



County of San Diego

HELEN N. ROBBINS-MEYER
CHIEF ADMINISTRATIVE OFFICER
(619) 531-6226
FAX: (619) 557-4060

CHIEF ADMINISTRATIVE OFFICE

1600 PACIFIC HIGHWAY, STE. 209, SAN DIEGO, CA 92101-2472

DONALD F. STEUER
ASST. CHIEF ADMINISTRATIVE OFFICER/
CHIEF OPERATING OFFICER
(619) 531-4940
FAX: (619) 557-4060

July 6, 2015

TO: Supervisor Bill Horn, Chairman
Supervisor Dave Roberts, Vice Chairman
Supervisor Greg Cox
Supervisor Dianne Jacob
Supervisor Ron Roberts

FROM: Helen Robbins-Meyer
Chief Administrative Officer

HIGHLIGHTS OF THE ENACTED FY 2015-16 STATE BUDGET AND POTENTIAL COUNTY IMPACTS

On June 24, 2015 the FY 2015-16 State Budget was signed by Governor Jerry Brown. The Enacted Budget includes a \$115.4 billion spending plan and states that by the end of the year the State's Rainy Day Fund will have a total balance of \$3.5 billion.

Included in the Governor's budget signing was the approval of 18 budget trailer bills that accompanied the main budget bill. While the State Legislature met the June 15 deadline to pass a budget, the bulk of the budget trailer bills were passed on June 19. In the process of signing the budget, the Governor also vetoed \$1.3 million in state General Fund spending that had been approved by the Legislature.

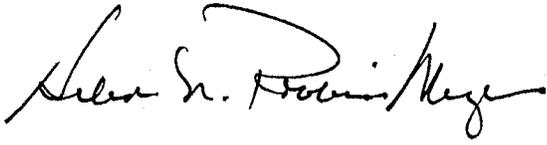
During budget deliberations several new or expanded expenditure proposals were introduced by the State Legislature, however overall expenditure levels in the Enacted FY 2015-16 State Budget remained very close to the level proposed in the Governor's May Revision. In the Enacted Budget, schools will benefit from increased revenue as mandated by Proposition 98, counties will receive payment of amounts owed by the State for pre-2004 mandate debt, money was set aside to the State's Rainy Day Fund and allocations were made to help address the drought. The Governor continues to caution that any revenue gains California is currently enjoying could be short lived.

The Enacted State Budget maintains the State's commitment to 2011 Public Safety Realignment, which included shifting responsibility for lower level offenders from the State to local jurisdictions.

In addition, as noted in the Enacted Budget the Governor recently called two special sessions of the California State Legislature to continue work on funding for transportation infrastructure maintenance and to address the State's health care delivery system.

The attached document includes highlights of the FY 2015-16 State Budget as enacted and potential impacts to the County of San Diego.

Respectfully,

A handwritten signature in black ink, appearing to read "Helen N. Robbins-Meyer". The signature is fluid and cursive, with a large initial "H" and "M".

HELEN N. ROBBINS-MEYER
Chief Administrative Officer

Attachment

cc: ACAO, CSG, FGCG, HHSA, LUEG, PSG, CNL, CLK, OSIA

ENACTED FISCAL YEAR 2015-16 STATE BUDGET POTENTIAL IMPACTS ON THE COUNTY OF SAN DIEGO



MISCELLANEOUS BUDGET

The State Budget and Economic Conditions (*Governor's Enacted Budget Summary, Pages 1-2, 9-10*)

