

SUBCOMMITTEE NO. 3

Agenda

Senator Caroline Menjivar, Chair
Senator Shannon Grove
Dr. Akilah Weber Pierson, M.D.



Thursday, February 26, 2026
9:30 am, or upon adjournment of session
1021 O Street – Room 1200

Consultants: Elizabeth Freeman and Scott Ogus

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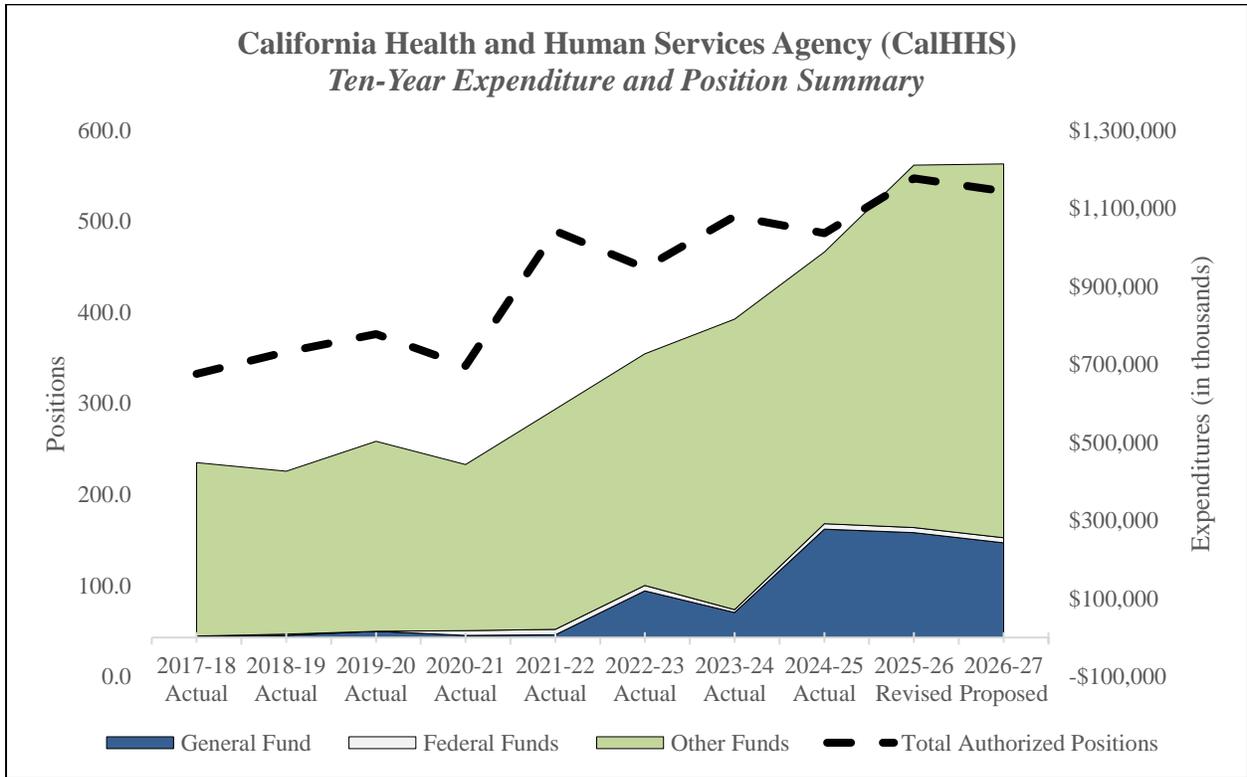
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PUBLIC COMMENT

Pursuant to the Americans with Disabilities Act, individuals who, because of a disability, need special assistance to attend or participate in a Senate Committee hearing, or in connection with other Senate services, may request assistance at the Senate Rules Committee, 1020 N Street, Suite 255 or by calling (916) 651-1505. Requests should be made one week in advance whenever possible.

0530 CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY

Issue 1: Overview



Fund Source	2024-25 Actual	2025-26 Budget Act	2025-26 Revised	2026-27 Proposed
General Fund	\$277,707	\$262,342	\$268,833	\$243,240
Federal Funds	\$14,436	\$13,298	\$13,298	\$13,018
Other Funds	\$696,653	\$924,619	\$929,423	\$958,232
Total Department Funding:	\$988,796	\$1,200,259	\$1,211,554	\$1,214,490
Total Authorized Positions:	487.3	554.5	547.5	533.5
Other Funds Detail:				
<i>Reimbursements (0995)</i>	\$31,315	\$14,991	\$18,319	\$5,003
<i>Behavioral Health Services Fund (3085)</i>	\$0	\$154	\$154	\$154
<i>Health Plan Improvement Fund (3209)</i>	\$2,144	\$2,360	\$2,383	\$22
<i>Data Insights and Innovation Fund (3377)</i>	(\$14)	\$0	\$13	\$13
<i>988 Suicide and BH Crisis Svcs Fund (3414)</i>	\$0	\$575	\$575	\$0
<i>Central Service Cost Recovery Fund (9740)</i>	\$11,154	\$11,164	\$11,416	\$11,413
<i>California HHS Automation Fund (9745)</i>	\$652,054	\$895,375	\$896,563	\$941,627

Background. The California Health and Human Services Agency (CalHHS) oversees twelve departments and five offices that provide a range of health care services, social services, mental health services, alcohol and drug services, income assistance, and public health services to Californians. CalHHS is administered by a cabinet-level Secretary of Health and Human Services, appointed by the Governor and confirmed by the California State Senate. According to CalHHS, its primary mission is to provide policy leadership and direction to the departments, boards, and programs it oversees, to reduce duplication and fragmentation among departments in policy development and implementation, to improve coordination among departments on common programs, to ensure programmatic integrity, and to advance the Governor's priorities on health and human services issues.

The departments and other entities within CalHHS include:

- Department of Aging (CDA)
- Department of Public Health (CDPH)
- Department of Child Support Services (DCSS)
- Department of Community Services and Development (CSD)
- Department of Developmental Services (DDS)
- Emergency Medical Services Authority (EMSA)
- Department of Health Care Services (DHCS)
- Department of Managed Health Care (DMHC)
- Department of State Hospitals (DSH)
- Department of Rehabilitation (DOR)
- Department of Social Services (CDSS)
- Department of Health Care Access and Information (HCAI)

Within CalHHS there are several other entities administered by appointed commissions or governing boards, including:

- State Council on Developmental Disabilities
- Commission on Aging
- California Senior Legislature
- California Children and Families Commission
- California Health Benefit Exchange (Covered California)
- State Independent Living Council
- Commission on Behavioral Health

CalHHS also oversees the allocation of funds to local governments under 1991 and 2011 State-Local Realignment.

Within the organizational structure of CalHHS are five offices and the Center for Data Insights and Innovation.

Office of the Secretary of Health and Human Services. The Office of the Secretary formulates and coordinates policy among the Agency's departments, and communicates with the Legislature,

stakeholders, and the public about issues relating to the state's health and human services programs. The Office of the Secretary is composed of six distinct offices or units, including:

- Office of Legislative Affairs – The Office of Legislative Affairs provides coordination, oversight, and management of proposed legislation and ensures the Administration's legislative priorities are developed and implemented. The office provides policy guidance, instruction, and direction to health and human services departments and entities, and coordinates with the Governor's Office on legislative positions.
- Office of External Affairs – The Office of External Affairs manages ongoing public information and public affairs functions and provides guidance and direction to public information officers in health and human services departments and entities. The office serves as the official Agency spokesperson to respond to media inquiries, and coordinates with the Governor's Office communication staff on significant and sensitive media issues.
- Office of the Agency General Counsel – The Office of the Agency General Counsel provides legal counsel to the Office of the Secretary and senior Agency staff, coordinates with the Governor's Office of Legal Affairs and with the Chief Counsels in health and human services departments and entities.
- Office of Program and Fiscal Affairs – The Office of Program and Fiscal Affairs is responsible for formulating, analyzing, revising, and evaluating the program and fiscal impacts of major health and human services policies of the Administration. This work includes assessment of all policy, legislative, fiscal, and other issues that have implications among health and human services departments and agencies, as well as other state agencies.
- Administration Unit – The Administration Unit manages personnel, human resources, training, and internal budget issues.
- Office of the Agency Information Officer – The Office of the Agency Information Officer supports health and human services departments and entities to successfully deliver data and technology solutions through portfolio support, enterprise architecture, information security, agency governance, and horizontal integration activities.
- Office of Policy and Strategic Planning – The Office of Policy and Strategic Planning is responsible for driving measurable outcomes on CalHHS guiding principles and strategic priorities through system alignment and program integration across the agency's departments and offices. The Office works on a set of initiatives to advance equity, address the social determinants of health, and ensure a whole person approach.

Office of Technology and Solutions Integration (OTSI). The Office of Technology and Solutions Integration (OTSI) procures, manages, and delivers technology systems that support the delivery of health and human services to Californians. OTSI manages a portfolio of large, complex information technology (IT) projects, providing project management, oversight, procurement, and support services for these projects and coordinating communication, collaboration, and decision-making among project stakeholders and program sponsors. After the procurement phase, OTSI oversees the design, development, governance, and implementation of IT systems that support the administration of health and human services programs in California.

Office of the Surgeon General (OSG). The Office of the Surgeon General (OSG) was established in 2019 to advise the Governor, serve as a leading spokesperson on matters of public health, and drive solutions to the state's most pressing public health challenges. The OSG has established early childhood,

health equity, adverse childhood experiences (ACEs), and toxic stress as key priorities. The Surgeon General has set a goal to reduce ACEs and toxic stress by half in one generation.

Office of Law Enforcement Support (OLES). The Office of Law Enforcement Support (OLES) was established in 2014 to provide monitoring and oversight of law enforcement personnel serving in the Office of Protective Services at DSH and DDS. OLES develops training protocols, policies, and procedures for law enforcement officers operating at DSH and DDS, and investigates incidents involving law enforcement personnel at state hospitals or developmental centers.

Office of Youth and Community Restoration (OYCR). The Office of Youth and Community Restoration (OYCR) supports the transition of justice involved youth being served in local communities by promoting a youth continuum of services that are trauma responsive and culturally informed, using public health approaches that support positive youth development, building the capacity of community-based approaches, and reducing the justice involvement of youth. The OYCR also assesses the efficacy of local programs, provides technical assistance and support, reviews local Juvenile Justice Realignment Grants, fulfills statutory obligations of an Ombudsperson, and develops policy recommendations.

Center for Data Insights and Innovation (CDII). The Center for Data Insights and Innovation (CDII) was established in 2021 to advance CalHHS data initiatives and help turn data into insights, knowledge, and action. The Center combines functions from the previous Office of Health Information Integrity (CalOHII), Committee for the Protection of Human Subjects (CPHS), Office of the Patient Advocate (OPA), and Office of Innovation. These functions include ensuring state department compliance with the Health Insurance Portability and Accountability Act (HIPAA) and other related state and federal privacy laws, health plan and medical group report cards evaluating health care quality and the patient experience, and reporting on health care consumer and patient assistance centers by state agencies (Department of Managed Health Care, Medi-Cal, Department of Insurance, and Covered California). CDII also administers the CalHHS Open Data Portal, which provides public access to non-confidential health and human services data.

The Governor's January budget proposes to transfer functions from CDII to the Department of Health Care Access and Information (HCAI), including the Data Exchange Framework (DxF) and the OPA. This transfer will be considered by the subcommittee during its hearing for HCAI. In addition, the January budget proposes to transfer the remaining functions of CDII under the Office of Technology and Solutions Integration (OTSI). Each of these transfers is a net-zero shift of resources and positions.

Subcommittee Staff Comment—This is an informational item.

Questions. The subcommittee has requested CalHHS to respond to the following:

1. Please provide a brief overview of the CalHHS mission and its oversight of key departments and other entities.
2. Please provide a brief overview of the \$60 million augmentation of funding for CalHEERS, including reasons for system upgrades, and original departmental source of funding.

Issue 2: Office of Youth and Community Restoration Overview

Governor’s Budget – Office of Youth Community Restoration. The Office of Youth and Community Restoration (OYCR), housed under the California Health and Human Services Agency, is the state’s lead agency for assistance, coordination, and oversight of the juvenile justice system. The statutory mission of OYCR is to “promote trauma-responsive, culturally informed services for youth involved in the juvenile justice system that support youths’ successful transition into adulthood and help them become responsible, thriving, and engaged members of their communities.” OYCR was established in 2021 concurrent with the permanent closure of the Division of Juvenile Justice (DJJ) and the realignment of remaining juvenile justice responsibilities to the county level.

The Governor’s proposed 2026-27 budget for OYCR includes \$240.77 million (\$227.75 million General Fund) and 37 positions. The majority of OYCR’s budget is local assistance to counties via the Juvenile Justice Realignment Block Grant (\$208.8 million General Fund). The Governor’s budget contains one new proposal for OYCR – an increase to the Ombudsperson staffing – which is covered in the following agenda item.

OYCR Projected Budget at 2026-27 Governor's Budget	FY 2026-27*
State Operations	
State Ops Technical Assistance Grant Contracts (GF)	
Provision 2 of Item 0530-001-0001	\$ 10,000
Juvenile Data Allocation per WIC 2200(g)	
Provision 3 of Item 0530-001-0001	\$ 2,000
State OPS - Personnel & OE&E (GF)	\$ 4,461
0530-011-BCP-2026-GB OYCR (GF)	\$ 475
State OPS - Contracts (GF)	\$ 1,878
Title II State OPS (GF Match)	\$ 137
Title II State OPS (FF Match)	\$ 790
<i>State General Fund Operations Total:</i>	\$ 18,951
State Operations Total	\$ 19,741
Local Assistance	
Title II Local Assistance (FF)	\$ 12,228
JJRBG Local Assistance (GF)	\$ 208,800
<i>State General Fund Local Assistance Total:</i>	\$ 208,800
Local Assistance Total:	\$ 221,028
<i>Total Proposed OYCR General Fund Appropriation</i>	\$ 227,751
Total Proposed OYCR Appropriation	\$ 240,769
<i>*Dollars in thousands</i>	

OYCR also administers juvenile justice grants that do not flow directly through OYCR’s budget, including the Juvenile Reentry Grant, Juvenile Justice Crime Prevention Act, and Youth Offender Block Grant.

Background: Juvenile Justice Realignment. The 2020 Budget Act included a plan to permanently close DJJ at the California Department of Corrections and Rehabilitation. This realignment marked the

culmination of a long-term shift of juvenile justice to county responsibility, following several realignments of certain juvenile justice responsibilities in 1997, 2007, and 2011.

While most youth were already housed or supervised locally prior to 2021, counties could choose to send youths who had committed violent, serious, or sex offenses to state facilities operated by DJJ. There were typically about 650 youth statewide in DJJ facilities, which permanently closed on June 30, 2023. The plans for DJJ closure and realignment are outlined in SB 823 (Committee on Budget and Fiscal Review), Chapter 337, Statutes of 2020 and SB 92 (Committee on Budget and Fiscal Review), Chapter 18, Statutes of 2021. Realignment is intended to move juvenile justice in California toward a rehabilitative, trauma-informed, and developmentally appropriate system.

As a result of 2021 realignment, counties are responsible for supervising youth who have committed more serious offenses. The realignment plan outlined a process for counties to establish Secure Youth Treatment Facilities (SYTFs) for high-level juvenile offenders who would have previously been housed at DJJ. To assist counties with their increased responsibility, the state provides block grant funding to counties for each realigned youth via the JJRBG (\$208.8 million General Fund in the Governor’s proposed 2026-27 budget). The 2022 Budget Act also provided \$100 million General Fund one-time for planning and juvenile facility infrastructure needs.

Realignment and Other Juvenile Justice Funding. Funding for 2021 realignment (through the JJRBG) builds upon annual funding to counties for previously realigned responsibilities, including the Youthful Offender Block Grant (which supports responsibilities realigned in 2007) and the Juvenile Reentry Grant (which supports responsibilities realigned in 2011). In 2025-26, the state provided counties with approximately \$467 million to support realigned workload (including JJRBG) and \$581 million for other juvenile justice-related workload, for a total of over \$1 billion in county juvenile justice funding each year. More detail is provided in the chart below, provided by the Legislative Analyst’s Office (LAO):

Major Sources of County Juvenile Justice Funding Provided Through the State		
Program (Millions)	2025-26 Estimated Funding	2026-27 Proposed Funding
<i>Funding to Support Realigned Workload</i>	\$ 467	\$ 497
Youthful Offender Block Grant	\$ 239	\$ 259
Juvenile Justice Realignment Block Grant	\$ 213	\$ 223
Juvenile Reentry Grant	\$ 14	\$ 15
<i>Funding for Other Workload</i>	\$ 581	\$ 600
Juvenile Probation Activities	\$ 306	\$ 316
Juvenile Justice Crime Prevention Act	\$ 216	\$ 223
Juvenile Probation Camp Funding	\$ 59	\$ 61
Totals	\$ 1,048	\$ 1,098

Juvenile Justice Population. Juvenile courts place most youth with their families where they are supervised by probation, but some are placed in county juvenile facilities, such as juvenile halls, camps, ranches, and SYTFs. As of December 2025, the average daily population of youth in juvenile justice facilities statewide was 2,862. The average daily population of youth in juvenile justice facilities statewide is on a long-term decline (the average daily population was 5,307 in 2015 and 10,915 in 2005, for example).

