Programmatic Activities, With Significant Outyear Cost Increases. The Governor's spending proposals also include \$1.8 billion in ongoing discretionary spending. (We exclude funding provided to maintain the cost of current state services, such as base increases for the universities and employee compensation, from discretionary spending. These baseline cost increases increase ongoing spending by roughly \$2.3 billion.) Some of the largest of these include the Governor's proposals to increase child

care slots, expand full-scope Medi-Cal coverage to all adults aged 60 and older and to implement a set of reforms to Medi-Cal called California Advancing and Innovating Medi-Cal (CalAIM). However, because some of these ongoing proposals are phased in over a multiyear period, we estimate the cost at full implementation of all of these proposals is \$3.7 billion in 2024-25. In addition, by 2024-25, under the May Revision, the state would spend \$2.7 billion ongoing for Transitional Kindergarten. (Under the Governor's proposal, spending on schools and community colleges under Proposition 98 would increase to accommodate this program expansion.)

LAO COMMENTS

Budget Structure

In Contrast to the Governor, Recommend Legislature Restore Budget Resilience. Despite a historic surge in revenues, the Governor continues to make use of nearly \$12 billion in budget tools—reserve withdrawals and borrowing—to increase spending. While the state continues to respond to the pandemic, using tools designed for a budget crisis to support state spending at this time is shortsighted and inadvisable. The state will need these tools to respond to future challenges when federal assistance may not be as significant. For instance, in the next recession, the state is likely to have sizeable declines in revenues. To avoid reductions to safety net programs that support Californians when economic hardship is most acute, budget reserves are critical. For instance, in last year's budget process, when the state anticipated a historic budget problem, cuts to safety net programs were largely avoided because of the state's significant reserves. In recent years, the Legislature has made careful and considered budget actions, which have put the state on better fiscal footing. We urge the Legislature not to take a step back from its track record of prudent budget management.

Budget Decisions Are Multidimensional Due to SAL. Although the state budget is always complicated, budget decisions will be even more complex this year. The main reason for this is the SAL, which places significant restrictions on how

the Legislature can use the surplus. The Legislature, however, can make a variety of different decisions, which will affect whether tax rebates or future tax cuts are necessary. Moreover, the Legislature could make additional changes to the calculation of the SAL as we describe in our recent report. Ultimately while the SAL is an important consideration in this year's budget process, the Legislature has substantial discretion in how to meet the constitutional requirements.

Spending Choices

Budget Includes Various Proposals to Address Pandemic and Problems Exacerbated by Crisis. Appropriately given the dramatic and widespread impacts of the pandemic, many of the Governor's larger proposals seek to mitigate either the pandemic's direct impacts or problems exposed by the health and economic crisis. The Governor's homelessness proposal would allocate significant resources to a long-standing problem that has been heightened by the pandemic. The state also plays a foundational role in enabling economic growth by maintaining well-functioning infrastructure, transit, and higher education. The May Revision includes many proposals in these areas. A notable number of May Revision proposals provide augmentations to new programs, however, rather than making significant increases to existing safety net programs—like California Work Opportunity and Responsibility to Kids (CalWORKs) and Supplemental Security Income/

State Supplementary Payment (SSI/SSP)—or rate increases in programs like the Department of Developmental Services.

Trade-Off Between Addressing Many Issues and Making More Significant Inroads on a Smaller Subset. The May Revision aims to address many problems. While many of these problems are well known, their solutions—particularly coming out of a pandemic—are less understood. For example, whether the administration’s workforce proposals will attract workers to retrain remains to be seen. Moreover, many of the Governor’s proposals touch on similar issues, but the ways in which they would interact remain unclear. As the Legislature crafts its budget, we recommend considering whether to spread funding across many disparate issues or to dedicate more substantial resources to a smaller set of problems for which the Legislature has greater assurance of success. While the surplus is large enough to make significant inroads in addressing a few key policy priorities, it is unlikely sufficient to do so across the number of issues contemplated in the May Revision. If the Legislature preferred to make surer substantial progress in a few key areas, it could allocate the surplus in a more targeted manner that reflects its top priorities.

State Has Limited Capacity for New Spending and Oversight. The surplus, in combination with the federal fiscal recovery funds, represents resources equal to about half of pre-pandemic General Fund budgets. This is an extraordinary amount of funding.

Departments’ capacity to allocate this funding in a timely and effective manner likely will be significantly constrained. As a result, some funding could go out much more slowly than anticipated, particularly for new programs. Moreover, departments’ ability to oversee this new spending likely will be limited as well. While the administration proposes a relatively small new unit within the Department of Finance to oversee new federal spending, more robust mechanisms for both state and federal funding—administratively and legislatively—are warranted.

Consider Withholding Some Decisions. The administration proposes allocating almost all of the surplus and fiscal relief funds now. Given the constrained time line of the budget process, limited administrative capacity, and potential for future action at the federal level, we recommend the Legislature withhold decisions on some components of the May Revision. Delaying some spending decisions would give the Legislature more time to determine which solutions would be most effective and develop a detailed plan. For example, the Legislature could wait to allocate the federal fiscal relief funds until more is known about what supports and services are needed as more Californians return to work, federal relief winds down, and the pandemic ebbs. The Legislature also could implement other mechanisms as part of this budget to provide more opportunities for Legislative oversight and additional time to make allocation decisions. We describe these options in the nearby box.

