

GENERAL GOVERNMENT AND STATEWIDE ISSUES

This chapter describes items in the Budget that are statewide issues or related to various departments.

TRANSFORMING GOVERNMENT OPERATIONS

In 2019, the Administration set out to transform government services through improvements in service delivery and technology investments. Since then, the COVID-19 Pandemic has forced systemic changes to government operations, including the expansion of telework strategies, reconfiguring office space, reducing leased space, promoting flexible work schedules for employees, and reducing disparities and promoting equity and inclusion in the workplace. The 2021 Budget Act reflected a 5 percent savings in base state operations through efficiencies. As the state continues to modernize government services in an online environment, additional work must be done to ensure state operations can keep pace. Reengineering business processes and innovative thinking can lead to operational efficiencies and improved operations that transform the way the state conducts business.

GOVERNMENT EXCELLENCE AND TRANSFORMATION

The Governor's Budget provides \$665,000 ongoing General Fund and 4 positions to establish the Government Excellence and Transformation Center (Center) under the

Government Operations Agency (GovOps). The Center will work with state departments to develop and implement innovative pilot projects, which can be scaled across state government to improve statewide operations. The Center will use these pilots and other projects to build a repository of best practices and case studies of successful projects to improve future state operations.

STATEWIDE TELEWORK

The COVID-19 Pandemic forced most state departments and agencies into emergency telework. The Administration continues to support the adoption and continued use of telework, when appropriate, through efforts led by GovOps, Department of General Services (DGS), California Department of Human Resources (CalHR), Office of Digital Innovation, and California Department of Technology (CDT). These efforts include the continued support of telework resources for departments, the adoption of statewide telework policies, and the requirement that drafts of departmental telework policies be submitted to DGS for review by January 31, 2022. The state's use of a hybrid workforce furthers government efficiency by enabling reductions in office footprints and the need for travel, in addition to allowing more flexibility for employers, larger potential candidate pools for telework eligible classifications, and building resiliency in the event of future emergencies. The Administration intends to pursue opportunities to support departments, collect data, and validate policy compliance.

STATE LEASED OFFICE SPACE

In support of the Administration's goal of leveraging telework strategies to improve government efficiency, DGS is working to reduce the state's leased portfolio of office space. In total, state agencies lease approximately 23.2 million total square feet, of which approximately 14.4 million square feet is office space. While DGS has prioritized working with its largest leasing clients, the department is working with 24 state agencies across 86 individual leases to consolidate space. This effort has resulted in 767,000 square feet of office space relinquished, equating to an annual savings of approximately \$22.5 million.

Over the next three years, DGS is projecting a 20-percent overall space reduction in the state's leased office space portfolio, which will realize approximately \$84.7 million in annual savings.

TECHNOLOGY MODERNIZATION AND STABILIZATION

CDT continues to lead several efforts and collaborate with departments to improve the way Californians interact with government entities and ensure essential services are not

interrupted. The 2021 Budget Act included \$25 million one-time General Fund for Technology Modernization Funding, which provides initial funding to departments to develop innovative technology solutions. Proposals from state entities were evaluated through the use of an online portal. The selected proposals will proceed to a short-term discovery effort to conduct market research, identify potential solutions, and develop a project plan. These proposals will be awarded funding to implement solutions aimed at improving the efficiency and effectiveness of state entities. The first round of projects is expected to begin in early 2022.

CALIFORNIA LEADS AS AN EMPLOYER

The State of California, as a large employer, has a responsibility to serve all Californians by upholding the principles and practices of merit, respect, dignity, and equity through the recruitment, retention, and promotion of a workforce that reflects California's diversity. To become an employer of choice, the state must act as a model for public and private employers by providing a working environment free from bias and harassment; addressing gender and racial pay equity; and promoting opportunity for all.

