



**The 2000-01 Assembly Budget Bill
AB 1740 (Ducheny)
As Adopted by the
Budget Committee**



2000-01 Budget Bill

Major Provisions

General Fund

Issue	Governor	Assembly Committee	
		Action	Fiscal Impact
Judicial/Executive			
Trial Court Funding			
Trial court technology	<ul style="list-style-type: none">Proposed augmentations totaling \$77.4 million for various court technology projects and planning.	<ul style="list-style-type: none">Approved as budgeted.	<ul style="list-style-type: none">—
Department of Information Technology			
Touch-screen voting	<ul style="list-style-type: none">No proposal.	<ul style="list-style-type: none">Augmented to provide funds for counties to develop interactive (touch-screen) voting systems.	<ul style="list-style-type: none">\$50 million cost.
K-14 Education (Proposition 98)			
Funding level	<ul style="list-style-type: none">Appropriates almost \$1.1 billion above the Proposition 98 guarantee in the budget year.	<ul style="list-style-type: none">Increased Proposition 98 spending by \$308 million above Governor's May Revision.	<ul style="list-style-type: none">\$308 million cost.
Revenue limits	<ul style="list-style-type: none">Provides \$1.84 billion to fund revenue limits at full statutory levels.	<ul style="list-style-type: none">Approved as budgeted.^a	<ul style="list-style-type: none">—
K-12/community colleges “split”	<ul style="list-style-type: none">Provides 10.25 percent to community colleges.	<ul style="list-style-type: none">Increased proportion to 10.63 percent.	<ul style="list-style-type: none">(Cost included above.)
Higher Education			
University of California	<ul style="list-style-type: none">Increases budget by 17 percent for various purposes.	<ul style="list-style-type: none">Various changes, including (1) rejection of \$50 million for Internet2 project and (2) augmentation of \$13.8 million to reduce summer fees.	<ul style="list-style-type: none">\$22.1 million reduction in ongoing costs.\$26.2 million reduction in one-time costs.
California State University	<ul style="list-style-type: none">Increases budget by 11 percent for various purposes.	<ul style="list-style-type: none">Various changes, including \$19.9 million to reduce summer fees and \$15 million for high-cost programs.	<ul style="list-style-type: none">\$37.2 million ongoing cost.\$23.7 million one-time cost.
California Community Colleges	<ul style="list-style-type: none">Increases budget by 15 percent for various purposes.	<ul style="list-style-type: none">Various changes, including \$80 million for faculty-related improvements, \$45 million for equalization, and \$38.7 million for added growth.	<ul style="list-style-type: none">\$194.5 million ongoing cost.\$15.3 million one-time cost.
^a This assumes that trailer bill language is corrected to conform with Assembly intent that deficit reduction commences in 2000-01.			
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2000-01 Budget Bill Major Provisions General Fund

(Continued)

Issue	Governor	Assembly Committee	
		Action	Fiscal Impact
Student Aid Commission	<ul style="list-style-type: none"> Increases budget by 30 percent. 	<ul style="list-style-type: none"> Augmented to increase number of awards, increase Cal Grant B subsistence, and cover campus-based fees. 	<ul style="list-style-type: none"> \$79.1 million ongoing cost.
Health and Social Services			
Medi-Cal			
Dental services	<ul style="list-style-type: none"> Proposes \$17.7 million for an average rate increase of 6.8 percent. 	<ul style="list-style-type: none"> Augmented to provide 9.6 percent average rate increase, and allow up to two dental exams and cleanings per year. 	<ul style="list-style-type: none"> \$31.8 million cost.
Eligibility for elderly, blind, and disabled	<ul style="list-style-type: none"> Increases income limit to 100 percent of poverty level. 	<ul style="list-style-type: none"> Increased income limit to 133 percent of poverty level. 	<ul style="list-style-type: none"> \$21.1 million cost.
Long-term care workers	<ul style="list-style-type: none"> Proposes \$42.2 million for 5 percent wage pass-through for direct-care workers. 	<ul style="list-style-type: none"> Augmented to provide 10 percent wage pass-through and also include support staff. 	<ul style="list-style-type: none"> \$47.8 million cost.
CalWORKs			
County Performance	<ul style="list-style-type: none"> Places \$294 million (federal TANF funds) in a <i>reserve</i> for payment of previously earned incentives or other purposes approved by the administration. 	<ul style="list-style-type: none"> <i>Appropriates</i> \$250 million to counties for payment of performance incentives. 	<ul style="list-style-type: none"> Reduces prior year obligation to counties by up to \$250 million.
Federal TANF Funds Reserve	<ul style="list-style-type: none"> Establishes separate reserve of \$45 million (in addition to \$294 million noted above) that may be used for any CalWORKs purpose (approved by the Secretary of Health and Human Services and Director of Finance) except the payment of fiscal incentives. 	<ul style="list-style-type: none"> Provides reserve of \$88 million. This reserve may be expended on (1) supplemental funding for employment services in counties that successfully appeal disallowances of their respective employment service budget requests and (2) other unanticipated program costs. 	<ul style="list-style-type: none"> No cost or savings. The TANF reserve is \$252 million below Governor.