Options for Improving Legislative Oversight

Should the Legislature want more time to deliberate on the specifics of its budget package and identify opportunities for Legislative oversight, there are various options to consider. The Legislature also could use multiple options simultaneously for any particular proposal to ensure effective planning and oversight.

- **Make Funding Contingent on Subsequent Legislation.** While the Legislature will need to appropriate the funding as part of the budget act, the Legislature can make allocation of funds dependent on subsequent trailer bill legislation that could be passed later this year. Doing so would give the Legislature additional time to ensure funds are allocated consistently with the Legislature's goals.
- **Allocate Funding Over Multiple Years.** The May Revision includes numerous proposals involving large, near-term expenditures. The Legislature alternatively could spread these allocations out longer. Doing so—in combination with subsequent legislation or setting milestones for progress—could provide more assurances that the funding is used effectively.
- **Include Reporting Requirements Before Releasing Funds.** Rather than allocating all of the funding for a particular proposal at once, the Legislature could allocate some planning funding at the time of the budget act but make the remaining funds contingent on additional information from the department on how it would disperse the remainder. Also, the Legislature could allocate funding on a one-time or temporary basis before determining the appropriate amount of ongoing funding.
- **Delay Implementation.** Similar to requiring additional information before releasing the funds, the Legislature could start full implementation of new programs in 2022-23 (or later) and provide some funding in 2021-22 to plan and build additional administrative capacity.
- **Make Funding Contingent on Legislative Notification.** Often, the Legislature requires the administration to notify the Joint Legislative Budget Committee (JLBC) before allocating unanticipated funding midyear. The Legislature further could require notification of the JLBC before dispersing certain appropriations contained within the budget.

APPENDIX

Appendix Figure 1

Criminal Justice: Discretionary Spending Proposals in the 2021-22 May Revision

General Fund (In Millions)

Program or Department	Proposal	2020-21	2021-22	
			One-Time or Temporary	Ongoing
BSCC	Support for County Probation Departments	\$50	—	—
BSCC	California Violence Intervention and Prevention Program	—	\$67	—
BSCC	Funding for Post Release Community Supervision	—	24	—
BSCC	COVID-19-Related Funding for Post Release Community Supervision	—	12	—
BSCC	Strengthening Jail Oversight	—	—	\$3
CDCR	One-Time Deferred Maintenance Allocation	—	100	—
CDCR	Replacement of Dayroom and Common Area Furniture	—	35	—
CDCR	Statewide Implementation of Fixed Video Surveillance	—	27	11
CDCR	California Institution for Men: Air Cooling at Facility A	—	14	—
CDCR	Valley State Prison Rehabilitation Enhancements	—	11	3
CDCR	California Rehabilitation Center Health Care Facility Repairs	—	7	—
CDCR	Correctional Officer Training Expansion and Job Shadowing Program	—	5	16
CDCR	Technology for Inmates Participating in Academic Programs	—	5	18
CDCR	Statewide Telepsychiatry Program Supervision	—	4	—
CDCR	Substance Abuse Treatment Facility: Air Cooling in Facilities F and G	—	3	—
CDCR	Psychiatric Inpatient Program Standardization and Integration	—	2	36
CDCR	Chuckawalla Valley State Prison: New Potable Water Wells	—	1	—
CDCR	Statewide Process for Allegations Against Employees	—	—	8
CDCR	Inmate Visitation Expansion to Three Days	—	—	20
CDCR	Increased Healthy Menu Options for Inmates	—	—	8
CDCR	Receiver: Quality Management and Patient Safety	—	—	4
DOJ	Consolidated Forensic Science Laboratory Campus	—	7	—
DOJ	DNA Identification Fund Backfill	—	—	6
Judicial Branch	Deferred Maintenance	—	188	—
Judicial Branch	Expand Pretrial Pilot Program	—	70	70
Judicial Branch	Augmentation Authority to Address Trial Court Backlogs	—	60	—
Judicial Branch	Three Courthouse Construction Projects	—	40	—
Judicial Branch	Early Disposition Readiness Conference Program	—	30	—
Judicial Branch	Courthouse Construction and Planning Studies	—	8	—
Judicial Branch	Courthouse Facility Operations, Maintenance, and Leases	—	—	54
Judicial Branch	Continuation of Self-Help Services Funding	—	—	19
Judicial Branch	Online Adjudication of Infractions and Ability-to-Pay	—	—	12
VCB	Restitution Fund Backfill	—	—	33
Totals		\$50	\$718	\$321

Note: This reflects our best understanding as of May 15, 2021; however, we are still receiving information from the administration about these proposals. We only plan to update this figure for very significant changes (that is, those greater than \$500 million).

BSCC = Board of State and Community Corrections; COVID-19 = coronavirus disease 2019; CDCR = California Department of Corrections and Rehabilitation; DOJ = Department of Justice; and VCB = California Victim Compensation Board.

