



May 24, 2023

Honorable Nancy Skinner, Chair
Joint Legislative Budget Committee
Senate Budget and Fiscal Review
Committee

Honorable Phil Ting, Chair
Assembly Budget Committee

Honorable Anthony Portantino, Chair
Senate Appropriations Committee

Honorable Chris R. Holden, Chair
Assembly Appropriations Committee

Notification of Receipt and Approval of an Unanticipated Cost Funding Request from the Department of Consumer Affairs

Pursuant to Provision 3 and 6 of Items 9840, the Department of Finance is transmitting to you within 15 days of receipt, the attached unanticipated cost funding request from the Department of Consumer Affairs, which Finance received on May 12, 2023.

The California State Athletic Commission experienced an increase in the use of Attorney General (AG) services primarily due to unexpected litigation costs for a lawsuit filed against the Commission. In April 2022, the Commission was notified by the AG's Office that the case had been set to trial for June 6, 2022, and received \$340,000 from Item 9840-001-0494, 2021 Budget Act, for unanticipated litigation costs related to the case.

In February 2023, the Commission was notified by the AG's Office that the costs incurred during the last quarter of 2022 exceeded their previous estimated budget due to additional time needed and the complexity of the case requiring two attorneys. The AG's Office estimates the case will result in additional costs of \$330,000, of which \$8,000 is for pre-trial litigation activities and \$322,000 is for trial litigation activities. The Commission currently has an AG line-item budget of \$68,000 in 2022-23. With these additional pre-litigation and trial litigation costs, the Commission expects to spend approximately \$383,000, resulting in a current year deficit of \$315,000.

Finance has completed the review of the proposal and concurs with the request. Expenditure authority for this unanticipated cost request will be provided from Item 9840-001-0494, Augmentations for Contingencies or Emergencies, in the amount of \$315,000. A waiver of the 30-day review period is requested to allow funds to be dispersed immediately to allow the Commission to pay for Attorney General services expected to be incurred in prior to June 30, 2023.

If you have any questions regarding this matter, please call Charlene Manning, Principal Program Budget Analyst, at (916) 639-4510.

JOE STEPHENSHAW

Director

By:



ERIKA LI

Chief Deputy Director

Attachment

cc: Honorable Jim Nielsen, Vice Chair, Senate Budget and Fiscal Review Committee
Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Honorable Steve Padilla, Chair, Senate Budget and Fiscal Review Subcommittee
No.4
Honorable Wendy Carrillo, Chair, Assembly Budget Subcommittee No. 4
Gabriel Petek, Legislative Analyst (3)
Joe Stephenshaw, Staff Director, Senate Budget and Fiscal Review Committee
Mark McKenzie, Staff Director, Senate Appropriations 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
Jay Dickenson, Chief Consultant, Assembly Appropriations 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
Luigi Luciano, Legislative Director, Assembly Republican Leader's Office
Jason Sisney, Assembly Speaker's Office (2)
Melinda Grant, Undersecretary, Business, Consumer Services, and Housing Agency
Tiffany Garcia, Deputy Secretary, Fiscal Policy and Administration, Business,
Consumer Services, and Housing Agency
Kimberly Kirchmeyer, Director, Department of Consumer Affairs
Taylor Schick, Chief Fiscal Officer, Department of Consumer Affairs
Robert de los Reyes, Assistant Chief Fiscal Officer, Department of Consumer Affairs
Karen Munoz, Budget Manager, Department of Consumer Affairs



California State Athletic Commission

2005 Evergreen St. Ste. 2010, Sacramento, Ca 95815

Phone: 916-263-2195 Fax: 916-263-2197 | www.dca.ca.gov/csac



May 12, 2023

TO: Andrew Hoang, Program Budget Analyst
Department of Finance

Via: Lourdes M. Castro Ramírez, Secretary
Business Consumer Services and Housing Agency

Via: Kimberly Kirchmeyer, Director
Department of Consumer Affairs

FROM: Andrew Foster, Executive Officer
California State Athletic Commission

SUBJECT: Attorney General Current Year Expenditure Deficiency

Pursuant to the Budget Act of 2022 (Chapter 43, Statutes of 2022) item 9840-001-0494 and based on fiscal year 2022-23 expenditures projections thru February 2023, the California State Athletic Commission (Commission) is requesting a budget augmentation of \$315,000 for its Attorney General (AG) line item.