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2000-01 Budget Bill Major Provisions General Fund

(Continued)

Issue	Governor	Assembly Committee	
		Action	Fiscal Impact
Developmental Services			
Rate increases	<ul style="list-style-type: none">Provides \$49.7 million (including Medi-Cal costs) to increase rates for day and respite program direct care staff, supported living services, community care facilities, and shift nursing services (ranging from 3 percent to 10 percent).	<ul style="list-style-type: none">Augmented to provide an approximately 33 percent wage increase for day and respite program direct care staff, effective September 2000.	<ul style="list-style-type: none">\$25.7 million cost.
Youth and Adult Corrections			
Board of Corrections			
Construction and renovation of county juvenile detention facilities	<ul style="list-style-type: none">Proposed grants totaling \$75 million for counties.	<ul style="list-style-type: none">Approved as budgeted.	<ul style="list-style-type: none">—
Mentally Ill Offender Crime Reduction Grant Program	<ul style="list-style-type: none">Proposed \$50 million for additional competitive grants to counties.	<ul style="list-style-type: none">Approved as budgeted.	<ul style="list-style-type: none">—
Various Departments			
Juvenile justice programs	<ul style="list-style-type: none">No proposal.	<ul style="list-style-type: none">Augmented to establish new and expand existing programs in five departments.	<ul style="list-style-type: none">\$200.3 million cost.
Resources			
CALFED Bay-Delta water projects and programs	<ul style="list-style-type: none">Provides \$125 million.	<ul style="list-style-type: none">Reduced by \$100 million.	<ul style="list-style-type: none">\$100 million savings.
Brownfields redevelopment	<ul style="list-style-type: none">Provides \$125 million.	<ul style="list-style-type: none">Reduced by \$75 million.	<ul style="list-style-type: none">\$75 million savings.
Department of Fish and Game—support	<ul style="list-style-type: none">Provides \$68.1 million for support of various programs.	<ul style="list-style-type: none">Augmented by \$26.8 million.	<ul style="list-style-type: none">\$26.8 million cost.
State park fees	<ul style="list-style-type: none">Provides \$36.6 million to backfill reduction in state park fees.	<ul style="list-style-type: none">Approved as budgeted.	<ul style="list-style-type: none">—
State park maintenance	<ul style="list-style-type: none">Provides \$3 million for ongoing maintenance.	<ul style="list-style-type: none">Augmented by \$15 million.	<ul style="list-style-type: none">\$15 million cost.
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2000-01 Budget Bill Major Provisions General Fund

(Continued)

Issue	Governor	Assembly Committee	
		Action	Fiscal Impact
Transportation			
Transportation Investment Fund (TIF)	<ul style="list-style-type: none">Provides \$1.94 billion in trailer legislation—\$1.5 billion General Fund (GF) in 2000-01 and \$440 million annually from gasoline sales tax from 2000-01 through 2004-05 for specific projects.	<ul style="list-style-type: none">Provides a total of \$2.54 billion, including \$1.5 billion GF in 2000-01 and ongoing diversion of all sales tax on gasoline into TIF.Allocates: \$1.5 billion one-time and \$440 million a year for seven years for capital projects; \$400 million a year for seven years for local road maintenance; \$100 million ongoing for transfer to PTA; \$100 million one-time for state highway maintenance.	<ul style="list-style-type: none">\$600 million cost.
General Government			
Office of Criminal Justice Planning			
Law enforcement equipment grants	<ul style="list-style-type: none">Proposed \$100 million for competitive grants to local law enforcement agencies.	<ul style="list-style-type: none">Approved as budgeted.	<ul style="list-style-type: none">—
Los Angeles crime laboratory	<ul style="list-style-type: none">Proposed \$96 million for construction of joint laboratory for City of Los Angeles and Los Angeles County.	<ul style="list-style-type: none">Approved as budgeted.	<ul style="list-style-type: none">—
Other			
Lancaster Veterans' Home	<ul style="list-style-type: none">No Proposal.	<ul style="list-style-type: none">Augmented by \$12 million for state share to construct new Veterans' Home.	<ul style="list-style-type: none">\$12 million cost.
Seismic Retrofit Administration Building CRC Norco	<ul style="list-style-type: none">Funds with \$17.2 million in lease payment bonds.	<ul style="list-style-type: none">Funded from the General Fund.	<ul style="list-style-type: none">\$17.2 million cost in 2000-01 (savings in long-run).
California Health Facilities Financing Authority grant program	<ul style="list-style-type: none">No proposal.	<ul style="list-style-type: none">Added \$50 million to fund grants for capital improvement of community and nonprofit health clinics.	<ul style="list-style-type: none">\$50 million cost.
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2000-01 Budget Bill Major Provisions General Fund

(Continued)

Issue	Governor	Assembly Committee	
		Action	Fiscal Impact
Small Business Loan Guarantee Program augmentation	<ul style="list-style-type: none"> Provides \$16 million to establish four new Financial Development Centers. 	<ul style="list-style-type: none"> Approved \$6 million. 	<ul style="list-style-type: none"> \$10 million savings.
Employee Compensation	<ul style="list-style-type: none"> Provides \$30 million for unspecified employee compensation adjustments. 	<ul style="list-style-type: none"> Deleted funds. 	<ul style="list-style-type: none"> \$30 million savings.
Housing Augmentations	<ul style="list-style-type: none"> Provides \$550 million (\$50 million ongoing) in new housing spending for various programs. 	<ul style="list-style-type: none"> Provided \$776 million (\$50 million ongoing) to housing programs in different allocations than the Governor, emphasizing multifamily housing and funding for the Housing Trust Fund. 	<ul style="list-style-type: none"> \$226 million cost.
Local Government Fiscal Relief	<ul style="list-style-type: none"> Provides \$250 million in one-time discretionary funding. 	<ul style="list-style-type: none"> Approved as budgeted. 	<ul style="list-style-type: none"> —
Tax Relief	<ul style="list-style-type: none"> Provides \$2.6 billion in various tax relief proposals. 	<ul style="list-style-type: none"> Provides \$2.6 billion in unspecified tax relief and \$100 million for the low-income housing tax credit. 	<ul style="list-style-type: none"> \$142 million cost.