OYCR Responsibilities. OYCR was established in 2021 to support counties with realigned responsibilities and to guide a statewide public-health based approach to youth justice. Mandates of the OYCR include:

- Identify policy recommendations for improved outcomes for court-involved youth.
- Identify and disseminate best practices to inform rehabilitative and restorative youth practices.
- Provide technical assistance to develop and expand local youth diversion opportunities.
- Evaluate the efficacy of local programs being utilized for realigned youth and report to the Governor and Legislature by July 1, 2025.
- Develop a report on youth outcomes in the juvenile justice system based on the updated JCPSS (Department of Justice) System.
- Provide an ombudsperson to investigate complaints and resolve where possible and report regularly to the Legislature.
- Assume administration of juvenile grants previously administered by the Board of State and Community Corrections (BSCC) no later than January 1, 2025 (this occurred as part of the 2024 Budget Act).
- Concur with the BSCC on new standards for secure youth treatment facilities.

2025 Realignment Report. Consistent with OYCR’s statutory responsibilities, OYCR produced a report on the efficacy of local programs being utilized for realigned youth in July 2025. The report is available on OYCR’s website.¹ To inform the report, OYCR conducted a survey of 62 interviews with 92 youth justice stakeholders, surveys of 44 county probation departments, and surveys/interviews of 37 youth with SYTF experience. OYCR used survey data to evaluate several components of local care for realigned youth: SYTFs, screenings and assessments, individualized rehabilitation plans (IRPs), local SYTF programming, progress review hearings, less restrictive programs (LRPs), and transition planning and reentry support.

The following is an excerpt from OYCR’s executive summary:

Stakeholders across the youth justice system, including the court, probation, community, board of supervisors, behavioral health providers, youth, and family, emphasized the value of the reform. They reinforced the benefits of youth remaining close to home, where they can maintain connections and further develop relationships with family, including their own children, trusted adults and support networks.

¹ https://oycr.ca.gov/wp-content/uploads/sites/346/2025/07/2025-DJJ-Realignment-Report_Final.pdf

Many recognized that county-based care offers the potential for safer, more rehabilitative environments and continuity of care beyond commitment. However, perceptions were mixed, with some feeling the intent of the law has not been fully realized, as youth remain in carceral settings and counties face challenges accessing the kinds of centralized supports previously offered through the state.

The youth justice system is multifaceted, intersecting with education, child welfare, and public health systems. There are differing needs and resources across large-, medium-, and small-sized counties, as well as policies and characteristics unique to each. As a result, implementation of SB 823 has varied across the state. The reform launched under an accelerated timeline and counties perceived limitations in guidance and pre-planning. These challenges were further compounded by the COVID-19 pandemic, resulting in a perceived lack of infrastructure across some counties to deliver the care envisioned under SB 823. Barriers continue to exist, both locally and across-systems, including inconsistent implementation, varying access to resources and providers, staffing shortages, facility suitability, and true individualization of programming. Furthermore, stakeholders emphasized that a true shift from punitive to healing requires more than a policy change, it requires cultural transformation.

The report notes key benefits and challenges of 2021 Realignment:

Benefits	Challenges
Enables youth greater proximity to home, maintaining or further developing connections with family and support networks	Short timeline coinciding with COVID-19 pandemic and lack of pre-planning influenced counties’ abilities to replicate services provided through the centralized DJJ system
Offers a safer, more rehabilitative option through county-based care	Inconsistent implementation across counties, with variations by county size, funding, staffing, facility type and size, local program availability, population characteristics, judicial policies and procedures, and access to resources/community providers
Establishes a structure grounded in a strength-based approach to positive youth development	
Enhances continuity of care through stable, trusting relationships	

Net widening. A key concern with 2021 Realignment is avoiding “net-widening” – when more youth become incarcerated in SYTFs than would have been incarcerated in DJJ prior to DJJ’s closure. Because SYTFs were meant to replace DJJ, youth populations should be approximately the same, and an increase in the SYTF population compared to historical DJJ populations would indicate a concerning trend of more youth subjected to the juvenile justice system.

According to the report, “the figure below shows total DJJ commitments and SYTF commitments following the closure of DJJ, statewide. Between 2017 and 2021, there were an average of 278 DJJ commitments, with a peak in 2019 (334) and a decline in 2020 and 2021, likely due to decarceration efforts related to COVID-19. The transition period showed a gradual increase in SYTF commitments in 2021-22 and 2022-23, which may show a post-COVID rebound as well as emerging sites and practices within counties. However, there were 386 SYTF commitments reported for 2023-24, which is 16 percent more than the 2019 DJJ commitments (pre-COVID peak).”

Figure 11. DJJ and SYTF Commitment Comparison CY 2016 through FY 2023-24



Source: DJJ Commitment Reports (Total DJJ Commitments) and AB 102 data by county (A).

Note: FY 2022-23 total equals SYTF commitments minus the total number recalled and committed to SYTF due to DJJ closure (140). DJJ commitments and SYTF commitments are an imperfect, but best available, comparison. DJJ commitments were reported in calendar years, while SYTF commitments are counted by fiscal year. Interpret with caution.

The report also notes that of the 37 counties that reported at least one DJJ commitment in 2019 and/or SYTF commitment in 2023-24, 41 percent had fewer youth commitments, 11 percent had the same number of youth commitments, and about half had more youth SYTF commitments compared to DJJ commitments. For example, one county historically had 2-3 youth committed to DJJ but currently has 20 youth in their SYTF; another county typically had 50 youth at DJJ but now has 80 youth in their SYTF. Stakeholders interviewed as part of the report noted that contributing factors could be that SYTFs may be perceived as less harsh than DJJ because they are closer to home, which may make SYTFs appear a more acceptable option to the courts.

OYCR asserts that net-widening is not occurring, noting that some of the increases in youth commitments to SYTFs in 2023-24 are driven by Assembly Bill 2361 (Bonta), Chapter 330, Statutes of 2022. This legislation shifted the burden of proof for transfers to adult court and was applied retroactively, allowing some youth to return to the juvenile system. OYCR also notes that the number of youth committed to an SYTF rose between 2021-22 and 2022-23 due to 140 youth returning from DJJ to SYTFs as DJJ facilities closed; but that SYTF commitments since then declined in both 2023-24 and 2024-25 (to 386 and 333 youth, respectively).

Report recommendations. OYCR makes the following recommendations in the report:

- Convene cross-county workgroups: Develop workgroups by county-size to address the distinct structural and operational challenges [of small and large counties] (e.g., limited economies of

scale, staffing capacity, access to nonprofit service providers, and resources). These workgroups may consider options, such as the development of cross-county specialized programs (e.g., for girls and/or youth requiring more intensive treatment for specialized needs), which may not be feasible to operate or provide without the enrollment of enough participants at the county-level. Solutions such as these may help ensure equitable access to quality services across geographic locations.

- Convene expert stakeholders: Leverage expertise of stakeholders across the nation through partnership with established initiatives that emphasize a collaborative approach (e.g., involving court, probation, school, community organization, youth, advocates) to promote community-based alternatives that support rehabilitation and long-term success for youth accountability and public safety. By tapping into existing networks that offer national frameworks for proven models and technical assistance, state and local leaders can share best practices, policy recommendations, and data-informed strategies.
- Establish data taskforces: Continue to develop and improve data systems like the Juvenile Court and Probation Statistical System (JCPSS). Convene an interdepartmental data group to engage all stakeholders in determining priorities, aligning data collection efforts with key outcomes, leveraging shared data expertise, and navigating barriers to data collection, sharing, and analysis. This collaborative approach may be beneficial to building trust and supporting best practices through data-driven recommendations and insight into youth outcomes through common language. Areas of focus may include:
 - Developing a data set comprised of key metrics that support data-driven insights and youth justice reform processes. Measures may include data previously collected by state correctional agencies (e.g., DJJ), measures that have been beneficial at the local level, and nationally validated metrics. Developing a set of key metrics may also create a foundation to identify and address future needs specific to this reform (e.g., with the addition of CalAIM services, expansion of behavioral health services, tracking of specialized program needs).
 - Developing standardized definitions and operationalization of key performance indicators (e.g., creating data dictionaries to ensure interpretability and interoperability of data).
 - Exploring strategies to address the current fragmentation of youth justice data across agencies, levels of government, and phase of youth justice in California. The group may consider a centralized location for publicly available data while considering privacy protections.
 - Investigating how to balance the need for protection of youth privacy (e.g., redacting counts and unique youth identifiers) with the need to track youth outcomes, particularly within the context of predominantly small sample sizes at the county-level due to lower rates of commitment.

- Formalizing requirements related to standardized data metrics that would enable meaningful examination of progress and ongoing youth success and needs with county-level programs in SYTF, LRPs, and post-release.

Regarding the last area of focus, the report includes an appendix of potential assessment measures identified by stakeholders who took part in the survey:

- In-Custody Metrics:
 - Personal Development: Improved skills including but not limited to increased confidence, coping mechanisms, anxiety reduction, life skills, improved mental health, identifying and nurturing talents
 - Access to Healing Treatment: Consideration of access to treatment for youth-identified treatment need(s) while in custody
 - Access to Education and/or Vocational Training: Improved literacy rates, alignment between youth goals and educational access/interest, grade/GPA improvement in academic progress, and increase in high school graduation rates, AA and BA achievement, and certification attainment
 - Program Completions: Rate at which youth successfully complete programs in SYTFs, through LRPs, and during furlough periods
 - Consistency in Progress Review Hearings: Track time off recommendations by stakeholder group in comparison to actual time reductions granted by the court
- Post-Release Metrics:
 - Recidivism: A consistent definition of recidivism that considers the various forms of subsequent encounters that may occur with the justice system after release (mentions included re-offense, re-arrest, and adult criminal charge)
 - Employment: Employment rates, livable wage, employment stability
 - Stability of Environment: Post-release living arrangements, including number of youth who returned to family, number of youth who chose not to return to live with family, and number of youth who acquired desired independent housing
 - Educational Continuation: Number of youth who continued educational pursuits post release
 - Youth Experience: Interviews at one-year and three-year intervals post-release to inquire about how their experience contributed to gaining access to new, positive opportunities

- System-Wide Metrics:
 - Adequate Resourcing and Funding: Evaluation of sufficiency for funding and investment to outcomes intended under realignment, including access to services and treatment opportunities
 - Prevention: Trends in overall system involvement to determine whether fewer youth are entering the justice system overall
 - Net-widening: Definition of net-widening and assessment of impact of realigned youth population

2025 Budget Act – JJRBG Formula. The 2025 Budget Act included a revision to the by-county distribution formula for the JJRBG, the \$208.8 million General Fund grant to counties to fund local responsibilities under 2021 Realignment. The revision was intended to maintain a stable funding formula for counties while also encouraging the development of less restrictive programs and improving accountability and transparency in county spending. The JJRBG formula is outlined in AB 118 (Committee on Budget), Chapter 7, Statutes of 2025. The formula is summarized below:

- In 2026-27, the formula establishes a by-county distribution as follows: 25 percent for the total realigned population; 20 percent for the realigned population not committed to a secure youth treatment facility (SYTF); 35 percent for the total youth population; and 20 percent for youth who were committed to an SYTF and then transferred to a less restrictive program.
- In 2027-28, the formula establishes a by-county distribution as follows: 20 percent for the total realigned population; 20 percent for the realigned population not committed to a SYTF; 35 percent for the total youth population; 10 percent for youth who were committed to an SYTF and then transferred to a less restrictive program; and 15 percent for youth who were committed to an SYTF and then transferred to a less restrictive program that is not in a facility regulated by Subchapter 5 (commencing with Section 1300) of Chapter 1 of Division 1 of Title 15 of the California Code of Regulations.
- In 2028-29 and ongoing, the formula establishes a by-county distribution as follows: 20 percent for the total realigned population; 20 percent for the realigned population not committed to a SYTF; 35 percent for the total youth population; 5 percent for youth who were committed to an SYTF and then transferred to a less restrictive program; and 20 percent for youth who were committed to an SYTF and then transferred to a less restrictive program that is not in a facility regulated by Subchapter 5 (commencing with Section 1300) of Chapter 1 of Division 1 of Title 15 of the California Code of Regulations.
- Requires OYCR to review the formula and report to the Legislature with an assessment of the formula’s efficacy in meeting the Legislature’s intent to implement public health approaches to support positive youth development and outcomes, build the capacity of a continuum of community-based approaches, and reduce recidivism.

- Prohibits a county board of supervisors from allocating funding to any juvenile hall, camp, ranch, or SYTF that is, or at any time during the prior fiscal year was, deemed unsuitable and used for the confinement of youth on any day when the facility was prohibited by law from being used for the confinement of youth, and allows a county board of supervisors to withhold funding from any entity that is, or at any time during the prior fiscal year was, operating an unsuitable juvenile hall, camp, ranch, or SYTF and is confining or did confine one or more youth in the unsuitable facility on any day when the facility was prohibited by law from being used for confinement of youth.
- Requires county realignment block grant plans to include a summary of expenditures from the prior fiscal year, including, but not limited to, total expenditures, a description of whether the expenditures were consistent with the county's realignment block grant plan, and a description of how those expenditures improve outcomes for the realigned population.

Crisis in LA Juvenile Facilities Continues. Los Angeles County is the largest juvenile justice system in the state, with an average daily population of over 500 youth.² Los Angeles has had numerous issues in its juvenile facilities, many of which predate the closure of DJJ. These include staffing challenges³, violence and staff misconduct⁴, sexual abuse⁵, and substance use (including the fatal overdose of a youth⁶), among other issues. These issues have resulted in increased scrutiny by the county and state.⁷ The Board of State and Community Corrections (BSCC), which is responsible for inspecting juvenile facilities, found both Barry J. Nidorf Juvenile Hall and Central Juvenile Hall unsuitable in September 2021⁸, but BSCC gave numerous opportunities for the county to bring the facilities into compliance. In March 2022, LA County moved all the youth from Central to Barry J. Nidorf ahead of a scheduled BSCC inspection⁹. BSCC ultimately ordered the two halls closed in May 2023¹⁰. In response, LA County reopened Los Padrinos Juvenile Hall. Los Padrinos Juvenile Hall was found unsuitable by BSCC in October 2024¹¹, and despite BSCC's orders prohibiting the county from confining youth in Los Padrinos following 60 days of the unsuitability finding, Los Angeles County continued to house youth in the unsuitable facility, with 242 youth housed in Los Padrinos Juvenile Hall as of February 11, 2026.¹² As part of LA County's plan to depopulate Los Padrinos Juvenile Hall, Los Angeles County has begun moving pre-disposition male youth to Barry J. Nidorf Juvenile Hall; BSCC has been clear that after a recent reinspection, Barry J.

² [Juvenile Detention Profile Survey Dashboards – BSCC](#)

³ <https://www.latimes.com/local/countygovernment/la-me-juvenile-halls-chaos-pepper-spray-detention-probation-20190519-story.html> ; <https://www.latimes.com/california/story/2022-11-28/la-county-juvenile-halls-inside-chaos>

⁴ <https://www.latimes.com/california/story/2024-01-11/eight-probation-officers-placed-on-leave-after-incident-at-los-padrinos>; <https://www.latimes.com/california/story/2023-02-11/video-of-l-a-county-probation-officer-bending-teen-in-half-sparks-outrage-claims-of-child-abuse> ; <https://www.latimes.com/local/lanow/la-me-juvenile-hall-officer-pepper-spray-abuse-charges-20190406-story.html>

⁵ <https://www.latimes.com/california/story/2023-12-28/district-attorney-reviewing-cases-against-la-county-probation-employees-accused-of-sex-abuse>

⁶ <https://www.latimes.com/california/story/2023-10-13/fatal-overdose-la-juvenile-hall-mother-grieves-drugs-remain-threat>

⁷ <https://oag.ca.gov/news/press-releases/attorney-general-bonta-brings-enforcement-action-against-los-angeles-county-due> ; <https://poc.lacounty.gov/newsroom>

⁸ <https://www.latimes.com/california/story/2021-09-18/state-finds-l-a-county-juvenile-halls-unsuitable-for-the-confinement-of-youth>

⁹ <https://www.latimes.com/california/story/2022-03-16/la-county-empties-central-juvenile-hall-ahead-of-state-inspection>

¹⁰ <https://www.bscc.ca.gov/news/bscc-finds-la-juvenile-halls-unsuitable/> ; <https://www.latimes.com/california/story/2023-05-23/la-county-juvenile-halls-unsuitable>

¹¹ <https://www.bscc.ca.gov/news/information-on-los-padrinos-juvenile-hall-in-los-angeles-county/>

¹² County of Los Angeles, Probation Department Population Status Report, February 11, 2026.

