

STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
 DF-46 (REV 08/15)

Fiscal Year 2016-17	Business Unit 3600	Department California Department of Fish and Wildlife	Priority No. 9
Budget Request Name 3600-040-BCP-DP-2016-GB		Program VARIOUS	Subprogram

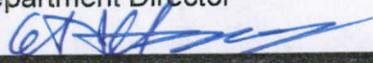
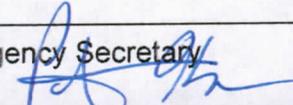
Budget Request Description
 Proposition 50: Local Assistance

Budget Request Summary

The Department of Fish and Wildlife requests an appropriation of \$2,011,000 Proposition 50 bond fund. These funds will be used to award competitive grants that implement components of Water Security, Clean Drinking Water, Coastal and Beach Protection of 2002, the California Water Action Plan, and the Delta Stewardship Council's Delta Plan.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed	
Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO	Date
For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance. <input type="checkbox"/> FSR <input type="checkbox"/> SPR Project No. Date:		

If proposal affects another department, does other department concur with proposal? Yes No
Attach comments of affected department, signed and dated by the department director or designee.

Prepared By	Date	Reviewed By	Date
Department Director 	Date 11/4/16	Agency Secretary 	Date 11/4/16

Department of Finance Use Only

Additional Review: Capital Outlay ITCU FSCU OSAE CALSTARS Dept. of Technology

BCP Type: Policy Workload Budget per Government Code 13308.05

PPBA Original Signed by Amanda Martin	Date submitted to the Legislature 1-8-14
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BCP Fiscal Detail Sheet

BCP Title: Proposition 50

DP Name: 3600-040-BCP-DP-2016-GB

Budget Request Summary

	FY16					
	CY	BY	BY+1	BY+2	BY+3	BY+4
Operating Expenses and Equipment						
54XX - Special Items of Expense	0	2,011	0	0	0	0
Total Operating Expenses and Equipment	\$0	\$2,011	\$0	\$0	\$0	\$0
Total Budget Request	\$0	\$2,011	\$0	\$0	\$0	\$0

Fund Summary

Fund Source - Local Assistance						
6031 - Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002	0	2,011	0	0	0	0
Total Local Assistance Expenditures	\$0	\$2,011	\$0	\$0	\$0	\$0
Total All Funds	\$0	\$2,011	\$0	\$0	\$0	\$0

Program Summary

Program Funding						
2590 - Biodiversity Conservation Program	0	2,011	0	0	0	0
Total All Programs	\$0	\$2,011	\$0	\$0	\$0	\$0

Analysis of Problem

A. Budget Request Summary

The Department of Fish and Wildlife (Department) requests an appropriation of \$2,011,000 Proposition 50 bond fund. These funds will be used to award competitive grants that implement components of Water Security, Clean Drinking Water, Coastal and Beach Protection of 2002, the California Water Action Plan, and the Delta Stewardship Council's Delta Plan.

B. Background/History

The Ecosystem Restoration Program (ERP) was one of 11 programs created under the umbrella of the CALFED Bay-Delta program in the late 1990s. The August 2000 Record of Decision (ROD) issued by the US Fish and Wildlife Service and the National Oceanic and Atmospheric Agency for the ERP was to guide restoration activities for the 30-year life of the program. In 2005 and 2006 many of the CALFED Bay-Delta Programs were abandoned and others were retained as separate programs carried out by various agencies and departments under the mantle of the California Bay Delta Authority, successor to CALFED. The Legislature vested the Department with the authority to conduct the ERP, and all active grants let by the CALFED Bay-Delta Program were transferred to the Department. The Department was designated to implement the ERP. The Department administers ERP grants as outlined in Proposition 50, in Water Code §79550-79554.

ERP funds competitive local assistance habitat restoration grants. Grants have been funded by Proposition 13, Proposition 84, Proposition 50 and Proposition 204 bond funds. As grant projects are completed, unspent authority is reverted. As a result, there are Proposition 50 funds available.