The 2000-01 Assembly Budget Bill General Fund Condition

(In Millions)

	Governor's Budget (May Revision)	Assembly Committee Action	Difference
Starting Balance July 1, 2000	\$7,512	\$7,686	\$174
Revenues and transfers	73,791	74,308	517
Total resources available	\$81,303	\$81,994	\$691
Expenditures	\$78,242	\$79,982	\$1,740
Ending fund balance June 30, 2001	\$3,061	\$2,012	-\$1,049
Encumbrances	592	592	—
Set-asides	700	—	-700
Reserve	\$1,769	\$1,420	-\$349

Detail may not total due to rounding. Numbers in this figure are based on the assumption that trailer bill language is corrected to conform with Assembly intent that K-12 deficit reduction commences in 2000-01.



The Governor proposes a 2000-01 General Fund reserve of \$1.8 billion. (In addition, the Governor includes \$700 million in set-asides for litigation and legislation.) The Assembly version would result in a \$1.4 billion reserve.



The Assembly assumes \$517 million in additional 2000-01 revenues compared to the Governor. This primarily reflects Assembly adoption of the LAO's May revenue estimates.



The Assembly assumes a carry-in balance into 2000-01 that is \$174 million more than the Governor's.



The Assembly's expenditure figure is up \$1.7 billion compared to the Governor's. This is due to higher spending in a variety of areas, including transportation, community colleges, and health and social services programs.



The 2000-01 Assembly Budget Bill Expenditures by Fund

(In Millions)

	Governor's Budget (May Revision)	Assembly Committee Action	Difference
General Fund	\$78,242	\$79,982	\$1,740
Special funds ^a	15,697	15,560	-137
Budget totals	\$93,939	\$95,542	\$1,603
Selected bond funds	\$4,497	\$4,489	-\$8
Totals	\$98,436	\$100,032	\$1,596

^a Detail may not total due to rounding. Special funds amounts do not include Local Public Safety Fund.

- ☒ The Assembly proposes 2000-01 budget spending (from the General Fund and special funds) of \$95.5 billion, or \$1.6 billion above the Governor.
- ☒ The Assembly proposes 2000-01 General Fund spending of \$80 billion, or \$1.7 billion higher than the administration.
- ☒ The Assembly's special funds spending is below the Governor's by \$137 million.



The 2000-01 Assembly Budget Bill

Trends in General Fund Expenditures

(In Millions)

	Current Dollars		Constant Dollars	
	Amount	Percent Change	Amount	Percent Change
1989-90	\$39,456	10.0%	\$39,456	5.5%
1990-91	40,264	2.0	38,515	-2.4
1991-92	43,327	7.6	40,523	5.2
1992-93	40,948	-5.5	37,391	-7.7
1993-94	38,958	-4.9	34,750	-7.1
1994-95	41,961	7.7	36,309	4.5
1995-96	45,393	8.2	38,346	5.6
1996-97	49,088	8.1	40,578	5.8
1997-98	52,784	7.5	42,717	5.3
1998-99	57,827	9.6	45,954	7.6
1999-00				
Governor's budget (May Revision)	\$67,263	16.3%	\$51,762	12.6%
Assembly Committee	67,111	16.1	51,646	12.4
2000-01				
Governor's budget (May Revision)	\$78,242	16.3%	\$58,038	12.1%
Assembly Committee	79,982	19.2	59,330	14.9

- ☑ The Governor proposes 2000-01 General Fund spending of \$78.2 billion, an increase of 16.3 percent. On an inflation-adjusted basis, the Governor's proposed spending would rise 12.1 percent.
- ☑ The Assembly version shows higher spending in 2000-01—up \$1.7 billion from the Governor, or 19.2 percent from the current year.
- ☑ For the current year, budget expenditures are \$67.3 billion, or 16.3 percent above the prior year. The Assembly's spending amount is slightly below the Governor's proposal for the current year—by \$152 million.
- ☑ Over the past decade, real spending fell during the recession and early recovery years, but has risen substantially in recent years.



Major Assembly Actions K-12 Education—Proposition 98

(In Millions)

	Governor	Assembly	Difference
Deficit reduction	\$1,840	\$1,840	—
Child care/preschool	1,049	1,113	\$64
Education technology ^a	550	200	-350
Teacher performance awards ^a	500	100	-400
Teacher performance awards/low-performing schools (budget year)	100	50	-50
Teacher performance awards/low-performing schools (current year)	100	50	-50
Summer school/after school programs	379	422	43
School improvement awards	140	100	-40
Teacher recruitment/retention	125	125	—
Deferred maintenance/technology block grant ^a	—	425	425
Classroom supplies ^a	—	150	150

^a One-time funds.