Nidorf Juvenile Hall “remains unsuitable for the confinement of juveniles” due to several areas of noncompliance including safety checks, room confinement, and use of force.¹³

Federal Title II Grant Issue. Prior to July 1, 2024, BSCC was the designated state agency administering the Title II formula grants from the federal Office of Juvenile Justice and Delinquency Prevention (OJJDP), with current three-year rolling grant cycles through federal award year 2023. As of July 1, 2025, pursuant to Welfare & Institutions Code § 2200(h), OYCR became the administrator of juvenile justice grants from BSCC, including the Juvenile Re-Entry Grant, Juvenile Justice & Crime Prevention Act/Youth Offender Block Grant and Title II Formula Grant. Title II is the only federally funded grant program that transitioned, and both BSCC and OYCR worked proactively with OJJDP to transition authority from one state entity to the other.

Two problems have arisen with federal Title II funds from OJJDP. First, the federal government has not approved a transfer of approximately \$14 million unspent funds from BSCC to OYCR, leaving 12 grantees (community-based organizations) with an inability to be paid for services already provided through their contracts with BSCC in 2024 and parts of 2025. Second, OJJDP has not released Title II funds for the award cycle beginning in October 2025 (\$4.1 million in federal funds annually). OYCR has not been provided with any timeline by the federal government for releasing funds and has notified grantees of this situation.

Subcommittee Staff Comment. This is an informational item. Subcommittee staff notes that the situation in Los Angeles County, in which youth are being housed in two unsuitable facilities in violation of state law, requires continued state oversight especially as AB 118 implements beginning July 1, 2026. While county Boards of Supervisors, not OYCR, are responsible for allocating JIRBG funds within a county, the Legislature should monitor county allocation of JIRBG funds for adherence to state law.

Questions. The Subcommittee requests OYCR respond to the following questions:

1. Please provide a brief summary of OYCR’s proposed 2026-27 budget.
2. Please present the findings of OYCR’s 2025 DJJ Realignment Report on the efficacy of local programs for realigned youth.
 - a. What are OYCR’s main findings?
 - b. What are OYCR’s recommendations for local programs, particularly in the areas of SYTF settings, SYTF programming, individual rehabilitation plans (IRPs), progress review hearings, less restrictive programs (LRPs), and transition planning and reentry support?
 - c. What data would be relevant to assist with long-term tracking of youth outcomes?
3. What does the available data demonstrate regarding net-widening? How will OYCR continue to monitor signs and implications of potential net-widening?
4. Please provide a brief description of pending issues with federal Title II grant funds.

¹³ <https://www.bscc.ca.gov/news/barry-j-nidorf-remains-unsuitable-as-juvenile-hall/>

5. Please provide a brief update on OYCR's work with counties and the Department of Finance to implement the JIRBG funding formula beginning July 1, 2026.

Issue 3: Office of Youth and Community Restoration Ombudsperson Workload Staffing

Budget Change Proposal – Governor’s Budget. The California Health and Human Services (CHHS) Agency, Office of Youth and Community Restoration (OYCR) requests 2 positions and \$475,000 General Fund in 2026-27 and ongoing to support the Ombudsperson Division’s statutory responsibilities and increased workload.

Background. SB 823 (Committee on Budget and Fiscal Review), Chapter 337, Statutes of 2020 (SB 823) created OYCR and enumerated the Ombudsperson’s core responsibilities, which include investigating complaints related to youth in juvenile detention facilities about “harmful conditions or practices, violations of law or regulation, and circumstances presenting an emergency situation” (Welfare & Institutions Code § 2200(d)(1)).

In any given day, the OYCR Ombudsperson is responsible for supporting over 2,600 youth incarcerated in California’s juvenile detention facilities (Board of State and Community Corrections, Average Daily Population, 2025). Any person can make a complaint to the Division, including youth, families, staff, or community members (Welfare & Institutions Code § 2200(d)(2)). The OYCR Ombudsperson is also responsible for developing and disseminating materials regarding the Youth Bill of Rights. AB 505 (Ting), Chapter 528, Statutes of 2023 mandates the OYCR Ombudsperson conduct annual site visits to the 132 active juvenile detention facilities at 62 distinct addresses across 42 counties. OYCR also conducts unannounced visits to juvenile facilities. In the first seven months of 2025, Ombudsperson staff conducted 29 unannounced investigative site visits, an increase from the 22 investigative site visits conducted in the 12 months of 2024. The Ombudsperson Division is on track in 2025 to have the number of investigative site visits more than double. The Ombudsperson Division operates with 6 staff members including the Ombudsperson and Section Chief.

Resource Request. According to OYCR, “this proposal addresses the rising administrative workload resulting from the increasing legislative authority of the Division — and the increase in complaints that are a natural consequence of increased awareness of the Ombudsperson as a resource to youth and their families. In 2024, the Division received 296 complaints, conducted 84 site visits, mailed out 5,711 Youth Bill of Rights posters and 39,315 brochures, and handled 2,490 helpline calls (in-bound and out-bound). This significant workload continues to increase. In the first seven months of 2025 (January-July), the Division has already received 241 formal complaints, approaching the total number of complaints received in the 12 months of 2024; should this rate of complaints continue, the Division could receive over 400 complaints, a 30 percent increase from 2024.”

OYCR notes that in 2024, about half of the complaints took 120 days or more to resolve, which far exceeds the Division’s target maximum duration of 60 days. While there are many reasons that a case may remain open for more than 60 days, including delays in receiving records and the time necessary to implement a complaint resolution, workload challenges unnecessarily impede and delay the timely investigation and substantiation of complaints.

OYCR also states that the complex legal nature of the cases investigated by the Division requires significant legal consultation, justifying a full-time, dedicated Attorney III. The Division has the jurisdiction to investigate violations of laws, regulations, and harmful practices in juvenile facilities. These cases involve legal issues ranging from confidentiality, access to records, and local processes that impact

the Division's ongoing investigations. For instance, county counsel from the state's 58 counties often divergently interpret the Ombudsperson's right to access records, which records are confidential under state law, which records are confidential personnel records, and whether the Ombudsperson is entitled to records pending an internal affairs investigation, among other critical questions that frequently arise.

The two requested positions include the following:

- **One Attorney III** to resolve complex legal issues that arise as part of Ombudsperson investigations, provide independent legal counsel to the Ombudsperson, and support staff in complaint investigation by providing investigators with legal guidance and relevant records to request.
- **One Analyst I-II** to handle analytical and administrative tasks that are currently being handled by the Division Section Chief and the Ombudsperson. This includes dissemination of the Youth Bill of Rights materials, maintaining the records portal, verifying that records are accurately filed, managing access to sensitive information, and coordinating travel logistics for Ombudsperson staff.

According to OYCR, these two positions will lessen the administrative workload on current investigative staff, reduce the duration of open cases by providing legal guidance from the outset of the complaint, timely address records request issues, and support the Ombudsperson on special reports and legislative recommendations. These resources will enhance the Division's statewide capacity to receive, investigate, and resolve cases, address youth rights violations, and prevent delays, supporting youth in juvenile justice facilities.

Subcommittee Staff Comment and Recommendation – Hold Open.

Questions. The Subcommittee requests the OYCR Ombudsperson respond to the following.

1. Please provide a brief overview of this proposal, elaborating on legal interpretation issues the Ombudsperson has encountered with counties regarding Ombudsperson access to records and youth.

4100 STATE COUNCIL ON DEVELOPMENTAL DISABILITIES**Issue 4: Administrative Support for Interagency Agreement**

Budget Change Proposal – Governor’s Budget. The State Council on Developmental Disabilities, in coordination with CalHHS, requests \$730,000 General Fund in 2026-27 and ongoing to support an interagency agreement with the California Department of Social Services (CDSS) to provide contracted accounting, human resources, legal, information technology, contracts, procurement, and other management and staff services. This request includes corresponding reimbursement authority for CDSS.

Background. SCDD’s mission is to support individuals with developmental disabilities and their families to participate in the planning, design, and receipt of the services and support necessary to promote increased independence, productivity, community inclusion, and self-determination. Federal law requires SCDD to identify methods to improve and increase services for individuals and their families and to submit those methods to the federal government in the form of a State Plan. The State Plan is approved by the federal Administration on Intellectual and Developmental Disabilities, which is the funding source for SCDD and its State Plan activities. SCDD, and its 12 regional offices’ primary work is to achieve the State Plan’s goals, objectives, and strategies. SCDD’s proposed budget for 2026-27 is \$15.75 million (all federal funds and reimbursements and no General Fund).

Welfare & Institutions Code 4530(a) identifies CalHHS as the designated state agency for administrative support to SCDD and provides that the CalHHS Secretary shall equip SCDD with the necessary accounting, financial management, personnel, and other reasonable support services to perform the department’s mandated responsibilities. CalHHS designates those support activities to CDSS.

Federal law restricts how much of SCDD’s federal funds can be put toward administrative costs. Specifically, the federal Act provides that not more than 5 percent of a fiscal year’s Basic Support Grant funds, or \$50,000, whichever is less, can be spent on functions of the designated state agency. In addition, the non-federal share required to be paid by the State of California may be provided by in-kind contributions such as those services provided by CDSS.

Resource Request. According to SCDD, CDSS has provided support services to SCDD for over two decades at a flat reimbursement rate of \$390,000 annually. While CDSS has historically absorbed increases in operational costs over time, the existing reimbursement level is no longer sustainable. This request proposes to adjust the reimbursement rate for CDSS based on an updated cost of service delivery, estimated at \$1.12 million. As such, SCDD, in coordination with CalHHS, requests \$730,000 General Fund in 2026-27 and ongoing to meet the updated cost levels.

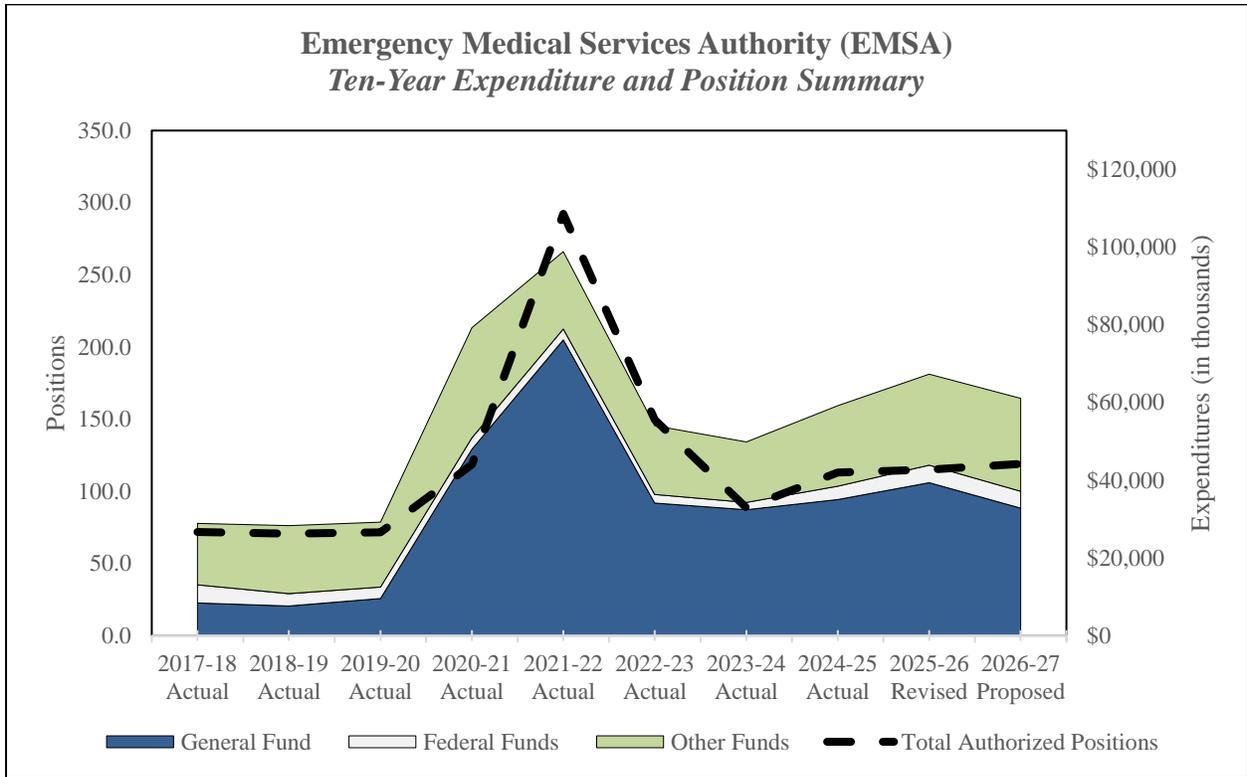
Subcommittee Staff Comment and Recommendation – Hold Open.

Questions. The Subcommittee requests SCDD respond to the following:

1. Please provide a brief overview of this proposal.

4120 EMERGENCY MEDICAL SERVICES AUTHORITY

Issue 5: Overview



Fund Source	2024-25 Actual	2025-26 Budget Act	2025-26 Revised	2026-27 Proposed
General Fund	\$35,011	\$36,224	\$39,351	\$32,822
Federal Funds	\$3,407	\$4,487	\$4,491	\$4,305
Other Funds	\$20,711	\$23,455	\$23,401	\$23,948
Total Department Funding:	\$59,129	\$64,166	\$67,243	\$61,075
Total Authorized Positions:	113.0	121.0	115.0	119.0
Other Funds Detail:				
<i>EMS Training Prog. Approval Fund (0194)</i>	\$201	\$252	\$232	\$233
<i>EMS Personnel Fund (0312)</i>	\$3,293	\$3,508	\$3,531	\$3,535
<i>Reimbursements (0995)</i>	\$15,908	\$17,932	\$17,987	\$18,527
<i>EMT Certification Fund (3137)</i>	\$1,309	\$1,763	\$1,651	\$1,653

Background. The Emergency Medical Services Authority (EMSA), authorized by the Emergency Medical Services System and Prehospital Emergency Care Act, administers a statewide system of

coordinated emergency medical care, injury prevention, and disaster medical response that integrates public health, public safety, and health care services. Prior to the establishment of EMSA in 1980, California did not have a central state agency responsible for ensuring the development and coordination of emergency medical services (EMS) programs statewide. For example, many jurisdictions maintained their own certification requirements for paramedics, emergency medical technicians (EMTs), and other emergency personnel, requiring individuals certified to provide emergency services in one county to re-test and re-certify to new standards to provide emergency services in a different county. EMSA is organized into three program divisions: the Disaster Medical Services Division, the EMS Personnel Division, and the EMS Systems Division.

Disaster Medical Services Division. The Disaster Medical Services Division coordinates California's medical response to major disasters by carrying out EMSA's mandate to provide medical resources to local governments in support of their disaster response efforts. The division coordinates with the Governor's Office of Emergency Services, the Office of Homeland Security, the California National Guard, the Department of Public Health, and other local, state, and federal agencies, private sector hospitals, ambulance companies, and medical supply vendors, to promote and improve disaster preparedness and emergency medical response in California.

EMS Personnel Division. The EMS Personnel Division is responsible for the certification, licensing, and discipline of all active paramedics throughout the state. The division develops and implements regulations that set training standards and the scope of practice for various levels of personnel; sets standards for and approves training programs in pediatric first aid, cardiopulmonary resuscitation (CPR), and preventive health practices for child day care providers and school bus drivers; and develops standards for emergency medical dispatcher training, pre-arrival emergency care instructions, and epinephrine auto-injector training.

EMS Systems Division. The EMS Systems Division is in charge of developing and implementing EMS systems throughout California, including supporting local Health Information Exchange projects that will allow the state to collect more meaningful data so emergency medical services providers can deliver better patient care. The division oversees system development and implementation by the local EMS agencies, the statewide trauma system, and emergency medical dispatcher and communication standards. It establishes regulations and guidelines for local agencies, reviews and approves local plans to ensure they meet minimum state standards, coordinates injury and illness prevention activities with the Department of Public Health and the Office of Traffic Safety, manages the state's EMS data and quality improvement processes, conducts Ambulance Exclusive Operating Area evaluations, and oversees the operation of California's Poison Control System and EMS for Children programs.

AB 716 –Allowable Maximum Ground Ambulance Rates Reporting. The 2024 Budget Act included two positions and General Fund expenditure authority of \$521,000 in 2024-25 and \$321,000 annually thereafter to publish a report on the allowable maximum rates for ground ambulance transportation services in each county, pursuant to the requirements of AB 716 (Boerner), Chapter 454, Statutes of 2023. The bill required the report be published by March 1, 2024, and annually thereafter. To date, EMSA has not produced the required report.