In September 2019, the Governor convened Secretaries, Undersecretaries, Directors, and Chief Deputy Directors to reflect and learn ways to create a more inclusive, respectful, and equitable workplace. Forum attendees volunteered to participate in four task forces addressing the following topics: Sexual Harassment and Discrimination Prevention and Response, Diversity and Inclusion, Public Safety Diversity, and Racial and Gender Pay Equity. These task forces were overseen by GovOps with assistance from the CalHR, State Personnel Board, and Department of Finance (Finance).

Recommendations from the task forces shape a vision of a more inclusive and diverse workforce; with core reforms to how the state recruits, onboards, develops, manages, and retains talent. This initiative represents the first of a multi-year approach to begin implementing the California Leads recommendations.

To employ a workforce that reflects all of California's diversity in race, ethnicity, gender, sexuality, gender identity, disability, and age, the Budget includes \$7.6 million (\$6.3 million General Fund) in 2022-23 and \$6.8 million (\$5.5 million General Fund) ongoing and 43 positions for CalHR to implement recommendations by the California Leads as an Employer Taskforce. The recommendations will advance diversity, pay equity, and inclusion in the state's workforce through:

- The implementation of processes that reduce implicit bias in the hiring process.

- Improvements to the accessibility of the CalCareers online portal, which will allow for greater ease of use by both candidates and hiring managers.
- Better data collection and analysis, which will help the state to better understand workforce needs and inform future recruiting efforts and testing processes.
- Establish California as an employer of choice to attract and retain top talent, including adopting employment goals through a Diversity, Equity, and Inclusion (DEI) business strategy. DEI is largely directed department-by-department and dependent on resources. Creating a statewide Diversity, Equity and Inclusion Strategic Plan is the first step towards accomplishing this goal.
- Establish an Equal Employment Opportunity Academy and a Statewide Apprenticeship Program to directly support state employees and departments in improving hiring and human resource practices throughout civil service.

CALIFORNIA STATE PAYROLL SYSTEM

The California State Payroll System (CSPS) Project will modernize the human resource management and payroll system used by state government employees to provide accurate and timely personnel and payroll services with quality customer service. CSPS is a highly complex and large undertaking for the state. It is a joint effort managed by the State Controller's Office (SCO) and CalHR, with involvement and oversight from Finance, CDT, and GovOps. This project requires support from all departments, and to that end, departments are discouraged from engaging in projects or information technology systems that are duplicative of the planned functionality of this project.

The project's objectives include enabling greater employee and manager self-service functionality, such as online view capabilities for payroll, employment history, and tax information. It will also provide a user-friendly interface for all human resource and payroll transaction specialists who input and interact with the system daily.

The Budget includes \$97.8 million one-time funding (\$58.7 million General Fund) and 33 positions for SCO in 2022-23; \$6.8 million one-time funding (\$4.1 million General Fund) and 40 positions in 2023-24; and \$6.7 million ongoing funding (\$4.0 million General Fund) and 39 positions in 2024-25. The Budget also includes \$3.4 million General Fund and 15 positions for CalHR in 2022-23, \$3.3 million General Fund in 2023-24 to 2024-25, and \$2.6 million General Fund in 2025-26 and ongoing. These resources will allow SCO and CalHR to transition to the implementation phase of the project.

STATE PROCUREMENT INITIATIVES

The State of California can be a force for equity, economic recovery, and innovation, as well as an attractive business partner by making its procurement policies and processes simpler, faster, and more user-friendly for buyers and vendor partners. DGS recently identified that over the past four years, approximately 90 percent of the state's contracts reported in the state's Financial Information System, representing more than \$100 billion in expenditures, have gone to California-based businesses supporting the local business community and helping to keep Californians employed. In fiscal year 2020-21, approximately \$30 billion in expenditures will go to California-based businesses. Moving forward, DGS will continue to support these businesses, with a focus on increasing small business participation in the state contracting process, improving equity, and achieving diversity in the state's supplier base.

Additionally, to further innovation in state government operations and improve the interaction between Californians and state agencies, DGS has expanded the scope of services offered on its centralized procurement vehicle for digital transformation, "the Technology, Digital and Data Consulting master services agreement" to include data, design, and digital consulting roles. This expansion increases the state's partnerships with the technology sector to support the ways in which Californians interact with government through data and information technology.