The Assembly version spends \$27.3 billion from the General Fund for Proposition 98 K-12 programs. This is \$107 million more than proposed in the Governor's May Revision.



The Assembly version approves the May Revision proposal for \$1.84 billion for “deficit reduction.” This action fully funds K-12 revenue limits, commencing with the budget year.



The Assembly version provides less funding for teacher and school performance awards tied to improved school scores on the Academic Performance Index, and provides more funding for various other priorities—including child care, summer school/after school, deferred maintenance/technology, and classroom supplies.



Major Assembly Actions Higher Education

The Assembly version provides an additional \$289 million in ongoing funds and \$12.8 million in one-time funds to higher education above the Governor's May Revision.

Major Ongoing Assembly Changes Include:

University of California

- \$13.8 million to reduce summer fees to fall levels.
- Rejected \$32 million for Internet2 project with K-12 schools. (Also rejected \$18 million in one-time funds.)

California State University (CSU)

- \$19.9 million to reduce student fees in summer.
- \$15 million to supplement high-cost programs.
- \$10 million to cover start-up costs at CSU, Channel Islands.

California Community Colleges

- \$80 million for faculty enhancements (such as, increased full-time faculty and office hours).
- \$45 million to increase equality of general purpose district apportionments.
- \$38.7 million to increase enrollment growth from 3 percent to 4 percent.
- \$15.8 million for student outreach and access programs.
- \$15 million for high-cost programs.
- \$12.8 million to increase funding rate for noncredit courses.

Student Aid Commission

- \$48.3 million to expand the Cal Grant Program.
- \$61.4 million to increase the size of Cal Grant awards.
- \$10 million to restore the Cal Grant T Program.



Major Assembly Actions Local Government Provisions General Fund

Issue	Governor	Assembly Action	State Fiscal Impact
County Medical Services Program	<ul style="list-style-type: none"> Proposes to permanently eliminate \$20.2 million General Fund appropriation. 	<ul style="list-style-type: none"> Eliminated \$20.2 million General Fund for 2000-01 only. 	<ul style="list-style-type: none"> None in budget year.
Disproportionate Share Hospital "administrative fee"	<ul style="list-style-type: none"> Proposes \$55 million reduction (benefit shared equally by counties and private hospitals). 	<ul style="list-style-type: none"> Approved as budgeted. 	<ul style="list-style-type: none"> —
Flood control subventions	<ul style="list-style-type: none"> Provides \$44 million. 	<ul style="list-style-type: none"> Approved as budgeted. 	<ul style="list-style-type: none"> —
Set-aside to increase water supply deliveries to local agencies	<ul style="list-style-type: none"> Provides \$10 million. 	<ul style="list-style-type: none"> Approved as budgeted. 	<ul style="list-style-type: none"> —
Local Streets and Roads	<ul style="list-style-type: none"> \$400 million in one-time spending. 	<ul style="list-style-type: none"> Approved \$400 million in on-going spending for 7 years. 	<ul style="list-style-type: none"> None in budget year.
Public Library Foundation	<ul style="list-style-type: none"> Proposes \$56.9 million in funding. 	<ul style="list-style-type: none"> Augmented program by \$15.3 million. 	<ul style="list-style-type: none"> \$15.3 million cost.
Public Safety Equipment Grants	<ul style="list-style-type: none"> \$100 million for law enforcement/school safety technology grants. 	<ul style="list-style-type: none"> Approved as budgeted. 	<ul style="list-style-type: none"> —
Juvenile Crime Prevention Programs	<ul style="list-style-type: none"> \$35 million to continue and expand current programs. 	<ul style="list-style-type: none"> Augmented by \$177.3 million for additional programming. 	<ul style="list-style-type: none"> \$177.3 million cost.
Juvenile Hall Construction/Renovation	<ul style="list-style-type: none"> Provides \$75 million. 	<ul style="list-style-type: none"> Approved as budgeted. 	<ul style="list-style-type: none"> —
Citizens' Option for Public Safety (COPS)	<ul style="list-style-type: none"> \$121 million, including a \$21 million set-aside for jurisdictions with small allocations. 	<ul style="list-style-type: none"> Approved same level of funding without the set-aside. 	<ul style="list-style-type: none"> —
Local Government Fiscal Relief	<ul style="list-style-type: none"> Provides \$250 million in one-time discretionary funding. 	<ul style="list-style-type: none"> Approved as budgeted. 	<ul style="list-style-type: none"> —