Subcommittee Staff Comment—This is an informational item.

Questions. The subcommittee has requested EMSA to respond to the following:

1. Please provide a brief overview of the Authority's mission and programs.
2. Please explain why the Authority has not produced the required report on maximum allowable ground ambulance rates, pursuant to AB 716. When should the Legislature expect this required report to be available?

Issue 6: Disaster Response Vehicle Replacement

Budget Change Proposal – Governor’s Budget. EMSA requests General Fund expenditure authority of \$2.6 million in 2026-27, available for expenditure and encumbrance until June 30, 2028. If approved, these resources would support replacement of disaster response vehicles utilized for statewide medical operations.

Multi-Year Funding Request Summary		
Fund Source	2026-27*	2027-28
0001 – General Fund	\$2,550,000	\$-
Total Funding Request:	\$2,550,000	\$-
Total Requested Positions:	0.0	0.0

* Expenditure authority available until June 30, 2028.

Background. Part of EMSA’s responsibilities is to coordinate and deploy emergency medical resources during disasters and other emergencies. This responsibility requires EMSA to maintain a fleet of vehicles to transport medical caches, biomedical equipment, and temperature-controlled assets to incident sites. According to EMSA, its fleet includes several vehicles that have exceeded the 12 year replacement threshold for medium trucks included in the State Administrative Manual and State Fleet Handbook, including: 1) five 2007 Ford E-450 medium trucks; 2) three 2007 GMC C7500 box trucks, and 3) one 2007 GMC C7500 refrigerated box truck. EMSA reports these vehicles are becoming increasingly unreliable, with two vehicles requiring engine replacements and one permanently retired after a catalytic converter failure over a six-month period.

Resource Request. EMSA requests General Fund expenditure authority of \$2.6 million in 2026-27, available for expenditure and encumbrance until June 30, 2028, to support replacement of disaster response vehicles utilized for statewide medical operations. Specifically, these resources would support the following replacement vehicles:

- \$1.2 million would support five new front line medium fleet vehicles (approximately \$230,000 each) to replace the 2007 Ford E-450 medium trucks.
- \$675,000 would support three 26-foot box trucks (approximately \$225,000 each) equipped with liftgates, to replace the 2007 GMC C7500 box trucks.
- \$250,000 would support one 26-foot refrigerated truck equipped with liftgates, to replace the 2007 GMC C7500 refrigerated box truck.

These resources would also support the following additional equipment to upfit these vehicles:

- \$91,000 to support interior EMS Storage Racks and Shelving
- \$48,000 to support specialized compartments and tie-downs (e.g. oxygen tank brackets, medical bins, and fire-safe storage)
- \$27,000 to support telemetry and global positioning system tracking
- \$69,000 to support radio and communications equipment
- \$36,000 to support emergency lighting and reflective striping
- \$30,000 to support electrical system modifications

- \$138,000 to support payment of California sales tax at 7.25 percent
- \$14,000 to support Department of Motor Vehicles registration and other fees
- \$22,000 to support delivery to the EMSA warehouse from the vendor.

Subcommittee Staff Comment and Recommendation—Hold Open. Subcommittee staff recommends holding this item open to allow continued discussions in advance of the May Revision.

Questions. The subcommittee has requested EMSA to respond to the following:

1. Please provide a brief overview of this proposal.

Issue 7: Security Architecture Compliance Assessment

Budget Change Proposal – Governor’s Budget. EMSA requests General Fund expenditure authority of \$250,000 in 2026-27. If approved, these resources would support initial activities to meet state information technology infrastructure cybersecurity requirements.

Multi-Year Funding Request Summary		
Fund Source	2026-27	2027-28
0001 – General Fund	\$250,000	\$-
Total Funding Request:	\$250,000	\$-
Total Requested Positions:	0.0	0.0

Background. In May 2023, the California Department of Technology (CDT) issued a technology letter directing state entities to implement multi-factor authentication (MFA) for identity assurance for information technology infrastructure. According to the letter, MFA protects against a multitude of cybersecurity threats, including compromised passwords, psychological manipulation of people to perform actions or divulge confidential information, key logging, phishing, or brute-force attacks to match passwords. The letter requires all state entities to assess, plan, and implement the initial maturity stage of components of the Cyber Infrastructure Security Agency (CISA) Zero Trust Architecture (ZTA) Maturity Model Version 2.0 by May 2024. EMSA plans to conduct a ZTA assessment, which will provide insights into the time, resources, and technology required to implement ZTA within EMSA’s information technology systems, as well as identify current identity and access management implementation and any gaps or vulnerabilities.

Resource Request. EMSA requests General Fund expenditure authority of \$250,000 in 2026-27 to support initial activities to meet state information technology infrastructure cybersecurity requirements. Specifically, EMSA will procure an independent contractor to perform the ZTA assessment.

Subcommittee Staff Comment and Recommendation—Hold Open. Subcommittee staff recommends holding this item open to allow continued discussions in advance of the May Revision.

Questions. The subcommittee has requested EMSA to respond to the following:

1. Please provide a brief overview of this proposal.
2. Why was this work not completed by May 2024, consistent with the CDT Information Letter requirements?

Issue 8: Human Resources, Enforcement, and Legal Workload

Budget Change Proposal – Governor’s Budget. EMSA requests four positions and General Fund expenditure authority of \$1.4 million in 2026-27 and \$1.3 million annually thereafter. If approved, these positions and resources would support workload increases in the Authority’s Human Resources Branch, Enforcement Branch, and Legal Division.

Multi-Year Funding Request Summary		
Fund Source	2026-27	2027-28*
0001 – General Fund	\$1,368,000	\$1,319,000
Total Funding Request:	\$1,368,000	\$1,319,000
Total Requested Positions:	4.0	4.0

* Positions and resources ongoing after 2027-28.

Background – Human Resources Branch. Because EMSA is a relatively small state entity, it has historically relied on other departments to support human resources functions. As of July 1, 2022, EMSA entered into an interagency agreement with the Department of Public Health (CDPH) to provide human resources support. At the same time, EMSA established a small, internal human resources structure to coordinate with CDPH, monitor workload, and manage services not included in the interagency agreement. The 2021 Budget Act included five positions and General Fund expenditure authority of \$851,000 annually to support one Staff Services Manager III, one Staff Services Manager I, and three Associate Governmental Program Analysts (AGPAs). Funding for the three AGPAs was only approved until 2024-25. According to EMSA, the Human Resources Branch continues to rely on these three AGPA positions to support classification and pay, recruitment, labor relations, performance management, personnel policies, employee wellness, health and safety, worker’s compensation, training, and workforce and succession planning efforts.

Background – Enforcement Branch. The EMSA Enforcement Branch investigates alleged violations of state law by licensed paramedics and paramedic applicants. The branch has one AGPA who monitors approximately 220 paramedics on probation, including over 70 who must undergo biological fluid testing, generally for substance use. This position acts as both probation monitor and intake staff for the probation program, which has rapidly expanded over the last decade. According to EMSA, the Enforcement Branch has 214 open investigation cases, making it difficult to complete these investigations under required timelines and raising the risk that probationers will be administratively terminated to protect the public from potentially unsafe or unfit personnel.

Background – Legal Division. The EMSA Legal Division provides general legal support to all divisions, employing two full-time attorneys and two full-time support positions. One retired annuitant attorney also assists with workload management. According to EMSA, these resources are insufficient to meet expanding legal workload related to emergency response expansion, administration of new programs, more complex administrative processes for disciplinary reviews, more complex and novel legal issues, and increased volume and backlogs of paramedic enforcement cases.

Resource Request. EMSA requests four positions and General Fund expenditure authority of \$1.4 million in 2026-27 and \$1.3 million annually thereafter to support workload increases in the Authority’s Human Resources Branch, Enforcement Branch, and Legal Division. Specifically, EMSA requests: 1)

ongoing funding for the three AGPA positions in the Human Resources Branch that were originally funded for three years in the 2021 Budget Act; 2) ongoing funding for an AGPA and a Special Investigator for the Enforcement Branch to support the probation program workload; and 3) ongoing funding for an Attorney Supervisor and Attorney I in the Legal Division to support increased legal workload.

Subcommittee Staff Comment and Recommendation—Hold Open. Subcommittee staff recommends holding this item open to allow continued discussions in advance of the May Revision.

Questions. The subcommittee has requested EMSA to respond to the following:

1. Please provide a brief overview of this proposal.

4700 DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT**Issue 9: Low-Income Weatherization Program and Proposition 4 Spending Plan**

Budget Change Proposals – Governor’s Budget. The Governor’s proposed 2026-27 includes two budget change proposals for the Department of Community Services and Development (CSD), as follows:

1. **Low-Income Weatherization Program Reappropriation.** CSD requests reappropriation of approximately \$36.7 million in unexpended Greenhouse Gas Reduction Funds allocated in 2021-22, 2022-23, and 2023-24 to administer and support both the Farmworker Housing (FWH) and Multifamily Housing (MFH) components of the Low-Income Weatherization Program (LIWP). These funds are set to expire on June 30, 2026. This request would extend the FWH liquidation period through the end of 2026-27 and would extend the MFH availability to the end of 2027-28.
2. **Proposition 4 Spending Plan.** The Governor’s Proposed Proposition 4 Spending Plan includes \$9 million for CSD to administer the Farmworker Housing Component of the Low-Income Weatherization Program.

LIWP Reappropriation Request. The 2021, 2022, and 2023 Budget Acts appropriated a combined \$105 million in Greenhouse Gas Reduction Fund (GGRF) and General Fund resources to support the Farmworker Housing (FWH) and Multifamily Housing (MFH) Components of the Low-Income Weatherization Program (LIWP).

With these funds, LIWP has provided energy efficient installations and solar installations to over 4,000 families and established a significant pipeline of in-progress projects. Based on current monthly expenditure rates, the LIWP MFH and FWH Components will fully expend both the 2021 and 2022 Budget Act General Fund appropriations by the current liquidation period ending June 30, 2026. According to CSD, Program administrators have achieved significant successes under the current contract but have encountered multiple obstacles hindering full expenditure of remaining GGRF dollars within the current liquidation periods.

Farmworker Housing Component. The 2021 Budget Act appropriated \$25 million General Fund to support the LIWP FWH Component. The following year, the 2022 Budget Act appropriated \$15 million in GGRF to increase funding for the LIWP FWH Component. CSD used both appropriations to procure a service contract with a single regional program administrator. The program administrator is tasked with providing outreach, securing enrollment, and installing energy efficiency measures and solar photovoltaic (PV) systems for eligible low-income farmworker housing across 18 counties with the highest farmworker populations.

As of August 2025, the LIWP FWH program administrator provided services to 956 households. Additionally, the LIWP FWH program administrator established a significant pipeline of 1,580 projects, of which 1,195 household enrollees will receive a service assessment of their home. The remaining 385 households are in various work stages where an outlay for equipment and products to be used for scheduled retrofits has occurred.

CSD has experienced challenges expending the 2022 Budget Act funds within the current liquidation period. While the LIWP FWH program administrator has accomplished notable achievements under the current contract, labor shortages, high turnover of skilled installation workers and subcontractors, utility interconnection, building permit delays, and equipment shortages have negatively impacted service operations. These operational challenges will prevent the full expenditure of the 2022-23 GGRF appropriation, and completion of the 1,580 identified projects within the current liquidation period, ending June 30, 2026. Since LIWP FWH projects are not reimbursed until after completion, expenditures from the 2022-23 appropriation cannot be accounted for until projects are complete and inspected. To fulfill service commitments to the 1,580 farmworker households seeking LIWP FWH services, CSD requests reappropriation authority for the 2022-23 GGRF committed to projects. CSD estimates the unspent balance, as of May 31, 2026, will be approximately \$8.7 million.

Multifamily Housing Component. The 2021 Budget Act and the 2023 Budget Act appropriated GGRF to support LIWP MFH in the amounts of \$15 million and \$25 million, respectively. CSD used these appropriations to procure a service contract with a single program administrator tasked with providing outreach, enrollment, technical design assistance, and funding to facilitate the installation of energy efficiency retrofits and renewable energy systems in multifamily affordable housing.

As of August 2025, the LIWP MFH program administrator provided services to 55 low-income affordable housing properties, serving 3,105 families. Additionally, the LIWP MFH administrator has established a significant pipeline of 68 projects providing housing to 6,300 low-income households in various work stages where an outlay for the equipment and products to be used for scheduled retrofits has occurred.

CSD has experienced challenges expending the 2021 and 2023 Budget Act GGRF appropriations within the current liquidation periods for similar reasons that have caused delays in spending down the Farmworker Housing Component. This prevents the completion of the 68 identified projects and full expenditure of 2021-22 and 2023-24 GGRF appropriations within the current liquidation period ending June 30, 2026. CSD estimates the unspent balance of GGRF, as of June 30, 2026, will be approximately \$28 million.

With the approval to reappropriate the 2021-22 and 2023-24 appropriations through the end of 2027-28, the LIWP MFH Component will fulfill financial and service obligations to existing program enrollees and continue outreach and identification of new projects to meet expenditure and greenhouse gas reduction targets.

Proposition 4 Spending Plan – LIWP Farmworker Housing Component. The Governor’s Proposition 4 Spending Plan proposes to appropriate \$2.1 billion from the Climate Bond in 2026-27 to continue funding projects and programs authorized by the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond. This item only covers \$9 million proposed to be administered by CSD. The Proposition 4 Spending Plan as a whole is covered by Subcommittee #2 on Resources, Environmental Protection, and Energy.

According to CSD, the \$9 million in Proposition 4 bond funds will fund the continuation of the LIWP Farmworker Housing component to provide energy efficiency and solar PV upgrades consistent with the current program authorized under one-time appropriations in the 2021 and 2022 Budget Acts. Expenditure of the proposed \$9 million will require procurement and potentially a new contractor for the program.

CSD states that program details including estimated households served by the funding would depend on final program design.

Subcommittee Staff Comment and Recommendation – Hold Open.

Questions. The Subcommittee requests CSD respond to the following:

1. Please provide a brief overview of the two proposals included in this item.

5160 DEPARTMENT OF REHABILITATION**Issue 10: Strengthening Vocational Rehabilitation Program Capacity**

Budget Change Proposal – Governor’s Budget. The Department of Rehabilitation requests an increase of \$60 million in ongoing federal fund authority and 54 permanent positions to meet the increased demand for vocational rehabilitation services. The requested resources would serve individuals with disabilities and further the goals of competitive integrated employment in accordance with Chapter 339, Statutes of 2021 (SB 639). Increased resources would also advance the work of the Master Plan for Developmental Services and reduce impacts of the Order of Selection on the Vocational Rehabilitation Program. This proposal does not require any General Fund.

Background. DOR works in partnership with the community, other state departments, and federal entities to provide services and advocacy resulting in employment and independent living for individuals with disabilities. As such, DOR administers the largest VR and Independent Living programs in the country, collectively serving over 200,000 Californians per year.

As authorized by Titles I and IV of the Workforce Innovation and Opportunity Act, which incorporates the Federal Rehabilitation Act of 1973, as amended, DOR is the designated state agency responsible for administration of the VR program. VR services include vocational assessment and counseling, education, job training, job search, and placement activities to gain, retain, or advance employment.

The VR program is funded with a 21.3 percent state match and 78.7 percent federal VR grant, awarded by the U.S. Department of Education. Federal law requires VR agencies to spend at least 15 percent of the federal VR grant funds to provide pre-employment transition services to students ages 16 through 21 with disabilities. These services include job exploration counseling, work-based learning opportunities, post-secondary counseling, workplace readiness training, and instruction in self-advocacy.

Federal Order of Selection Process. When DOR has insufficient resources to serve all applicants deemed eligible for VR services, the federal government requires DOR to implement an Order of Selection (OOS) process. The process of OOS specifies that DOR must first serve eligible individuals with the most significant disabilities (Priority Category One), followed by eligible individuals with significant disabilities (Priority Category Two), and then all other eligible individuals with disabilities (Priority Category Three). From 1995 to November 2020, DOR utilized OOS, closing services to individuals in priority categories two and three, and intermittently opening these priority categories once resources permitted. Since November 2020, DOR has served individuals in all priority categories. However, due to increased applications for VR services and the resulting increase in case service expenditures, DOR currently projects it will close priority categories in early 2026. Without additional funding and staffing resources to support the program, the scope and duration of the OOS are anticipated to be significant.

Federal Reallotment Funding. State VR agencies have an opportunity to seek reallotment funding annually. Reallotment is the process through which some state VR agencies relinquish grant funds they are unable to utilize and, as a result, other state VR agencies can request those additional VR grant funds. VR agencies awarded with reallotment funds must satisfy the state match requirement. The reallotment becomes an increase of the VR grant. DOR has satisfied the state match requirement for both the VR base grant and reallotment funds by using matching funds provided by public agencies through the Cooperative

Program agreements and allocated General Fund. DOR has requested and received reallocation funds every year for the past eight years.