BROADBAND IMPLEMENTATION

The 2021 Budget provided \$6 billion over three years as part of a statewide plan to expand broadband infrastructure, increase affordability, and enhance access to broadband for all Californians.

The 2021 Budget included \$3.25 billion State Fiscal Recovery Fund to CDT for the purpose of building an open-access middle-mile network in unserved and underserved areas of California. Estimates produced by CDT, the California Department of Transportation (Caltrans) and the California Public Utilities Commission (CPUC) indicate a need for approximately 8,100 miles of middle-mile broadband infrastructure for unserved and underserved communities. CDT will continue to build and develop the statewide open-access middle-mile broadband network in collaboration with the third-party administrator and Caltrans as CPUC recommends additional locations for middle-mile buildout.

To complement the middle-mile network, the 2021 Budget also provided \$2 billion over three years for CPUC to build last-mile infrastructure to provide Californians with access to high-speed broadband service, and \$750 million for a Loan Loss Reserve Fund to support costs related to the financing of local broadband infrastructure development. CPUC anticipates making new last-mile project grants available in 2022 utilizing both state funding from the California Advanced Services Fund and federal funds.

EMPLOYEE COMPENSATION AND COLLECTIVE BARGAINING

The Budget includes \$770.5 million (\$377.8 million General Fund) for increased employee compensation, health care costs for active state employees, and retiree health care prefunding contributions for active employees. Included in these costs are collectively bargained salary and benefit increases resulting from contract and side letter negotiations. Funding is also included for 2023 calendar year increases in health care and dental premiums and enrollment.

The Administration will begin negotiations with six bargaining units representing attorneys and administrative law judges, firefighters, engineers, scientists, stationary engineers, and psychiatric technicians, whose contracts or side letter agreements are expired or will expire in summer 2022.

PAYING DOWN UNFUNDED PENSION LIABILITIES

The Budget includes significant funding to maintain the fiscal health of the state's retirement systems and pay down the state's share of unfunded liabilities within the California Public Employees Retirement System (CalPERS) and the California State Teachers' Retirement System (CalSTRS). In recent years, the state has enacted reforms to public pension law under the Public Employees' Pension Reform Act of 2013, developed and implemented a funding strategy to pay down CalSTRS' unfunded liability, and made numerous supplemental pension payments to CalPERS and CalSTRS to further eliminate the state's share of unfunded liability. In addition to the state's required annual contributions, from 2017-18 through 2021-22, the state has made supplemental pension payments of \$12.7 billion to CalPERS and CalSTRS, with the goal of improving the funded status of both systems and reducing the state's long-term retirement obligations.

STATE EMPLOYEES' RETIREMENT CONTRIBUTIONS

The Budget includes \$8.4 billion (\$4.7 billion General Fund) for the statutorily required annual state contribution to CalPERS for the state plan. This is a \$1.7 billion net increase as compared to 2021-22 and reflects the end of the \$2.5 billion pension payment to the state's unfunded liabilities over the fiscal years 2019-20 to 2021-22, the payroll impact of the Personal Leave Program 2020 termination, and gains resulting from CalPERS' 21.3 percent investment return in 2020-21. Included in these contributions are \$756 million General Fund for California State University retirement costs.

The Budget reflects \$3.5 billion in constitutionally required Proposition 2 debt repayment funding to further reduce the state's CalPERS unfunded liability. This proposed change will result in a minimum additional \$7 billion in estimated savings to the state over the next three decades. Based on current revenue projections, an additional \$6 billion in Proposition 2 funding is planned to be paid to CalPERS over fiscal years 2023-24 to 2025-26.

