

# Governor's Budget January 10, 2024

**Protected GF Investments:** Since 2021, CDFA has been appropriated nearly \$1 billion in one-time General Fund (GF) investment. The following are investments that were protected in the Governor's budget; amounts reflect three years of investment:

## CDFA Programs

- Farm to School Incubator: \$90M
- Healthy Soils Program: \$155M\*
- Livestock Methane Reduction Programs (AMMP/DDRDP): \$24M shifted to Budget Year (BY) Greenhouse Gas Reduction Fund (GGRF), total \$80M
- State Water Efficiency and Enhancement Program (SWEEP): \$20.6M shifted to BY GGRF, total \$120M\*

## Partner Programs

- FARMER (CARB): \$363M
- Multi-Benefit Land Repurposing (DOC): \$90M
- Water Conveyance and water storage(DWR): \$200M & \$500M in FY25-26
- Water Cons. Programs (DWR): \$105M
- SGMA Implementation (DWR): \$296M
- CV Flood Protection Plan (DWR): \$2M
- Ag Business Drought Relief (GO-Biz): \$70M
- State Disaster Food Assistance Program (DSS): \$23M

**Funding reductions:** To solve the state's \$37.9 billion budget problem, the administration focused reductions on unencumbered one-time funding in the current year to avoid impacts to core program operations. While 76% of CDFA one-time funds and 89% of overall investments were protected, the solution does include the following reductions to CDFA programs:

- Healthy Refrigeration Grant Program: \$8.5M (remaining funds); \$12M invested since 2021
- California Nutrition Incentives Program (CNIP): \$33.2M reduction; total of \$20M invested since 2021
- Water Efficiency Technical Assistance (WETA): \$6M reduction; total of \$12M invested since 2021
- California Underserved and Small Producer (CUSP) Program: \$12.9M from Water and Drought Resilience Package; \$5M remaining from Flood Response Package for a total of \$17M invested since 2021
- Farm to Community Food Hubs: \$14.4M reduction representing all funding (new program)
- Enteric Methane Incentives (new program): \$23M reduction representing all funding (new program)

Additionally, our partner program at the California Energy Commission (CEC), the Food Production Investment Program, was reduced by \$18.8M leaving a balance of \$46M for the upcoming solicitation.

**New Investments:** CDFA is working tirelessly to combat unprecedented plant pest and animal disease outbreaks across the state. The following investments help address these emergencies:

- Emergency Exotic Pest Responses – Current Year (CY) response to Invasive Fruit Flies: \$22.1 M
- California Animal Health and Food Safety (CAHFS) Laboratory – Recovery from flood damage at the Tulare Facility: \$22.7M
- Blythe Border Protection Station (BPS) Relocation Project – Construction Phase: \$99.1M (bond)

\* Amount remaining after reductions made in the previous budget