Since the 2023 Budget Act, DOR received an overall increase of \$180 million in federal funding authority (\$60 million each year through fiscal year 2025-26) to pursue additional federal funds through the reallocation process from the U.S. Department of Education. Based on historical trends, DOR anticipates receiving up to \$60 million in federal funds each year on an ongoing basis. Although DOR has consistently received increased federal funding, DOR's number of authorized positions has remained the same over the past eight years.

Resource Request. To continue to receive reallocation funds, and to support the increase in demand for services, DOR requests an ongoing increase of \$60 million in federal funding authority and 54 positions. This request is supported by DOR's past success in acquiring federal reallocation funds and would provide DOR with sufficient personnel resources to continue bringing federal VR reallocation funds to California.

According to DOR, the annual cost of the requested 54 positions is projected to be approximately \$8.7 million and would be fully federally funded. The cost to support the 54 positions represents less than 15 percent of the federal funds DOR anticipates receiving annually through the reallocation process. Additionally, a large proportion of these positions would generate offsetting revenue through federal payments received from successful placement of consumers in employment allowing them to transition off public benefits.

DOR states that an increase in positions will address the workload demands and promote successful quality of services while reducing the duration of OOS. Three-fourths of the requested positions would be dedicated to direct service staff, including but not limited to vocational counselors and supervisors for consumer and business engagement. The remaining positions would provide administrative and managerial support to the program.

DOR will also support these positions through federal payments generated by allocated staff serving individuals on SSI/SSDI (including the large percentage of individuals with intellectual and developmental disabilities to be served, in alignment with the Master Plan on Developmental Services). Additionally, DOR intends to leverage projected 7-8 percent annual staff attrition and replacement rates, or approximately 144 staff per year, to support future staffing levels, if necessary.

DOR states that this federal fund authority and corresponding positions will improve the quality and availability of VR services provided to both adult and student populations, with an increased focus on individuals dependent on benefits and those that have previously been in non-competitive, non-integrated employment. Moreover, approval of this proposal would enable full utilization of program funding and decrease the risk of returning funds to the federal government. It would also reduce the duration of Order of Selection.

Subcommittee Staff Comment and Recommendation – Hold Open.

Questions. The Subcommittee requests DOR respond to the following:

1. Please provide a brief overview of this proposal.

5175 DEPARTMENT OF CHILD SUPPORT SERVICES

Issue 11: Overview

Department of Child Support Services – Governor’s Budget. The Governor’s proposed 2026-27 budget includes \$1.2 billion (\$378 million General Fund) for the Department of Child Support Services (DCSS). DCSS is funded mainly by federal funds (\$746 million) and Child Support Collections Recovery Fund (\$86.2 million), with \$378 million General Funds supporting the department.

3-YEAR EXPENDITURES AND POSITIONS

	Positions			Expenditures		
	2024-25	2025-26	2026-27	2024-25*	2025-26*	2026-27*
4260 Child Support Services Program	607.9	659.2	659.2	\$1,133,118	\$1,192,208	\$1,210,447
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	607.9	659.2	659.2	\$1,133,118	\$1,192,208	\$1,210,447
FUNDING				2024-25*	2025-26*	2026-27*
0001 General Fund			\$365,001	\$371,985	\$378,036	
0890 Federal Trust Fund			682,289	734,301	746,020	
0995 Reimbursements			123	123	173	
8004 Child Support Collections Recovery Fund			85,705	85,799	86,218	
TOTALS, EXPENDITURES, ALL FUNDS			\$1,133,118	\$1,192,208	\$1,210,447	

Significant Budget Adjustments. The Governor’s budget contains two significant adjustments for DCSS that generate an increase of \$22.28 million total funds for the department:

- An increase of \$17.65 million (\$6 million General Fund) for the restoration of a two-year reduction from the 2024 Budget Act for Local Child Support Agency (LCSA) administration. This reduction was enacted in 2024 due to recent underspending of LCSA funds.
- An increase of \$4.63 million federal funds for a federal performance incentive.

LCSA Spending. LCSA administration costs include salaries and benefits of county staff as well as operating costs. LCSAs are responsible for case intake, court preparation to establish paternity and support obligations, and the enforcement of support obligations, including locating absent parents. LCSA administration costs make up the vast majority of the DCSS budget. The budget includes \$797.66 million for 2025-26 and \$815.30 million for LCSA administration in 2026-27. Funding for administration is 34 percent General Fund and 66 percent Federal Financial Participation matching funds.

DCSS expects to nearly expend the full 2024-25 LCSA appropriation and anticipates approximately \$1 million total funds would remain following reallocation of about \$10 million from underspent LCSAs to LCSAs that exceeded their allocation. DCSS anticipates that reallocation in 2025-26 will be similar to the approximately \$10 million in 2024-25.

DCSS anticipates that the LCSA appropriation proposed for 2026-27, inclusive of the \$22.28 million increase, will be fully spent in 2026-27. The department states that due to staffing costs such as cost of

living adjustments for salaries and benefits, the restoration of the \$17.65 million total funds (\$6 million General Fund) will be necessary to maintain existing staffing levels.

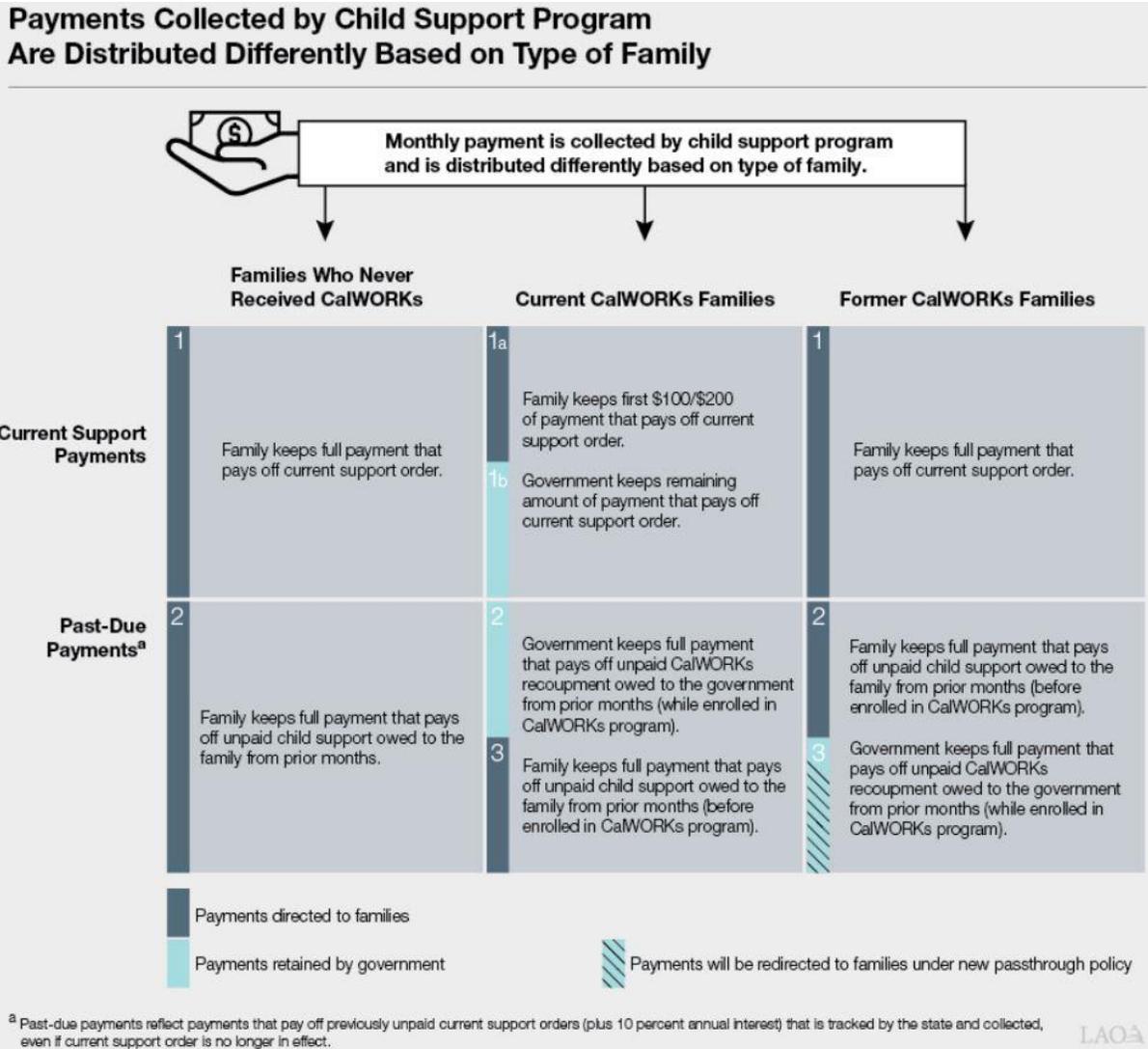
DCSS Caseload. Total child support caseload across LCSAs in 2025 was approximately 988,000 in 2025, compared to 1.02 million in 2025 and 1.06 million in 2023. Over the past three years, overall child support caseload has declined by about 70,000 cases. A majority of case closures (45,000) resulted from AB 1686 (Bryan) Chapter 755, Statutes of 2022, which required a presumption that payment of child support is likely to pose a barrier to family reunification for families whose children have been placed in foster care. As a result, county welfare departments no longer refer parents whose children have been removed from the home to child support agencies unless the parent makes over \$100,000 in income annually. The declining birthrate has also led to gradual attrition from the program each year.

DCSS notes that the AB 1686 change required additional LCSA workload in the short-term because each foster care case required an individual review by a county worker. The bulk of that increased workload was completed about one year ago.

DCSS states that increases in staffing costs of about 3-4 percent each year outpace child support caseload decline in terms of overall costs to LCSAs to administer the child support program.

Background: Child Support Program. The child support program is a federal-state program that establishes, collects, and distributes child support payments to participating parents with children. These tasks include: locating parents; certifying paternity; establishing, enforcing, and modifying child support orders; and collecting and distributing payments. In California, the child support program is administered by 47 county and regional local child support agencies (LCSAs), in partnership with local courts. Local program operations are overseen by DCSS.

Approximately 75 percent of child support cases are comprised of families who receive or formerly received cash aid from the CalWORKs program. Under federal law, when a parent applies for CalWORKs cash aid (and is not living with the other parent), they generally are required to open a child support case and sign over a portion of their child support payments to the state. The state retains this portion as reimbursement toward the total government costs for the cash aid the family received under the CalWORKs program. This process of retaining child support payments to offset CalWORKs costs is referred to as CalWORKs recoupment. The CalWORKs recoupment payments are generally split between the state (roughly 50 percent), counties (roughly five percent), and federal government (roughly 45 percent). The state's share of CalWORKs recoupment is accounted for as General Fund revenue. The following figure, provided by the LAO, illustrates how current support and past-due payments are directed to the family or government, depending on whether the family is currently receiving, or has ever received, CalWORKs cash aid.



Source: Legislative Analyst’s Office

The Legislature has moved in recent years to end the practice of intercepting child support payments from low-income families who received CalWORKs. Current practices differ whether a family formerly received CalWORKs (formerly assisted families), or is currently receiving CalWORKs (currently assisted families):

- **Formerly assisted families:** As part of the 2022 Budget Act, the state ended the practice of intercepting child support payments from families who were formerly enrolled in CalWORKs. This change took effect May 2024.
- **Currently assisted families:** In addition to ending the interception of child support payments for formerly assisted CalWORKs families, the 2022 Budget Act included trigger language to implement a full pass-through of child support payments to families currently receiving CalWORKs assistance. This was subject to an evaluation of General Fund availability by the Department of Finance (DOF) in spring 2024 (May Revision). Due to the deficit, the trigger was

not activated in 2024, which means the state continues to intercept child support payments from families currently receiving CalWORKs.

The monthly average child support order owed to families currently receiving child support ranged from \$344 in July 2024 to \$411 in June 2025. Total child support collections for these families averaged \$11.5 million per month in 2025, peaking in March 2025 at an estimated \$18 million. Because state law requires the first \$100 of child support (or \$200 for two or more children) to be passed through to the family, an average of \$2.7 million per month in 2025 out of the approximately \$11.5 million per month was passed through to families currently receiving CalWORKs. On average, \$8.8 million was retained as recoupment for each month in 2024-25. Average child support collections for these families ranged from \$67 per month in July 2024 to \$103 per month in June 2025, with the amount passed through to families ranging from \$16.43 to \$25.94 per month.

Supplemental Report on the Full Pass-through to Currently Assisted Families. The 2024 Budget Act included Supplemental Report Language that required DCSS to summarize challenges and successes from implementation of the child support pass-through to formerly assisted families that are relevant to the implementation of the full-pass through to currently assisted families, should the Legislature choose to enact this option in the future. DCSS was also tasked with describing the infrastructure changes necessary to implement the full pass-through to currently assisted families, including a fiscal estimate of any one-time or ongoing costs and an estimate of the anticipated timeline following a potential appropriation for that purpose.

The report finds that based on projected CalWORKs recoupment in 2022-23, the full pass-through of child support to currently assisted CalWORKs families is estimated to cost \$150 million annually, based on the state and counties' foregone share of collections. DCSS estimates that the state would incur a General Fund impact of \$80 million if only the nonfederal amount of CalWORKs recoupment payments was passed through to the current CalWORKs family. California is required by federal law to reimburse the federal government for their share of collections. The report notes various policy decisions that would be involved in the implementation of this pass-through, notably whether or not child support payments will be considered unearned income and whether they will be disregarded in calculating CalWORKs grants, among other policy considerations. DCSS states that the estimated timeline for implementing these changes is 3 to 5 years contingent on appropriation and the complexity of the final policy.

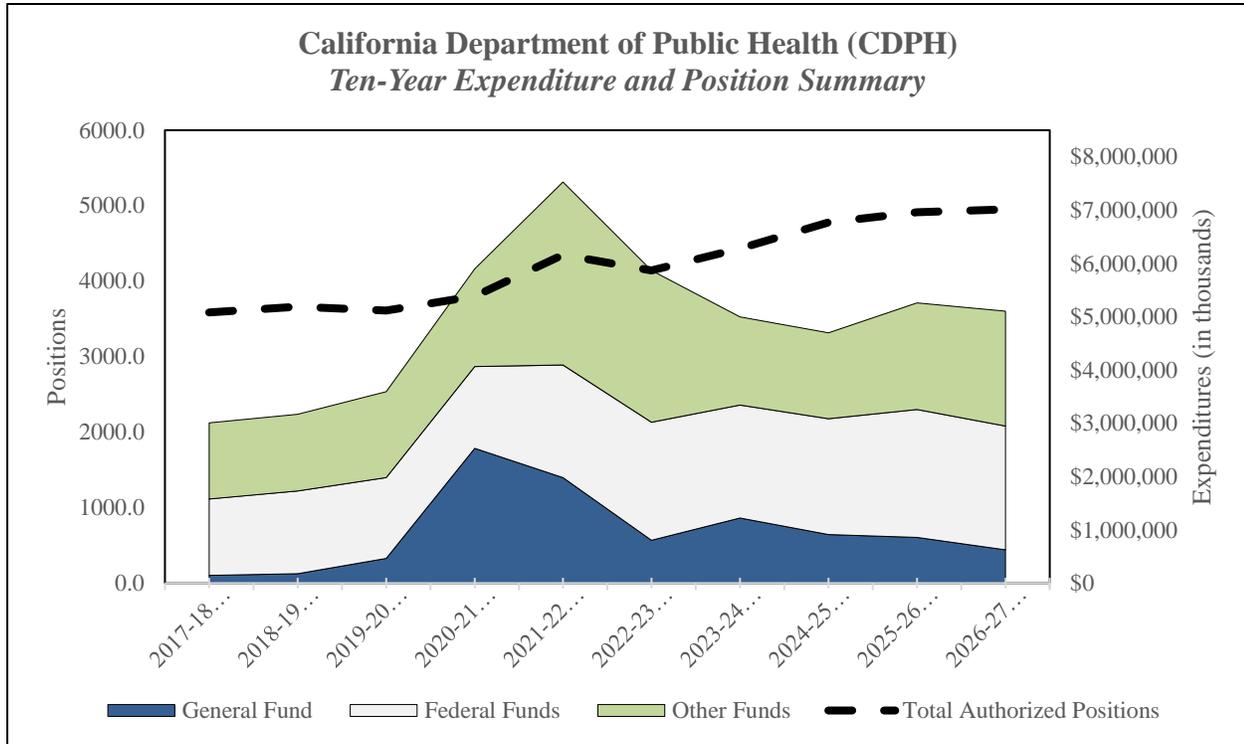
Subcommittee Staff Comment and Recommendation – Hold Open.