As of Fiscal Month (FM) 8, the Commission has expended approximately \$353,000, or 519 percent of its \$68,000 AG line-item budget. Based on projected legal expenses specifically for Case No. 18STCV05608 (Gilbert W. Hedgpeth, et al. v. California State Athletic Commission, et al), the Commission anticipates exceeding its budgeted authority by approximately \$315,000 (FM 8 Expenditure Projections). Over the last five fiscal years prior to 2021-22, the Commission has averaged roughly \$60,000 in annual AG costs.

The Commission is estimated to spend approximately \$383,000 in 2022-23 which is over six times greater than its historical average of AG costs, mainly due to the litigation costs on a lawsuit filed against the Commission.

In April 2022, the Commission was notified by the AG that the above-mentioned case was set for trial. The AG provided a cost estimate for pre-trial and trial litigation activities:

- Pre-Trial Litigation Costs – \$139,000 to \$190,000
- Trial Costs – \$202,000 to \$282,000
- **Total Litigation Costs - \$341,000 to \$472,000**

In 2021-22, the Commission spent approximately \$450,000 in AG litigation costs, largely as a result of the above-mentioned case, which required the Commission to request additional spending authority of \$340,000.

In February 2023, the Commission was notified by the AG (attached letter dated February 7, 2023) that costs incurred during the last quarter of 2022 exceeded their previous estimated budget for several reasons:

- The plaintiffs exercised several legal maneuvers, which consequently created more defense work.
- The Court granted the Commission an opportunity to bring a second summary judgment motion on new law which was not initially projected.
- Plaintiff requested the Court to re-open discovery to oppose the motion of the second summary judgement, which was granted for a limited purpose.
- The plaintiffs issued multiple deposition subpoenas.
- To oppose plaintiffs' multiple subpoenas and discovery efforts, AG had to prepare and oppose approximately six motions, and have court hearings on each motion.
- Due to the complexity of the case, the AG required two attorneys to prepare and oppose the motions and appearing at each hearing.

On February 28, 2023, the court granted a motion for summary judgment in favor of the Commission and its Executive Officer. The court will enter a judgment of dismissal as a result of the ruling, on or before March 17, 2023. In a letter dated March 6, 2023, the Attorney General estimated the remaining fees and costs to close-out the case to be up to \$7,260, if the plaintiffs do not appeal; however, the AG does not anticipate the plaintiffs will file an appeal.

Below is a chart of the total AG costs spent by the Commission, broken out by month, and totaled with an estimate of costs for the remainder of the year based on final litigation costs on the case, as well as minor AG costs associated with other cases at the AG office.

Month	AG Amount
1	\$29,988.75
2	\$74,319.80
3	\$133,983.12
4	\$44,346.87
5	\$23,352.50
6	\$20,657.25
7	\$6,965.50
8	\$19,072.25
9	\$15,000
10	\$5,000***
11	\$5,000***
12	\$5,000***
Total	\$ 382,686.04

***Estimate AG costs for March per AG letter of support, with additional buffer in the event the case is appealed.*

****Estimate AG costs for remainder of fiscal year for other Commission cases at the AG Office, based on historical average.*

The Commission has a \$68,000 budget for AG costs and is estimated to have a total of \$383,000 in expenses by year-end, creating a deficit of \$315,000 in the AG line item. The Commission is unable to realize savings within their current year appropriation to make up for this shortfall, and therefore is requesting the full budget deficit of \$315,000 to continue AG services uninterrupted through June 30, 2023.

