

STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
 DF-46 (REV 10/20)

Fiscal Year 2022-23	Business Unit 0650	Department Governor's Office of Planning and Research	Priority No. Click or tap here to enter text.
Budget Request Name 0650-101-BCP-2022-MR		Program 0360-State Policy and Planning	Subprogram

Budget Request Description
 CEQANet 2.0 System Maintenance and Redesign

Budget Request Summary

The Office of Planning and Research (OPR) requests \$1,254,000 General Fund and 1.0 position in 2022-23, and \$48,000 in 2023-24 and ongoing to host and maintain the current California Environmental Quality Act document online processing system, and provide planning resources for a system redesign.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed Click or tap here to enter text.	
Does this BCP contain information technology (IT) components? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO Click or tap here to enter text.	Date Click or tap to enter a date.

For IT requests, specify the project number, the most recent project approval document (FSR, SPR, S1BA, S2AA, S3SD, S4PRA), and the approval date.

Project No. Click or tap here to enter text. **Project Approval Document:** Click or tap here to enter text.

Approval Date: Click or tap to enter a date.

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

Prepared By Christine Asiata	Date 5/12/2022	Reviewed By Vivian Su	Date 5/12/2022
Department Director Sam Assefa	Date 5/12/2022	Agency Secretary Click or tap here to enter text.	Date Click or tap to enter a date.

Department of Finance Use Only

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

PPBA Mark Jimenez	Date submitted to the Legislature 5/13/2022
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A. Budget Request Summary

The Office of Planning and Research (OPR) requests \$1,254,000 General Fund and 1.0 position in 2022-23, and \$48,000 in 2023-24 and ongoing to host and maintain the current California Environmental Quality Act document online processing system, and provide planning resources for a system redesign.

B. Background/History

The California Environmental Quality Act, or CEQA (Public Resources Code Division 13, Sections 21000 – 21189.57), was enacted in 1970 to supplement the National Environmental Policy Act (NEPA), which was passed in 1969 to address instances of government-approved projects causing harmful environmental impacts. CEQA requires review of an activity undertaken by a public or private entity if 1) the activity will cause a direct physical change in the environment or a reasonably foreseeable indirect change in the environment, and 2) if the activity is subject to discretionary approval by a government entity.

Statute requires the State Clearinghouse (SCH) at OPR to coordinate state agency review and comment of CEQA environmental documents (i.e. Draft Environmental Impact Report, Negative Declaration or Mitigated Negative Declarations) and notices (i.e. Notice of Exemption (NOE) or Notice of Determination (NOD)). In that capacity, OPR receives approximately 13,000 notices and environmental documents per year from both state and local public agencies, tribal as well as federal agencies. Public Resources Code (PRC) Section 21159.9 and Chapter 476, Statutes of 2016 (Jackson) requires OPR to establish and maintain a database to assist in the preparation of environmental documents and to establish and maintain a central repository for the collection, storage, retrieval, and dissemination of notices required by CEQA. Chapter 97, Statutes of 2021 (AB 819) requires a lead agency to electronically submit all CEQA environmental review documents to the SCH and requires the lead agency to post those documents on their publicly facing website. Public agencies across the state must submit CEQA notices and environmental documents to the SCH for posting and circulation, setting of statutory review periods, and state agency review and comment. Public agencies must also make all CEQA documents and notices available to the public. CCR 15023(d) makes OPR available to assist lead agencies to determine whether any state responsible or trustee agencies are involved in a project.

OPR is responsible for implementing Presidential Executive Order (EO) 12372. This EO requires federal agencies to use state and local process for intergovernmental coordination. OPR is available to assist federal agencies with review of NEPA documents and associated intergovernmental coordination. CEQA allows for use of NEPA documents in place of CEQA documents. California Code of Regulations (CCR), Title 14, section 15225 requires for Submission through OPR to use those provisions.