Questions. The Subcommittee requests DCSS respond to the following:

1. Please provide a brief overview of DCSS's proposed budget for 2026-27 including discussion of significant budget adjustments.
2. Why does the Governor's Budget assume that LCSA costs will increase by approximately \$22 million total funds in 2026-27 when child support caseload is declining?
3. Please provide a brief presentation summarizing the Supplemental Report regarding the full pass-through of child support to families currently receiving CalWORKs.

4265 DEPARTMENT OF PUBLIC HEALTH

Issue 12: Overview



California Department of Public Health - Department Funding Summary (dollars in thousands)				
Fund Source	2024-25 Actual	2025-26 Budget Act	2025-26 Revised	2026-27 Proposed
General Fund	\$912,086	\$799,341	\$855,831	\$624,972
Federal Funds	\$2,170,736	\$2,327,478	\$2,404,039	\$2,321,504
Other Funds	\$1,613,932	\$2,082,296	\$1,995,902	\$2,155,702
Total Department Funding:	\$4,696,754	\$5,209,115	\$5,255,772	\$5,102,178
Total Authorized Positions:	4780.3	5227.4	4912.4	4950.4
Other Funds Detail:				
<i>Breast Cancer Research Account (0007)</i>	\$450	\$1,510	\$1,340	\$491
<i>Nuclear Planning Assessment Acct (0029)</i>	\$947	\$1,097	\$1,112	\$1,115
<i>Motor Vehicle Acct, Trans. Fund (0044)</i>	\$1,433	\$1,626	\$1,659	\$1,658
<i>Sale of Tobacco to Minors Ctrl Acct (0066)</i>	\$472	\$1,003	\$1,028	\$1,030

<i>Occup. Lead Poisoning Prev Acct (0070)</i>	\$2,003	\$4,108	\$3,751	\$3,765
<i>Medical Waste Management Fund (0074)</i>	\$2,729	\$3,292	\$3,347	\$3,350
<i>Radiation Control Fund (0075)</i>	\$30,453	\$31,365	\$31,874	\$36,779
<i>Tissue Bank License Fund (0076)</i>	\$635	\$1,659	\$1,483	\$1,456
<i>Childhood Lead Poisoning Prev Fund (0080)</i>	\$38,300	\$47,272	\$45,624	\$42,102
<i>Export Document Program Fund (0082)</i>	\$530	\$594	\$607	\$706
<i>Clinical Lab. Improvement Fund (0098)</i>	\$12,616	\$16,408	\$14,404	\$14,431
<i>Health Statistics Special Fund (0099)</i>	\$32,449	\$36,506	\$35,994	\$36,314
<i>Dept. of Pesticide Regulation Fund (0106)</i>	\$325	\$320	\$298	\$296
<i>Air Pollution Control Fund (0115)</i>	\$284	\$279	\$257	\$256
<i>CA Health Data and Planning Fund (0143)</i>	\$240	\$240	\$240	\$240
<i>Food Safety Fund (0177)</i>	\$10,730	\$13,101	\$13,316	\$13,668
<i>Genetic Disease Testing Fund (0203)</i>	\$172,803	\$175,566	\$169,539	\$175,035
<i>Health Education Account, Prop 99 (0231)</i>	\$40,948	\$29,464	\$29,580	\$29,393
<i>Research Account, Prop 99 (0234)</i>	\$3,885	\$2,895	\$2,899	\$2,898
<i>Unallocated Account, Prop 99 (0236)</i>	\$1,711	\$1,333	\$1,355	\$1,232
<i>Infant Botulism Treatment/Prev Fund (0272)</i>	\$17,527	\$16,584	\$16,125	\$16,890
<i>Child Health and Safety Fund (0279)</i>	\$527	\$551	\$548	\$548
<i>Registered Enviro. Health Spec Fund (0335)</i>	\$463	\$515	\$522	\$519
<i>Indian Gaming Spec Dist Fund (0367)</i>	\$7,808	\$8,515	\$8,056	\$8,051
<i>Vectorborne Disease Account (0478)</i>	\$139	\$216	\$224	\$276
<i>Toxic Substances Control Acct (0557)</i>	\$405	\$467	\$432	\$429
<i>Domestic Violence Training/Ed Fund (0642)</i>	\$401	\$708	\$684	\$684
<i>CA Alzheimers Research Fund (0823)</i>	\$372	\$687	\$671	\$180
<i>Special Deposit Fund (0942)</i>	\$3,421	\$10,597	\$18,224	\$3,693
<i>Reimbursements (0995)</i>	\$325,522	\$617,657	\$605,078	\$611,471
<i>Drug and Device Safety Fund (3018)</i>	\$7,072	\$8,082	\$8,321	\$8,406
<i>WIC Manufacturer Rebate Fund (3023)</i>	\$189,577	\$186,267	\$146,221	\$134,373

<i>AIDS Drug Assistance Program Fund (3080)</i>	\$243,162	\$389,002	\$352,119	\$351,845
<i>Cannery Inspection Fund (3081)</i>	\$4,263	\$4,458	\$4,563	\$4,559
<i>Behavioral Health Services Fund (3085)</i>	\$2,723	\$10,582	\$11,614	\$187,611
<i>Licensing and Certification Fund (3098)</i>	\$278,510	\$319,292	\$312,884	\$314,833
<i>Gambling Addiction Program Fund (3110)</i>	\$150	\$350	\$350	\$350
<i>Birth Defects Monitoring Prog Fund (3114)</i>	\$2,294	\$2,504	\$2,258	\$2,259
<i>Lead-Related Construction Fund (3155)</i>	\$691	\$1,371	\$897	\$898
<i>Cost/Impl Acct, Air Poll. Ctrl Fund (3237)</i>	\$48	\$409	\$389	\$388
<i>Cannabis Control Fund (3288)</i>	\$447	\$602	\$543	\$544
<i>State Dental Program Acct., Prop 56 (3307)</i>	\$46,202	\$25,416	\$25,507	\$23,896
<i>DPH Tobacco Law Enforc, Prop 56 (3318)</i>	\$3,151	\$3,336	\$3,804	\$4,327
<i>DPH, Tobacco Prev/Ctrl, Prop 56 (3322)</i>	\$78,601	\$65,905	\$64,378	\$71,855
<i>TGI Wellness and Equity Fund (3385)</i>	\$3,206	\$12,213	\$12,213	\$5,000
<i>Industrial Hemp Enroll/Oversight Fund (3396)</i>	\$73	\$942	\$943	\$1,235
<i>Opioid Settlement Fund (3397)</i>	\$38,433	\$17,650	\$31,646	\$14,250
<i>Internal Dept Quality Improvement Acct (3477)</i>	\$0	\$0	\$0	\$7,152
<i>CA ALS Research Tax Contribution Fund (8139)</i>	\$0	\$0	\$0	\$185
<i>Electronic Cigarette Settlements Fund (8141)</i>	\$4,801	\$7,780	\$6,981	\$7,780
<i>Federal Health Fac Citation Penalties Acct (8510)</i>	\$0	\$0	\$0	\$5,000

Background. The California Department of Public Health (CDPH) delivers a broad range of public health programs. Some of these programs complement and support the activities of local health agencies in controlling environmental hazards, preventing and controlling disease, and providing health services to populations who have special needs. Others are primarily state-operated programs, such as those that license health care facilities.

According to CDPH, the goals of these programs include the following:

1. Achieve health equities and eliminate health disparities.

2. Eliminate preventable disease, disability, injury, and premature death.
3. Promote social and physical environments that support good health for all.
4. Prepare for, respond to, and recover from emerging public health threats and emergencies.
5. Improve the quality of the workforce and workplace.

The department is composed of eight major program areas, or “centers”:

- (1) **Center for Healthy Communities (CHC)** – This center works to prevent and control chronic diseases, such as cancer, cardiovascular diseases, asthma, adverse pregnancy outcomes, and diabetes; reduce the prevalence of obesity; provide training programs for the public health workforce; prevent and control injuries, violence, deaths, and diseases related to behavioral, environmental, and occupational factors; promote and support safe and healthy environments in all communities and workplaces; and prevent and treat problem gambling. CHC programs include: chronic disease prevention and management, tobacco control, environmental health, occupational health, injury and violence prevention, oral health, and problem gambling.
- (2) **Center for Environmental Health (CEH)** – This center works to protect and improve the health of all California residents by utilizing investigation, inspection, laboratory, technical assistance, regulatory and emergency response activities to improve the safety of food, drugs, and medical devices; conduct underage tobacco enforcement; oversee the use of radiation and radioactive materials; regulate medical waste; and conduct other environmental management programs.
- (3) **Center for Family Health (CFH)** – This center provides improvement to the health and well-being of pregnant people, children and youth as well as reduce disparities in perinatal health outcomes by providing nutritional support and screening newborns and pregnant women for genetic diseases. CFH programs include: Genetic Disease Screening Program (GDSP); Maternal, Child, and Adolescent Health Division; and the Women, Infants, and Children (WIC) Supplemental Nutrition Program.
- (4) **Center for Health Care Quality (CHCQ)** – This center provides regulatory oversight and monitoring for the quality of care in public and private health facilities, clinics, and agencies throughout the state; licenses nursing home administrators, and certifies nurse assistants, home health aides, and hemodialysis technicians; and oversees the prevention, surveillance, and reporting of healthcare associated infections in California’s health facilities.
- (5) **Center for Infectious Disease (CID)** – This center works to prevent and control infectious diseases such as Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Syndrome (AIDS), tuberculosis, viral hepatitis, influenza and other vaccine preventable illnesses, emerging infections, vector-borne disease, sexually transmitted diseases (STD), infant botulism, and foodborne illnesses.
- (6) **Center for Health Statistics and Informatics (CHSI)** – This center works to improve public health by managing information systems and facilitating the collection, validation, analysis, and dissemination of health statistics and demographic information on California’s population.
- (7) **Center for Preparedness and Response (CPR)** – This center provides overall statewide planning and preparedness for public health disasters and emergencies, distributing and monitoring funding for disaster planning at the local level, operating the Medical Health Coordination Center, developing,

and maintaining a standard public health and medical emergency management system for local and state entities.

(8) Center for Laboratory Science (CLS) – This center provides oversight for clinical and public health laboratory operations and clinical and public health laboratory personnel, and is responsible for issuing licenses and certificates.

The Uncertain Federal Public Health Landscape and California’s Response. Actions taken to date by the new federal Administration’s leadership at the Department of Health and Human Services have called into question the state’s relationship with previously reliable public health agencies like the Centers for Disease Control and Prevention (CDC), the Food and Drug Administration (FDA), the United States Preventive Services Task Force (USPSTF), the Centers for Medicare and Medicaid Services (CMS), the Health Resources and Services Administration (HRSA), and the Advisory Committee on Immunization Practices (ACIP), among other entities. In particular, recent changes to recommended vaccination schedules and practices by ACIP and the CDC have demonstrated a lack of scientific rigor underpinning decision-making that could significantly and irreversibly impact public health. Given these realities, the state of California was compelled to respond with policies to ensure the state’s public health is not damaged by information or recommendations that lack an evidentiary basis.

In September 2025, the Legislature approved AB 144 (Committee on Budget), Chapter 105, Statutes of 2025, to revise statewide requirements and guidance related to the provision of immunizations and the coverage and delivery of various preventive health care services, including the following:

- Establish baseline recommendations for preventive services, items, and immunizations recommended, as of January 1, 2025, by the United States Preventive Services Task Force (USPSTF), the Advisory Committee on Immunization Practices (ACIP), and the Health Resources and Services Administration (HRSA).
- Authorize the California Department of Public Health (CDPH) to modify or supplement the baseline recommendations, taking into consideration guidance and recommendations from additional medical and scientific organizations including, but not limited to, the American Academy of Pediatrics (AAP), the American College of Obstetricians and Gynecologists (ACOG), and the American Academy of Family Physicians (AAFP).
- Authorize CDPH to incorporate subsequent evidence-based recommendations from USPSTF, ACIP, or HRSA, to the extent the department determines they promote public health.
- Require CDPH to publish the baseline recommendations, including any modification or supplement, and that any updates, modifications, or supplements are deemed effective on the date of publication.
- Replace references to USPSTF, ACIP, or HRSA for coverage of preventive services and items, and for the administration of vaccines by various health professionals and other personnel and entities, with references to these federal recommendations as they existed on January 1, 2025, as modified or supplemented by CDPH pursuant to its authority under the baseline recommendations.

- Until January 1, 2030, extend protection of liability for any injury caused by an act or omission in prescribing, dispensing, ordering, furnishing, or in the administration of vaccines or other immunizing agents if required by state law or administered in accordance with guidance from CDPH according to its baseline recommendations, unless the act or omission constitutes willful misconduct or gross negligence.

West Coast Health Alliance (WCHA) and Other Partnerships to Protect Public Health. In addition to policy changes included in AB 144, the 2025 Budget Act included General Fund expenditure authority of \$4 million to support building capacity and coordinated communications with other states, academic partners, health systems, health insurers, clinical professional organizations, local public health, and other health organizations. In September 2025, California joined Oregon and Washington to launch the West Coast Health Alliance (WCHA) to provide evidence-based, unified recommendations regarding who should receive immunizations and help ensure the public has credible information for confidence in vaccine safety and efficacy. In addition, California launched the Public Health for All Californians Together (PHACT) Coalition, a collaboration between CDPH, Covered California, and UC San Francisco's Collaborative for Public Health Research (CPR3), to bring together a network of multi-sectoral partners across the state of California to provide timely, evidence-based guidelines and culturally appropriate health messaging to protect the health and advance the well-being of all Californians.

Shortly after adoption of AB 144, CDPH launched its Public Health for All webpage (<http://cdph.ca.gov/Pages/public-health-for-all/publichealthforall.aspx>). The Public Health for All page provides information on the state's updated guidance for vaccines, and current recommendations for preventive services. As the federal ACIP has made several significant changes to its immunization recommendations, CDPH has recommended instead that routine immunization be provided, and covered by health insurance, in accordance with the immunization schedules published by the American Academy of Pediatrics (for children 18 and under) and the American Academy of Family Physicians (for adults 19 and older). In addition, CDPH released the following recommendations, in collaboration with the WCHA, for the 2025-26 respiratory virus season:

Age/Condition	COVID-19	Influenza	RSV
Children 	<ul style="list-style-type: none"> All 6-23 months All 2-18 years with risk factors or never vaccinated against COVID-19 All who are in close contact with others with risk factors¹ All who choose protection¹ 	<ul style="list-style-type: none"> All 6 months and older 	<ul style="list-style-type: none"> All younger than 8 months² All 8-19 months with risk factors
Pregnancy 	<ul style="list-style-type: none"> All who are planning pregnancy, pregnant, postpartum or lactating 	<ul style="list-style-type: none"> All who are planning pregnancy, pregnant, postpartum or lactating 	<ul style="list-style-type: none"> 32-36 weeks gestational age^{2,3}
Adults 	<ul style="list-style-type: none"> All 65 years and older All younger than 65 years with risk factors All who are in close contact with others with risk factors All who choose protection 	<ul style="list-style-type: none"> All 	<ul style="list-style-type: none"> All 75 years and older³ All 50-74 years with risk factors³

CDPH also updated its guidance to reflect American Academy of Pediatrics recommendations, rather than adhere to recent recommendations from the federal ACIP, regarding the measles, mumps, rubella, and varicella vaccine (MMRV), and the hepatitis B (HepB) vaccine. CDPH continues to recommend that parents be allowed to choose a combined MMRV vaccine for children under four years of age or a separate MMR and Varicella vaccine. CDPH also continues to recommend that all children receive a dose of HepB vaccine at birth.

CDPH has not made any updates to preventive services guidelines recommended by the USPSTF to date.

In September 2025, the Department of Managed Health Care (DMHC) issued an All Plan Letter to notify plans of their requirements to cover immunizations and preventive services in accordance with the baseline schedule adopted by CDPH.

Subcommittee Staff Comment. This is an informational item.

Questions. The subcommittee has requested CDPH to respond to the following:

1. Please provide a brief overview of CDPH’s programs and budget.
2. Please provide an update on the state’s public health measures undertaken in response to the new federal Administration, including the timelines for establishing the baseline schedule of immunizations and preventive care pursuant to AB 144, and establishing partnerships such as the WCHA, and PHACT.
3. Please provide an update on incidence and public health measures undertaken related to silicosis.

4. Please provide an update on the Transgender, Gender Nonconforming, and Intersex (TGI) Wellness and Equity Fund, including grants awarded and current resources.
5. Please provide an update on recent attempted federal reductions to public health resources, particularly related to HIV/AIDS prevention and treatment, and how the department plans to manage the instability of funding from the federal government.

