

December 6, 2024

Honorable Scott D. Wiener, Chair
Joint Legislative Budget Committee
Senate Budget and Fiscal Review
Committee

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Honorable Anna M. Caballero, Chair
Senate Appropriations Committee

Honorable Buffy Wicks, Chair
Assembly Appropriations Committee

Section 11.96—Coronavirus State Fiscal Recovery Fund—Final Revised Allocation Plan

Pursuant to Control Section 11.96 of the 2024 Budget Act, this revised Coronavirus State Fiscal Recovery Fund of 2021 (SFRF) allocation plan, based on the most updated information, is respectfully submitted. A final allocation plan will be provided prior to the December 31, 2024, SFRF obligation deadline if amendments are required for the existing allocation plan.

Transfer Unspent SFRF from Local Assistance to State Operations for the Accelerate Affordable Housing Production (Accelerator) Project

Control Section 11.96, Subdivision (c), authorizes the Department of Finance to transfer amounts between state operations and local assistance to support the implementation of the same programmatic purpose. The Department of Housing and Community Development (HCD) received \$1.7 billion of SFRF for Accelerator which provides development capital for shovel-ready affordable housing projects stalled due to insufficient supply of tax credits and bonds. Finance requests to transfer \$4 million from local assistance to state operations to support ongoing costs in administering the project. In addition to Accelerator's initial appropriation of \$9 million for administrative costs, this \$4 million transfer falls within the five percent eligible to be transferred to state operations pursuant to the Budget Act of 2021.

Transfer Budgetary Authority and Expenditures to General Fund for Specified SFRF Projects

Subdivision (j), authorizes the Director of Finance to transfer SFRF to General Fund up to the full amount of the revenue loss calculation. As part of its continual monitoring of SFRF projects and to ensure SFRF is fully obligated by December 31, 2024, Finance requests that budgetary authority and associated expenditures for the following SFRF projects be transferred from SFRF to General Fund, pursuant to Subdivision (k). This proposed \$5.9 million General Fund amount will be offset by an equivalent amount of available revenue loss under the SFRF revenue loss calculation. Therefore, there will be no net impact to the General Fund and no net change in the funding levels for any of the programs proposed for this transfer.

- HCD's Accelerator project: \$4 million in addition to \$1,713,210,759 specified in previous Joint Legislative Budget Committee notices.
- Judicial Council's Legal Services for Eviction Prevention and Housing Stability project: \$1,864,730.

Revert SFRF Project Savings

Further, Subdivision (i) authorizes the Director of Finance to initiate the reversion of unspent funds from an appropriation for a specific programmatic purpose from the SFRF.

The California Community Colleges Chancellor's Office (Chancellor's Office) has concluded its Emergency Financial Aid for Community College Students project and has identified remaining savings through its apportionment process. To maximize the use of SFRF, Finance intends to revert savings of \$5,133,819 from Item 6870-162-8506.

Finance will continue to work with all agencies to identify and revert any additional SFRF project savings prior to the December 31, 2024 obligation deadline, which will be reflected in the final allocation plan.

Request 30-Day Period Waiver

Finance also requests, pursuant to Subdivision (m), a waiver of the 30-day notification period to process these adjustments prior to the December 31, 2024 obligation deadline.

Finance will process these requests in the following order: (1) transfer budgetary authority from local assistance to state operations for Accelerator, (2) transfer SFRF budgetary authority to General Fund in the amount specified above, along with any expenditures, (3) revert the SFRF project cost savings, and (4) transfer an amount equivalent to (2) and (3) from available revenue loss under the SFRF revenue loss calculation, pursuant to Subdivision (j).

If you have any questions or need additional information regarding this matter, please contact Mary Halterman, Assistant Program Budget Manager, at Mary.Halterman@dof.ca.gov.

JOE STEPHENSHAW

Director

By:



Erika Li

Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Sharon Quirk-Silva, Chair, Assembly Budget Subcommittee No. 5
Honorable Steve Padilla, Chair, Senate Budget and Fiscal Review Subcommittee
No. 4
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review
Committee
Honorable Heath Flora, Vice Chair, Assembly Budget Committee
Gabriel Petek, Legislative Analyst (3)
Elisa Wynne, Staff Director, Senate Budget and Fiscal Review Committee
Kirk Feely, Fiscal Director, Senate Republican Fiscal Office
Christopher W. Woods, Senate President pro Tempore's Office (2)
Christian Griffith, Chief Consultant, Assembly Budget Committee
Joseph Shinstock, Fiscal Director, Assembly Republican Caucus, Office of Policy
and Budget
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Jason Sisney, Assembly Speaker's Office (2)
Mark McKenzie, Staff Director, Senate Appropriations Committee
Jay Dickenson, Chief Consultant, Assembly Appropriations Committee