Appendix Figure 2

Health: Discretionary Spending Proposals in the 2021-22 May Revision*General Fund (In Millions)*

Program or Department	Proposal	2020-21	2021-22	
			One-Time or Temporary	Ongoing
CDPH	Alzheimer's and dementia research and training (Age-Friendly State package)	—	\$25	—
CDPH	Resources for COVID-19 pandemic response external challenges	—	6	—
CDPH	Books for low-income children	—	5	—
CDPH	Pandemic response review	—	3	—
CHHS, Secretary	Language access resources—development and implementation of services	—	20	—
CHHS, Secretary	Equity dashboard	—	3	—
CHHS, Secretary	Diversify HHS workforce (GARE training support)	—	3	—
CHHS, Secretary	Health information exchange leadership	—	3	—
CHHS, Secretary	Post-COVID-19 equity analysis	—	2	—
EMSA	Statewide emergency medical services data solution	—	10	—
EMSA	Increased emergency preparedness and response capability	—	2	\$6
EMSA	Human resources workload support	—	—	1
Medi-Cal	Reintroduce CalAIM reforms	—	591	81
Medi-Cal	Provide incentives for student behavioral health	—	200	—
Medi-Cal	Temporarily extend program integrity data analytics contract	—	1	—
Medi-Cal	Staff for managed care re-procurement	—	—	1
Medi-Cal	Add dyadic services benefit (Children and Youth Behavioral Health Initiative)	—	—	100
Medi-Cal	Expand full-scope Medi-Cal for undocumented adults ages 60 and over	—	—	50
Medi-Cal	Extend postpartum Medi-Cal eligibility to 12 months	—	—	45
Medi-Cal	Expand and make permanent certain telehealth flexibilities	—	—	33
Medi-Cal	Eliminate rate freeze for developmentally disabled and pediatric facilities	—	—	11
Medi-Cal	Increase reimbursement rates for ICF-DDs and pediatric subacute facilities	—	—	11
Medi-Cal	Provide mental health services to out-of-state foster youth returning to California	\$2	—	9
Medi-Cal	Implement accelerated enrollment for adults	—	—	7
Medi-Cal	Add community health worker services benefit	—	—	6
Medi-Cal	Fund medication therapy management at specialty pharmacies	—	—	4
Medi-Cal	Add continuous glucose monitoring benefit	—	—	2
Medi-Cal	Hold funding in reserve in Drug Rebate Fund	222	—	—
Medi-Cal	End dental managed care in Los Angeles and Sacramento counties	—	—	1
OSHPD	Additional funding for Song-Brown Program	—	50	—
OSHPD	Increase geriatric workforce	—	8	—
State Hospitals	Deferred maintenance	—	100	—
State Hospitals	Extend and expand IST diversion pilot program	—	46	—
State Hospitals	Construction projects	—	31	—
State Hospitals	Re-evaluate individuals declared IST	—	13	—
State Hospitals	Activate new jail-based treatment beds for IST patients	—	7	6
State Hospitals	Statewide integrated health care provider network	—	6	—
State Hospitals	Expand community-based treatment options for IST patients	5	3	30
State Hospitals	Implement new staffing levels for treatment team and primary care	—	—	23

(Continued)

Program or Department	Proposal	2020-21	2021-22	
			One-Time or Temporary	Ongoing
State Hospitals	Backfill for lost reimbursement from counties for treating LPS patients	—	—	17
State Hospitals	Establish mobile treatment options for forensic patients in the community	—	—	10
State Hospitals	Implement new staffing levels for protective services	—	—	7
State Hospitals	Activate new beds in step-down facilities for forensic patients	1	—	5
Totals		\$230	\$1,137	\$465

Note: This reflects our best understanding as of May 15, 2021; however, we are still receiving information from the administration about these proposals. We only plan to update this figure for very significant changes (that is, those greater than \$500 million).

CDPH = California Department of Public Health; COVID-19 = coronavirus disease 2019; CHHS = California Health and Human Services Agency; HHS = Health and Human Services; GARE = Government Alliance on Race and Equity; EMSA = Emergency Medical Services Authority; CalAIM = California Advancing and Innovating Medi-Cal; ICF-DDs = Intermediate Care Facilities for the Developmentally Disabled; OSHPD = Office of Statewide Health Planning and Development; IST = incompetent to stand trial; and LPS = Lanterman-Petris-Short.