Issue 13: State of the State's Public Health

State of the State's Public Health. SB 184 (Committee on Budget and Fiscal Review), Chapter 47, Statutes of 2022, requires the Director of CDPH to submit a written report every other year, beginning in 2024, to the Governor and the Legislature on the state of public health in California.

Background. The 2018 Budget Act included supplemental reporting language requiring CDPH to report to the health and human services budget subcommittees of the Legislature certain information about public health statistics in California. The language was as follows:

Item 4265-001-0001—Department of Public Health

1. ***State of the State's Public Health.*** At its first budget subcommittee hearings of the 2019-20 budget process, the Department of Public Health shall report to the health and human services budget subcommittees of both houses of the Legislature a summary of key public health statistics in California. The briefing and related handout shall include excerpted information from the County Health Status Profiles report on key public health indicators, including available information about these indicators' trends, for issues that the department considers major existing or emerging public health issues. The briefing and related handout may, for example, provide statistics on issues such as opioid overdoses and naloxone treatments, the number of people infected with sexually transmitted diseases (STDs) and the geographic regions in which STD transmissions are highest, rates of diabetes and/or other chronic diseases among various subpopulations, or recent public health outbreaks.

After the initial presentation during the 2019-20 budget process, CDPH staff continued to provide the State of the State's Public Health presentation in subsequent years, through the COVID-19 pandemic years, until codification of the requirement in trailer bill language adopted as part of the 2022 Budget Act.

Future of Public Health – SB 184. After the COVID-19 pandemic, the Legislature adopted a package of public health infrastructure initiatives, collectively known as the Future of Public Health, which made significant investments in state and local public health departments, and implemented reforms to improve data sharing between public health officials and state and local elected officials. Among these reforms was codification of the previous State of the State's Public Health presentation, previously reflected in non-binding supplemental reporting language, into the Health and Safety Code. SB 184 (Committee on Budget and Fiscal Review), Chapter 47, Statutes of 2022, requires the State Public Health Officer to, on or before February 1 of every other year, submit a written report to the Governor and the Legislature on the state of public health in California. SB 184 also requires the State Public Health Officer to present an update annually to the relevant budget subcommittees of the Legislature during legislative budget hearings. The written report must include the following information:

1. Information on key public health indicators that California is experiencing, as determined to be relevant by the State Public Health Officer.
2. Information on health disparities identified as part of the indicators and trends, if any.

3. The leading causes of morbidity and mortality in California and evidence of increasing or decreasing rates of morbidity and mortality over the prior three to five years, inclusive.
4. Data on the incidence and prevalence of communicable and noncommunicable chronic diseases and conditions.
5. Data on the incidence and prevalence of intentional and unintentional injuries, including data specific to suicides and gun violence.
6. Data on the prevalence of morbidity and mortality related to mental illness and substance abuse.

Subcommittee Staff Comment—This is an informational item.

Questions. The subcommittee has requested CDPH respond to the following:

1. Please present the 2026 State of the State’s Public Health Report update, pursuant to the requirements of SB 184 (Committee on Budget and Fiscal Review), Chapter 47, Statutes of 2022.

Issue 14: SaPHIRE Maintenance and Operations and Public Health IT Systems

Budget Change Proposal – Governor’s Budget. CDPH requests 15 positions and General Fund expenditure authority of \$24.5 million in 2026-27, \$18.5 million in 2027-28, and \$3.7 million annually thereafter. If approved, these positions and resources would support maintenance and operations of the Surveillance and Public Health Information Reporting and Exchange (SaPHIRE) system, an integrated data system that provides 24-hour processing of lab results for all reportable infectious diseases.

Multi-Year Funding Request Summary		
Fund Source	2026-27	2027-28*
0001 – General Fund	\$24,494,000	\$18,487,000
Total Funding Request:	\$24,494,000	\$18,487,000
Total Requested Positions:	15.0	15.0

* Additional fiscal year resources requested – 2028-29 and ongoing: \$3,749,000

Background. The Surveillance and Public Health Information Reporting and Exchange (SaPHIRE), previously known as the California COVID Reporting System (CCRS), was implemented in October 2020 to address the challenges of managing COVID-19 laboratory data, providing upgraded capabilities for managing all communicable disease laboratory data sent electronically. During the COVID-19 pandemic, CDPH data systems were not able to manage the high volume of data associated with COVID-19. According to CDPH, there were also substantial quality problems with the data, including: incomplete fields such as race and ethnicity, duplicate reports, incorrect or incomplete information for accurate patient matching, inconsistent use of codes and test labels for laboratory test and result values, system limitations to ingest and handle the rapid surge in lab result submissions, and architecture limitations that prevented adequate system performance monitoring.

In August 2020, during the height of the pandemic, CDPH conducted a challenge-based procurement to develop and implement the CCRS system. For the maintenance and operations phase of this project, CDPH engaged in a new, challenge-based procurement process in March 2022, resulting in a contract with a new vendor. A transition between the old and new vendor was completed by December 31, 2022.

The SaPHIRE system receives laboratory results for COVID-19 and other infectious diseases related to California residents from laboratories across the United States in accordance with state regulations. The great majority of laboratory results are submitted electronically and managed by the system. More than 350 entities are connected directly to this system and submit results on behalf of thousands of other entities, including laboratories that report their own results, and aggregators or hubs that report results for multiple laboratories. Incoming laboratory results are compared against existing laboratory results to identify, match, and remove duplicate records. Processed laboratory results are transferred to CDPH’s Enterprise Rhapsody Gateway for routing to downstream public health systems, including CalREDIE, and the Los Angeles and San Diego County disease surveillance systems. Data processed through SaPHIRE is used to monitor infectious disease and testing trends.

The 2022 Budget Act included General Fund expenditure authority of \$26.3 million in 2022-23 to provide maintenance and operations for one year to support and operate CCRS. The one-year funding strategy was designed to allow CDPH to obtain updated maintenance and operations costs through a competitive

process and include these costs in a proposal for 2023-24. As part of the transition, CCRS was renamed to SaPHIRE to recognize that the system receives data for all reportable conditions, not just COVID-19.

The 2023 Budget Act included General Fund expenditure authority of \$30.9 million in 2023-24 for maintenance and operations costs for SaPHIRE. These resources were approved to support integration and critical data exchange between SaPHIRE and other core CDPH systems, including the California Reportable Disease Information Exchange (CalREDIE) and the California Confidential Network for Contact Tracing (CalCONNECT).

The 2024 Budget Act included General Fund expenditure authority of \$26.9 million in 2024-25 to support continued maintenance of SaPHIRE. Of this amount, \$26.3 million supported technology service contracts, software licenses, and interdepartmental services, while \$622,000 supported personnel costs to make permanent three redirected staff.

The 2025 Budget Act included General Fund expenditure authority of \$27 million in 2025-26, \$20.4 million in 2026-27, and \$16.3 million annually thereafter to support maintenance and operations of SaPHIRE.

Staffing and Resource Request. CDPH requests 15 positions and General Fund expenditure authority of \$24.5 million in 2026-27, \$18.5 million in 2027-28, and \$3.7 million annually thereafter to support maintenance and operations of the Surveillance and Public Health Information Reporting and Exchange (SaPHIRE) system, an integrated data system that provides 24-hour processing of lab results for all reportable infectious diseases. Specifically, CDPH requests the following positions and resources:

SaPHIRE Data Quality and Submitter Support Team – Seven positions

- **One Research Data Manager, two Research Data Specialist (RDS) II** positions, and **four RDS I** positions would provide data quality and submitter management support, including ongoing support for public health data submitters, management and resolution of data quality issues, and outreach. This workload was previously supported by the SaPHIRE system vendor.

Information Technology Services Division (ITSD) Data Quality Support Team – Three positions

- **One Information Technology Specialist (ITS) II** position and **two ITS I** positions would provide technical expertise needed to transition the data quality analysis from the current vendor, and to support the SaPHIRE Data Quality and Submitter Support Team.

ITSD Data Warehouse Support Team – Two positions

- **Two ITS II** positions would provide technical expertise to transition data warehouse support from the vendor to CDPH staff including full maintenance and operations support of data transformation and load processes, monitoring of data warehouse processes, troubleshooting of issues, managing accounts, and continuously improving performance.

ITSD Reportable Conditions and Immunization Board Operations – Two positions

- **One ITS II** position and **one ITS I** position would operate, manage, and mature the governance processes for the Reportable Conditions and Immunizations (RCI) Board, including assisting the department and stakeholders to prioritize efforts and efficiently manage IT capacity and services to achieve both business and IT strategic objectives.

Administration Division – One position

- **One Associate Governmental Program Analyst** would support general administrative functions including budget building, human resources, contracting, purchasing, and conducting analytical and administrative support.

Contract Costs - \$20.7 million

- Of the amount requested in this proposal, \$20.7 million in 2026-27 would support technology service contracts, software licenses, and interdepartmental services related to the current vendor, while \$3.7 million supports the personnel costs listed above. In 2027-28, of the \$18.5 million total costs, \$3.7 million continues to support personnel costs, but contract costs decrease to \$14.7 million. In 2028-29 and annually thereafter, personnel costs continue at \$3.7 million, with no additional contract costs.

Governor’s January Budget Includes No Funding for Other Public Health IT Systems. While the Governor’s January budget requests resources for ongoing maintenance and operations for SaPHIRE, the budget does not include funding for several other public health IT systems supported by prior year appropriations that will soon expire. These systems include the California Confidential Network for Contact Tracing (CalCONNECT), the California Immunization Registry 3 (CAIR3), and the California Vaccine Management System (myCAvax).

CalCONNECT. The California Confidential Network for Contact Tracing (CalCONNECT) is California's system for case and outbreak investigation, contact tracing, symptom monitoring of exposed individuals, and communication with affected persons, including the dissemination of isolation and quarantine guidance to cases and contacts. CalCONNECT was developed during the COVID-19 pandemic and was recently expanded to support Mpox, tuberculosis, and sexually transmitted infections. CalCONNECT has also incorporated a new generic disease condition function that can be utilized for monitoring persons exposed to avian influenza, Ebola, and other infectious diseases. CalCONNECT also supports outbreak investigations by providing workplaces and schools streamlined ways to report exposure events directly to their LHD and CDPH. As a result of CalCONNECT’s success related to COVID-19, numerous stakeholder groups, including local health jurisdictions, have requested that CDPH build upon the system and expand its functionality to support additional disease conditions that require case investigation and contact tracing, such as tuberculosis, human immunodeficiency virus (HIV), syphilis, perinatal hepatitis B, and measles.

The 2022 Budget Act included General Fund expenditure authority of \$39.6 million in 2022-23 to provide maintenance and operations for one year to support and operate CalCONNECT. The one-year funding strategy was designed to allow CDPH to obtain ongoing maintenance and operations costs for CalCONNECT through a competitive process and include these costs in a proposal for 2023-24. CDPH engaged in a challenge-based procurement process in March 2022, resulting in a new contract with the existing vendor.

The 2023 Budget Act included General Fund expenditure authority of \$74.4 million in 2023-24 for maintenance and operations for one year. According to CDPH, support for 2024-25 maintenance and operations was supported with federal funds that will not be available in subsequent years.

The 2025 Budget Act included General Fund expenditure authority of \$18 million in 2025-26 to support maintenance and operations costs for CalCONNECT, specifically to support external technology service contracts, software licenses, interdepartmental services, system operations, system monitoring, ensuring compliance with the latest security and privacy policies, routine quality assurance, automated regression testing, help desk, and system modifications to remediate security findings. According to CDPH, the one-year funding strategy was designed to allow a transition of some maintenance and operations activities from contract staff to state staff, similar to the proposed transition for SaPHIRE.

The Governor's January budget for 2026-27 does not include any resources for CalCONNECT.

Background – CAIR3. AB 1797 (Weber), Chapter 582, Statutes of 2022, requires all administered vaccines in California to be reported to the state immunization registry, as of January 1, 2023. The California Immunization Registry 2 (CAIR2) is the statewide immunization information system used to capture, store, track, and consolidate vaccination data. According to CDPH, the COVID-19 pandemic highlighted significant weaknesses and limitations in the CAIR2 system due to the high volume of vaccination data traffic submitted after approval of the COVID-19 vaccine. The CAIR2 system was unable to sustain this level of traffic, causing system and data reporting delays. Specifically, CAIR2 suffered from the following limitations:

- Inability to support high volumes of incoming electronic data interchange messages.
- Ineffective patient matching leading to large numbers of duplicate patient records, resulting in inaccurate records of patient vaccine doses.
- Limited reporting ability for system users, including counties and health plans.
- Poorly performing dose replacement (historical vs. administered doses) and record update logic.
- Lack of ability to manage and schedule future vaccine doses.

As a result of these limitations, the federal Centers for Disease Control and Prevention (CDC) provided grant funding for the CAIR3 Project, to replace and address the limitations of CAIR2. According to CDPH, these efforts were supported by federal grant funds which have been exhausted.

The 2025 Budget Act included General Fund expenditure authority of up to \$5.1 million in 2025-26 to support the design, development, and implementation of the California Immunization Registry 3 (CAIR3) Project, which would upgrade California's statewide immunization information system used to capture, store, track, and consolidate vaccination data. According to CDPH, federal Medicaid matching funds are available for this project, with a 90 percent federal match rate for the 70 percent of total Medicaid eligible patients covered by the system. This results in \$8.6 million additional federal funds which, along with the \$5.1 million General Fund, supports vendor costs and redirected staff to continue design, development, and implementation of the CAIR3 Project.

The Governor's January budget for 2026-27 does not include any resources for CAIR3.

Background – myCAvax. The California Vaccine Management System (myCAvax) connects vaccination providers and local health departments with tools and functionality for managing and administering vaccines. The system supports the Vaccines for Children (VFC) program, Vaccines for Adults (VFA), and the LHD 317 and State General Fund vaccine programs for individuals with limited access to healthcare.

The 2025 Budget Act included General Fund expenditure authority of \$31.5 million to support maintenance and operations of myCAvax.

The Governor’s January budget for 2026-27 includes no resources to continue myCAvax.

Subcommittee Staff Comment and Recommendation—Hold Open. Subcommittee staff recommends holding this item open to allow continued discussions in advance of the May Revision.

Questions. The subcommittee has requested CDPH to respond to the following:

1. Please provide a brief overview of this proposal.
2. Please provide a status update of the department’s planning for continuing critical public health IT systems, such as CalCONNECT, CAIR3, and myCAvax.

Issue 15: Vector-Borne Disease Program

Budget Change Proposal – Governor’s Budget. CDPH requests expenditure authority from the Vector-Borne Disease Account of \$50,000 annually. If approved, these resources, would support program operations in the Vector-Borne Disease Section in the department’s Center for Infectious Diseases.

Multi-Year Funding Request Summary		
Fund Source	2026-27	2027-28*
0478 – Vector-Borne Disease Account Fund	\$50,000	\$50,000
Total Funding Request:	\$50,000	\$50,000
Total Requested Positions:	0.0	0.0

* Resources ongoing after 2027-28.

Background. CDPH’s Vector-Borne Disease Section (VBDS) protects Californians from diseases transmitted to humans from insects and other animals, conducting prevention, surveillance, and control of West Nile virus, Lyme disease, plague, hantavirus, and other vector-borne diseases. VBDS staff are located in three regional offices and a Sacramento headquarters, and provide the following services:

- 1) Develop and implement vector-borne disease surveillance, prevention, and control programs
- 2) Design and conduct scientific investigations of vector-borne diseases in California
- 3) Coordinate preparedness activities for detection and response to vector-borne diseases
- 4) Conduct emergency vector control during disease outbreaks
- 5) Advise local agencies on public health issues related to vector-borne diseases
- 6) Oversee local vector control agencies through a cooperative agreement
- 7) Oversee the Vector Control Technician Certification and Continuing Education programs
- 8) Provide information, training, and educational materials to governmental agencies and the public
- 9) Provide assistance in coordinating issues related to the management of head lice, bed bugs, and other public health pests

Among its responsibilities, VBDS certifies Public Health Vector Control Technicians, including examinations, continuing education, and recertification. State law requires any government agency employee who handles, applies, or supervises the use of any pesticide for public health purposes to be certified by CDPH. As of 2024, there are 1,209 Vector Control Technicians employed at 101 local public health agencies, with 2,959 total certificates active, for mosquito control (1,131 certificates), terrestrial invertebrate vector control (891 certificates), and vertebrate vector control (937 certificates). The program is supported by fees collected from applicants for certification and re-certification. According to CDPH, while revenues are sufficient to support the program, program costs currently exceed current expenditure authority in the budget.

Resource Request. CDPH requests expenditure authority from the Vector-Borne Disease Account of \$50,000 annually to support program operations in the Vector-Borne Disease Section in the department’s Center for Infectious Diseases.

Subcommittee Staff Comment and Recommendation—Hold Open. Subcommittee staff recommends holding this item open to allow continued discussions in advance of the May Revision.