Major Assembly Actions Social Services Provisions General Fund

Issue	Governor	Assembly Action	Fiscal Impact
CalWORKs			
County Performance Incentives	<ul style="list-style-type: none"> Places \$294 million (federal TANF funds) in a <i>reserve</i> for payment of previously earned incentives or other purposes approved by the administration. 	<ul style="list-style-type: none"> <i>Appropriates</i> \$250 million to counties for payment of performance incentives. 	<ul style="list-style-type: none"> Reduces prior year obligation to counties by up to \$250 million (federal TANF funds).
Definition of Needy Families	<ul style="list-style-type: none"> Continues existing definition which limits fiscal incentives expenditures to CalWORKs-eligible families. 	<ul style="list-style-type: none"> Expands definition to permit counties to expend performance incentive funds on working poor families not eligible for CalWORKs. 	<ul style="list-style-type: none"> No fiscal impact (fiscal incentive funds are capped).
Federal TANF Funds Reserve	<ul style="list-style-type: none"> Establishes separate reserve of \$45 million (in addition to \$294 million noted above) that may be used for any CalWORKs purpose (approved by the Secretary of Health and Human Services and Director of Finance) except the payment of fiscal incentives. 	<ul style="list-style-type: none"> Provides reserve of \$88 million. This reserve may be expended on (1) supplemental funding for employment services in counties that successfully appeal disallowances of their respective employment service budget requests and (2) other unanticipated program costs. 	<ul style="list-style-type: none"> No cost or savings. The TANF reserve is \$252 million below Governor.
Child care reserve	<ul style="list-style-type: none"> Holds back \$65.1 million (federal TANF funds) in Stage 2 funds and places an additional \$81 million in reserve. 	<ul style="list-style-type: none"> Provides all estimated Stage 2 funds to State Department of Education for allocation to Alternative Payment providers. Approved \$81 million reserve. 	<ul style="list-style-type: none"> Allocates \$65.1 million in proposed Stage 2 "hold back" funds.
Community service	<ul style="list-style-type: none"> Continues current law—no work allowance. Continues current law: limits county ability to divert grants for wage-based community service. 	<ul style="list-style-type: none"> Exempts wages funded by grants from the earned income disregard. Provides a \$50 monthly work allowance to pay for work-related expenses. Adopted trailer bill language removing barriers to wage-based community service. 	<ul style="list-style-type: none"> \$18 million cost (federal TANF funds). —
Food Stamps			
California Food Assistance Program for legal noncitizens	<ul style="list-style-type: none"> Follows current law whereby expanded program for post-August 1996 immigrants sunsets in September 2000. 	<ul style="list-style-type: none"> Eliminates sunset of expanded program for post-August 1996 immigrants. 	<ul style="list-style-type: none"> \$3.7 million cost in budget year. Ongoing cost of about \$5 million.

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Major Assembly Actions Social Services Provisions General Fund

(Continued)

Issue	Governor	Assembly Action	Fiscal Impact
SSI/SSP			
Cash Assistance Program for Immigrants	<ul style="list-style-type: none"> Follows current law whereby expanded program for post-August 1996 immigrants sunsets in September 2000. 	<ul style="list-style-type: none"> Eliminates sunset of expanded program for post-August 1996 immigrants. 	<ul style="list-style-type: none"> No impact in budget year. Cost of roughly \$100 million in 2001-02, increasing significantly thereafter.
In-Home Supportive Services			
Public Authorities (See "Aging With Dignity" table.)			
Employment Development			
Caregiver Training: (See "Aging With Dignity" table.)			
School-to-Career	<ul style="list-style-type: none"> Authorizes expenditure of \$23.8 million in federal funds for the School-to-Career program. 	<ul style="list-style-type: none"> Augmented program by \$8.2 million General Fund to continue funding for nine School-to-Career local partnership organizations that are scheduled to lose funding. 	<ul style="list-style-type: none"> \$8.2 million cost.
Faith-based organizations	<ul style="list-style-type: none"> Proposes \$10 million for competitive grants to faith-based organizations for job preparation demonstration projects. 	<ul style="list-style-type: none"> Reduced by \$9 million. 	<ul style="list-style-type: none"> \$9 million savings.
Department of Aging			
Community-Based Programs	<ul style="list-style-type: none"> Continues \$84 million General Fund for various programs. 	<ul style="list-style-type: none"> Augmented to expand programs including Multipurpose Senior Services Program; Alzheimer Day Resource Centers; Adult Day Health Care; Linkages; Foster Grandparent; Senior Companion; Ombudsman; Home Delivered Meals. 	<ul style="list-style-type: none"> \$23 million cost.
Developmental Services			
Rate increases	<ul style="list-style-type: none"> Provides \$49.7 million (including Medi-Cal costs) to increase rates for day and respite program direct care staff, supported living services, community care facilities, and shift nursing services (ranging from 3 percent to 10 percent). 	<ul style="list-style-type: none"> Augmented to provide an approximately 33 percent wage increase for day and respite program direct care staff, effective September 2000. 	<ul style="list-style-type: none"> \$25.7 million cost.
Developmental Center certification	<ul style="list-style-type: none"> Includes \$39.9 million to backfill for loss in federal funds due to decertification. 	<ul style="list-style-type: none"> Denied request for General Fund backfill. 	<ul style="list-style-type: none"> \$39.9 million savings.