Appendix Figure 3

Higher Education: Discretionary Spending Proposals in the 2021-22 May Revision*General Fund (In Millions)*

Program or Department	Proposal	2020-21	2021-22	
			One-Time or Temporary	Ongoing
CSAC	Golden State Teacher Grants	—	\$500	—
CSAC	Cal Grant competitive awards	—	—	\$33
CSAC	Cal Grant supplemental awards for foster youth	—	—	15
CSAC	Cal Grant A eligibility restoration	\$15	—	15
CSU	CSU Humboldt transition to polytechnic university	—	433	25
CSU	Deferred maintenance and energy efficiency projects	—	175	—
CSU	Emergency student financial aid	—	30	—
CSU	CSU Northridge Center for Equity in Innovation and Technology	—	25	—
CSU	CSU Monterey Bay Computing Talent Initiative	—	10	—
CSU	Faculty professional development	—	10	—
CSU	Student Basic Needs Initiative	—	—	15
CSU	Student basic needs (mental health and technology)	—	—	15
CSU	Intersegmental learning management system	—	—	2
CSU	CSU Stanislaus Stockton Center	—	—	1
CSFA	Affordable college student housing	—	2,000	—
UC	Endowment for Learning-Aligned Employment	—	500	—
UC	Deferred maintenance and energy efficiency projects	—	175	—
UC	UC Davis Koret Animal Shelter Medicine Program	5	45	—
UC	California Institutes for Science and Innovation	—	20	—
UC	Emergency student financial aid	—	15	—
UC	UC Los Angeles Lawson Labor Center	—	15	—
UC	UC San Francisco Dyslexia Center	—	10	—
UC	UC Los Angeles Asian American Studies Center	—	5	—
UC	Faculty professional development	—	5	—
UC	Subject Matter Projects in learning loss mitigation	—	5	—
UC	Subject Matter Projects in ethnic studies	—	2	—
UC	UC Fire Advisors	—	2	—
UC	UC San Francisco public health modeling consortium	—	1	—
UC	UC Berkeley Alternative Meats Laboratory	—	1	—
UC	Student basic needs (mental health and technology)	—	—	15
UC	Programs in Medical Education (PRIME)	—	—	13
UC	Intersegmental learning management system	—	—	1
Totals		\$20	\$3,984	\$150

Note: This reflects our best understanding as of May 15, 2021; however, we are still receiving information from the administration about these proposals. We only plan to update this figure for very significant changes (that is, those greater than \$500 million).

CSAC = California Student Aid Commission and CSFA = California School Finance Authority.

Appendix Figure 4

Housing and Homelessness: Discretionary Spending Proposals in the 2021-22 May Revision

General Fund (In Millions)

Program or Department	Proposal	2020-21	2021-22	
			One-Time or Temporary	Ongoing
HCD	Funding for Homekey Program (Homelessness package)	—	\$550	—
HCD	Funding for housing-related infrastructure (IIG Program)	—	250	—
HCD	Assistance for housing law compliance	—	—	\$5
HCD	Deferred maintenance of farmworker housing	—	30	—
HCFC	Assistance to local government to address family homelessness (Homelessness package)	—	40	—
HCFC	Addressing homeless encampments (Homelessness package)	—	50	—
HCFC	Assessment of state and local homelessness programs (Homelessness package)	—	6	—
HCD	Funding for CalHFA's Mixed-Income Program	—	45	—
HCD	Provides housing navigator for foster youth	—	—	5
Medi-Cal	Grants to counties for behavioral health infrastructure (Children and Youth Behavioral Health Initiative)	—	700	—
Totals		—	\$1,671	\$10

Note: This reflects our best understanding as of May 15, 2021; however, we are still receiving information from the administration about these proposals. We only plan to update this figure for very significant changes (that is, those greater than \$500 million).

HCD = California Department of Housing and Community Development; IIG = Infill Infrastructure Grant; HCFC = Homeless Coordinating and Financing Council; and CalHFA = California Housing Finance Agency.

Appendix Figure 5

Human Services: Discretionary Spending Proposals in the 2021-22 May Revision

General Fund (In Millions)

Program or Department	Proposal	2020-21	2021-22	
			One-Time or Temporary	Ongoing
Aging	Older adult recovery and resiliency package	—	\$101	—
Aging	Permanently fund ADRCs	—	—	\$3
CalWORKs	Prevent adults from timing out of cash aid during pandemic	\$18	46	—
CalWORKs	Reinstate funding for Cal-OAR accountability project	—	—	20
CalWORKs	Augment funding for Indian Health Clinics	—	—	2
Child Care	Data system planning	—	5	—
Child Care	Child Care slots	—	—	224
Child Care	Direct deposit	—	—	6
Child Support	Funding for local child support agencies	—	—	11
Child Support	Funding for child support court and IT activities	—	—	8
Child Welfare	Block grants to counties to develop prevention services under FFPSA Part I	—	122	—
Child Welfare	Expansions and flexibilities for non-minor dependents and former foster youth	—	49	—
Child Welfare	Assist counties serving foster youth with complex behavioral health needs	—	20	19
Child Welfare	Funding for emergency caregivers up to 120 days or 365 days for good cause	—	10	—
Child Welfare	Support for Family Resource Centers for foster youth and families	—	6	—
Child Welfare	Foster care rate flexibilities for families impacted by pandemic	—	3	—
Child Welfare	Stipends for tribal social work students	—	3	—
Child Welfare	Contracts for technology and hotline support for foster youth and families	—	2	—
Child Welfare	Child welfare workforce development	—	—	6
DCSD	State resources for Low-Income Weatherization Program	—	50	—
DDS	Employment grant	—	10	—
DDS	Deferred maintenance	—	5	—
DDS	Self-Determination Program ongoing implementation	—	5	2
DDS	Capital outlay—install fire sprinkler system at Porterville	—	4	—
DDS	Emergency preparedness for certain DDS consumers	—	4	—
DDS	Early Start outreach to tribal communities	—	1	—
DDS	Lanterman Act provisional eligibility at ages 3 and 4	—	—	24
DDS	Enhanced service coordination for those with little-to-no purchased services (part of Supporting Vulnerable and Homeless Families package)	—	—	10
DDS	Crisis training and services (part of Supporting Vulnerable and Homeless Families package)	—	—	8
DDS	Regional center performance incentives program	—	—	4
DDS	Community navigators to work with families	—	—	3
DDS	Forensic diversion program services	—	—	3
DDS	Direct service professional workforce training and certification	—	—	3
DDS	Bilingual service provider staff differentials	—	—	2
DDS	Additional resources to support DDS consumers who are deaf	—	—	2
DDS	Regional Center emergency coordinators	—	—	1
DDS	Implicit bias training for regional center staff	—	—	1
DDS	Non-reversion of Early Start unspent funds to support recovery efforts	18	—	—
DOR	Employment grant	—	10	—
DSS	Increased Funding for Housing Support Program (Homelessness Package)	—	475	—
DSS	Increased Funding for Bringing Families Home (Homelessness Package)	—	280	—
DSS	Increased HDAP funding (Homelessness Package)	—	175	—