TEACHERS' RETIREMENT CONTRIBUTIONS

The Budget also includes \$3.7 billion General Fund for the statutorily required annual state contribution to CalSTRS. This is a roughly \$156 million reduction from the 2021 Budget Act due to the removal of a one-time \$174 million General Fund payment in 2021-22 to offset the statutory reduction in the state's contribution in 2020-21. Due to CalSTRS' historic 27.2-percent investment return for 2020-21, and subsequent projections that the state's share of CalSTRS' unfunded actuarial obligation will be eliminated by 2024-25, the CalSTRS Board is not expected to increase the state contribution rate for the Defined Benefit Plan in 2022-23 above the current 6.3 percent rate.

STATE HEALTH CARE BENEFITS

Through the collective bargaining process, the state's 21 employee bargaining units and related excluded and exempt employees have agreed to prefund retiree health benefits. As a result, more than \$5.2 billion is currently set aside in the prefunding trust fund to pay for future retiree health benefits. The Budget includes \$365 million in one-time Proposition 2 funding for the employer's share of General Fund prefunding contributions to pay for future retiree health benefits, which has an estimated \$95.1 billion unfunded liability to be paid down by 2046. By the end of 2022-33, the trust fund balance will approach \$7.3 billion in assets.

The State Retirement and Health Care Contributions figure provides a historical overview of contributions to CalPERS, CalSTRS, the Judges' Retirement System (JRS), the Judges' Retirement System II (JRS II), and the Legislators' Retirement System (LRS) for pension and health care benefits.

State Retirement and Health Care Contributions^{1/ 2/ 3/}
(Dollars in Millions)

	CalPERS	CSU CalPERS	CalSTRS	JRS	JRS II	LRS ^{5/}	Active Health & Dental ^{6/}	Retiree Health & Dental	CSU Retiree Health	Employer OPEB Prefunding ^{7/}
2013-14	\$3,269	\$474	\$1,360	\$188	\$52	\$1	\$2,697	\$1,383	\$225	\$22
2014-15	4,042	543	1,486	179	63	1	2,797	1,462	256	38
2015-16	4,338	585	1,935	190	67	1	2,968	1,556	263	63
2016-17	4,754	621	2,473	202	68	1	3,104	1,623	272	342 ^{8/}
2017-18	5,188	661	2,790	199	80	1	3,192	1,695	285	189
2018-19	5,506	683	3,082	194	84	1	3,255	1,759	313	394
2019-20	5,946	716	3,323	242	91	1	3,371	1,844	326	562
2020-21	4,925	680	3,428 ^{4/}	225	84	1	3,398	1,938	339	600
2021-22	6,090	675	3,858	194	89	1	3,617	2,114	373	1,292 ^{9/}
2022-23 ^{10/}	7,678	756	3,706	208	89	1	3,931	2,584	455	735

^{1/} The chart does not include contributions for University of California pension or retiree health care costs.

^{2/} The chart does not reflect the following pension payments: \$6 billion supplemental payment to CalPERS in 2017-18 authorized by Chapter 50, Statutes of 2017 (SB 84), additional payments to CalPERS and CalSTRS authorized in Chapter 33, Statutes of 2019 (SB 90), Chapter 859, Statutes of 2019 (AB 118), and Chapter 78, Statutes of 2021 (AB 138), and Proposition 2 payments to CalPERS proposed in the 2022-23 Governor's Budget.

^{3/} In addition to the Executive Branch, this chart includes Judicial and Legislative Branch employees. Contributions for judges and elected officials are included in JRS, JRS II, and LRS. Amounts displayed in the CalPERS column include statewide contributions to the five CalPERS state plans, including contributions from employers that are not included in the annual Budget Act.

^{4/} As part of the 2020 Budget Act, the Teachers' Retirement Board's statutory authority to adjust the state contribution rate for fiscal year 2020-21 was suspended. The amount shown excludes the additional \$297 million in supplemental pension payment from Proposition 2 debt payment funding authorized in the Budget.

^{5/} The state continues to make employer contributions to the Legislators' Retirement System. CalPERS reported the estimated 2021-22 contribution amount is \$87,680.

^{6/} These amounts include health, dental, and vision contributions for employees within state civil service, the Judicial and Legislative Branches, and the California State University (CSU).