Major Assembly Actions Health Provisions General Fund

Issue	Governor	Assembly Action	Fiscal Impact
Medi-Cal			
Provider rates—medical and other services	<ul style="list-style-type: none"> Proposes \$139.3 million for rate increases for various types of providers and services, including \$93.3 million to increase most physician rates by an average of 16.7 percent. 	<ul style="list-style-type: none"> Approved essentially all proposed rate increases, plus augmentations for California Children's Services, and Pap smears. Added optometrist rate increase. 	<ul style="list-style-type: none"> \$7.3 million cost.
Long-term care annual rate adjustment	<ul style="list-style-type: none"> Proposes \$161.4 million (average rate increase of 10.1 percent) for long-term care facilities. 	<ul style="list-style-type: none"> Approved as budgeted. 	<ul style="list-style-type: none"> —
Managed care annual rate adjustments and contract renegotiations	<ul style="list-style-type: none"> Proposes \$66.9 million for anticipated rate increases (approximate 4.8 percent average increase). 	<ul style="list-style-type: none"> Approved as budgeted. 	<ul style="list-style-type: none"> —
Dental services	<ul style="list-style-type: none"> Proposes \$17.7 million for an average rate increase of 6.8 percent. 	<ul style="list-style-type: none"> Augmented to provide 9.6 percent average rate increase, and allow up to two dental exams and cleanings per year. 	<ul style="list-style-type: none"> \$31.8 million cost.
Eligibility for families and children	<ul style="list-style-type: none"> Proposes \$115.8 million to eliminate quarterly reporting requirement (\$115 million), and extend coverage to former foster care youths (\$0.8 million). 	<ul style="list-style-type: none"> Approved Governor's proposals and eliminated asset limit for families (\$4.3 million administrative savings). 	<ul style="list-style-type: none"> \$4.3 million savings
Eligibility for elderly, blind, and disabled	<ul style="list-style-type: none"> Increases income limit to 100 percent of poverty level. 	<ul style="list-style-type: none"> Increased income limit to 133 percent of poverty level. 	<ul style="list-style-type: none"> \$21.1 million cost.
Children's hospitals	<ul style="list-style-type: none"> No changes proposed (no separate budget allocation). 	<ul style="list-style-type: none"> Augmented for equipment and capital improvements. 	<ul style="list-style-type: none"> \$12 million cost.
Long-term care workers	<ul style="list-style-type: none"> Proposes \$42.2 million for 5 percent wage pass-through for direct-care workers. 	<ul style="list-style-type: none"> Augmented to provide 10 percent wage pass-through and also include support staff. 	<ul style="list-style-type: none"> \$47.8 million cost.

(continued)



Major Assembly Actions Health Provisions General Fund

(Continued)

Issue	Governor	Assembly Action	Fiscal Impact
Public Health			
Asthma program	<ul style="list-style-type: none"> Proposes \$2.1 million in Proposition 10 funds for an asthma program for children ages 0 to 5. 	<ul style="list-style-type: none"> Provided a General Fund (GF) augmentation to establish a state-funded asthma program, not exclusive to young children. 	<ul style="list-style-type: none"> \$9 million cost.
HIV/AIDS programs	<ul style="list-style-type: none"> Proposes \$2.4 million all funds for HIV resistance testing. 	<ul style="list-style-type: none"> Augmented for various HIV/AIDS activities. 	<ul style="list-style-type: none"> \$11.8 million cost.
Dental infrastructure for community-based clinics	<ul style="list-style-type: none"> Provides \$6 million GF for <i>general</i> infrastructure grants to qualifying clinics. 	<ul style="list-style-type: none"> Augmented for <i>dental</i> infrastructure of community-based clinics. 	<ul style="list-style-type: none"> \$15 million (one-time) cost.
Smoking cessation services	<ul style="list-style-type: none"> Proposes \$10 million (\$8.9 million GF) to implement smoking cessation services targeted at youth, pregnant women, and families with infants and children. 	<ul style="list-style-type: none"> Reduced by \$7.9 million (General Fund). 	<ul style="list-style-type: none"> \$7.9 million savings.
Substance Abuse			
Youth treatment	<ul style="list-style-type: none"> Includes \$4.7 million in federal block grant funds for Youth Development and Crime Prevention initiative involving mental health treatment, job training, and mentoring. 	<ul style="list-style-type: none"> Reduced Governor's initiative by \$2.7 million and redirected to general youth treatment; augmented by \$10 million GF to expand discretionary youth treatment services and Adolescent Treatment Program. 	<ul style="list-style-type: none"> \$10 million cost.
Adult treatment	<ul style="list-style-type: none"> Provides \$86 million GF for various treatment programs for adults and children. 	<ul style="list-style-type: none"> Augmented to expand adult treatment services. 	<ul style="list-style-type: none"> \$10 million cost.
Drug Medi-Cal	<ul style="list-style-type: none"> Extends Drug Medi-Cal "trigger" (a cost containment mechanism) through 2000-01. 	<ul style="list-style-type: none"> Rejected Governor's proposal, thereby allowing Drug Medi-Cal "trigger" to sunset. 	<ul style="list-style-type: none"> No fiscal effect in budget year.
Drug courts	<ul style="list-style-type: none"> Provides \$10 million for family drug courts. 	<ul style="list-style-type: none"> Rejected proposal and instead provided \$10 million to fund the expanded Comprehensive Drug Court Implementation Act. 	<ul style="list-style-type: none"> —
Mental Health			
Integrated services for the homeless	<ul style="list-style-type: none"> Provides \$55.6 million GF for continuation and expansion of AB 34 (Steinberg) demonstration projects. 	<ul style="list-style-type: none"> Provided \$62.5 million GF (including \$20 million one-time). 	<ul style="list-style-type: none"> \$6.9 million cost.
Children's System of Care	<ul style="list-style-type: none"> Provides \$25.2 million GF for 50 counties. 	<ul style="list-style-type: none"> Provided full funding in all counties. 	<ul style="list-style-type: none"> \$15.5 million cost.