Proposition 50:

In November 2002, the voters approved the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 which authorized the issuance of \$3.4 billion in bonds. Of the \$3.4 billion, the Department is responsible for administering approximately \$180 million to implement the ERP consistent with the CALFED Bay-Delta Record of Decision of 2000. Remainders of those funds and the programs proposed to support are in the following table:

Program	Dollars (in thousands)
CALFED Bay-Delta Program: Ecosystem Restoration Program (ERP)	\$918
CALFED Bay-Delta Program: Integrating Agricultural Activities with Ecosystem Restoration	\$1,093
TOTAL	\$2,011

Resource History (Dollars in thousands)

Program Budget	PY - 4	PY - 3	PY - 2	PY - 1	PY	CY
Authorized Expenditures	0	0	0	7,216	2,844	2,844
Actual Expenditures	0	0	0	1,456	0	TBD

Workload History

Workload Measure	PY - 4	PY - 3	PY - 2	PY - 1	PY	CY
Grants Awarded	0	0	0	3	0	0

Analysis of Problem

C. State Level Considerations

In April 2015, the Governor announced California EcoRestore, a program to protect and restore more than 30,000 acres of Delta habitat, helping to conserve at-risk fish and wildlife species in the Sacramento San Joaquin River Delta. The program is consistent with existing Habitat Conservation Plans and Natural Community Conservation Plans and is guided by the Delta Stewardship Council's Delta Science Plan.

This request is consistent with the Delta Stewardship Council's 2013 Delta Plan that outlines specific habitat restoration projects to be carried out in the Sacramento -- San Joaquin River Delta and the Central Valley. In addition, the California Water Action Plan, released in 2014, calls for the same types of restoration projects to be carried out in the same geographic areas.

Consistency with the Department's Strategic Plan: These funds will be used for ecosystem restoration grants consistent with Theme II, Cooperative Approaches to Resource Stewardship and Use (Goals 1, 2, and 4) and Theme III, Manage Wildlife from a Broad Habitat Perspective (Goals 1, 2, 3, and 5).

D. Justification

The sole purpose of this request is to appropriate \$2,011,000 Proposition 50 bond funds to restore wildlife and fish habitat in the Delta and Central Valley. There are no positions requested, nor are there changes proposed to any program. This is consistent with the legislation that provided the funds and with the voters will in Proposition 50.

Appropriation of the reverted Proposition 50 bond funds will make funds available for habitat restoration as originally intended by the Legislature and the voters of California and will continue the investment in California's environment made over the past 30 years. Propositions 204, 13, 50, 84, and now Proposition 1 all provide for fish, wildlife, and the environment by providing funds to finance habitat restoration projects. The Department carries out habitat restoration projects through local assistance grants with nonprofit organizations, local agencies, and governmental partners. The Department partnered with the National Oceanic and Atmospheric Administration (NOAA) and the United States Fish and Wildlife Service (USFWS) to develop a Conservation Strategy to guide habitat restoration. The California Water Action Plan also identifies actions to provide for ecosystem benefits to fish and wildlife resources in various regions of the State, including the Delta and Central Valley, and the Delta Stewardship Council identifies specific projects like the Implementation of the Dutch Slough Restoration Project and McCormack-Williamson Tract Flood Control and Ecosystem Restoration Project that help achieve the co-equal goals for the Delta by providing a more reliable water supply for California, and protecting, restoring, and enhancing the Delta ecosystem. The Department requests the amounts be appropriated for the following programs as scheduled:

Proposition 50:

The Department requests the reverted amounts below be appropriated for future use with an extended encumbrance period, the requested funds below were originally appropriated as part of the Budget Act of 2003 (Ch. 157, Stats. 2003); Budget Act of 2004 (Ch. 208, Stats. 2004); Budget Act of 2006 (Chs. 47 and 48, Stats. 2006); and Budget Act of 2007 (Chs. 171 and 172, Stats. 2007).

Analysis of Problem

Proposition 50:

Program	Item No.	Fiscal Year	Amount to Appropriate (in thousands)	Encumbrance Period
CALFED Bay-Delta Program: Ecosystem Restoration Program (ERP) – California Bay Delta Agency	3600-101/06-6031	2016-17	\$1,060	June 30, 2018
CALFED Bay-Delta Program: Ecosystem Restoration Program (ERP)	3600-101-6031	2016-17	\$918	June 30, 2018
CALFED Bay-Delta Program: Integrating Agricultural Activities with Ecosystem Restoration	3600-101-6031	2016-17	\$33	June 30, 2018
Total Appropriation 3600-101-6031			\$2,011	

A. Outcomes and Accountability

Appropriation of \$2 million of Proposition 50 bond funds that reverted from enactment years 2003 through 2011 will make those funds available for habitat restoration purposes. Each year an annual report for the Ecosystem Restoration Program is prepared and submitted for regulatory purposes to the USFWS and to NOAA. The report is also posted on the Department web site on the Ecosystem Restoration Program page.