- The Governor's Enacted Budget is a \$115.4 billion spending plan that funds the State government while paying down debt and funds the State's Rainy Day Fund to protect the State against future economic slowdowns.
 - The Enacted Budget is \$61 million more than the Governor's May Revision and considerably less than the State Legislature's budget proposal that sought \$749 million above the May Revision figures.
- Proposition 98, the constitutional guarantee of funding for K-14 schools, has been funded at all-time highs since FY 2012-13. The Governor's Enacted Budget continues that trend by allocating \$68.4 billion in funding for FY 2015-16.
- The Enacted Budget and the Governor's comments continue to highlight that although revenues have been strong, the State must maintain fiscal discipline. The State has billions of dollars in liabilities for deferred maintenance on deteriorating infrastructure, as well as pension and retiree health care benefits.
- The Governor has called for two special sessions to address major state issues that were not addressed in the Enacted State Budget. The first special session is slated to address how to fund transportation infrastructure and the second special session will focus on the State's health care delivery system.
 - There is no estimate of the possible duration of the two special sessions or what potential outcome is expected.

Ongoing and New Commitments (*Governor's Enacted Budget Summary, Pages 3-4, 26, 28, 41-45 and 49-50*)

- The Governor's Enacted Budget continues to focus on key efforts and programs referenced in the May Revision, such as the California drought and the Earned Income Tax Credit.
 - The Governor's Enacted Budget includes \$1.8 billion of one-time resources to continue the State's response to the drought in California.
 - The Enacted Budget creates the State's first Earned Income Tax Credit that will provide \$380 million in benefits to assist the State's lowest-income workers.
 - The Governor's Enacted Budget provides Medi-Cal coverage to immigrants who gain Permanent Residence Under Color of Law status under the President's recent executive actions and for all children regardless of immigration status presuming the courts allow the federal government to proceed with implementing the executive actions beginning October 2015.

Debts and the Rainy Day Fund (*Governor's Enacted Budget Summary, Pages 5-6, 8*)

- As a result of Proposition 2 (2014), higher revenues from capital gains will be saved and used to pay down debts.
 - The Enacted Budget will pay down a total of \$1.9 billion in debts from Proposition 2 funds.

- The State will also pay the remaining \$1 billion in deferrals to schools and community colleges and make the last payment on the \$15 billion in Economic Recovery Bonds that was once used to cover prior budget deficits.
- By the end of the year, the State's Rainy Day Fund will have an approximate balance of \$3.5 billion.

State's Cash Flow (*California State Controller's Office, Press Release: CA Controller's May Cash Report Shows Receipts \$69.1 Million Above Expectations, June 10, 2015*)

- May receipts for the State's General Fund exceeded the Governor's projections by \$69.1 million.
- May sales and use taxes surpassed estimates in the Governor's May Revision by \$29.8 million; however the personal income tax and corporation tax revenues came in lower than anticipated: the personal income tax by \$3.7 million and the corporation tax by \$20.2 million.

State Mandate Reimbursement (*Governor's Enacted Budget Summary, Page 5; CSAC Budget Action Bulletin June 19, 2015, Page 11*)

- Pre-2004 mandate debt repayment triggered by the Governor's May Revision is on track to local agencies which are scheduled to receive \$765 million, with counties receiving approximately 77 percent of that share, or \$589 million.

County Impact

- The County of San Diego is expected to receive nearly \$29.6 million in reimbursements.

COMMUNITY SERVICES

Suspended Mandates (*Assembly Bill 93, Pages 649-657; Senate Bill 84, Pages 5-6; CSAC Budget Action Bulletin June 19, 2015, Pages 11, 23-25*)

- The Governor's Enacted Budget continues the suspension of dozens of state mandates, including election-related mandates, such as claims for voter registration, absentee ballots and permanent absentee voters.

County Impact

- Estimated \$1.5 to \$1.8 million in lost revenue per year.
- One of the Governor's Enacted Budget Trailer Bills, Senate Bill 84, requires the Department of Finance, in collaboration with the Secretary of State and the Legislative Analyst's Office, to convene a working group to evaluate alternatives for funding election-related state mandates and make recommendations to the Legislature. Senate Bill 84 also requires the Department of Finance to survey county elections officials to determine which mandates are being carried out despite their suspended status.