Questions. The subcommittee has requested CDPH to respond to the following:

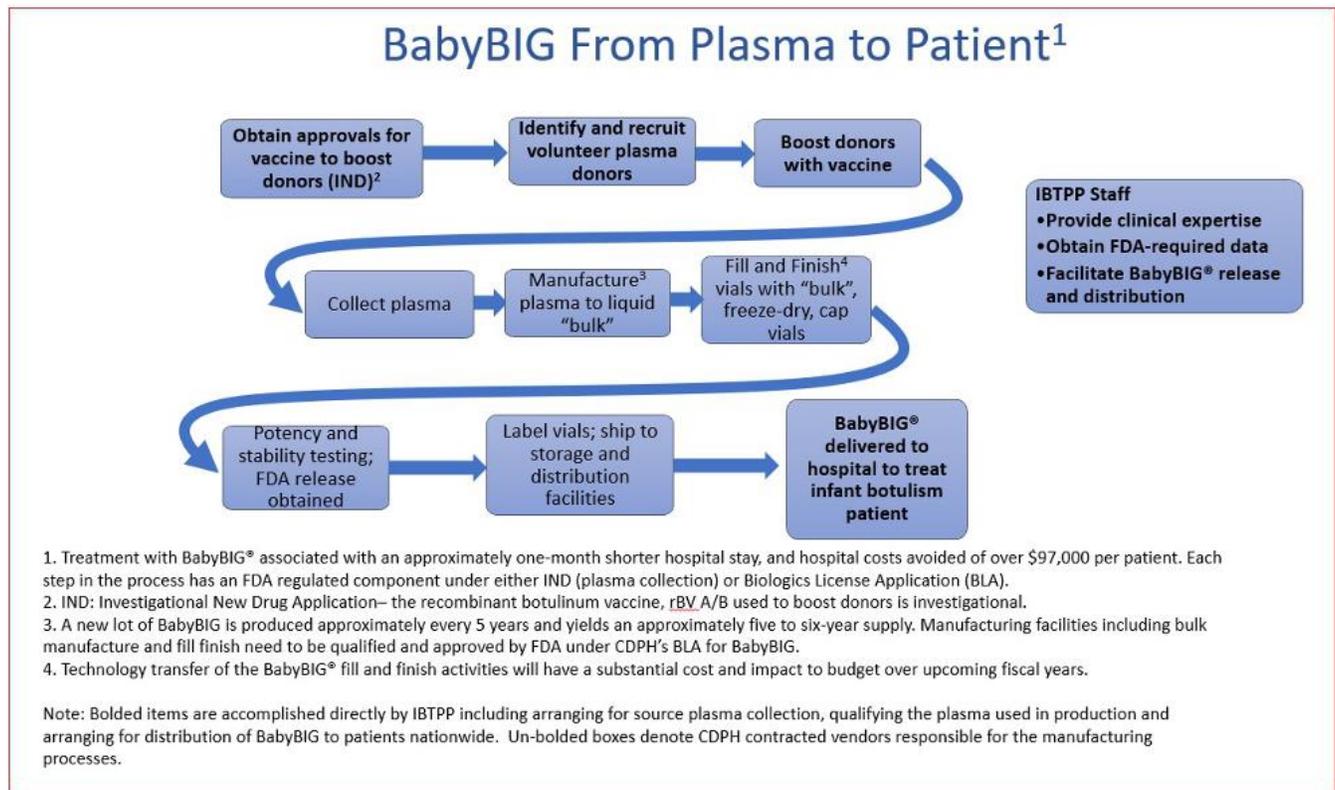
1. Please provide a brief overview of this proposal.

Issue 16: BabyBIG Infant Botulism Treatment and Prevention Program

Budget Change Proposal – Governor’s Budget. CDPH requests expenditure authority from the Infant Botulism Treatment and Prevention Fund of \$3.6 million in 2026-27. If approved, these resources would support increased BabyBIG manufacturing and stability testing costs.

Multi-Year Funding Request Summary		
Fund Source	2026-27	2027-28
0272 – Infant Botulism Treatment and Prev Fund	\$3,640,000	\$-
Total Funding Request:	\$3,640,000	\$-
Total Requested Positions:	0.0	0.0

Background. BabyBIG is an orphan drug that consists of human-derived anti-botulism-toxin antibodies and is approved by the U.S. Food and Drug Administration (FDA) for the treatment of infant botulism types A and B. BabyBIG is the only licensed treatment for infant botulism in the United States, and CDPH is the only source of BabyBIG in the world. BabyBIG is distributed nationwide for a fee to treat patients with infant botulism, as required by the Federal Orphan Drug Act and California law. The U.S. Food and Drug Administration (FDA) licensed BabyBIG to CDPH in October 2003. The license for BabyBIG stipulates using specified processes, facilities, and equipment. There is presently only one facility in the world approved by FDA for production of BabyBIG, Shire Biotechnology in Los Angeles.



Plasma Donors – Vaccine Stability Testing. In its production of BabyBIG, CDPH utilizes the recombinant botulinum vaccine A/B (rBV A/B) as an immunogen to boost BabyBIG plasma donors.

Previously, the United States Department of Defense (DoD), Surgeon General, Department of the Army was the sponsor of the investigational rBV A/B vaccine, but halted funding for vaccine stability testing as of July 2025. Vaccine stability testing is comprised of time-series studies to determine how long the vaccine will maintain its quality and effectiveness. As a result of the withdrawal of DoD funding, CDPH will take on additional costs to continue vaccine stability testing for the production of BabyBIG. These costs would be supported by the Infant Botulism Treatment and Prevention Fund, which receives the proceeds of fees charged to users of BabyBIG.

Resource Request. CDPH requests expenditure authority from the Infant Botulism Treatment and Prevention Fund of \$3.6 million in 2026-27 to support increased BabyBIG manufacturing and stability testing costs.

Subcommittee Staff Comment and Recommendation—Hold Open. Subcommittee staff recommends holding this item open to allow continued discussions in advance of the May Revision.

Questions. The subcommittee has requested CDPH to respond to the following:

1. Please provide a brief overview of this proposal.

Issue 17: AIDS Drug Assistance Program November Estimate

AIDS Drug Assistance Program (ADAP) Estimate. The Office of AIDS within CDPH administers the AIDS Drug Assistance Program (ADAP), which provides access to life-saving medications for Californians living with HIV and assistance with costs related to HIV pre-exposure prophylaxis (PrEP) and post-exposure prophylaxis (PEP) for Californians at risk of acquiring HIV. Clients are eligible for ADAP services if they meet the following criteria:

2. are HIV infected;
3. are a resident of California;
4. are 18 years of age or older;
5. have a Modified Adjusted Gross Income that does not exceed 600 percent of the Federal Poverty Level; and
6. are not fully covered by or eligible for Medi-Cal or any other third-party payer.

ADAP Programs. ADAP provides services to its clients through support for medications, health insurance premiums and out-of-pocket costs. Participating clients generally fall into one of five categories:

1. *Medication-only clients* are people living with HIV who do not have private insurance and are not enrolled in Medi-Cal or Medicare. ADAP covers the full cost of prescription medications on the ADAP formulary for these individuals, who only receive services associated with medication costs.
2. *Medi-Cal Share of Cost clients* are persons living with HIV enrolled in Medi-Cal who have a share of cost for Medi-Cal services. ADAP covers the share of cost for medications for these clients, who only receive services associated with medication costs.
3. *Private insurance clients* are persons living with HIV who have some form of health insurance, including through Covered California, privately purchased health insurance, or employer-based health insurance and who receive services associated with medication costs, health insurance premiums and medical out-of-pocket costs.
4. *Medicare clients* are persons living with HIV enrolled in a Medicare plan. This group is divided into three client subgroups: Part B, Part C, and Part D. These groups receive medication benefits and may also receive assistance with health insurance premiums and medical out-of-pocket costs.
5. *Pre-exposure prophylaxis (PrEP) Assistance Program (PrEP-AP) clients* are individuals who are at risk for, but not infected with, HIV and have chosen to take pre-exposure prophylaxis (PrEP), or post-exposure prophylaxis (PEP), as a way to prevent infection. For insured clients, PrEP-AP pays for PrEP- and PEP-related medical out-of-pocket costs and covers the gap between what the client's insurance plan and the manufacturer's co-payment assistance program pays towards medication costs. For uninsured clients, PrEP-AP only provides assistance with PrEP- and PEP-related medical costs and medication costs for clients who are ineligible for a medication assistance program through a drug manufacturer or other assistance programs.

ADAP is funded by federal funds and the ADAP Rebate Fund (Fund 3080). The federal government began funding state programs to assist people living with HIV to purchase antiretroviral medications in 1987. Since 1990 with the passage of the Ryan White Comprehensive AIDS Resources Emergency Act, now known as the Ryan White Program, the federal Health Resources and Services Administration (HRSA) provides funding to states for ADAP programs. In addition to federal funds, ADAP receives significant funding from mandatory and voluntary manufacturer rebates for ADAP drug expenditures.

ADAP Estimate – Governor’s Budget. The November 2025 ADAP Estimate reflects revised 2025-26 expenditures of \$444 million (\$340.6 million ADAP Rebate Fund and \$103.4 million federal funds), a decrease of \$42.7 million or 8.8 percent compared to the 2025 Budget Act. According to CDPH, this decrease is primarily due to lower medication and insurance premium expenditures related to decreased caseload and use of ADAP Rebate Fund resources for state operations pursuant to AB 144 (Committee on Budget), Chapter 105, Statutes of 2025.

For 2025-26, CDPH estimates ADAP expenditures of \$443.7 million (\$340.3 million ADAP Rebate Fund and \$103.4 million federal funds), a decrease of \$688,000 or 0.2 percent compared to revised expenditures for 2025-26.

ADAP Local Assistance Funding Summary		
Fund Source	2025-26	2026-27
0890 – Federal Trust Fund	\$103,389,000	\$103,389,000
3080 – AIDS Drug Assistance Program Rebate Fund	\$340,580,000	\$340,268,000
Total ADAP Local Assistance Funding	\$443,969,000	\$443,657,000

ADAP tracks caseload and expenditures by client group. CDPH estimates ADAP caseload and expenditures for 2025-26 and 2026-27 will be as follows:

<u>Caseload by Client Group</u>	<u>2025-26</u>	<u>2026-27</u>
Medication-Only	7,514	7,904
Medi-Cal Share of Cost	113,	137
Private Insurance	9,364	9,476
Medicare	6,528	6,528
PrEP Assistance Program	4,799	5,241
TOTAL	28,318	29,285

<u>Expenditures by Client Group</u>	<u>2025-26</u>	<u>2026-27</u>
Medication-Only	\$205,461,242	\$232,250,082

Medi-Cal Share of Cost	\$1,852,721	\$2,432,939
Private Insurance	\$119,272,630	\$134,829,338
Medicare	\$16,557,967	\$21,072,630
PrEP Assistance Program	\$22,894,726	\$28,503,676
TOTAL	\$366,039,286	\$419,088,666

Costs for administration of ADAP are estimated to be \$5.2 million in 2025-26 and \$5.7 million in 2026-27. Costs for administration of PrEP-AP are estimated to be \$5.4 million in 2025-26 and \$5.5 million in 2026-27. Enrollment costs are estimated to be \$7.7 million in 2025-26 and \$8.2 million in 2026-27.

In addition, ADAP's pharmacy benefit manager, Magellan Rx Management, contracts with a safety net recovery vendor, Health Management Systems (HMS) to pursue recovery of paid claims when a liable third party is identified post-payment. CDPH estimates recoveries of \$14 million in 2025-26 and \$14 million in 2026-27.

ADAP Rebate Fund Loans to the General Fund. The 2024 Budget Act authorized a \$500 million from the ADAP Rebate Fund to the General Fund to support the General Fund shortfall. The 2023 Budget Act similarly included a \$400 million loan from the fund to the General Fund. According to CDPH, the fund is expected to maintain a reserve of \$189.5 million after program expenditures in 2025-26. The \$400 million loan is expected to be repaid in 2027-28 and the \$500 million loan is expected to be repaid in 2028-29.

Subcommittee Staff Comment and Recommendation—Hold Open. Subcommittee staff recommends holding this item open to allow continued discussions in advance of the May Revision.

Questions. The subcommittee has requested CDPH and Department of Finance to respond to the following:

1. Please provide a brief overview of the major changes to the ADAP Estimate.
2. Please provide an overview of the two loans to the General Fund from the ADAP Rebate Fund, including the terms of repayment, the condition of the fund balance, and the expected repayment date.

Issue 18: Proposals for Investment

Proposal for Investment. The subcommittee has received the following proposal for investment:

ADAP Rebate Fund Investments to End the Epidemics of HIV, Hepatitis, STIs, and Overdose. The End the Epidemics coalition requests expenditure authority from the ADAP Rebate Fund of \$144 million in 2026-27, and expenditure authority from the Opioid Settlements Fund of \$23 million annually for five years beginning in 2026-27, to support several initiatives to fight human immunodeficiency virus (HIV), hepatitis, sexually transmitted infections (STIs), and overdose in California. According to the coalition, these intertwined epidemics continue to harm Californians and cost our state’s healthcare system billions of dollars annually. This “syndemic” disproportionately affects Californians of color and LGBTQ+ Californians. In addition, this request seeks to address the instability of federal funding for HIV, hepatitis, STIs, and overdose. This instability has dire consequences for the vital network of health services preventing these epidemics from spiraling out of control. For example, a several week delay in Centers for Disease Control and Prevention (CDC) HIV prevention funding resulted in the Los Angeles Department of Public Health terminating all of its contracts with community HIV prevention providers, who in turn were forced to lay off hundreds of staff members and cause an extraordinary disruption to HIV prevention services in the county where most HIV cases in the state are diagnosed each year.

The specific investments and programmatic changes utilizing ADAP Rebate Fund are as follows:

- *PrEP and PEP Initiation and Retention Initiative.* \$33.8 million in 2026-27, available over four years, would support local public health departments and community-based organizations to expand the use of pre-exposure prophylaxis (PrEP) and post-exposure prophylaxis (PEP) among people at risk of HIV.
- *Rapid ART Projects.* \$14.5 million in 2026-27, available over four years, would support all local public health departments, community-based organizations, and county-affiliated emergency departments to develop demonstration projects related to rapid initiation of antiretroviral therapy (ART).
- *Project Cornerstone.* \$14.1 million in 2026-27, available over four years, would support local public health departments and community-based organizations to provide innovative, evidence-informed approaches to improving the health and well-being of people living with HIV who are 50 or older (PLWH50+), with a focus on PLWH50+ from communities of color.
- *Routine, Opt-Out Testing for HIV, Viral Hepatitis, and Syphilis in ERs.* \$30 million in 2026-27 to expand routine, opt-out testing for HIV, viral hepatitis, and syphilis in California’s emergency rooms. Research shows that routine, opt-out testing for HIV in ERs catches a higher percentage of infections than testing at HIV/STD clinics, and both CDC and CDPH officially recommend this practice.
- *Rental Assistance and Housing Services.* \$50 million in 2026-27 would support rental assistance and other housing services to people experiencing homelessness and living with HIV. A large body of research demonstrates that housing instability is correlated with poor HIV health outcomes—including death. Housing stability is also critical to HIV prevention, because studies clearly link housing

instability with increased risk of HIV infection. Unfortunately, at least 5,000 people living with HIV in California are experiencing homelessness.

- *Training for Hepatitis C Virus (HCV) Point of Care (POC) RNA Test.* \$550,000 in 2026-27 would support delivery of training on the new HCV point-of-care RNA test. Last year, the Legislature appropriated \$1 million for the purchase of POC RNA test instruments. State law requires state-approved training to use these tests (except for certain licensed health professionals). This funding would support two limited-term positions to deliver this training statewide, plus two additional testing instruments to be used in training.

The specific investments and programmatic changes utilizing Opioid Settlements Fund are as follows:

- *Drug Checking Programs.* \$10 million annually for five years would support drug-checking programs to prevent fatal overdose and engage participants in health programs
- *California Overdose Prevention and Harm Reduction Initiative (COPHRI).* \$13 million annually for five years would support continuation of the California Overdose Prevention and Harm Reduction Initiative (COPHRI). In 2023, the Legislature created COPHRI, an expansion of the successful California Harm Reduction Initiative, and funded it with \$61 million in Opioid Settlement Funds for five years. Accidental drug overdose rates continue to climb in California. The programs supported by COPHRI are the front line in preventing overdose and linking people to substance use disorder treatment and other services. This initiative is essential to reducing overdose deaths as well as HIV and viral hepatitis transmission. Funds for COPHRI expire June 30, 2027.

The coalition also requests trailer bill language authorizing CDPH to use ADAP Rebate Fund dollars to replace delayed, reduced, or eliminated HIV-related federal funding for state and local agencies and community-based organizations. Funding made available would be for temporary purposes only and would be repaid if funding is restored.