If you have any questions, please contact Robert de los Reyes, Assistant Chief Fiscal Officer, Department of Consumer Affairs, at (279) 895-1343. Thank you for your time and consideration of this request.

Attachments:

1. California Athletic Commission Expenditure Projections (Through Fiscal Month 8)
2. Fund Condition Statement (Fund 0326)
3. AG Letter of Acknowledgement (Dated February 7, 2023)
4. AG Letter of Acknowledgement (Dated March 6, 2023)
5. DF-580 – Unanticipated Cost Request

cc: Tiffany Garcia, Deputy Secretary of Fiscal Policy and Administration, Business, Consumer Services, and Housing Agency
Kimberly Kirchmeyer, Director, Department of Consumer Affairs
Taylor Schick, Chief Fiscal Officer, Department of Consumer Affairs
Robert de los Reyes, Fiscal Officer, Department of Consumer Affairs
Karen Munoz, Budget Manager, Department of Consumer Affairs

Department of Consumer Affairs
Expenditure Projection Report
 California State Athletic Commission
 Reporting Structure(s): 11110410 Support
 Fiscal Month: 8
 Fiscal Year: 2022 - 2023

PERSONAL SERVICES

Fiscal Code	Line Item	PY FM13	Budget	Current Month	YTD	Encumbrance	YTD + Encumbrance	Projections to Year End	Balance
5100	PERMANENT POSITIONS	\$522,555	\$317,000	\$46,588	\$358,100	\$0	\$358,100	\$555,682	-\$238,682
5100	TEMPORARY POSITIONS	\$238,831	\$243,000	\$17,710	\$172,162	\$0	\$172,162	\$261,000	-\$18,000
5105-5108	PER DIEM, OVERTIME, & LUMP SUM	\$12,461	\$4,000	\$0	\$3,594	\$0	\$3,594	\$4,100	-\$100
5150	STAFF BENEFITS	\$314,146	\$367,000	\$28,147	\$231,527	\$0	\$231,527	\$363,204	\$3,796
	PERSONAL SERVICES	\$1,087,993	\$931,000	\$92,445	\$765,384	\$0	\$765,384	\$1,183,987	-\$252,987

OPERATING EXPENSES & EQUIPMENT

Fiscal Code	Line Item	PY FM13	Budget	Current Month	YTD	Encumbrance	YTD + Encumbrance	Projections to Year End	Balance
5301	GENERAL EXPENSE	\$33,540	\$240,000	\$1,276	\$21,495	\$13,005	\$34,500	\$37,478	\$202,522
5302	PRINTING	\$630	\$3,000	\$0	\$745	\$831	\$1,576	\$1,576	\$1,424
5304	COMMUNICATIONS	\$2,573	\$7,000	\$349	\$1,387	\$0	\$1,387	\$2,550	\$4,450
5306	POSTAGE	\$478	\$10,000	\$0	\$209	\$0	\$209	\$499	\$9,501
5308	INSURANCE	\$19	\$0	\$0	\$0	\$0	\$0	\$20	-\$20
53202-204	IN STATE TRAVEL	\$112,414	\$129,000	\$7,592	\$67,388	\$0	\$67,388	\$114,071	\$14,929
53206-208	OUT OF STATE TRAVEL	\$0	\$0	\$0	\$936	\$0	\$936	\$4,000	-\$4,000
5322	TRAINING	\$380	\$6,000	\$205	\$205	\$4,790	\$4,995	\$995	\$5,005
5324	FACILITIES	\$78,784	\$79,000	\$6,458	\$29,161	\$25,832	\$54,993	\$78,058	\$942
53402-53403	C/P SERVICES (INTERNAL)	\$449,487	\$145,000	\$6,966	\$208,158	\$144,894	\$353,052	\$383,127	-\$238,127
5340310000	Legal - Attorney General	\$449,418	\$68,000	\$6,966	\$207,792	\$144,894	\$352,686	\$382,686	-\$314,686
53404-53405	C/P SERVICES (EXTERNAL)	\$28,621	\$32,000	\$2,728	\$10,927	\$57,817	\$68,744	\$58,823	-\$26,823
5342	DEPARTMENT PRORATA	\$303,933	\$315,000	\$0	\$227,250	\$0	\$227,250	\$315,000	\$0
5342	DEPARTMENTAL SERVICES	\$3,949	\$0	\$67	\$1,130	\$0	\$1,130	\$7,230	-\$7,230
5346	INFORMATION TECHNOLOGY	\$1,059	\$1,000	\$4	\$22	\$1,749	\$1,771	\$1,300	-\$300
5362-5368	EQUIPMENT	\$14,621	\$5,000	\$0	\$2,465	\$4,285	\$6,750	\$6,750	-\$1,750
5390	OTHER ITEMS OF EXPENSE	-\$50,237	\$0	\$0	\$1,196	\$126	\$1,323	\$1,323	-\$1,323
54	SPECIAL ITEMS OF EXPENSE	\$1,265	\$0	\$0	\$1,323	\$0	\$1,323	\$1,323	-\$1,323
	OPERATING EXPENSES & EQUIPMENT	\$981,515	\$972,000	\$25,645	\$573,997	\$253,330	\$827,326	\$1,014,122	-\$42,122
OVERALL TOTALS		\$2,069,507	\$1,903,000	\$118,090	\$1,339,380	\$253,330	\$1,592,710	\$2,198,109	-\$295,109