Major Assembly Actions

Governor's Aging With Dignity Initiative

General Fund

Governor's Budget Proposal	Assembly Action	Fiscal Impact
Community Programs		
<i>Caregiver tax credit</i> —\$47 million revenue loss.	• No specific action, but assumes revenue loss.	• —
<i>In-Home Supportive Services</i> —\$56.4 million to increase caregiver hourly wage to \$7.50 per hour in Public Authorities, and \$34.2 million to provide health benefits at a cost of up to 60 cents per hour.	• Approved as budgeted.	• —
<i>Medi-Cal</i> —\$2.4 million to increase income limit for aged, blind, or disabled beneficiaries to 100 percent of the poverty level.	• Increased income limit to 133 percent of poverty level.	• \$21.1 million cost.
<i>Department of Aging</i> —\$20 million for long-term care innovation grants.	• Approved, with budget bill language to require an evaluation and technical assistance.	• —
<i>Department of Aging</i> —\$2 million for senior housing information and support center and for wellness education campaign.	• Approved, with budget bill language modifying scope.	• —
Improving Quality of Care and Enforcement		
<i>Employment Development Department</i> —\$50 million (\$35 million General Fund; \$15 million federal funds) to recruit, train, and retain nursing assistants.	• Reduced by \$25 million.	• \$25 million savings (savings redirected to other welfare-to-work activities to meet federal maintenance-of-effort requirement).
<i>Medi-Cal</i> —\$42.2 million for 5 percent pay increase for nursing home direct-care workers.	• Augmented to provide 10 percent increase and also include support staff.	• \$47.8 million cost.
<i>Medi-Cal</i> —\$8 million for nursing home quality awards.	• Approved amount and required criteria to be developed in conjunction with stakeholders.	• —
<i>Department of Health Services</i> —\$9.1 million for additional nursing home inspection and enforcement activities.	• Approved as budgeted.	• —



Major Assembly Actions Judicial and Criminal Justice Provisions General Fund

Issue	Governor	Assembly Committee	
		Action	Fiscal Impact
Judicial/Executive			
Trial Court Funding			
Trial court employee negotiated salary increases	• Proposed \$57.5 million to fully fund 1999-00 salary increases and anticipated 2000-01 increases.	• Approved as budgeted.	• —
Trial court technology	• Proposed augmentations totaling \$77.4 million for various court technology projects and planning.	• Approved as budgeted.	• —
Youth and Adult Corrections			
Department of Corrections			
Inmate and parole caseload	• Proposed full funding for projected caseload—net savings of \$41 million.	• Approved as budgeted.	• —
Board of Corrections			
Construction and renovation of county juvenile detention facilities	• Proposed grants totaling \$75 million for counties.	• Approved as budgeted.	• —
Construction and renovation of county adult and juvenile detention facilities	• Proposed distributing state’s share of federal funds (\$37.5 million) to counties.	• Approved as budgeted.	• —
Juvenile Challenge Grant Programs	• Proposed extending existing pilot projects (\$25 million).	• Approved as budgeted	• —
Mentally Ill Offender Crime Reduction Grant Program	• Proposed \$50 million for additional competitive grants to counties.	• Approved as budgeted.	• —
(continued)			



Major Assembly Actions

Judicial and Criminal Justice Provisions

General Fund

(Continued)

Issue	Governor	Assembly Committee	
		Action	Fiscal Impact
Various Departments			
Juvenile justice programs	<ul style="list-style-type: none">• No proposal.	<ul style="list-style-type: none">• Augmented to establish new and expand existing programs in five departments.	<ul style="list-style-type: none">• \$200.3 million cost.
General Government			
Office of Criminal Justice Planning			
Law enforcement equipment grants	<ul style="list-style-type: none">• Proposed \$100 million for competitive grants to local law enforcement agencies.	<ul style="list-style-type: none">• Approved as budgeted.	<ul style="list-style-type: none">• —
Los Angeles crime laboratory	<ul style="list-style-type: none">• Proposed \$96 million for construction of joint laboratory for City of Los Angeles and Los Angeles County.	<ul style="list-style-type: none">• Approved as budgeted.	<ul style="list-style-type: none">• —
DNA profiling	<ul style="list-style-type: none">• Proposed \$50 million for assistance to local law enforcement agencies for DNA analysis of evidence in unsolved sexual assault cases.	<ul style="list-style-type: none">• Approved as budgeted.	<ul style="list-style-type: none">• —