FINANCE AND GENERAL GOVERNMENT

State Payment In Lieu of Taxes (PILT) Funding (*Assembly Bill 93, Page 215; Senate Bill 83, Page 1*)

- The Governor's Enacted Budget includes \$644,000 in funding for the State Department of Fish and Wildlife Payment In Lieu of Taxes (PILT) program for payments to counties for FY 2015-16, but did not include funding for past overdue State PILT payments. The State PILT program is designed to offset adverse impacts to county property tax revenues that result when the State acquires private property for wildlife management areas. Unfortunately the State has not made annual PILT payments in more than a decade. The Governor's Enacted Budget additionally included language making State PILT payments permissive rather than required.

County Impact

- The County portion of the FY 2015-16 PILT allocation is currently unknown.
- The State owes the County nearly \$800,000 in overdue State PILT payments dating back to FY 1999-2000.

- Although the County has not received State PILT payments for more than a decade, now that future funding allocations for payments will be permissive the State may be even less likely to fund payments. This is not expected to impact the approximately \$800,000 already owed to the County in previous overdue State PILT payments.

HEALTH AND HUMAN SERVICES

CalWORKs (*Governor's Enacted Budget Summary, Page 28*)

- The Governor's Enacted Budget includes an additional \$15 million funding for the Housing Support Program augmentation, total funding for the program is \$35 million.

County Impact

- In FY 2014-15 the County received \$500,000 as one of 20 counties to implement the program. Additional funding is projected to be used to expand the program to additional counties.

In-Home Supportive Services (IHSS) (*Governor's Enacted Budget Summary, Page 28*)

- The Governor's Enacted Budget includes one-time state funding of \$226 million to continue the restoration of the seven percent reduction in IHSS service hours. An ongoing funding source will be addressed through a special legislative session on health care financing.
- The Enacted Budget includes \$270 million in funding set aside in the event the Fair Labor Standards Act (FLSA) regulations are implemented pending litigation and assuming the effective date of October 1, 2015.

County Impact

- Under the terms of the IHSS MOE, there is no fiscal impact to the County associated with the restoration of hours or with the potential implementation of new FLSA regulations.
- Restoration of the seven percent across-the-board reduction will add approximately 1.8 million hours of service for eligible IHSS recipients annually.

Continuum of Care Reform (*Governor's Enacted Budget Summary, Page 28*)

- The Governor's Enacted Budget includes \$17.7 million state funding for activities and services to recruit, retain and support licensed foster home family homes and relative caregivers, over multiple years.

County Impact

- Counties will be required to submit implementation plans that explain how the funds will be spent.

Health Care Reform Implementation (*Governor's Enacted Budget Summary, Pages 25-27*)

- The Governor's Enacted Budget assumes additional Medi-Cal caseload of 3.7 million individuals and costs of \$16.9 billion related to the implementation of the Affordable Care Act. Approximately 1.4 million additional people state-wide will receive Medi-Cal Benefits under the current 50-50 state-federal cost sharing arrangement, which results in costs to the State of \$2.9 billion (\$1.4 billion General Fund). The federal government is paying nearly 100 percent of the costs of the remaining 2.3 million new individuals in the Medi-Cal program.
- The Enacted Budget includes \$40 million to expand full-scope Medi-Cal Coverage to qualified low income immigrants under the age of nineteen. The annual ongoing cost to the State of this expansion is projected to be \$132 million.
- The Governor's Enacted Budget includes \$61.6 million in non-state funds for additional payments to health plans that participate in the Health Homes Program beginning in January 2016. The program will provide comprehensive care management, care coordination, health promotion, and comprehensive transitional care for beneficiaries with complex needs.

County Impact

- No fiscal impact to the County. HHSA is anticipating caseload could grow related to the expansion of Medi-Cal to immigrant children, however, the full impact is not known as some of these children could have limited Medi-Cal benefits already.

Medi-Cal Provider Rates (*Governor's Enacted Budget Summary, Page 26*)

- State Assembly Bill 97 in 2011 reduced most Medi-Cal provider rates by up to ten percent. The 2014 Budget Act assumed retroactive recoupment of rate reductions for some services, and it also exempted additional providers including various distinct-part nursing facilities. The Governor's Enacted Budget reflects an estimated \$152 million annual General Fund cost for these exemptions.