(Continued)

Program or Department	Proposal	2020-21	2021-22	
			One-Time or Temporary	Ongoing
DSS	Increased Funding for Roomkey (Homelessness Package)	—	150	—
DSS	Provide emergency legal services to undocumented persons	5	105	—
DSS	Increased Funding for Home Safe (Homelessness Package)	—	100	—
DSS	Funds to preserve and expand RCFEs and ARFs (Homelessness Package)	—	50	—
DSS	Fund pilot programs to study the effects of Universal Basic Income.	—	35	—
DSS	Cover filing fees for applicants for naturalization or DACA	—	25	—
DSS	Augment CFAP monthly benefits to their maximum per household size.	24	21	—
DSS	Provide support for unaccompanied undocumented minors	—	20	—
DSS	Augment CFAP benefits by 15 percent	5	2	—
DSS	Augment funding for food banks during pandemic	35	—	—
DSS	Provide COVID-19 screening and shelter for migrant border arrivals	8	—	—
IHSS	Long-Term Care Career Pathways	—	200	—
IHSS	IHSS medical accompaniment to COVID-19 vaccine	4	4	—
IHSS	Maintain IHSS wage and benefit cost shares	—	—	57
IHSS	Adjust IHSS county administration for caseload increases	—	—	15
IHSS	Maintain IHSS back-up provider system	—	—	11
SSI/SSP	Increase SSP/CAPI/ Veterans Benefits grant levels beginning January 2022	—	—	66
Totals		\$117	\$2,099	\$510

Note: This reflects our best understanding as of May 15, 2021; however, we are still receiving information from the administration about these proposals. We only plan to update this figure for very significant changes (that is, those greater than \$500 million).

ADRC = Aging and Disability Resources Centers; Cal-OAR = CalWORKs Outcomes and Accountability Review; IT = information technology; FFPSA = Federal Family First Prevention Services Act; DCSD = Department of Community Services and Development; DDS = Department of Developmental Services; DOR = Department of Rehabilitation; DSS = Department of Social Services; HDAP = Housing and Disability Advocacy Program; RCFE = Residential Care Facilities for the Elderly; ARF = Adult Residential Facilities; DACA = Deferred Action for Childhood Arrivals; CFAP = California Food Access Program; IHSS = In-Home Supportive Services; COVID-19 = coronavirus disease 2019; and CAPI = Cash Assistance Program for Immigrants.

Appendix Figure 6

Other: Discretionary Spending Proposals in the 2021-22 May Revision*General Fund (In Millions)*