^{7/} Amount reflects the employer contribution to pay down the Other Post-Employment Benefits (OPEB) unfunded liability.

^{8/} Amount includes a one-time prefunding contribution of \$240 million pursuant to Chapter 2, Statutes of 2016 (AB 133).

^{9/} Amount includes \$616 million to help ensure full funding by 2046, which is provided by the employer on behalf of the employees, based on the actuarial liability for each bargaining unit, since employee prefunding contributions were suspended in 2020-21 due to the Personal Leave Program 2020.

^{10/} Estimated as of the 2022-23 Governor's Budget, contributions sourced from the General Fund are estimated to be \$3,989 million for CalPERS, \$756 million for CSU CalPERS, \$1,845.9 million for Active Health and Dental, and \$365 million for OPEB Prefunding. Fiscal year 2022-23 contributions to CalSTRS, JRS, JRS II, LRS, and Retiree Health & Dental (including CSU) are all General Fund costs.

INVESTMENT IN THE ARTS

CALIFORNIA ARTS COUNCIL

The California Arts Council's mission is strengthening arts, culture, and creative expression as the tools to cultivate a better California for all. The Arts Council administers grants and programs to support the state's arts and cultural communities through the development of partnerships with the public and private sectors to enhance the cultural, educational, social, and economic growth of California. The Arts Council supports local arts infrastructure and programming statewide through grants, programs, and services.

SUPPORT FOR CULTURAL DISTRICTS

The Budget includes \$30 million one-time General Fund, to be spent over three years, to support 14 existing cultural districts. Funding will also expand the cultural districts program to support traditionally underserved communities that reflect the geographic and racial diversity of the state, and enable the Arts Council to provide technical assistance.

CALIFORNIA POET LAUREATE AND YOUTH POET LAUREATE

The Budget includes \$173,000 ongoing General Fund to support the California Poet Laureate and California Youth Poet Laureate. This funding will also enable the Arts Council to provide outreach and technical assistance to all 58 counties for literary arts programs, including the Poet Laureate, Youth Poet Laureate, and the Poetry Out Loud programs.

STATE PARKS PARTNERSHIP

The Budget includes \$50 million one-time General Fund for the California Department of Parks and Recreation to create new California Cultural and Art Installations in the Parks Program for state and local parks. Art installations will reflect local cultural heritages, connect the public to natural resources of state and local parks, and provide contemporary experiences to visitors (see the Natural Resources Chapter for more information).

DEPARTMENT OF CONSUMER AFFAIRS

The Department of Consumer Affairs within the Business, Consumer Services, and Housing Agency protects the public through the licensing and regulation of businesses and professional categories. The Department consists of 37 licensing programs that issue approximately 3.4 million licenses, certificates, registrations and permits in more than 250 business and professional categories, including doctors, nurses, contractors, private security companies, and private postsecondary institutions. The Department protects California consumers by investigating and prosecuting complaints, as well as helps consumers learn how to protect themselves from scams and unqualified individuals.

The Medical Board of California protects health care consumers through oversight, enforcement, and licensure of doctors. The Administration is committed to working in partnership with the Legislature on statutory reforms to prevent doctors who have lost their license for sexual misconduct from becoming licensed to practice medicine again. To continue to meet the Board's mission of consumer protection, it will be essential to address the Board's fee structure, which will enable the Board and staff to make operational improvements and other changes that enhance the Board's ability to take disciplinary action against licensees when appropriate.