-15.51%

Department of Consumer Affairs

Expenditure Projection Report

California State Athletic Commission
 Reporting Structure(s): 11110410 Support
 Fiscal Month: 8
 Fiscal Year: 2022 - 2023
W_AG AUGMENTATION - \$315,000

PERSONAL SERVICES

Fiscal Code	Line Item	PY FM13	Budget	Current Month	YTD	Encumbrance	YTD + Encumbrance	Projections to Year End	Balance
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5150	STAFF BENEFITS	\$314,146	\$367,000	\$28,147	\$231,527	\$0	\$231,527	\$363,204	\$3,796
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5342	DEPARTMENTAL SERVICES	\$3,949	\$0	\$67	\$1,130	\$0	\$1,130	\$7,230	-\$7,230
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5390	OTHER ITEMS OF EXPENSE	-\$50,237	\$0	\$0	\$1,196	\$126	\$1,323	\$1,323	-\$1,323
54	SPECIAL ITEMS OF EXPENSE	\$1,265	\$0	\$0	\$1,323	\$0	\$1,323	\$1,323	-\$1,323
	OPERATING EXPENSES & EQUIPMENT	\$981,515	\$1,287,000	\$25,645	\$573,997	\$108,436	\$619,535	\$1,014,122	\$272,878

OVERALL TOTALS		\$2,069,507	\$2,218,000	\$118,090	\$1,339,380	\$108,436	\$1,384,918	\$2,198,109	\$19,891
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0.90%