Major Assembly Actions Resources Provisions General Fund

Issue	Governor	Assembly Committee Action	Fiscal Impact
Department of Fish and Game—support	• Provides \$68.1 million for support of various programs.	• Augmented by \$26.8 million.	• \$26.8 million cost.
State park maintenance	• Provides \$3 million for ongoing maintenance.	• Augmented by \$15 million.	• \$15 million cost.
State park fees	• Provides \$36.6 million to backfill reduction in state park fees.	• Approved as budgeted.	• —
Fire suppression	• Provides \$55 million for emergency fire suppression.	• Approved as budgeted.	• —
Increase firefighters and equipment	• No proposal.	• Provided \$7.9 million for additional equipment and firefighters.	• \$7.9 million cost.
Auburn Dam tunnel closure	• No proposal.	• Provided \$8 million to close Auburn Dam tunnel.	• \$8 million cost.
Conservation camps	• No proposal.	• Provided \$4.6 million to reactivate 17 conservation camps.	• \$4.6 million cost.
Backfill tidelands oil money with General Fund (GF) for Natural Resources Infrastructure Fund	• Provides \$14.1 million.	• Approved as budgeted.	• —
Purchase of habitat in connection with development of UC Merced	• Provides \$30 million to purchase 6,000 acres.	• Approved as budgeted.	• —
UC Merced environmental review	• Provides \$13.8 million to Merced County, UC, and Fish and Game.	• Approved as budgeted.	• —
Land conservation matching grants	• Provides \$54 million for matching grants.	• Approved \$29 million.	• \$25 million savings.
Various habitat acquisitions by Coastal Conservancy	• Provides \$24 million.	• Approved as proposed.	• —
Monitoring coastal waters	• No proposal.	• Augmented by \$5 million.	• \$5 million cost.
Ambient water quality monitoring	• Provides \$9.6 million.	• Augmented by \$2.5 million.	• \$2.5 million cost.
<i>(continued)</i>			



Major Assembly Actions Resources Provisions General Fund

(Continued)

Issue	Governor	Assembly Committee Action	Fiscal Impact
Conservation Corps—use of seasonal farm workers	• No proposal.	• Provided \$3.8 million to use seasonal farm workers for resources conservation.	• \$3.8 million cost.
Local assistance resources conservation	• Provides \$8 million for natural resources conservation and development.	• Augmented by \$96 million for community facilities and operations.	• \$96 million cost.
Park bond expenditures (Proposition 12)	• Provides \$674 million for projects and support costs.	• Augmented by \$2 million.	• No GF impact.
Local flood control subventions	• Provides \$44 million.	• Approved as budgeted.	• —
CALFED Bay-Delta water projects and programs	• Provides \$125 million.	• Reduced by \$100 million.	• \$100 million savings.
Water storage studies	• Provides \$20 million.	• Approved as budgeted.	• —
Set-aside to increase water deliveries to local agencies	• Provides \$10 million.	• Approved as budgeted.	• —
Brownfields redevelopment	• Provides \$125 million.	• Reduced by \$75 million.	• \$75 million savings.
Old school bus replacement	• Provides \$50 million.	• Approved as budgeted.	• —
Air Resources Board: diesel emissions reduction programs; Energy Commission: alternative fuels infrastructure and advanced technology projects	• Provides \$50 million.	• Reduced Governor's proposal by \$45 million; augmented by \$9.6 million for clean diesel retrofit of public transit buses.	• \$35.4 million savings.
Sustainable agriculture research grants	• Provides \$1 million to be allocated by Department of Pesticide Regulation.	• Augmented by \$5.2 million (and an additional \$6.8 million in the Department of Food and Agriculture).	• \$12 million cost.
Plans ("TMDLs") to address pollution in impaired water bodies	• Provides \$6.9 million.	• Augmented by \$5 million.	• \$5 million cost.
Stormwater runoff control	• Provides \$500,000.	• Augmented by \$7.5 million.	• \$7.5 million cost.
Proposition 13 (water bond)	• Provides \$753 million.	• Augmented by \$1.3 million.	• No GF impact.



Major Assembly Actions Transportation Provisions General Fund

Issue	Governor	Assembly Committee Action	Fiscal Impact
Transportation Investment Fund (TIF)	<ul style="list-style-type: none"> Provides \$1.94 billion in trailer legislation—\$1.5 billion General Fund (GF) in 2000-01 and \$440 million annually from gasoline sales tax from 2000-01 through 2004-05 for specific projects. 	<ul style="list-style-type: none"> Provides a total of \$2.54 billion, including \$1.5 billion GF in 2000-01 and ongoing diversion of all sales tax on gasoline into TIF. Allocates \$1.5 billion one-time and \$440 million a year for seven years for capital projects; \$400 million a year for seven years for local road maintenance; \$100 million ongoing for transfer to PTA; \$100 million one-time for state highway maintenance. 	<ul style="list-style-type: none"> \$600 million cost.
Intercity and commuter rail	<ul style="list-style-type: none"> Provides \$121 million for passenger rail improvements. 	<ul style="list-style-type: none"> Approved as budgeted. 	<ul style="list-style-type: none"> —
San Francisco Bay Area Water Transit Authority	<ul style="list-style-type: none"> Provides \$12 million (PTA) for planning a ferry transit system. 	<ul style="list-style-type: none"> Provided \$12 million (GF), with half of the amount contingent on receipt of work plan. 	<ul style="list-style-type: none"> \$12 million GF cost, \$12 million PTA savings.
High-Speed Rail Authority environmental planning work	<ul style="list-style-type: none"> Provides \$1 million (PTA) for support (and \$5 million [GF] to commence environmental planning work in Governor's transportation plan). 	<ul style="list-style-type: none"> Approved \$1 million PTA for support and provided \$10 million (GF) for environmental review work. 	<ul style="list-style-type: none"> \$10 million GF cost.
California Highway Patrol—data collection on racial profiling	<ul style="list-style-type: none"> No proposal. 	<ul style="list-style-type: none"> Provided \$8 million GF for local grants. 	<ul style="list-style-type: none"> \$8 million GF cost.