Pursuant to PRC 21082.1; CCR 15205 and 15206, Lead agencies must submit their Draft environmental documents to the SCH for state agency review and comment. The PRC 21108; CCR 15075; 15094; 15096(i) requires a NOD to be filed with OPR when a state agency files (lead or responsible agency) a NOD or If the project requires discretionary approval from any state agency, the local lead agency shall also, within five working days of this approval, file a copy of the NOD with OPR. The PRC 21108(b); 21152(b); 21159.22; 21159.23, or 21159.24 or CCR 15193, 15194, or 15195 requires NOE to be filed with OPR, if a state agency files a NOE or when a local agency determines that a project is not subject to CEQA under these sections and it approves or determines to carry out that project, the local agency or person seeking project approval must file a notice with OPR identifying the section under which the exemption is claimed.

The current process requires lead and public agencies to send in their CEQA notices and environmental documents, and NEPA environmental documents to OPR accordingly to the above-mentioned sections.

Analysis of Problem

OPR is required to distribute and make CEQA environmental documents available to reviewing state agencies and departments throughout the state through the CEQA database. The current system allows for lead agencies and consulting firms working on behalf of a lead agency, to transcribe information and upload documents on the proposed and approve projects of the actual "notices", which allows for OPR staff to further process and post these "notices" into the system to be available on CEQANet. The current process also involves OPR to email a weekly notice to state reviewing agencies of projects that require state agency review on the OPR web-site (www.ceqanet.ca.gov). Database maintenances and issues can delay the information being submitted by registered users into the database of documents received in a given time period and then posted to the internet. As part of the current process, OPR responds to inquiries regarding EO 12372 via phone and email.

CEQA was enacted 50 years ago, long before facilitating technology such as electronic filings could be utilized. AB 819 updated the CEQA process to reflect this new technology to improve the accessibility and ease of the process.

C. State Level Consideration

AB 819 eliminated the option for a lead agency to submit hard copies of the draft Environmental Impact Report (EIR), Negative Declaration (ND), or Mitigated Negative Declaration (MND) to the State Clearinghouse, and instead requires only electronic copies of the environmental review documents be submitted. All lead agencies must now post copies of the documents listed above to their websites. A lead agency must also provide notice of preparation of these documents on their website, in addition to at least one of three noticing options already listed in statute (publication in a local newspaper, posting at the project site, and mailers to local residents). Lead agencies must submit these notices electronically to OPR, who must post the notice online. Lead agencies must submit notices electronically to county clerks if that option is available, and the county clerks must post the notices on their websites, in addition to current requirements to post in their office.

SB 122 requires OPR to establish and maintain a database for the collection, storage, retrieval, and dissemination of environmental documents and notices prepared pursuant to CEQA and to make the database available online to the public.

The current application must be maintained for the influx of documents required by SB 122 and AB 819 until an improved and new CEQA database is implemented.

D. Justification

OPR needs immediate resources to maintain and host the current system while developing a plan and funding proposal to develop a new system to meet the submission and posting requirements of CEQA into the future. To improve the accessibility and ease of the process and increasing transparency in the environmental review process, OPR cannot procure a new system until complying and budgeting for the California Department of Technology's (CDT) Project Approval Lifecycle (PAL) process.

Improvements and missing functionality will exacerbate issues to the current application as a much larger number of documents for publication and distribution will need to be processed each day since AB 819 was enacted.

CEQANet is a crucial asset for the OPR to fulfill its statutory obligations to receive, post and distribute CEQA and other environmental documents daily. From the early 2000s through 2016 the Information Center for the Environment (ICE) at the University of California, Davis hosted and maintained a rudimentary database for the tracking and posting of information related to CEQA notices and Environmental documents. With the passing of SB 122, OPR worked with ICE to develop a new system

Analysis of Problem

that could allow for the upload and posting of notices and environmental documents that would be provided to the state. That system was then provided to the CDT for hosting and maintenance. CDT determined that the coding and platform was not compatible with their hosting environment and could not be supported by the state. In 2017, OPR contracted with CDT to develop, maintain, and host a new CEQA application. In 2019, CDT launched the system.

Since its 2019 launch, many shortcomings have been identified by registered users (agencies and their contractors) and OPR staff who utilize the system daily. With the passage of AB 819, updates were needed to the CEQA application to allow for the posting of all environmental documents from local public agencies. OPR worked with CDT to make those changes but in December of 2021, CDT determined that the existing system is built on a platform that will no longer be supported by today's technology and that CDT is no longer providing the required services needed to maintain the current system. In short, the current system is not sustainable, and CDT is no longer able to provide hosting and maintenance of the system. OPR has been directed by CDT to take over hosting and maintenance of the existing system as well as develop a new system that will be sustainable into the future.