Program or Department	Proposal	2020-21	2021-22	
			One-Time or Temporary	Ongoing
CAC	California Creative Corps Pilot Program	—	\$60	—
CAC	Creative Youth Development Grant programs	—	40	—
CalVet	CalVet deferred maintenance	—	15	—
CalVet	Self-reliance program for homeless veterans (Homelessness package)	—	25	—
CDE	State special schools capital outlay projects	—	20	—
CDE	State special schools deferred maintenance	—	25	—
CDE	Transitional Kindergarten curriculum update	—	10	—
CDFA	Various one-time agriculture programs (Sustainable Agriculture package)	—	290	—
CDFA	Fairground and community resilience centers	—	150	—
CDFA	State Water Efficiency and Enhancement Program	—	60	—
CDFA	Support for state-affiliated fairgrounds	—	50	—
CDFA	Blythe and Needles Border Protection Stations	—	13	—
CDFA	Integrated pest management programs	—	12	—
CDFA	Deferred maintenance at fairgrounds	—	10	—
CDI	Enhance insurance fraud investigation and prevention	—	—	\$6
CDT	Fund technology modernization solutions	—	50	—
CDT	CA.gov website	—	2	—
CDT	Digital identification project planning	—	1	—
CDT	Fund information security audit program and SOC with General Fund	—	—	21
CDT	Stabilize IT systems and staff Broadband for All efforts	—	—	11
CMD	Sacramento: Consolidated Headquarters Complex	—	26	—
CMD	One-time deferred maintenance allocation	—	15	—
CPUC	Flex-Alert (energy package)	—	10	—
CSL	Local library infrastructure	—	50	—
CSL	Broadband access	—	35	—
CSL	English as a Second Language programs	—	15	—
CSL	Online tutoring pilot	—	6	—
CSL	Broadband connectivity	—	6	—
CSL	Civil Liberties Education Grant Program	—	5	—
CSL	Early learning and after school programs	—	5	—
CSL	Mobile libraries	—	3	—
CSL	Disaster preparedness	—	2	—
CSL	Assistive technology for visually impaired patrons	—	2	0.2
CSL	Lunch at the Library	\$1	—	1
CSL	Zip Books	—	—	1
CTC	Statewide strategy to diversify teacher workforce	—	46	—
CTC	Teacher credential fee waivers	—	20	—
CWDB	Expand existing apprenticeships	—	90	—
CWDB	Regional equity and recovery partnerships	—	50	—
CWDB	Expand new HRTPs with \$10 million Proposition 98 funding	—	50	—
CWDB	Expand existing apprenticeships	—	25	—
CWDB	New apprenticeship program in residential construction	—	20	—
DCC	Cannabis Local Jurisdiction Assistance Grant Program	—	100	—
DGS	Transitional Kindergarten and full-day Kindergarten facilities	—	190	—

(Continued)

Program or Department	Proposal	2020-21	2021-22	
			One-Time or Temporary	Ongoing
DGS	State Project Infrastructure Fund	—	93	—
DGS	One-time deferred maintenance allocation	—	50	—
DGS	Sacramento Region: Bonderson Building Swing Space	—	12	—
EDD	Extra funding to address workload more quickly	—	305	—
EDD	Expand incumbent worker training	—	50	—
EDD	Fund CCC contract education units	—	42	—
EDD	Restart planning effort	—	12	—
FTB	Second phase of EDR2	—	—	88
GO-Biz	Small business finance center	—	50	—
GO-Biz	Grants to entrepreneurs	—	35	—
GO-Biz	Small business loan guarantee program	—	20	—
Gov Ops, Secretary	Cradle-to-Career Data System	—	3	12
Gov Ops, Secretary	Implement statewide data strategy	—	—	1
Local Government	Property tax backfill for 2020 wildfires	11	11	—
LWDA	Data sharing with CCC's Chancellor's Office	—	15	—
OES	Prepare California: Building Resilient Communities	—	250	—
OES	Victims Of Crime Act Supplemental Funding	—	100	—
OES	Nonprofit Security Grant Program	—	50	—
OES	Southern Region: Emergency Operations Center—acquisition	—	26	—
OES	Relocation Of Red Mountain Communications Site—reappropriation	—	17	—
OES	Operational Observer (Clean Energy package)	—	9	—
OES	Southern Region Emergency Operations Center Relocation	—	8	—
OES	Strengthening California's Emergency Capacity and Capabilities	—	1	75
OES	California Disaster Assistance Act adjustment	—	-93	—
OPR	Regional K-16 education collaboratives	—	250	—
OPR	College Service Program	—	46	—
OPR	Student success coaches	—	15	—
OPR	Precision medicine: ACEs	—	12	—
Redistricting	Increased Funding for Citizens Redistricting Commission 2020 Cycle	—	9	—
Totals		\$12	\$ 2,990	\$217

Note: This reflects our best understanding as of May 15, 2021; however, we are still receiving information from the administration about these proposals. We only plan to update this figure for very significant changes (that is, those greater than \$500 million).

CAC = California Arts Council; CalVet = California Department of Veterans Affairs; CDE = California Department of Education; CDFA = California Department of Food and Agriculture; CDI = California Department of Insurance; CDT = California Department of Technology; SOC = Security Operations Center; IT = information technology; CMD = California Military Department; CPUC = California Public Utilities Commission; CSL = California State Library; CTC = Commission on Teacher Credentialing; CWDB = California Workforce Development Board; High Road Training Partnership; DCC = Department of Cannabis Control; DGS = Department of General Services; EDD = Employment Development Department; FTB = Franchise Tax Board; EDR2 = Enterprise Data to Revenue; GO-Biz = Governor's Office of Business and Economic Development; GovOps = California Government Operations Agency; LWDA = Labor and Workforce Development Agency; OES = Governor's Office of Emergency Services; OPR = Office of Planning and Research; and ACEs = Adverse Childhood Experiences.