**0326 Athletic Commission Fund Analysis of Fund Condition
(Dollars in Thousands)**

Prepared 3.24.2023

2023-24 Governor's Budget with FM 8 Projections

	Actual 2021-22	CY 2022-23	BY 2023-24	BY +1 2024-25	BY +2 2025-26
BEGINNING BALANCE	\$ 735	\$ 343	\$ 92	\$ 100	\$ 39
Prior Year Adjustment	\$ -21	\$ -21	\$ 0	\$ 0	\$ 0
Adjusted Beginning Balance	\$ 714	\$ 322	\$ 92	\$ 100	\$ 39
REVENUES, TRANSFERS AND OTHER ADJUSTMENTS					
Revenues					
4127400 - Renewal fees	\$ 58	\$ 58	\$ 66	\$ 66	\$ 66
4129200 - Other regulatory fees	\$ 1,620	\$ 1,880	\$ 1,770	\$ 1,770	\$ 1,770
4129400 - Other regulatory licenses and permits	\$ 190	\$ 178	\$ 196	\$ 196	\$ 196
4163000 - Income from surplus money investments	\$ 3	\$ 4	\$ 12	\$ 1	\$ 0
4171400 - Escheat of unclaimed checks and warrants	\$ 21	\$ 0	\$ 0	\$ 0	\$ 0
4172500 - Miscellaneous revenues	\$ 1	\$ 4	\$ 0	\$ 0	\$ 0
Totals, Revenues	\$ 1,893	\$ 2,124	\$ 2,044	\$ 2,033	\$ 2,032
Operating Transfers To General Fund 0001 per EO E 21/22-276 Revised (AB 84)	\$ -49	\$ 0	\$ 0	\$ 0	\$ 0
Totals, Transfers and Other Adjustments	\$ -49	\$ 0	\$ 0	\$ 0	\$ 0
TOTALS, REVENUES, TRANSFERS AND OTHER ADJUSTMENTS	\$ 1,844	\$ 2,124	\$ 2,044	\$ 2,033	\$ 2,032
TOTAL RESOURCES	\$ 2,558	\$ 2,446	\$ 2,136	\$ 2,133	\$ 2,071
Expenditures:					
1111 Department of Consumer Affairs Regulatory Boards, Bureaus, Divisions (State Operations)	\$ 2,070	\$ 1,883	\$ 1,925	\$ 1,983	\$ 2,042
AG Augmentation	\$ 0	\$ 315	\$ 0	\$ 0	\$ 0
9892 Supplemental Pension Payments (State Operations)	\$ 36	\$ 36	\$ 36	\$ 36	\$ 0
9900 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	\$ 109	\$ 120	\$ 75	\$ 75	\$ 75
TOTALS, EXPENDITURES AND EXPENDITURE ADJUSTMENTS	\$ 2,215	\$ 2,354	\$ 2,036	\$ 2,094	\$ 2,117
FUND BALANCE					
Reserve for economic uncertainties	\$ 343	\$ 92	\$ 100	\$ 39	\$ -46
Months in Reserve	1.7	0.5	0.6	0.2	-0.3

NOTES:

1. Assumes workload and revenue projections are realized in BY +1 and ongoing.
2. Expenditure growth projected at 3% beginning BY +1.

ROB BONTA
Attorney General

State of California
DEPARTMENT OF JUSTICE



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E-Mail: Shirley.Sullinger@doj.ca.gov

February 7, 2023

Via E-Mail only

Andy Foster
Executive Officer
California State Athletic Commission
2005 Evergreen Street, Suite 2010
Sacramento, CA 95815

RE: *Gilbert W. Hedgpeth, et al. v. California State Athletic Commission, et al.*
Superior Court of California, County of Los Angeles, Case No. 18STCV05608

Dear Mr. Foster:

Pursuant to your request, this is an updated estimate of the projected legal expenses and fees based on the information currently available. As the case develops close to the trial date of May 8, 2023, the costs and fees will fluctuate. This budget does not include costs and fees to date.

Based on the last litigation budget, the costs incurred during the last quarter of 2022 have exceeded our previous estimated budget for several reasons. The plaintiffs exercised several legal maneuvers, which has consequently created more defense work. The Court granted us an opportunity to bring a *second* summary judgment motion on new law. We had not anticipated preparing a second summary judgment motion, and not calculated this into our previous budget. In response to our second summary judgment motion, plaintiffs requested the Court to re-open discovery to oppose the motion. We opposed the plaintiffs' efforts in re-opening discovery, and the scope of their discovery at every opportunity. The Court granted plaintiffs' request to re-open discovery for a limited purpose. The plaintiffs issued multiple deposition subpoenas. To oppose plaintiffs' multiple subpoenas and discovery efforts, we had to prepare and oppose approximately six motions, and have court hearings on each motion. We have two attorneys preparing and opposing the motions, and appearing at each hearing. The Court has allowed each of the three plaintiffs' attorneys argue at each hearing, and in defense, we had two attorneys argue at each hearing. The last four to five months have generated unanticipated additional costs.