Coronavirus State Fiscal Recovery Fund
Revised Awards and Expenditures for the Period of March 3, 2021 Through December 4, 2024
(Dollars in Thousands)

Exp. Category	Expenditure Category Title	Project Name	Lead Agency	Allocations as of 2024 Budget Act	Adjustments as of 11.14.2024 JLBC ^{1/}	New Adjustments	Proposed Revised Allocation
1	Public Health			\$794,690	-\$530,000	\$0	\$264,690
1.1	COVID-19 Vaccination	Vaccine Incentives	California Department of Public Health	\$19,423	\$0	\$0	\$19,423
1.1	COVID-19 Vaccination	Vaccine Incentives	Government Operations Agency	\$35,440	\$0	\$0	\$35,440
1.1	COVID-19 Vaccination	Vaccine Management and Coordination	California Department of Public Health	\$89,414	\$0	\$0	\$89,414
1.3	COVID-19 Contact Tracing	Statewide COVID-19 Contact Tracing Redirection	California Department of Public Health	\$35,498	\$0	\$0	\$35,498
1.8	Other COVID-19 Public Health Expenses	COVID-19 Vaccine Administration Support	Government Operations Agency	\$84,914	\$0	\$0	\$84,914
1.12	Mental Health Services	Expand Access to Behavioral Health Services	Department of Health Care Services	\$530,000	-\$530,000	\$0	\$0
2	Negative Economic Impacts			\$6,980,762	-\$2,607,131	-\$10,999	\$4,362,633
2.2	Household Assistance: Rent, Mortgage, and Utility Aid ^{1/}	Relief for Unpaid Water Utility Bills and Arrearages	State Water Resources Control Board	\$838,243	-\$111,524	\$0	\$726,719
2.2	Household Assistance: Rent, Mortgage, and Utility Aid ^{1/}	Relief for Unpaid Energy Utility Bills and Arrearages	Department of Community Services and Development	\$1,000,000	\$0	\$0	\$1,000,000
2.10	Assistance to Unemployed or Underemployed Workers (e.g. job training, subsidized employment, employment supports or incentives)	Expand Job Opportunities for Youth and Young Adults	Office of Planning and Research	\$185,000	-\$185,000	\$0	\$0
2.15	Long-Term Housing Security: Affordable Housing ^{1/}	Accelerate Affordable Housing Production	Department of Housing and Community Development	\$1,750,000	-\$1,728,211	-\$4,000	\$17,789
2.15	Long-Term Housing Security: Affordable Housing ^{1/}	Affordable Housing Preservation	Department of Housing and Community Development	\$300,000	-\$299,230	\$0	\$770
2.16	Long-Term Housing Security: Services for Unhoused Persons	Homekey: Solutions for the Homeless Crisis	Department of Housing and Community Development	\$2,200,000	-\$154,715	\$0	\$2,045,285
2.28	Contributions to UI Trust Funds	Contributions to Unemployment Insurance Trust Fund	Employment Development Department	\$250,000	\$0	\$0	\$250,000
2.37	Economic Impact Assistance: Other	Legal Services for Eviction Prevention and Housing Stability	Judicial Council	\$80,000	-\$932	-\$1,865	\$77,203
2.37	Economic Impact Assistance: Other	College Service Program for COVID-19 Recovery	Office of Planning and Research	\$127,519	-\$127,519	\$0	\$0
2.37	Economic Impact Assistance: Other	Emergency Financial Aid for Community College Students	Community Colleges Chancellor's Office	\$250,000	\$0	-\$5,134	\$244,866
5	Broadband			\$2,363,343	-\$2,363,343	\$0	\$0
5.21	Broadband: Other Projects	Expand Broadband Infrastructure	California Department of Technology	\$2,363,343	-\$2,363,343	\$0	\$0
6	Revenue Replacement			\$16,742,761	\$5,473,879	\$5,865	\$22,222,505
6.1	Revenue Replacement	Provision of Government Services	Various	\$16,742,761	\$5,473,879	\$5,865	\$22,222,505
7	Administrative and Other			\$135,461	\$26,595	\$5,134	\$167,189
7.1	Administrative Expenses	Federal Tracking, Accountability, and Cost Recovery	Department of Finance	\$10,916	-\$5,194	\$0	\$5,722
7.X	Administrative Reserve for Audit/Oversight ^{2/}	Reserve for Accountability and Oversight	Various	\$124,544.681	\$31,789	\$5,134	\$161,468
TOTAL				\$27,017,017	\$0	\$0	\$27,017,017

^{1/} Reversion amounts were not included in the "Adjustments as of 11.14.2024 JLBC" column and will be provided in subsequent allocation plan upon finalization.

^{2/} Once reversion amounts have been finalized, balance will be transferred to the General Fund as revenue replacement to fund government services.