Appendix Figure 7

Resources and Environment: Discretionary Spending in the 2021-22 May Revision*General Fund (In Millions)*

Program or Department	Proposal	2020-21	2021-22	
			One-Time or Temporary	Ongoing
CalEPA	Environmental Justice Initiative (Climate Resilience package)	—	\$15.0	—
CalFire	Various resilience activities (Wildfire and Forest Resilience package)	—	195.0	—
CalFire	Various capital outlay projects	—	54.2	—
CalFire	Deferred maintenance	—	50.0	—
CalFire	One-Time Fire Protection Augmentation—July to December 2021	—	38.9	—
CalFire	Aviation program	—	9.7	—
CalFire	Wildland firefighting research grant	—	5.0	—
CalFire	Additional fire crews	—	—	\$137.3
CalFire	Defensible space inspections	—	—	8.3
CalFire	Wildfire Forecast and Threat Intelligence Integration Center (SB 209)	—	—	5.6
CalRecycle	New composting and anaerobic digester facilities (Circular Economy package)	—	35.0	—
CalRecycle	Co-digestion capacity at wastewater facilities (Circular Economy package)	—	20.0	—
CalRecycle	Recycling Technology Feasibility Grants (Circular Economy package)	—	15.0	—
CalRecycle	Food Waste Prevention and Rescue Grants (Circular Economy package)	—	5.0	—
CalRecycle	Community composting opportunities (Circular Economy package)	—	5.0	—
CARB	Alternatives to agricultural burning (Agricultural package)	—	150.0	—
CARB	Clean Vehicle Rebate Project (ZEV package)	—	134.0	—
CARB	School buses (ZEV package)	—	130.0	—
CARB	Drayage trucks (ZEV package)	—	75.0	—
CARB	Transit buses (ZEV package)	—	70.0	—
CARB	Drayage Trucks Pilot Project (ZEV package)	—	40.0	—
CARB	Fluorinated Gas Reduction Incentive Program (Climate Resilience package)	—	15.0	—
CCC	Forestry corps (Wildfire and forest resilience package)	—	15.0	—
CCC	Deferred maintenance	—	1.0	—
CCC	Additional fire crews	—	—	5.9
CEC	ZEV fueling infrastructure (ZEV package)	—	500.0	—
CEC	Incentives for Long Duration Storage Projects (Energy package)	—	350.0	—
CEC	Industrial decarbonization (Energy package)	—	250.0	—
CEC	ZEV Manufacturing Grants (ZEV package)	—	125.0	—
CEC	Food Production Investment Program (Energy package)	—	125.0	—
CEC	Green Hydrogen Power Plant & Green Electrolytic Hydrogen (Energy package)	—	110.0	—
CEC	Drayage truck infrastructure (ZEV package)	—	85.0	—
CEC	Building Initiative for Low-Emissions Development (Climate resilience package)	—	50.0	—
CEC	Transit bus infrastructure (ZEV package)	—	30.0	—
CEC	Drayage Trucks Pilot Project (ZEV package)	—	25.0	—
CEC	School bus infrastructure (ZEV package)	—	20.0	—
CEC	Humboldt Offshore Wind Port Development (Energy package)	—	11.0	—
CEC	Fifth Climate Assessment (Climate Resilience package)	—	5.0	—
CEC	North Coast Offshore Wind Energy Project (Energy package)	—	2.0	—
CEC	Energy emergency planning (Energy package)	—	2.0	—
CNRA	Nature-based solutions (Water resilience package)	—	166.0	—
CNRA	Urban greening (Climate resilience package)	—	100.0	—
CNRA	Coastal wetland restoration (Water resilience package)	—	100.0	—
CNRA	Presidio improvement projects	—	27.5	—

(Continued)