CANNABIS

On July 12, 2021, the functions and positions of the Bureau of Cannabis Control, the Department of Food and Agriculture's CalCannabis Cultivation Licensing Division, and the Department of Public Health's Manufactured Cannabis Safety Branch were consolidated into a new stand-alone Department of Cannabis Control within the Business, Consumer Services, and Housing Agency by Chapter 70, Statutes of 2021 (AB 141, Committee on Budget). By creating one entity, this consolidation centralized and streamlined regulatory oversight and began the process of simplifying participation in the legal market. To build on this effort to support the successful and safe operation of cannabis businesses in California, the Budget includes \$13.6 million Cannabis Tax Fund in 2022-23 to fund the following proposals for the Department of Cannabis Control:

- **Unified Licensing System**—\$5.5 million to begin the planning process for a single licensing system for all license types, and to begin the process of transitioning a portion of the existing licensing data to support the eventual transition of all data into a unified system. To prioritize stability during consolidation, the Department has

maintained the three legacy licensing systems. This early effort in support of a unified system for all license types will continue simplifying and streamlining participation in the legal market and collect, analyze, and share licensing-related data to support the administration of cannabis requirements.

- **Data Warehouse**—\$2 million to develop a data warehouse to store and query Department data, appropriate processes and procedures to maintain data integrity, and data displays and visualizations for the Department's website. This investment will enable the Department to analyze and share licensing and compliance data with state partners and public stakeholders, help inform the development of policies related to the state's regulatory framework, and support external decision making by stakeholders such as licensees and local governments.
- **Consumer Awareness Campaign**—\$6.1 million to launch a multi-year consumer education and awareness campaign. A key tenant of the cannabis framework is consumer safety and awareness. As the cannabis market continues to expand, and as illegal cannabis activity remains persistent, it is important that the public have access to information on how to identify licensed, legal operators and products. Further, it is also critical that consumers understand what products are safe, the benefits of purchasing from the legal market, and the potential public safety and health threats of purchasing from the illegal market.

The Administration intends to further develop a grant program this spring that will aid local governments in, at a minimum, opening up legal retail access to consumers. Further, the Administration supports cannabis tax reform and plans to work with the Legislature to make modifications to California's cannabis tax policy to help stabilize the market; better support California's small licensed operators; and strengthen compliance with state law.

UPDATED ALLOCATION OF THE CANNABIS TAX FUND

Proposition 64 specifies the allocation of resources in the Cannabis Tax Fund, which are continuously appropriated. Pursuant to Proposition 64, expenditures are prioritized for regulatory and administrative workload necessary to implement, administer, and enforce the Cannabis Act, followed by research and activities related to the legalization of cannabis and the past effects of its criminalization. Once these priorities have been met, the remaining funds are allocated to youth education, prevention, early intervention, and treatment; environmental protection; and public safety-related

activities. The Budget estimates \$594.9 million will be available for these purposes in 2022-23, and the structure of these allocations is unchanged from 2021-22:

- **Education, prevention, and treatment of youth substance use disorders and school retention**—60 percent (\$356.9 million)
- **Clean-up, remediation, and enforcement of environmental impacts created by illegal cannabis cultivation**—20 percent (\$119 million)
- **Public safety-related activities**—20 percent (\$119 million)

These figures reflect a decrease of \$34.2 million compared to the allocation estimates in the 2021 Budget Act.

OFFICE OF PLANNING AND RESEARCH

The Office of Planning and Research (OPR) assists the Governor and the Administration in policy development and legislative analysis. OPR formulates long-range state goals and policies to address four key areas: land use and planning, climate risk and resilience, sustainable economic development, and targeted long-range research needs. The Budget includes total funding of \$1 billion, including \$564.8 million General Fund, for OPR.

OFFICE OF COMMUNITY PARTNERSHIPS AND STRATEGIC COMMUNICATIONS

The Budget includes \$65 million ongoing General Fund to create the Office of Community Partnerships and Strategic Communications to formalize and leverage the infrastructure and work of the Census 2020 and COVID-19 public awareness and community engagement campaigns. The Office will be established within OPR and will manage the state's highest priority public awareness and community outreach campaigns.

In managing these select efforts, the office will develop and execute the public awareness and outreach strategy, working in partnership with the respective state agencies who will serve as subject matter experts. The Office will work with local community-based organizations (CBOs) and other partners statewide to engage Californians experiencing the greatest health and social inequities with culturally competent and relevant information to improve the quality of their lives and livelihoods.