County Impact

- The State is expected to begin recouping the retroactive rate reduction for the Edgemoor Skilled Nursing Facility beginning in April 2016 over a 66-month period. HHSA is projecting the State will take back \$14.7 million. However, HHSA has designated \$6 million in reserves for this clawback, and supplemental claims that will be resubmitted for additional federal funds are expected to offset the remaining amount owed.

County Medi-Cal Administration (*Assembly Bill 94, Chapter 22*)

- The Governor's Enacted Budget includes \$245.3 million (\$79.8 million General Fund) of additional funding for Medi-Cal Administration for Affordable Care Act (ACA) implementation, \$150 million of which was increased mid-year for counties in FY 2014-15. This is on top of the \$240 million total funds already provided for ACA implementation.

County Impact

- A certain amount of growth in Medi-Cal funding was assumed in the FY 2015-16 Operational Plan. It is expected that HHSA will receive close to the amount budgeted.

Coordinated Care Initiative (CCI) and the Multipurpose Senior Services Program (MSSP)

(*Assembly Bill 94, Chapter 23*)

- The Multipurpose Senior Service Program (MSSP), a federal waiver program, is part of the State's Coordinated Care Initiative (CCI), a three year demonstration project integrating medical and home and community based care for seniors and persons with disabilities on Medi-Cal or Medicare. These services are provided by five managed care companies in San Diego. HHSA operates MSSP and the In-Home Supportive Services program, two programs in the CCI. One of the Governor's Enacted Budget Trailer Bills, Assembly Bill 94, calls for a delay in transitioning MSSP to managed care until December 31, 2017.

County Impact

- The shift in timelines will allow for the readiness criteria to be fully developed and reviewed as well as ensure that CCI continues to be operational prior to MSSP shifting to managed care.

Long-Term Care Ombudsman (*Governor's Enacted Budget Summary, Page 31*)

- The Governor's Enacted Budget includes \$2.4 million (\$1 million General Fund) to both increase unannounced facility monitoring visits and complaint investigations, and increase the recruitment, supervision, and training of paid and volunteer Ombudsmen representatives.

County Impact

- The County expects to receive both one-time and ongoing revenue. The amount is unknown at this time.

Child Care (*Governor's Enacted Budget Summary, Page 15*)

- The Governor's Enacted Budget includes an increase of \$52.6 million state funds to provide child care vouchers for an additional 6,800 children for low income working families.

- The Enacted Budget includes an increase of \$62.1 million state funds to increase the maximum reimbursement ceiling for voucher-based child care providers by 4.5 percent and increase the rate for license-exempt providers from 60 percent to 65 percent of the licensed family care home rate.

County Impact

- There is no fiscal impact to the County, however these changes are beneficial to HHS program recipients.

Earned Income Tax Credit (EITC) (*Governor's Enacted Budget Summary, Pages 49-50*)

- The Governor's Enacted Budget includes adoption of the State EITC with state funding of \$380 million, and includes legislative intent language on expanding the credit in future years if budget conditions permit. The credit will provide a refundable tax credit for wage income and be targeted to households with incomes less than \$6,580 if there are no dependents or less than \$13,870 if there are three or more dependents. The credit will be available beginning with tax returns filed for wages earned in 2015, and it will benefit an estimated 825,000 families and two million individuals statewide. The estimated average household benefit will be \$460 per year, with a maximum credit of \$2,650.

County Impact

- No fiscal impact to the County.

Immigration (*Governor's Enacted Budget Summary, Pages 26 and 28*)

- On November 20, 2014, the President announced executive actions that would allow certain undocumented immigrants to temporarily remain in the United States without fear of deportation. On February 16, 2015 a federal district court enjoined implementation of these actions. The Enacted Budget includes partial year 2015-16 costs of \$20.9 million for Medi-Cal for qualified individuals and \$9.8 million in other Social Services which assumes that the courts will allow the federal government to proceed with implementing beginning in 2015 and with full implementation occurring over 24 months.