Program or Department	Proposal	2020-21	2021-22	
			One-Time or Temporary	Ongoing
CNRA	Remote sensing (Wildfire and forest Resilience package)	—	15.0	—
CNRA	Fifth Climate Assessment (Climate Resilience package)	—	6.0	—
CNRA	Clear Lake rehabilitation (Water Resilience package)	—	5.7	—
CNRA	Offshore Wind—Environmental and Port Analyses (Energy package)	—	2.0	—
CNRA	Data, research, and communications (Water Resilience package)	—	0.6	—
DFW	Biodiversity activities	—	59.6	—
DFW	Drought response activities (Water resilience package)	—	50.5	—
DFW	Various one-time upgrades and equipment	—	41.8	—
DFW	Management of state lands (Wildfire and forest resilience package)	—	36.0	—
DFW	Deferred maintenance	—	15.0	—
DOC	Land Repurposing and Riparian Restoration (Water Resilience package)	—	530.0	—
DOC	Oil Well Remediation and Biofuels Pilot (Climate Resilience package)	—	250.0	—
DOC	Regional Forest and Fire Capacity (Wildfire and Forest Resilience package)	—	60.0	—
DPR	Pesticide Notification Network	—	10.0	—
DPR	Integrated pest management programs	—	8.0	—
DTSC	Cleanup of contaminated properties in impacted communities	—	300.0	—
DTSC	Exide facility closure and environmental action	—	132.0	—
DTSC	Exide residential cleanup	—	131.0	—
DTSC	Backfill for Hazardous Waste Control Account	—	29.0	—
DTSC	Exide facility cost recovery	—	14.0	—
DTSC	Backfill for Toxic Substances Control Account	—	12.0	—
DWR	Various water and drought activities (Water Resilience package)	—	924.0	—
DWR	Sustainable groundwater management grants (Water Resilience package)	—	80.0	—
DWR	American River flood project	—	67.0	—
Exposition Park	Deferred maintenance	—	5.0	—
GO-Biz	Climate Catalyst: agriculture	—	50.0	—
GO-Biz	Climate Catalyst: recycling	—	50.0	—
GO-Biz	Climate Catalyst: Wildfire package	—	31.0	—
OPR	Climate Adaptation & Resilience Planning Grants (Climate Resilience package)	—	15.0	—
OPR	Fifth Climate Change Assessment (Climate Resilience package)	—	11.0	—
OPR	Vulnerable Communities Platform & CalAdapt Mapping (Climate Resilience package)	—	5.0	—
Parks	California Outdoors for All Initiative	—	238.6	—
Parks	Deferred maintenance	—	185.0	—
Parks	2020 Fire Event: Statewide Repairs	—	113.5	—
Parks	California Indian Heritage Center Funding Transfer	—	95.3	—
Parks	Stewardship of state lands (Wildfire and Forest Resilience package)	—	75.0	—
Parks	Sacramento Railyards Rehabilitation	—	30.0	—
Parks	Sea Level Rise (Climate Resilience package)	—	11.5	—
Parks	Fiscal Stability for Boating Programs	—	10.7	—
Parks	Backfill for Harbors and Watercraft Fund	—	10.0	—
Parks	Woolsey wildfire repairs	—	10.0	—
Parks	Wildfire restoration costs	—	8.9	—
Parks	Various capital outlay projects	—	6.3	—
SCC	Explore the Coast program (California Outdoors package)	—	14.0	—
SGC	Transformative Climate Communities (Climate Resilience package)	—	140.0	—
SGC	Regional Climate Collaboratives (Climate Resilience package)	—	10.0	—
SLC	Management of state lands (Wildfire and Forest Resilience package)	—	12.0	—

(Continued)

Program or Department	Proposal	2020-21	2021-22	
			One-Time or Temporary	Ongoing
SNC	Stewardship of state lands (Wildfire and Forest Resilience package)	—	50.0	—
SWRCB	Drought response activities (Water Resilience package)	—	41.7	—
TC	Stewardship of state lands (Wildfire and Forest Resilience package)	—	11.0	—
WCB	Groundwater projects (Water Resilience package)	—	65.0	—
Totals		—	\$7,246.0	\$157.1

Note: This reflects our best understanding as of May 15, 2021; however, we are still receiving information from the administration about these proposals. We only plan to update this figure for very significant changes (that is, those greater than \$500 million).

CalEPA = California Environmental Protection Agency; CalFire = California Department of Forestry and Fire Protection; CalRecycle = California Department of Resources Recycling and Recovery; CARB = California Air Resources Board; ZEV = zero-emission vehicle; CCC = California Conservation Corps; CEC = California Energy Commission; CNRA = California Natural Resources Agency; DFW = Department of Fish and Wildlife; DOC = Department of Conservation; DPR = Department of Pesticide Regulation; DTSC = Department of Toxic Substances Control; DWR = Department of Water Resources; GO-Biz = Governor’s Office of Business and Economic Development; OPR = Office of Planning and Research; Parks = Department of Parks and Recreation; SCC = State Coastal Conservancy; SGC = Strategic Growth Council; SLC = State Lands Commission; SNC = Sierra Nevada Conservancy; SWRCB = State Water Resources Control Board; TC = Tahoe Conservancy; and WCB = Wildlife Conservation Board

Appendix Figure 8

Transportation: Discretionary Spending Proposals in the 2021-22 May Revision

General Fund (In Millions)

Program or Department	Proposal	2020-21	2021-22	
			One-Time or Temporary	Ongoing
CalSTA	Transit, Grade Separations, and Zero-Emission Rail (Transportation Infrastructure package)	—	\$2,600	—
Caltrans	Clean California	—	500	—
Caltrans	Active Transportation (Transportation Infrastructure package)	—	500	—
CHP	Baldwin Park Area Office Replacement	—	54	—
CHP	Santa Fe Springs Area Office Replacement	—	54	—
CHP	Quincy Area Office Replacement	—	44	—
CHP	Deferred Maintenance	—	10	—
DMV	Extension of REAL ID Resources and Operational Improvements	—	186	—
DMV	Digital Acceleration, Facilities, and Talent Acquisition	—	105	—
DMV	Inglewood Field Office Replacement	—	19	—
DMV	Reedley Field Office Replacement	—	18	—
DMV	Santa Maria Field Office Replacement	—	18	—
DMV	Delano Field Office Replacement	—	17	—
DMV	Oxnard Field Office Reconfiguration	—	13	—
DMV	Deferred maintenance	—	10	—
Totals		—	\$4,130	—

Note: This reflects our best understanding as of May 15, 2021; however, we are still receiving information from the administration about these proposals. We only plan to update this figure for very significant changes (that is, those greater than \$500 million).

CalSTA = California State Transportation Agency; Caltrans = California Department of Transportation; CHP = California Highway Patrol; and DMV = Department of Motor Vehicles.

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