Specifically, the Office will share resources that the State has to offer, including funding opportunities and programs that support community needs or interests; help CBOs obtain information from state departments; and share community insights with relevant state departments.

CALIFORNIA VOLUNTEERS

As the State Service Commission for California, California Volunteers manages programs and initiatives aimed at increasing the number of Californians engaged in public service and volunteering. California Volunteers supports AmeriCorps members serving statewide in programs that address critical community needs in education, public safety, public health, and the environment. The Budget includes significant investments for California Volunteers to expand service and volunteer opportunities for all Californians.

FOSTER GRANDPARENT AND SENIOR VOLUNTEERING PROGRAMS

The Budget includes \$10 million one-time General Fund for volunteer programs to engage older adults in volunteer service that benefits schools, families, and communities across the State. These programs support the goals established by California's 10-year Master Plan for Aging, and are national models that demonstrate the power, value, and success of older adult volunteerism. The Foster Grandparent Program pairs older adult volunteers with children of all ages for intergenerational mentoring, tutoring, and connections. The Senior Companion Volunteer Program makes peer-to-peer connections between older adults to prevent isolation and provide assistance in independent living.

BUILDING NEIGHBOR-TO-NEIGHBOR NETWORKS IN CALIFORNIA

The Budget includes \$10 million ongoing General Fund to expand California's existing volunteer infrastructure and bolster the statewide Neighbor-to-Neighbor initiative to recruit, train, equip, and organize neighbors to address community needs. This program builds on the community mobilization and connections that resulted from the pandemic. This effort seeks to ingrain this service model in communities, allowing it to be expanded and scaled across California.

CALIFORNIA CLIMATE ACTION CORPS

The Budget permanently continues funding for the California Climate Action Corps Program at its existing funding level of \$4.7 million, which was originally budgeted to

decline to \$823,000 ongoing beginning in 2024-25. These resources will support the mission of empowering Californians to take meaningful actions to protect their communities against the harshest impacts of climate change. This first-in-the-nation program will continue to engage Fellows and communities throughout the state to engage in climate action whether through service positions, volunteer opportunities, or individual action.

CALIFORNIA INITIATIVE TO ADVANCE PRECISION MEDICINE

The California Initiative to Advance Precision Medicine (CIAPM) supports collaborative research and partnerships between the state, researchers, patients, and communities to advance a holistic perspective of physical and mental well-being.

PRECISION MEDICINE AND DEPRESSION RESEARCH IN BEHAVIORAL HEALTH SETTINGS

The Budget includes \$10 million one-time General Fund for a competitive grant program to support precision medicine-based approaches to preventing, diagnosing, and treating depression. Grant recipients will use the principles of precision medicine to harness the power of computational analytics, next-generation genetic sequencing, and data sharing and aggregation to provide interventions that are tailored to a specific patient.

EQUITABLE INCLUSION IN BIOMEDICAL RESEARCH

The Budget includes \$9.3 million one-time General Fund to increase participation in biomedical research to better reflect California's diversity. CIAPM will lead an interagency collaboration to develop best practices, create promotional materials, and host events to raise awareness and increase participation among underrepresented communities in research studies.

IMMIGRANT INTEGRATION AND INCLUSION

Generations of immigrants from across the globe have shaped California's history and progress. Immigration and the shared international border with Mexico are part of California's identity and are essential to our economic success and future.

Today, immigrants comprise 27 percent of the population and a third of the entire labor force, while half of all children in California have at least one immigrant parent. Immigrants strengthen the state's workforce across industries, and the southern border

region is home to immigrants, binational communities, and the busiest land port of entry in the Western Hemisphere, demonstrating the strength and dynamism of a diverse workforce and integrated economies across international borders.

Immigrants and their descendants bring new ideas, perspectives and cultural assets that shape and power California and our nation. Immigrants, whether they arrived to seek safety or opportunity, have been integral to California's identity and growth for multiple generations.

Recognizing this history, California has shaped a blueprint for the nation of inclusive policies, including improved access to government programs and services and tailoring efforts to the needs of vulnerable immigrants including education, workers' rights, entrepreneurship, family services, and immigration services.