County Impact

- The County's caseloads for Medi-Cal, IHSS and the Cash Assistance Program for Immigrants (CAPI) would be expected to grow somewhat given the newly eligible population. Additionally, some growth in CalWORKs and CalFresh would occur due to additional immigrants coming forward to apply for these benefits on behalf of their eligible children. The State is proposing additional administrative funding to cover the increased workload.
- Certain individuals who are above the Medi-Cal Federal Poverty Level for Medi-Cal and are ineligible for Covered California may potentially be eligible to the County Medical Services Program. Fiscal impact is unknown.

LAND USE AND ENVIRONMENT

Climate Change (*Governor's Enacted Budget Summary, Pages 37-38*)

- The Cap and Trade program was established to address climate change by capping greenhouse gas emissions from the largest sources and establishing a market mechanism under which those businesses that invest in green technology and reduce their emissions under the cap can trade their remaining allowance. As part of this program, the California Air Resources Board holds auctions to allow market participants to buy emissions allowances directly. The Governor's Enacted Budget allocates 60 percent of the FY 2015-16 auction proceeds based on existing state law to public transit, affordable housing, sustainable communities and high speed rail. The Budget is silent on the remaining 40 percent, noting only that the Administration is committed to working with the State Legislature to enact legislation to appropriate the remaining funds prior to the end of the legislative session.

County Impact

- Although local governments are eligible under several of the programs funded under the Cap and Trade expenditure plan, the plan does not specifically allocate any

funding to projects within San Diego County. County staff will monitor the available programs for any related funding opportunities.

Emergency Drought Response (*Governor's Enacted Budget Summary, Pages 41-45; Senate Bill 88, Pages 1, 6-11*)

- The State of California has experienced four consecutive years of below-average rain and snow resulting in severe drought conditions. In January 2014, the Governor declared a state of emergency and on April 1, 2015 issued Executive Order B-29-15, which directed the State Water Resources Control Board to reduce potable urban water use by 25 percent statewide. The Governor's Enacted Budget notes that since January 2014, the State has appropriated approximately \$1.9 billion for drought assistance.
 - The Enacted Budget includes an additional \$1.8 billion in one-time resources to address drought impacts. The additional funding comes primarily from acceleration of Proposition 1 (Water Bond) spending, but also includes General and Special Fund dollars. The Governor's Enacted Budget directs this funding to a number of drought related issues, including public education, Executive Order implementation, agricultural water conservation, stormwater management, groundwater sustainability, wastewater treatment and water recycling, among others.
 - Additionally, one of the Governor's Enacted Budget Trailer Bills, Senate Bill 88, included language providing the State Water Resources Control Board (SWRCB) with additional authority to order the consolidation of small public water systems where a system fails to provide an adequate supply of safe potable water.

County Impact

- County staff will monitor the available programs for any related funding opportunities.
- County staff does not foresee the additional SWRCB authority related to consolidation of small public water districts impacting the County's Campo Water District, but there may be other small water systems in the region that could be targeted for consolidation.

Tijuana River Valley (*Senate Bill 97, Page 16*)

- The Governor's Enacted Budget included an allocation of \$678,000 for the Border Field State Park, located in the Tijuana River Valley in San Diego County. One of the Enacted Budget Trailer Bills, Senate Bill 97, provides the allocation for the budget and also includes Legislative Intent language stating that this allocation is for the first phase of a project to improve public use, and that it is the intent of the Legislature that future phases of the project be funded with the balance of the \$5.9 million received by the State from a settlement with the federal government related to federal condemnation of property in the park for the border fence.

County Impact

- An all-weather road will provide better public access to the Tijuana River Valley and the amenities therein, allowing more San Diego County residents the opportunity to enjoy the preserve.