LITIGATION BUDGET

PRE-TRIAL LITIGATION

TASK	HOURS	FEES (\$220/HOUR)	COSTS
PLEADINGS			
Motion for summary judgment – review opposition and prepare reply	15 to 25 hours	\$3,300.00 to \$5,500.00	N/A
Subtotal	15 to 25 hours	\$3,300.00 to \$5,500.00	N/A
COURT APPEARANCES			
Motion for summary judgment (hearing on February 23, 2022) (2 attorneys)	3 to 6	\$660.00 to \$1,320.00	N/A
Final Status Conference (2 attorneys)	3 to 6 hours	\$660.00 to \$1,320.00	N/A
Subtotal	6 to 12 hours	\$1,320.00 to \$2,640.00	N/A
GRAND TOTAL	21 to 37 hours	\$4,620.00 to \$8,140.00	N/A

Attorneys’ fees and costs for defending the matter up to trial is estimated to be **\$4,620.00 to \$8,140.00**.

TRIAL

TASK	HOURS	FEES (Attorneys \$220/HOUR; Paralegal \$205/HOUR)	COSTS
Preparation for direct and cross-exam of all witnesses (2 attorneys and one paralegal)	120 to 200 hours	\$26,400.00 to \$44,000.00	N/A
	20 to 40 hours (paralegal)	\$4,100.00 to \$8,200.00 (paralegal)	

Preparation of clients and witnesses for testimony	40 to 60 hours	\$8,800.00 to \$13,200.00	N/A
Prepare and oppose motions in limine, joint trial documents (exhibit list, witness list, statement of facts and legal issues, joint state of case)	60 to 80 hours	\$8,800.00 to \$13,200.00	N/A
Preparation of experts for testimony	25 to 40 hours	\$5,500.00 to \$8,800.00	\$50,000 to \$70,000
Trial media presentation	5 to 10 hours	\$1,100.00 to \$2,200.00	\$5,000 to \$15,000
Jury Consultant (David Cannon)	8 to 12	Contract limit of \$10,000	Contract limit of \$10,000
Trial appearance (2 attorneys and one paralegal) for 10 to 12 days	336 to 408 hours 100 to 120 hours (paralegal)	\$73,920.00 to \$89,760.00 \$20,500.00 to \$24,600.00	\$8,000.00 to \$9,600.00 (court reporter) and \$10,000.00 to \$12,000.00 (daily transcripts)
Subtotal Attorneys	586 to 798 hours	\$128,920.00 to \$175,560.00	\$73,000.00 to \$106,600.00
Subtotal Paralegal	120 to 160 hours	\$24,600.00 to \$32,800.00	N/A
TOTAL	706 to 958 hours	\$153,520.00 to \$208,360.00	\$73,000.00 to \$106,600.00

Attorneys' fees and costs for defending the matter at trial is estimated to be **\$226,520.00 to \$314,960.00**.

Should you have any questions or comments, please do not hesitate to contact me.

Sincerely,

Shirley R. Sullinger

SHIRLEY R. SULLINGER
 NORMAN D. MORRISON
 Deputy Attorneys General

For ROB BONTA
 Attorney General

Andy Foster
Executive Officer
February 7, 2023
Page 4

cc: *(Via E-mail only)*
Kenneth Swenson, Department of Consumer Affairs - Division of Legal Affairs

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E-Mail: Shirley.Sullinger@doj.ca.gov

March 6, 2023

Via E-Mail only

Andy Foster
Executive Officer
California State Athletic Commission
2005 Evergreen Street, Suite 2010
Sacramento, CA 95815

RE: *Gilbert W. Hedgpeth, et al. v. California State Athletic Commission, et al.*
Superior Court of California, County of Los Angeles, Case No. 18STCV05608

Dear Mr. Foster:

In light of the favorable summary judgment motion ruling by the Court on February 28, 2023, for the California State Athletic Commission and Andrew Foster, we have revised the projected litigation budget for the remainder of the 2023 fiscal year. The Court's ruling on February 28, 2023, vacates the trial date of May 8, 2023, and the associated trial preparation costs and fees previously projected for the budget. This revised budget does not include costs and fees to date.. This revised budget does not include costs and fees if plaintiffs appeal, and if that occurs, we will prepare a separate budget.