The Budget includes proposed investments to support a spectrum of immigrant talent and entrepreneurship, including youth, college students, limited English proficient workers and those pursuing professional licenses and entrepreneurship.

BORDER COMMUNITIES

California and Mexico share 140 miles of border along a region home to many residents who cross the border daily for school, family and business. The vibrancy of the border and safe cross-border movement of people and goods are essential for California and complementary regional economies. The Budget includes the following investments to support southern border communities and economies, along with additional immigration proposals for integration and workforce development that advance regional and statewide success:

- **Migration & Border Communities**—\$74 million one-time General Fund to the California Department of Public Health to support continued COVID-19 Pandemic response and humanitarian efforts, including but not limited to, temporary sheltering, testing, vaccines, and support services for newly arrived migrants. Through these ongoing efforts, California has advanced a national model that protects the health and well-being of arriving migrants and our border communities in partnership with local governments and nonprofit community organizations. See the Health and Human Services Chapter for more information.
- **Export Training Network**—\$2 million one-time General Fund to the Governor's Office of Business and Economic Development (GO-Biz) to support the statewide

expansion of the export training network, overseen by the International Affairs and Trade Unit within GO-Biz, which develops programs and curriculum aimed at underserved business owners, including immigrant entrepreneurs and small business operators. Funding will be targeted regionally, including in the border region.

- **Trade Missions**—\$150,000 ongoing General Fund to GO-Biz to implement four to five virtual or hybrid trade missions in the California-Mexico border region to advance the border region's strategic industries, enabling cross-border economic growth and development. The California-Mexico border region, commonly referred to as the Cali Baja Bi-National Mega-Region or CaliBaja, has a strong and diverse industrial center with plenty of opportunity for cross-border economic activity.

IMMIGRANT INTEGRATION AND TALENT

The Budget includes \$9.5 million General Fund in 2022-23, and \$350,000 annually thereafter, for GO-Biz to build on the integration policies through statewide coordination, enhanced service provision for immigrant communities at the state and local level, and supports for economic development activities.

- **Grants for Local Government**—\$8.7 million one-time for competitive grants to local governments to build trust with immigrant residents and help immigrant populations navigate state and local services. This funding would help cities and counties seed and deploy best practices in immigrant support services with state-provided technical assistance.
- **Business Quick Start and Navigational Guides**—\$600,000 in 2022-23, and \$200,000 annually thereafter, to expand the number and availability of Business Quick Start Guides, develop navigational guides regarding the professional licensing process for immigrants, and provide additional translations for these resources and online services.
- **Immigrant-Focused Position**—\$150,000 ongoing for one position at GO-Biz to support statewide immigrant integration convening and coordination in collaboration with existing positions across state government.

OTHER SIGNIFICANT INVESTMENTS TO SUPPORT IMMIGRANT COMMUNITIES

The Budget includes other important investments for California's immigrant communities, complementing those described above and include:

- **Integrated Education and Training**—\$30 million one-time General Fund to the Employment Development Department's Workforce Services Branch to expand the English Language Learner pilots in the Integrated Education and Training programs.
- **Workforce Literacy**—\$20 million one-time General Fund for the Employment Training Panel to expand workplace literacy training in contextualized English, digital skills, and technical skills training for incumbent workers.
- **California Youth Leadership Program Language Justice Pathway**—\$10 million one-time General Fund to expand learn-and-earn community change career pathways for community college students, including immigrant youth.
- **California's Care Economy**—\$1.7 billion to maximize a diverse and culturally competent workforce, improve job quality, increase career opportunities, and advance health equity. This investment is needed to meet existing and future needs for a healthy California for all. See the Labor and Workforce Development Chapter and Health and Human Services Chapter for more information.

The Budget also includes additional investments to achieve nearly universal eligibility for health coverage and expand access to food assistance for vulnerable older adults, regardless of immigration status. See the Health and Human Services Chapter for more information.