Tire Recycling Management (*Senate Bill 83, Pages 9, 52-53, 73*)

- One of the Governor's Enacted Budget Trailer Bills, Senate Bill 83, requires the California-Mexico Border Relations Council (Council), which under existing law is tasked with coordinating activities of state agencies that are related to cross-border programs, initiatives, projects, and partnerships, to establish the Border Region Solid Waste Working Group. Under the bill, the group will develop and coordinate long-term solutions to address problems associated with waste tires, solid waste, and excessive sedimentation along the border. Senate Bill 83 additionally requires the Council to identify and recommend to the State Legislature changes in law necessary to achieve these goals. The California Tire Recycling Act requires the Department of Resources Recycling and Recovery to administer a tire recycling Program, including border region activities, and Senate Bill 83 specifies that these activities include development of a tire waste abatement plan in coordination with the Council. The bill appropriates \$300,000 to the California Environmental Protection Agency to support the Council in this effort.

County Impact

- The bill would support the cleanup of illegally disposed waste tires and solid waste along the border that could otherwise negatively impact the environment in our region.

Toxic Substance Control (*Governor's Enacted Budget Summary, Page 39*)

- The Department of Toxic Substance Control (DTSC) protects residents and the environment from the harmful effects of toxic substances by restoring contaminated properties, enforcing hazardous waste laws, reducing hazardous waste generation, and encouraging the manufacture of chemically-safer products. The Governor's Enacted Budget provides additional resources to support DTSC's hazardous waste enforcement efforts by providing \$1.4 million for improving Hazardous Waste Enforcement Program Performance and \$2.1 million for the Enhanced Enforcement Initiative.

County Impact

- No anticipated direct impact on local Certified Unified Program Agencies (CUPA). The additional enforcement initiative could help counties when DTSC conducts inspections and enforcement of serious violators in disproportionately impacted communities since these actions could potentially be done in coordination with the County Department of Environmental Health.

Transportation

- The Governor's Enacted Budget does not address transportation or the need for transportation infrastructure funding. The Governor has instead called for a special session of the State Legislature to address transportation funding, with the hope of enacting permanent and sustainable funding to maintain and repair the State's transportation infrastructure.

County Impact

- Highway User Tax Account (HUTA) funding is one of the current primary funding sources for local streets and roads. HUTA revenue comes from an excise tax on gasoline. Gas tax revenues were reduced by the Board of Equalization from 36 cents per gallon to 30 cents per gallon, which is anticipated to result in a negative impact of approximately \$15 million to the HUTA revenue the Department of Public Works will receive in FY 2015-16. In the absence of further state action to identify a new funding source for transportation infrastructure, local street and road maintenance may continue to be underfunded.

PUBLIC SAFETY

Prison Population Cap (*Governor's Enacted Budget Summary, Pages 33-35*)

- Given the magnitude of the projected population decline as a result of Proposition 47 and the need to maintain sufficient capacity compared with the final population cap of 137.5 percent, the Administration has developed a revised contract bed plan for the Governor's Enacted Budget that focuses on reducing the use of out-of-state contract beds.
- The Governor's Enacted Budget includes savings of \$73.3 million General Fund tied to the reduction of approximately 4,000 out-of-state contract beds by June 2016.
- The reduction assumes vacating two out-of-state facilities to achieve a 2,700-bed reduction by December 2015 and a further 1,300-bed reduction by June 2016.
- A long-term plan will be developed for the FY 2016-17 Governor's Budget which will take the following into account:
 - California Department of Corrections and Rehabilitation's growing population trends, housing limitations, and rehabilitation goals;
 - Any use of contract beds on an ongoing basis, including in-state contract beds, out-of-state contract beds, and the leasing of the California City correctional facility;
 - A permanent solution for the decaying infrastructure of the California Rehabilitation Center;

- The need for durable population reductions to stay below 137.5 percent of design capacity, such as the current, court-ordered population reduction measures; and
- The impact of population-reduction measures on fire camps.
- Significant Adjustments include:
 - \$60.6 million General Fund to treat state inmates with new Hepatitis C treatments.
 - \$37.2 million General Fund and \$90,000 Inmate Welfare Fund to activate three new infill facilities.
 - \$42 million General Fund to comply with Coleman v. Brown court order regarding the Department's use of force policies and housing plans for certain Coleman class members placed in segregated housing.
 - \$76.4 million General Fund to add 715 positions at the California Health Care Facility, which increases the funding for the California Health Care Facility to approximately \$295 million annually.