LITIGATION BUDGET

REMAINING LITIGATION

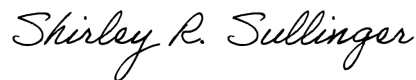
TASK	HOURS	FEES (\$220/HOUR)	COSTS
PLEADINGS			
Prepare proposed judgment, Memorandum of Costs, and notice of entry of judgment; and oppose objections to Memorandum of Costs, if any	4 to 25	\$880.00 to \$5,500.00	N/A

Subtotal	4 to 25 hours	\$880.00 to \$5,500.00	N/A
COURT APPEARANCES			
Status Conference regarding proposed judgment	3 to 4	\$660.00 to \$880.00	N/A
Hearing on motion by plaintiffs to challenge the Memorandum of Costs, if any	3 to 4	\$660.00 to \$880.00	N/A
Subtotal	6 to 8 hours	\$1,320.00 to \$1,760.00	N/A
GRAND TOTAL	10 to 33 hours	\$2,200.00 to \$7,260.00	N/A

Attorneys' fees and costs for defending the matter up to trial is estimated to be **\$2,200.00 to \$7,260.00**.

Should you have any questions or comments, please do not hesitate to contact me.

Sincerely,



SHIRLEY R. SULLINGER
NORMAN D. MORRISON
Deputy Attorneys General

For **ROB BONTA**
Attorney General

SRS:mtf

cc: *(Via E-mail only)*
Kenneth Swenson, Department of Consumer Affairs - Division of Legal Affairs

I. APPROPRIATION/FUND TO BE ADJUSTED

DEPARTMENT: Consumer Affairs	ITEM NUMBER: 9840-001-0494		
FUND: 0326 – California State Athletic Commission	AMOUNT OF FUNDING REQUESTED: \$315,000	FISCAL YEAR: 2022-23	

II. JUSTIFICATION FOR REQUEST (Please provide the following information: reason for expense and basis of determination that the expense is needed.) DOF may not approve requests for: (a) capital outlay funding, (b) prior year expenses, (c) expenses related to legislation enacted without an appropriation, (d) startup costs of programs not yet authorized by the Legislature, (e) costs that could have been included in May Revision, and (f) costs that the Administration has the discretion to incur or not incur. (Use attachments if additional space is needed.)

See Attached Justification

III. EMERGENCY NOTIFICATION

Is this an emergency request for funding unanticipated costs? (An emergency request is for expenses incurred in response to conditions of disaster or extreme peril that threaten the immediate health or safety of persons or property in this state.)

NO

YES (If yes, please provide reason for expense and basis for determining this an emergency. Use attachments if additional space is needed.)

IV. PROVIDE A DETAILED EXPLANATION OF ALL LEGALLY PERMISSIBLE STEPS THAT HAVE BEEN TAKEN TO AVOID ADDITIONAL COSTS, (e.g., reduce spending, etc.) (Add attachments if additional space is needed.)

See Attached Justification

V. WAS THIS NEED FOR FUNDING PREVIOUSLY DENIED IN A LEGISLATIVE BUDGET COMMITTEE ACTION? (Use attachments if additional space is needed.)

NO

YES (when and why?)

VI. MONTH AND YEAR WHEN SPENDING AUTHORITY TO OBLIGATE FUNDS (not make cash payment) WILL BE NEEDED.

Month: May Year: 2022-23

VII. REQUESTING DEPARTMENT

Approved By: Taylor Schick Title: Chief Fiscal Officer Date: 3/30/2023

VIII. AGENCY SECRETARY (IF APPROPRIATE)

Approved By: _____ Date: _____

IX. DEPARTMENT OF FINANCE

Date Received: 5/12/2023 Date of Notice to Legislature: 5/24/23