Projected Outcomes

Workload Measure	CY	BY	BY+1	BY+2	BY+3	BY+4
Grants Awarded	0	2	1	0	0	0

B. Analysis of All Feasible Alternatives

Alternative 1: The Department requests an appropriation of \$2,011,000 of Proposition 50, in FY 2016-17, that reverted during the nine year period of FY 2003-04 through 2011-12.

Advantage: These restored funds would be used to award grants that implement components of the Governor's Water Action Plan, California EcoRestore, and the Delta Stewardship Council's Delta Plan that help achieve the co-equal goals for the Delta by providing a more reliable water supply for California, and protecting, restoring, and enhancing the Delta ecosystem.

Disadvantage: If not approved \$2 million would be unavailable to carry out habitat restoration in the Delta and Central Valley.

Alternative 2: Request only two-thirds of the reverted funds be appropriated.

Advantage: Two-thirds of the habitat restoration actions could be taken in the Delta and Central Valley.

Disadvantage: Not all of the habitat restoration actions that could be funded by these funds would occur. The California Water Action Plan, California EcoRestore, and the Delta Stewardship Council's Delta Plan that help achieve the co-equal goals for the Delta by providing a more reliable water supply for California, and protecting, restoring, and enhancing the Delta ecosystem would not be carried out to the degree possible.

Analysis of Problem

for California, and protecting, restoring, and enhancing the Delta ecosystem would not be carried out to the degree possible.

Alternative 3: The amount requested could be rounded up and doubled to more than \$4 million for funds dedicated to carry out habitat restoration in the Delta and Central Valley.

Advantage: Twice the local assistance grants could be made for habitat restoration actions carried out in the Delta and Central Valley, helping to fulfill components of the Governor's Water Action Plan, California EcoRestore, and the Delta Stewardship Council's Delta Plan that help achieve the co-equal goals for the Delta by providing a more reliable water supply for California, and protecting, restoring, and enhancing the Delta ecosystem.

Disadvantage: An additional \$2 million would have to be identified to supplement the higher cost alternative.

Alternative 4: Appropriate additional funds that reverted from Proposition 84 or other sources.

Advantage: This alternative would allow for additional habitat restoration actions carried out in the Delta and Central Valley, helping to fulfill components of the Governor's Water Action Plan, California EcoRestore, and the Delta Stewardship Council's Delta Plan that help achieve the co-equal goals for the Delta by providing a more reliable water supply for California, and protecting, restoring, and enhancing the Delta ecosystem.

Disadvantage: This alternative could detract from other programs that the Legislature and the voters approved for habitat restoration actions carried out in the Delta and Central Valley, helping to fulfill components of the Governor's Water Action Plan, California EcoRestore, and the Delta Stewardship Council's Delta Plan that help achieve the co-equal goals for the Delta by providing a more reliable water supply for California, and protecting, restoring, and enhancing the Delta ecosystem.

G. Implementation Plan

This request is to appropriate \$2 million in Proposition 50 bond funds that reverted for an existing grant program with 20 years of operation history. No new staff or facilities are requested. The existing grant program is a continuation of the CALFED Bay-Delta, ERP. The implementation of this funding will be consistent with and follow the existing implementation of the ERP.

H. Supplemental Information

No special resources are required.

I. Recommendation

Alternative 1: Appropriation of \$2,011,000, in FY 2016-17, from Proposition 50 bond funds that reverted during the nine year period of FY 2003-04 through 2011-12. These restored funds would be used to award competitive grants that implement components of the California Water Action Plan, California EcoRestore, and the Delta Stewardship Council's Delta Plan to help achieve the co-equal goals for the Delta by providing a more reliable water supply for California, and protecting, restoring, and enhancing the Delta ecosystem.