County Impact

- Due to the increased county length of stay for certain inmates following the implementation of Assembly Bill 109, Public Safety Realignment (2011), a greater number of inmates with Hepatitis C are being treated in county jails.
- Recently approved Hepatitis C medications would cost the San Diego County Sheriff's Department approximately \$100,000 per inmate, per year.

Community Corrections Performance Incentive Grant (*Senate Bill 85, Sections 14-26, Pages 40-55; Governor's Enacted Budget Summary, Pages 35-36*)

- The Governor's Enacted Budget includes \$125.1 million for county probation departments that demonstrate success in reducing the number of individuals sent to state prison.
- The updated allocation formula provides counties with funding for reducing prison admissions for offenders on felony probation, Mandatory Supervision and Post Release Community Supervision. The revised formula also provides counties with a share of their past funding based on their current performance.
- The revised formula provides the following:
 - Incentive funding to counties that decrease their state prison admissions for offenders on felony probation, Mandatory Supervision, and Post Release Community Supervision compared to each county's prior year admission.
 - Reductions in state prison admissions will be funded at 35 percent of the State's estimated contract bed rate per offender.
 - Counties will also receive a portion of their highest payment from the first four years of this grant based on a sliding scale. The rate at which each county sends individuals from local supervision to state prison will be calculated annually which will determine their percentage share of their highest payment from the first four years.

County Impact

- The Probation Department anticipates receiving \$1.1 million of these funds.

Restoration of Competency (*Senate Bill 85, Section 31, Pages 76-78; Senate Bill 97, Section 52; and Governor's Enacted Budget Summary, Page 30*)

- The Governor's Enacted Budget includes \$10.1 million in General Fund dollars to expand the Restoration of Competency Program by up to 108 beds to address the existing placement waitlist. The program provides for treatment of certain Incompetent to Stand Trial patients in county jails rather than inpatient treatment at a state hospital. Including these new beds, the total number of Restoration beds is expected to be approximately 148 by the end of 2015-16.

County Impact

- Additional resources would be needed in order for the San Diego County Sheriff's Department to perform restoration of competency in the jails effectively and appropriately.

Community Corrections Partnership Implementation Grants (*Assembly Bill 93, Pages 432-433*)

- Counties are eligible to receive funding if they submit a report to the Board of State and Community Corrections by December 15, 2015 that report on their realignment efforts.
- Funds would be distributed based on the most recent county population as follows: (1) \$100,000 to each county with a population of 0 to 200,000, inclusive, (2) \$150,000 to each county with a population of 200,001 to 749,999, inclusive, and (3) \$200,000 to each county with a population of 750,000 and above.

County Impact

- San Diego County anticipates receiving \$200,000 of these funds.

Corrections Planning and Grant Program (*Assembly Bill 93, Page 433*)

- The Governor's Enacted Budget includes \$18,615,000 to be allocated to county probation departments to address the temporary increase of offenders on Post Release Community Supervision as a result of the Three-Judge Panels' February 10, 2014, order to increase credit earnings for certain second-strike offenders, to implement a process whereby certain second-strike offenders will be eligible for parole consideration once having served 50 percent of their sentence and to expand two-for-one credits to eligible minimum custody inmates.

County Impact

- The Probation Department anticipates receiving a portion of these funds.