E. Outcomes and Accountability

The outcomes associated with this budget request only meets and compensate CDT's PAL process and to maintain and host the existing CEQA system. OPR will develop and build a new system after the PAL process is complete.

CDT's PAL process will assist OPR to implement a brand-new system that will streamline the CEQA document submission process of the CEQAnet portal, address the workload increase that was created by the implementation of AB 819, help bring CEQA noticing requirements to the modern age, and continue the existing workload pursuant to SB 122.

The requested process and position will cover PAL process costs, and assist with the continued surge of new submitters and processing of the CEQA documents and noticing. OPR plans to submit a budget request to create a new system once the PAL process is finalized.

F. Analysis of All Feasible Alternatives

Alternative #1: Provide \$1,254,000 General Fund and 1.0 position in 2022-23, and \$48,000 ongoing.

Pros:

- Provides funding to support the activities and workload associated with CEQA.
- These costs represent a General Fund investment.

Cons:

- Requires a General Fund investment to support costs.

Alternative #2: Do Nothing

Pros:

- No cost increase to the State.

Cons:

- OPR will not be able to comply with state and federal legislative mandates.

Analysis of Problem

G. Implementation Plan

July 2022 – onboard position to maintain existing system and act as lead at OPR to begin PAL process to develop a new system.

Project Management Estimated Timeline:

Stage 1:

Business Development, interview with Program and IT, draft reviews and editing.

Stage 2:

Create Project Management Plan development, FAW development, conduct market research for alternatives and associated documentation, gather project requirements, and prepare required CDT submittal documentation

Stage 3:

Develop Request for Proposal statement of work, define minimum qualifications, create evaluation criteria and workbooks, draft reviews, and support procurement needs. Refine Project Management Plan.

Stage 4:

Develop baseline schedule and cost, finalize plans, prepare CDT PAL submittal documentation for final approval.

H. Supplemental Information *(Describe special resources and provide details to support costs including appropriate back up.)*

Click or tap here to enter text.

I. Recommendation

Approve Alternative 1

BCP Fiscal Detail Sheet

BCP Title: CEQANet 2.0 System Maintenance and Redesign

BR Name: 0650-101-BCP-2022-MR

Budget Request Summary

Personal Services

Personal Services	FY22 Current Year	FY22 Budget Year	FY22 BY+1	FY22 BY+2	FY22 BY+3	FY22 BY+4
Salaries and Wages	0	240	0	0	0	0
Earnings - Temporary Help						
Total Salaries and Wages	\$0	\$240	\$0	\$0	\$0	\$0
Total Personal Services	\$0	\$240	\$0	\$0	\$0	\$0

Operating Expenses and Equipment

Operating Expenses and Equipment	FY22 Current Year	FY22 Budget Year	FY22 BY+1	FY22 BY+2	FY22 BY+3	FY22 BY+4
5346 - Information Technology	0	1,014	48	48	48	48
Total Operating Expenses and Equipment	\$0	\$1,014	\$48	\$48	\$48	\$48

Total Budget Request

Total Budget Request	FY22 Current Year	FY22 Budget Year	FY22 BY+1	FY22 BY+2	FY22 BY+3	FY22 BY+4
Total Budget Request	\$0	\$1,254	\$48	\$48	\$48	\$48

Fund Summary

Fund Source

Fund Source	FY22 Current Year	FY22 Budget Year	FY22 BY+1	FY22 BY+2	FY22 BY+3	FY22 BY+4
State Operations - 0001 - General Fund	0	1,254	48	48	48	48
Total State Operations Expenditures	\$0	\$1,254	\$48	\$48	\$48	\$48
Total All Funds	\$0	\$1,254	\$48	\$48	\$48	\$48

Analysis of Problem

Program Summary

Program Funding

Program Funding	FY22 Current Year	FY22 Budget Year	FY22 BY+1	FY22 BY+2	FY22 BY+3	FY22 BY+4
0360 - State Planning & Policy Development	0	1,254	48	48	48	48
Total All Programs	\$0	\$1,254	\$48	\$48	\$48	\$48