Recidivism Reduction Fund (*Assembly Bill 93, Pages 431-432; Senate Bill 85 Sections 27-28, Pages 55-61; and Senate Bill 97, Section 66*)

- The Governor's Enacted Budget includes \$4 million for the community recidivism reduction grant program. This program provides funds to each county to create a competitive grant program to provide small grants to nongovernmental entities to support recidivism and crime reduction efforts.

County Impact

- San Diego County anticipates receiving \$250,000 of these funds.

Human Trafficking Victims Assistance Fund (*Assembly Bill 93, Page 46; Senate Bill 84, Section 7, Pages 33-34*)

- The Governor's Enacted Budget includes grant funds to support victims of human trafficking, which includes housing assistance, counseling services and social services to victims of human trafficking.

Unknown County Impact**Amnesty Program** (*Senate Bill 85, Section 42, Pages 88-93; Governor's Enacted Budget Summary, Page 36*)

- The Governor's Enacted Budget includes an 18-month amnesty program that authorizes individuals with past due court-ordered debt owed prior to January 1, 2013, relating to traffic infractions, to pay outstanding delinquent debt at a 50 or 80 percent reduction if the individual meets specified eligibility criteria.
- The amnesty program waives the \$300 court-imposed assessment fee pursuant to the Penal Code and replaces it with a \$50 amnesty administrative fee for the courts to recover their costs of running the program, and allows individuals whose driver licenses have been suspended due to Failure To Appear or Failure To Pay related to traffic offenses to reinstate their licenses as part of the program. These individuals would agree to either make one payment or sign up for a payment plan, supported by a wage garnishment agreement in the event that the individual fails to make a payment.

Unknown County Impact**Peace Officer Standards and Training** (*Senate Bill 85, Sections 40-41, Pages 87-88*)

- Senate Bill 85 would amend existing law to require the California Department of Corrections and Rehabilitation to provide 480 hours, rather than 16 weeks, of training to each correctional peace officer cadet prior to his or her assignment to a post or position as a correctional peace officer.

Unknown County Impact

Emergency Drought Response (*Governor's Enacted Budget Summary, Pages 41-46*)

- California Department of Forestry and Fire Protection (CAL FIRE)
 - The Governor's Enacted Budget includes \$66.8 million to continue firefighter surge capacity, retain seasonal firefighters beyond the budgeted fire season, provide additional defensible space inspections, provide grants for fire prevention, and enhance air attack capabilities to suppress wildfires during the 2015 fire season.
County Impact
 - While there is no direct fiscal impact to the County, there may be an increase to local CAL FIRE resources.
- Office of Emergency Services
 - The Governor's Enacted Budget includes \$22.2 million General Fund to support local jurisdictions using the California Disaster Assistance Act program for approved drought-related projects, including emergency protective measures such as delivering water to individuals without drinking water.
Unknown County Impact

Judicial Branch (*Assembly Bill 93, Page 21; Governor's Enacted Budget Summary, Page 50*)

- The Governor's Enacted Budget includes an additional \$66.2 million in General Fund dollars to reflect a further reduction of fines and penalty revenues expected in 2015-16.
County Impact
 - No direct County impact. However, in light of reductions in past budget cycles, the Superior Court will benefit from these funds to help sustain the Superior Court's operations.

Public Safety Realignment 2011 and Related Programs (*Senate Bill 85, Section 3-4, Pages 14-27*)

- The Governor's Enacted Budget assumes continued funding for the overall 2011 Realignment program from two state sources: a sales tax of 1.0625 percent and Vehicle License Fees.
- Senate Bill 85 eliminates the deadline for a local agency to expend or encumber funding and redirects unspent funding remitted after July 1, 2012 back to the agency that remitted the money.
- Senate Bill 85 removes the requirement to allocate funds by August 25 of each year for specified funds and makes other technical adjustments.
County Impact
 - Continues the allocation of sales tax and vehicle license fee funds to the County to support law enforcement activities, juvenile justice programs and court security responsibilities.
 - The amount available for 2011 Public Safety Realignment / AB 109 responsibilities is dependent on actual state revenues.